EMTEL
Feel Free

INTEGRATED REPORT 2023

Shaping a Smarter Tomorrow

Turnover
Rs 4.5Bn

Total Assets
Rs 7.2Bn

Data Consumed
189PB

Female Workforce
48%

Engagement Score
73%

Customer e-bills
92.3%

e-waste Collected
88.7Tons

Start

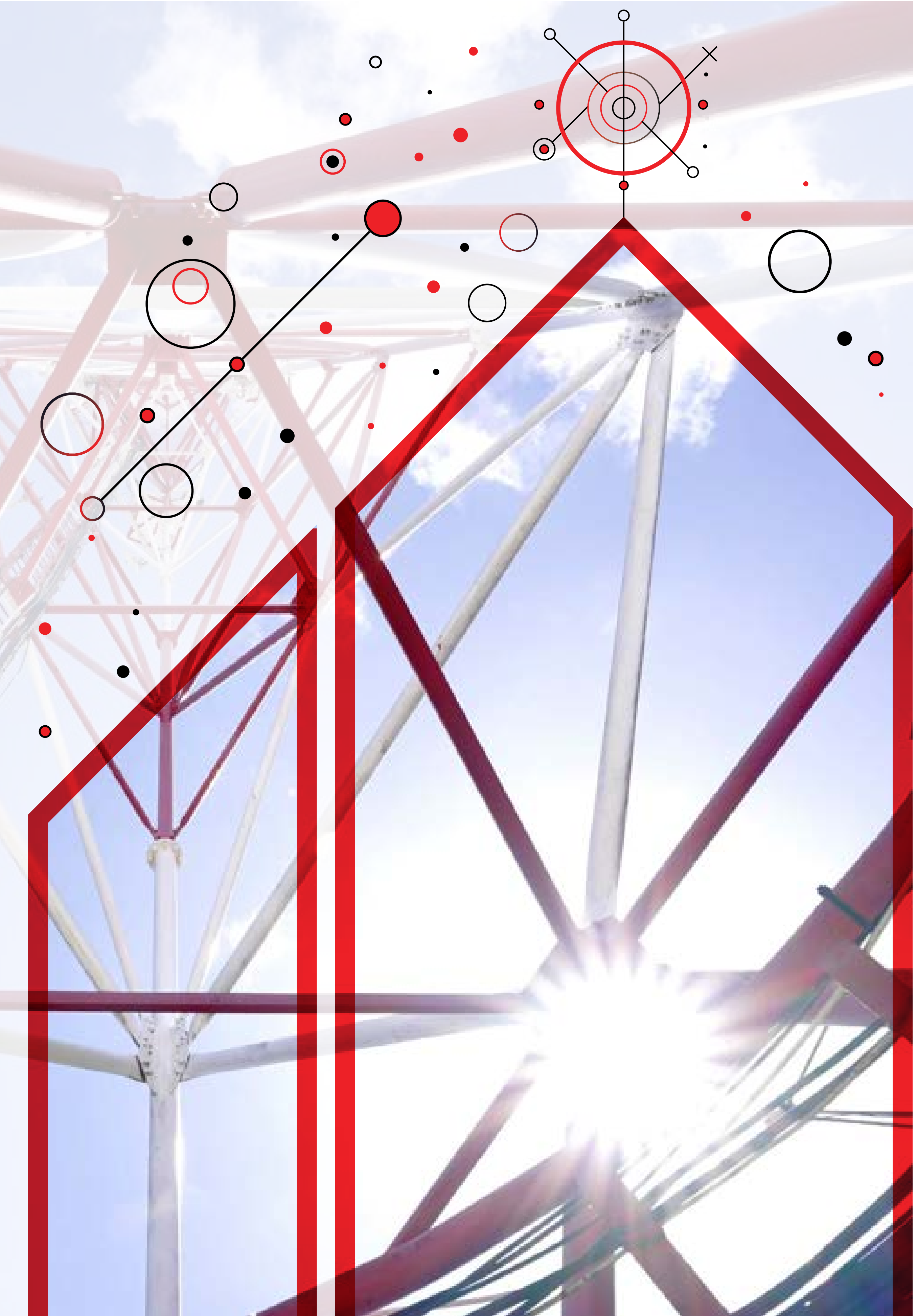
Shaping a smarter tomorrow

Emtel Limited ("Emtel") remains at the forefront of innovation by always keeping an eye on the future and people at the heart of its endeavours. All the innovations it has introduced and developed over the years (from the first mobile telephony system in 1989 to 3G, 4G and now, 5G, digital payments, technology and products and services to a new technology park) have made people's lives easier and smarter. It is not about innovating for the sake of innovating: it's about combining purpose and technology to deliver a better quality of life for all.

While the theme will certainly highlight Emtel's technological prowess, it also showcases how these innovations are aimed at building a smarter future and society. By 'smart', we mean:

- technological advances, super fast speed, the ability to be connected to the world, network coverage to reach the entire population in Mauritius, Rodrigues and Agalega. Emtel continues to innovate at an accelerated pace.
- Emtel is committed to playing a key role as an incubator of digital innovations as a means to create economic, environmental and societal value. As our daily lives become more seamless and automated, society will be able to dedicate more time to creative pursuits and to social & environmental challenges.

For Emtel, shaping a smarter tomorrow means using technology to serve the interests of and ease lives of everyone, a future where businesses and society live and thrive side by side.



Emtel Data Centre - Arsenal

About this report

Introducing our Integrated Report

Welcome to Emtel Limited ("Emtel") second Integrated Report. In preparing this report, we aim to demonstrate our commitment to the principles of integrated reporting and how our different activities deliver improved outcomes for all our stakeholders, while contributing to a more sustainable society. Our aim is to enable our stakeholders to make an informed assessment of our ability to create and protect value over the short, medium and long term.

Reporting boundary and scope

This report presents material information about Emtel's governance, strategies, business model, operating context, risk management, financial performance and engagement with stakeholders for the financial year ended 31st December 2023.

Reporting principles

This report has been prepared in accordance with the following frameworks:

- The International Integrated Reporting Council (IIRC)'s Integrated Reporting Framework
- The International Financial Reporting Standards (IFRS)
- The Mauritius Companies Act 2001
- The Financial Reporting Act 2004

Materiality

Emtel considers information to be material if it is a matter of interest to our stakeholders and if it can substantively impact our business and our ability to create value over the short, medium and long term. The material themes for this Integrated Report were determined using the input provided by all stakeholders.

Reporting process driven by integrated thinking

Value creation does not happen in isolation. This report is the outcome of an Emtel integrated reporting framework, supported by the collaboration of all stakeholders. Embedding integrated thinking at Emtel shall be a continuous process, one that is integral to our strategies.

Forward-looking statements

This report contains forward looking statements that reflect Emtel's expectations and judgment at the time of preparing this report. Actual results may differ from these expectations as several emerging risks and uncertainties could adversely affect our performance. Accordingly, readers are cautioned not to place undue reliance on them.

We value your feedback

We strive to improve our reporting practices and welcome any feedback one may have. We can be reached at emtel@emtel.com

Emtel Head Office - Ebene

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WHO WE ARE

Emtel Data Centre - Arsenal

The value we created in 2023

Economic - Year 2023

Turnover	Profit Before Tax	Dividends Paid	Total Assets
Rs 4.5 Bn	Rs 453 Mn	Rs 546 Mn	Rs 7.2 Bn
Rs 4.4 Bn - Year 2022	Rs 626 Mn - Year 2022	Rs 569 Mn - Year 2022	Rs 6.7 Bn - Year 2022

Transactions Effected through blink	Daily average total data consumed on the network	Data consumed on the network
Rs 3.0 Bn	516TB	189PB
Rs 0.6 Bn - Year 2022	447 TB - Year 2022	154 PB - Year 2022

Social - Year 2023

Female workforce	Training hours	Investment in social projects	Social contribution
48%	1,397 hours	Rs 11.3 Mn	44 NGOs / NPOs
49% - Year 2022	1,337 hours - Year 2022	Rs 9.8 Mn - Year 2022	37 NGOs/NPOs - Year 2022

4G land coverage	Outlets	5G population coverage
98.8%	+10,000	78%
98.6% - Year 2022	+5,700 - Year 2022	45% - Year 2022

Environmental - Year 2023

E-bills	E-waste collected and sent for recycling	Waste collected and sent for recycling	Paper used for sustainably managed forests
92.3%	88.74 tons	9.51 tons	100%
91% - Year 2022	67.02 tons - Year 2022	12.14 tons - Year 2022	100% - Year 2022

Our statements and values

Our values

Five core values guide us in our day-to-day decisions and activities:

Foresight

The ability to see long-term and to manage the present while building for the future.

We envision a better future for everyone. We make a continuous effort to understand the needs and expectations of our customers and other stakeholders, and to turn them into reality thanks to careful analysis, timely actions and agile decision making.

Integrity

Consciously aligning our decisions and behaviour with our values and moral principles.

We build honest, long term relationships with all of our stakeholders by treating them fairly and with respect.

Responsibility

Being mindful of the wellbeing of others and ensuring that our decisions, actions and successes result in long-term, positive outcomes for all stakeholders.

We are deeply convinced that success is not solely defined in financial terms. Our impact on current and future stakeholders and on the environment is an equally important indicator of achievement.

Passion

Constantly striving for excellence, driven by a persistent and contagious enthusiasm for what we do.

We breathe life into our vision by being passionate about everything we do.

Openness

Being willing to offer and receive feedback being receptive to others' ideas and views; and showing appreciation and respect for these views even when we do not agree with them.

We become stronger by being open and inclusive; by being actively curious about and willing to learn from others; and by always treating different cultures, beliefs and ideas with respect. For us, diversity is a source of strength.

Our purpose

Together building a better tomorrow through a value driven culture.

Our vision

Shaping a smarter tomorrow through state of the art technological solutions and services.

Our mission

We strive to achieve customer service excellence and bring positive change in the society.

About Emtel

In 1989, Emtel Limited became the first mobile telephone operator in the southern hemisphere, and it had a vision: to connect Mauritius to the world, with available, accessible and affordable mobile services. Emtel was founded by Currimjee Jeewanjee and Company Limited, still Emtel's parent company and one of the leading conglomerates in Mauritius. Since then, Emtel has grown to be one of the most technologically advanced operators in Africa and a one-stop ICT solution provider. Through its telecommunications solutions, Emtel has played a key role in the economic development of the country. It offers a wide range of state-of-the-art solutions to individuals, homes and enterprises, through undersea optical fibre, inland fibre, Tier-3 data centre services, FinTech, mobile and fixed telephony, high-speed internet, local connectivity, and cybersecurity solutions, among others.

Emtel is committed to playing a key role in building a smarter future for Mauritius, Rodrigues and Agalega – a future where positive economic, environmental and societal outcomes are powered by technology.

Sub brands

Airbox5G by EMTEL

EMTEL business

EMTEL We Care

blink by EMTEL

EMTEL TECHNOPOLIS

Emtel Head Office - Ebene

A snapshot of Emtel

35 Years
of providing ICT solutions to the region

142 Gbps
in all 3 submarine cables

537
talents who bring our vision to life each day

24
showrooms across Mauritius and Rodrigues

482
network sites

875k
customers

628km
of domestic optical fibre

blink by EMTEL
An innovative mobile payment application

Data Centre
ANSI TIA-942 Rated 3
99.982% uptime

78% 5G
In-country Population coverage
Widest in Africa

EMTEL TECHNOPOLIS
21 Satellite Antenna Systems

EMTEL Feel Free
44.5% market share

Chairman's Statement

> As the digital transformation gains momentum post-pandemic, we are well positioned to leverage the benefits of digitalisation.

Bashirali A Currimjee, G.O.S.K.
Chairman

Dear Esteemed Stakeholders,

It gives me great pleasure to present Emtel Limited's second Integrated Report, which depicts how the company has performed over the past year and evolved strategically year on year. Emtel has embarked on a new era of transformation and we are witnessing a defining moment in the Company's history.

Navigating the macroeconomic and geopolitical context

The year 2023 was an eventful one for Emtel. We delivered an excellent performance in pursuit of our ambitious strategy to expand our 5G footprint and strengthen our position in the market.

We achieved this performance in a year of mixed fortunes for the global community. The war in Ukraine has shown no signs of abating and the conflict in the Middle East has affected shipping routes. Inflation has persisted, and households over the world have been under pressure with rising energy and food prices. All industries have been impacted by rising interest rates and the increasing cost of raw materials, labour and transport.

However, there were many encouraging signs in 2023. We were particularly pleased to see the gradual and marked recovery of the Mauritian economy, which had a positive impact on our performance. As the world emerged from the pandemic, the related supply chain disruptions began to ease, and declining freight rates mitigated their impact. The post-pandemic travel resurgence led to a rebound in tourism. Tourist arrivals in Mauritius more than doubled compared to the previous year, although they remained below pre-covid levels.

Showing a healthy profit and dividend payout

Emtel declared a dividend payout of Rs 546 Mn for the financial year ended 31st December 2023, compared to Rs 532 Mn in 2022. This is encouraging given the challenges we have faced in recent years and the current environment, which is still putting pressure on us in many ways.

Reinvigorating our business with 5G leadership

As economies around the world came back to life and the digital transformation gained momentum, we were well positioned to leverage the benefits of digitalisation. We've rolled out additional 5G sites and switched on our 300th 5G site in 2023, thus expanding the breadth of our 5G coverage far and wide. And we won't stop there.

Our 5G leadership helped to reinvigorate our core businesses – a key reason our network superiority has been recognised broadly by industry experts. Ookla®, a global leader in network intelligence and connectivity insights, has recognised Emtel as the fastest 5G mobile network in Mauritius in its annual speed test in September 2023 for the first time in our history, a much deserved accolade. In fact, we are the first operator to provide such a large coverage of 5G not only in Mauritius but also the widest population coverage in Africa. Hitting this critical milestone has given us a head start in commercialising 5G for mobile as well.

Our customers are enjoying faster speeds and better connectivity when using their mobile devices with 5G. Furthermore, we have begun exploring the capacity for enterprises to innovate and grow by exploiting the capabilities and applications of 5G without neglecting growing digital businesses in adjacent lifestyle sectors. Importantly, with our 5G infrastructure in place, Mauritius can step confidently into its next phase of growth as a smart nation.

Managing our business sustainably

Responsible businesses cannot deliver long-term value without committing to sustainable business principles. These include our commitments to the environment, our governance and our culture. They extend to our customers and to the communities in which they live.

Supporting our communities

Doing right by our communities and our planet continues to guide us on our purpose-driven journey. We are committed to sustainability and we continually implement actions in line with our ESG philosophy. We've made strides in our environmental and community efforts by further reducing our carbon footprint.

We strive to make a positive impact on society by supporting our people and communities and playing our part in reducing irreversible climate change.

Forging ahead

As we look ahead, the global geopolitical and economic outlook remains uncertain. However, the Mauritian economy has rallied, driven by the revival of tourism along with local spending, and is poised for further growth in 2024.

The local telco sector remains highly competitive, despite inflationary pressures. We will continue to build on our superior network and differentiated services, leveraging new technologies such as generative AI, to provide exceptional customer experiences.

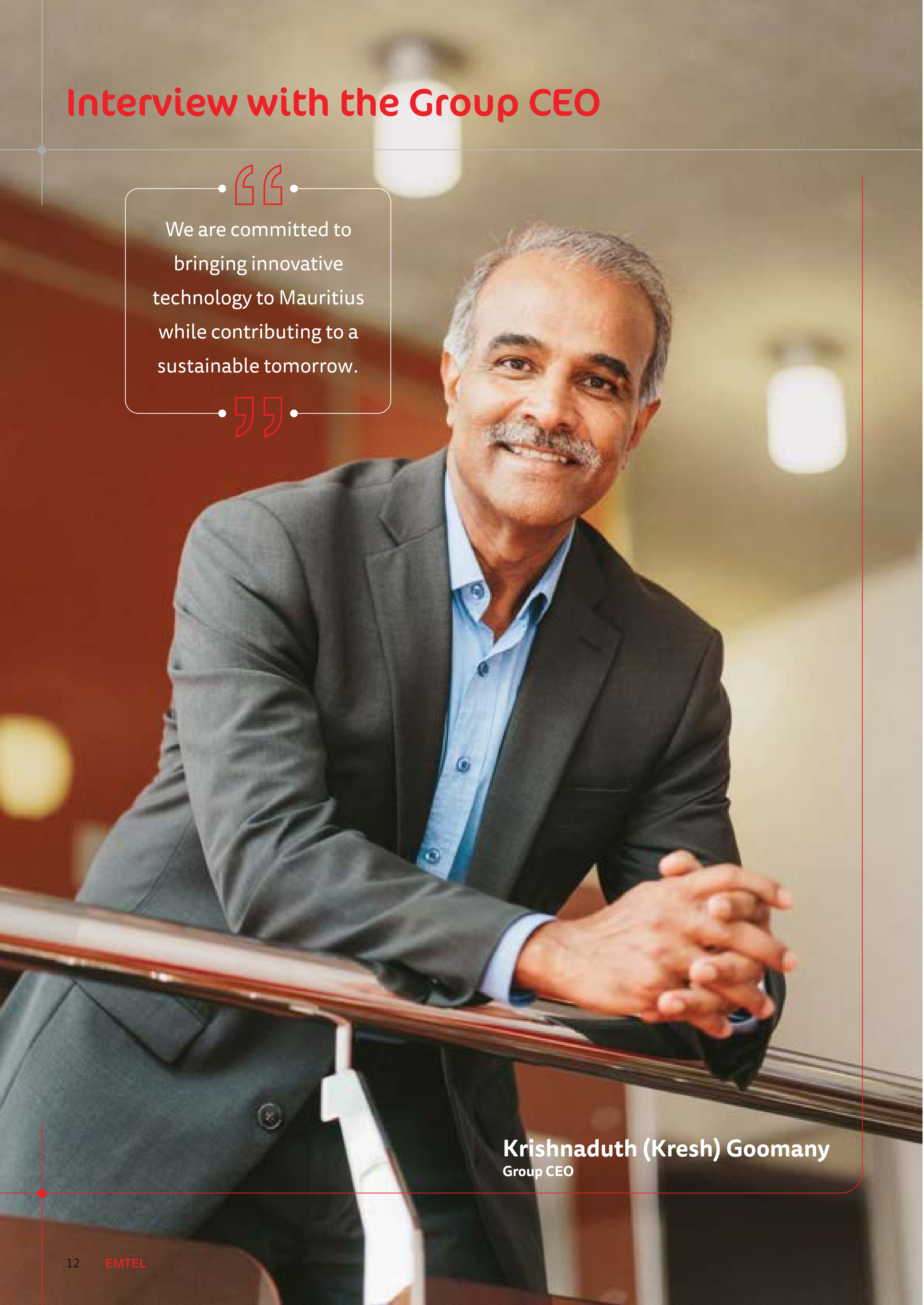
Appreciation

I am deeply grateful to Kresh (our Group CEO), Sahoud (our Group CFO) and the entire management team for advancing the execution of Emtel's ambitious strategies and elevating the Company to new heights.

I would like to extend my heartfelt thanks to the Board for its support and to management for helping to meet the past year's challenges head-on. With our leadership in 5G capacity and our ongoing efforts to drive innovation and growth, I have every confidence that Emtel is well placed to do bigger and better things in the year ahead. Finally, I would like to thank all employees for their continued dedication, diligence, and professionalism, and our valued customers and stakeholders for their strong support.

Bashirali A Currimjee, G.O.S.K.
Chairman

Interview with the Group CEO



> We are committed to bringing innovative technology to Mauritius while contributing to a sustainable tomorrow.

Krishnaduth (Kresh) Goomany
Group CEO

Scaling New Heights

I am delighted to present Emtel Limited's second Integrated Report and I seize this opportunity to thank the Board and our customers for their support and trust. We are committed to bringing innovative technology to Mauritius while contributing to a sustainable tomorrow, a responsibility we have embraced for several years and will continue to prioritise. Our strategic investments have resulted in robust, state-of-the-art networks and infrastructure that provide the foundation for further development and expansion.

1. 2023 was a year of global challenges but also recovery after the pandemic. How did Emtel perform against this backdrop?

Emtel stood tall amidst the prevailing macroeconomic landscape with improved financial performance across most of our revenue verticals in FY23. Our service revenue reached a new high in Emtel's history, as a result of increased adoption in our data and enterprise services.

2. To what do you attribute Emtel's performance?

We achieved strong financial results, showed consistent year-on-year growth, and maintained our solid financial position thanks to progress in all our strategic pillars (see page 30). We continued to invest in our 5G network, culminating in 5G mobile data launch on 31st July. This provided a boost to our performance in the second half of the year.

Our financial performance in 2023 is testament to the hard work and dedication of our employees as well as to the initiatives we undertook during the year. We are pleased to report that in 2023 we:

- Further extended our 5G footprint to 300+ sites and established Emtel as the undisputed 5G leader with the widest 5G population coverage in Mauritius and in Africa.
- Launched mobile data on 5G, to meet the ever-increasing customer demands for high-speed data.
- Opened our shop at the airport to better serve visitors, and established blanket 5G coverage within the terminal.
- Introduced plug-and-play entertainment with Airbox 5G, which allows customers to enjoy premium TV content and ultra-high speed home Internet instantly.
- Unveiled a unique satellite ground station at Union Vale.
- Experienced double-digit growth in the enterprise segment by adding new services for businesses.
- Continued to promote digital payment to increase user base, use cases and merchants with blink.
- Collected more than 88.74 tons of electronic waste for recycling as part of our environmental responsibility.

3. It sounds like Emtel had a busy year! Are there any innovations or successes that particularly stand out for you?

After launching Airbox 5G in 2022, 2023 was another milestone year for Emtel. We made history as the first telecom operator in Mauritius to launch wide-scale 5G for mobile, and we boast the largest 5G mobile network in the country. Our 5G network coverage reaches 78% of the population of Mauritius, the widest not just in Mauritius but also in Africa.

We were also thrilled to be awarded the Fastest Mobile Network in 2023 by Ookla®, a global leader in connectivity intelligence, at the same time elevating Mauritius climbed from 79th to 63rd place in the global rankings.

The launch of our ultra high speed home Internet, Airbox 5G enabled us to grow our home segment, and the launch of 5G mobile data has powered the growth of our mobile segment. Our determination to bring the best technologies to our country has truly paid off, both for our company and our customers.

> *"Our determination to bring the best technologies to our country has truly paid off, for our customers and for our company."*

Interview with the Group CEO (Continued)

4. It's clear your customers are at the heart of your business. How is Emtel responding to the ever-changing customer demands of the digital age?

We strive to go beyond satisfaction and delight our customers, providing them with a good experience and high quality, state-of-the-art products and services. A customer-centric approach is in our DNA. We have simplified the customer experience by digitising our billing. We've done away with paper bills and provide our customers their bills via email, which is also part of our commitment to environmental sustainability. Bill payment is available on multiple platforms, giving customers choice and flexibility. We channel all customer queries via a single platform so our customer agents can respond promptly and efficiently. Our customer, can also choose to submit their query via email or various social media platforms. We also have a WhatsApp number (57288970) which customers can use to communicate with us.

We are building on our successes in creating, designing, and executing digital solutions for businesses, government bodies, and individuals. For decades, we have been leaders in bringing the latest technology to the market. Now the opportunities presented by the digital age mean we are redoubling our efforts to be innovative and creative. We are exploring ways in which Artificial Intelligence (AI) can help us sharpen our decision-making; and AI is helping us handle customer enquiries much faster though I'd like to stress that, when customers call, they still greeted by a human being. However, for customers who prefer a DIY approach, our website makes use of a "chatbot", allowing them to submit a query and receive an immediate response. Whichever way a customer chooses to interact with us, we provide seamless access to information.

Lastly, we are working with our ecosystem partners to bring new 5G use cases to enterprise customers. We are big believers in digital inclusion, so helping small businesses achieve digital transformation is a priority. Our plug and play Internet coupled with security cameras and entertainment for SME' s is a testament to our endeavors.

5. How do your employees influence your success?

Employee engagement remains high, at 73%, and our colleagues continue to express their pride in working at Emtel. We are shaping an inclusive and diverse organisation and culture. Our financial, sustainability and social achievements are only possible thanks to the dedication and hard work of all our people. Thanks to their willingness to collaborate and innovate, the workplace is both productive and fun. Our employees are critical to our commercial success but their impact goes beyond the workplace. Colleagues participate enthusiastically in various sustainability and community initiatives and give willingly of their time both in and out of working hours. Each and every employee has contributed to the achievement of our goal: offering our customers affordable, fast and trouble-free products and services to meet their social, commercial and entertainment needs.

I look to tomorrow with optimism and confidence in the talent within our team.

6. You mentioned the involvement of your employees in sustainability. How does Emtel support the community and contribute to environmental concerns?

As we continue on our growth path, we are mindful that our value creation should aid society more broadly. As a leading telecom operator, we have a duty to make a positive impact on the communities we serve and where we operate in Mauritius, Rodrigues and Agalega. We're strengthening our sustainability commitments and seeking to balance our resource allocations between competing needs. We strive to contribute to the most pressing social and environmental issues for the population: poverty alleviation, quality education, quality health and environmental preservation.

We support global climate actions to reduce our carbon footprint, with more focus on user-friendly online services and paperless solutions for our customers. We have also invested in solar pv and water harvesting system. We also strive to make a positive impact on society by supporting our people and the local community, as we work together to mitigate the negative impacts of climate change.

As part of our community engagement around environmental concerns, we collected 88.74 tons of e-waste for recycling and carried out various green initiatives such as beach clean-ups and tree planting, all supported by employee volunteers. We have supported 44 NGOs/NPOs as well as projects for digital inclusion namely for poverty alleviation and quality health and education.

7. What are Emtel's strategic priorities for the coming year?

Our strategy is built on four pillars:

- Easing people's lives
- Embarking into new segments
- Delivering customer excellence
- Innovation

2023 was a year of growth for Emtel, in which we made strides in all these pillars. In 2024, we intend to continue on this course by investing a further Rs 1Bn in several key projects. Our priority is to focus on service revenue growth while remaining vigilant on costs.

Five key strategic initiatives (KSIs) have been launched in support of our strategic plan to ensure we reach our goal of shaping a smarter tomorrow through state-of-the-art technological advances.

These KSIs focus on:

- Revenue growth
- Operational efficiency
- Customer excellence
- Innovation
- People and engagement

8. As we look at tomorrow, what would you like to say to your stakeholders?

Exciting times are ahead of us, with an increasing number of enterprises embarking on their digital transformation journey. We will continue to accelerate and leverage on our 5G leadership, trail blaze innovations across industries and empower enterprises, leverage on our robust infrastructure:

a. Our 5G network
b. Our Data Centre
c. Our inland fibre optic network
d. Our submarine cable capacity
e. Our people.

I would like to thank our Chairperson for his leadership and composed approach which has been instrumental in charting the course of Emtel for the past 35 years.

I would also like to thank the board for their support as they continue to trust in our vision and our ability to deliver on this vision.

I am deeply appreciative of our dedicated team of employees for their hard work and commitment which has been pivotal for our achievements. Our customers and key stakeholders for their support and trust.

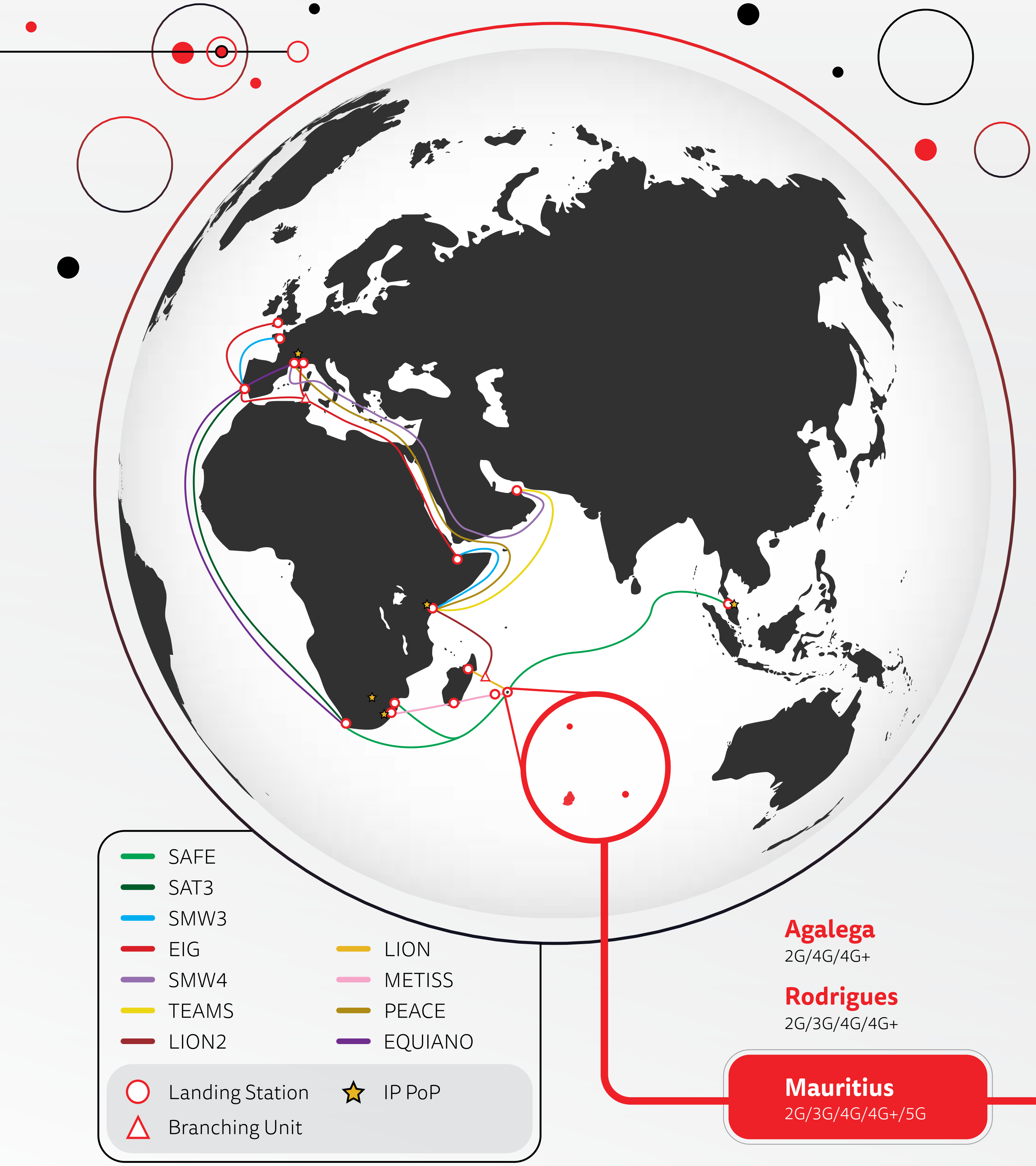
I am looking forward to 2024 with confidence.

Kresh Goomany

Krishnaduth (Kresh) Goomany
Group CEO

Our presence

1st country to launch mobile telephony in the southern hemisphere



Agalega
2G/4G/4G+

Rodrigues
2G/3G/4G/4G+

Mauritius
2G/3G/4G/4G+/5G

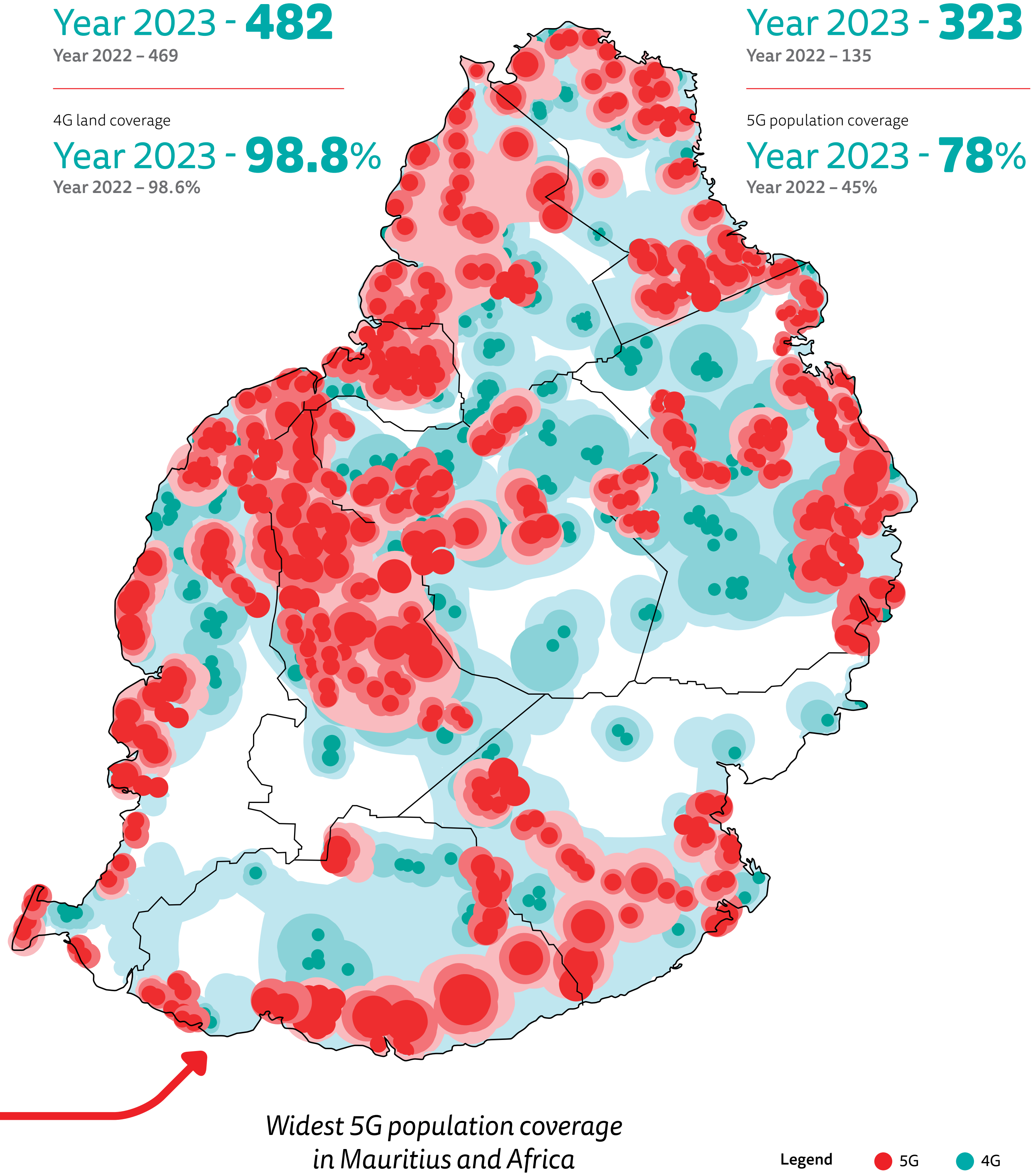
Our Network Coverage

Total number of network sites
Year 2023 - **482**
Year 2022 – 469

4G land coverage
Year 2023 - **98.8%**
Year 2022 – 98.6%

Number of network sites equipped with 5G technology
Year 2023 - **323**
Year 2022 – 135

5G population coverage
Year 2023 - **78%**
Year 2022 – 45%



Widest 5G population coverage in Mauritius and Africa

Emtel a history of FIRST

Since its inception as the **FIRST** mobile operator in the southern hemisphere, Emtel has been a pioneer in the telecommunications space in the Indian Ocean region. Today, it continues to build on its 35-year legacy of innovation to play a pivotal role in the technological development of Mauritius, Rodrigues and Agalega.

This timeline illustrates the milestones and industry firsts Emtel has accomplished as part of its broader mission to bring the best technology to Mauritius.

1989
FIRST mobile operator in the entire Southern Hemisphere

1998
FIRST to launch prepaid mobile services

2000
FIRST to introduce SMS

2003
FIRST to offer roaming services to prepaid customers

2004
FIRST 3G network in Africa

2005
LAUNCH of Caller tunes

2006
LAUNCH of Emtel Rodrigues

2008
FIRST to launch 2G service and network extension at Agalega

2009
Changing Lives AfricaCom Awards

2010
FIRST to pay their Emtel bill via SMS

2011
FIRST to launch Facebook Mobile

2012
FIRST to launch 4G services and **FIRST** Data Centre in Mauritius

2013
Wireless Home & Office Broadband launch

2014
FIRST to be IPv6 ready

2015
FIRST high speed home internet and Emtel Cash launch

2016
Unlimited Facebook and WhatsApp
4G mobile data service in Rodrigues

2017
FIRST to launch unlimited packs (SMS, calls, data)
Airbox launch in Rodrigues

2018
FIRST 4G+ launch in Agalega

2019
Acquire c.48% stake in MCVision Ltd.
MARS cable connection provided to Rodrigues subscribers

2020
4G+ across Rodrigues.
EmtelApp Launch

2021
Launch of METISS cable

2022
FIRST to launch wide scale 5G
Launch of Emtel Technopolis
Launch of blink

2023
- Continued expansion and rollout of 5G
- Fastest Mobile Network by Ookla
- FIRST plug & Play internet + TV channels
- Mo Emtel App

Key milestones: Mauritius Rodrigues Agalega

Our 5G Milestones

Jun 2021
Awarded spectrum to operate 5G services

Feb 2022
5G trial with first site

Jul 2022
Launch Airbox 5G ultra fast wireless home internet

Dec 2022
Launch 5G for business 'BizConnect'

PENA PLI RAPID
KI EMTEL DAN MORIS!

EMTEL 5G MOBILE DATA

OOKLA

Jul 2023
Launch of 5G for Mobile

Sep 2023
Won the Ookla award for Fastest Mobile Network in Mauritius

Dec 2023
300+ 5G sites

78% Population coverage with 5G

Our Activities, Products and Services

Technology

- Wireless
- Mobile – 2G, 3G, 4G, 5G
- Fibre to
  - Business
  - Sites
  - Home

Serving all customer segments

- Homes
- Individuals
- SMEs
- Satellite operator
- Enterprises
- International
- Customers
- Content provider

Complete portfolio

- Mobile
- Home Internet
- Fixed line
- Fixed Internet
- Enterprise
- Data Centre
- Connectivity
- Cyber security solutions
- FinTech
- Space Economy

Emtel

Mobile

- Voice
- SMS
- Value-Added Services (VAS)
- Mobile Internet (4G | 4G+ | 5G)
- International Long Distance (ILD)
- Roaming

Home internet

- Airbox plug-and-play high-speed unlimited home internet 4G|4G+|5G)
- Plug-and-play entertainment with Airbox 5G internet (30+ free TV channels)

Enterprise

- Local and international private links
- Enterprise internet
- Data centre
- Managed LAN and WIFI
- Cybersecurity
- Cloud PABX
- Work Area Recovery (WAR) seats
- Fixed voice services
- Cloud services
- 5G for business

Data centre

- Strategically located TIA-942 – Rated 3 Certified data centre in Arsenal and a Tier 1 data centre site at Rose Hill.
- State-of-the-art data centre caters to the needs of businesses for data security and data recovery.
- 99.99% uptime since inception in 2012.
- Career Neutral
- Hosting solutions
- Business continuity and disaster recovery

Connectivity

- Capacity on submarine cables:
  - METISS
  - LION I LION 2
  - SAFE
  - MARS cable to Rodrigues
- Emtel is the only operator with capacity on all the aforementioned submarine cables.
- Diverse capacity and routing – East and West of Africa

Cyber security solutions

- Firewall
- SD WAN
- Web application firewall
- Firewall analytics
- Endpoint protection
- DDoS protection
- Secure Access Service Edge (SASE)
- Email security

FinTech

In line with its vision, Emtel launched blink, a first of its kind in Mauritius, a payment app (a first of its kind in Mauritius) enabling users of any mobile operator to connect multiple bank accounts and perform all their transactions on a single app, anytime, anywhere, securely.

Space Economy

A Satellite park built, operated and managed by Emtel for EutelSat One Web to provide data services to Airbone industry, Maritime and remote locations amongst others. The park is operational and currently hosts 21 satellite dishes. It can eventually house a data centre, innovation labs, a solar farm, WAR seats, other satellite projects and a landing station for international submarine cables, among other tech infrastructures.

MC Vision

TV Packs

- Sport
- Family
- Discovery
- Cine & Series+
- Bollywood

TV + Internet Bundle

Enjoy 5G internet by Emtel with premium TV channels.

Netflix

To enjoy the entire NETFLIX catalog on TV with the 4K-ULTRA HD decoder and on your mobile screens with the NETFLIX app ONLY WITH THE 4K-ULTRA HD DECODER. An unparalleled TV experience that provides access to Netflix and up to 70,000 ON-DEMAND programs.

myCANAL (Pay TV)

My-Canal is a free streaming service for MC Vision subscribers that gives you access to all the content offered by MC Vision on all your connected screens: PC/ Mac, smartphone, tablet (iOS, Android, and Windows Phone), Apple TV, Android TV, Xbox, and Chromecast. Depending on the subscription you have, you can access myCANAL on 1 to 2 simultaneous screens. With myCANAL, enjoy your favorite programs on any screen, live, on demand, and via download.

Disney+

Everything you imagine and more. From blockbuster hits to unforgettable classics, not forgetting exclusive series, documentaries, and movies, there's always something to watch on Disney+. Explore 6 worlds: Disney, Pixar, Marvel, Star Wars, National Geographic, and Star for continuous entertainment.

Disney+ is the leading streaming platform for Disney, Pixar, Marvel, Star Wars, National Geographic and Star films and content. It is a platform with a wide variety of original feature films, documentaries, live-action and animated series and short films, as well as unprecedented access to the incomparable catalogue of films and TV content.

Key trends in our operating environment

Key trends shaping the industry

In the dynamic landscape of the telecom industry, several key trends are shaping the future and presenting new opportunities and challenges for companies. From the rapid advancements in technology to evolving consumer demands and regulatory changes, telecom companies must navigate these trends to stay competitive and meet the ever-changing needs of their customers.

At Emtel, we are aware of the inherent challenges and risks but also opportunities to ensure we stay ahead of the curve.

1. Digital Payments

Spurred by the pandemic, consumers and businesses are transitioning away from using cash to digital payment methods, powered by FinTech, and carried out directly via smartphones. Even more complex offerings, such as insurance, loans and e-commerce marketplaces, are being transacted through mobile-enabled payment services, removing the need for legacy Point of Sales (POS) terminals.

Our response

- We have increased our merchant foot print to reach 4,800+.
- Enhancement of blink with new features.
- We are also exploring new features to enhance the customer experience and attract new users.

2. Emergence of home entertainment

There has been a revolution in home entertainment and how we consume content. The pandemic has accelerated the home entertainment trends. Behind this growth, there is an increasing appetite for even larger screens, more premium features and proliferation of smart TVs.

With high speed internet and streaming services, people now have a wide range of options to enjoy movies. Consumer demand for speed has prompted mobile operators to provide faster internet speeds namely through 5G.

Our response

- We redefined entertainment by introducing Plug and Play entertainment along with Airbox5G with 35 channels.
- At the same time we expanded our 5G coverage which now spans over 78% of the population.
- In addition we improved our GTM strategy to enhance customer acquisitions.

Key trends in our operating environment (Continued)

3. Increasingly competitive talent race

Companies in certain sectors, including cybersecurity, are facing recruitment difficulties owing to the widespread demand for workers with relevant skills. To appeal to potential hires while retaining their existing employees, companies need to promote skills development, provide meaningful and stimulating work opportunities, support employees' work-life balance and build a workplace culture that promotes human rights, ethics, diversity and inclusion.

Our response

- We do regular salary benchmarking exercise.
- We have also implemented the Living the Brand culture to drive engagement and belonging towards the company.
- Partnership with University and training programme.

4. Heightened uncertainty amid economic turmoil

Concerns about global economic and financial fragmentation have intensified in recent years amid rising geopolitical tensions, strained ties between the United States and China, and Russia's invasion of Ukraine. Recently this has been coupled with the prolonged conflict in the Red Sea and escalating tensions across the Middle East risk which is further reigniting inflationary pressures.

The economic fallout for Mauritius has been profound, with substantial economic ramifications: a hike in commodity prices, a higher Repo rate is causing Mauritians to cut back on non-essential spending; depreciation of the local currency vis a vis main trading currencies and supply chain disruptions.

Our response

- Focus on operational efficiency (through digitalisation measures, for instance, to drive down costs and offset major Capex investments).
- Advance planning to book foreign currencies at best rates and limit impact of supply chain disruptions.

5. Emergence of climate risks

With each passing year, temperature and pollution levels continue to rise, amplifying the risks of natural disasters. These changes lead to disruptions in water supply, food availability and commodities while posing serious threats to the biodiversity. To mitigate the impacts of global warming and address these challenges, proactive measures are essential for all players in the telecommunications industry.

Our response

Emtel has embarked on a sustainability journey and is committed to implement various initiatives to create a positive change. At the heart of all our efforts is a commitment to be a responsible and sustainable organization whilst, at the same time, focus on how to proactively take effective actions to minimize and offset our greenhouse gas emissions in alignment with international standards. We are spearheading several initiatives namely: a national e-waste recycling initiative; preserving land and marine ecosystems; and, supporting social and economic development programmes for the society, amongst others. Aside we are embracing initiatives to improve our energy efficiency and increase the use of clean energy sources, including investments in solar photovoltaic solutions, thereby reducing our reliance on fossil fuels and decreasing our GHGs emissions. Possible future steps include promoting a circular economy model in the local context, increasing the production of renewable energy and developing customer solutions to reduce GHGs emissions. As extreme weather events become more frequent and intense, infrastructure resilience becomes more critically important to the sector.

6. Risk of cyberattacks

With the rise of digital adoption, cybercrime has continued to increase both in scale and complexity thus impacting both individuals and businesses. Common cyber threats are hacking, phishing and ransomware. There have been continuous awareness campaigns on prevention of such cases.

Our response

At Emtel, we recognise the urgency to protect systems and applications against cyber threats and protect our customers .

- Internally, we ensure safety of transactions through various firewalls. We also do regular awareness among the population on the various risks.
- In addition payment via blink is done safely to protect our customers from online payment frauds.

STRATEGIC CONTEXT

Our strategy

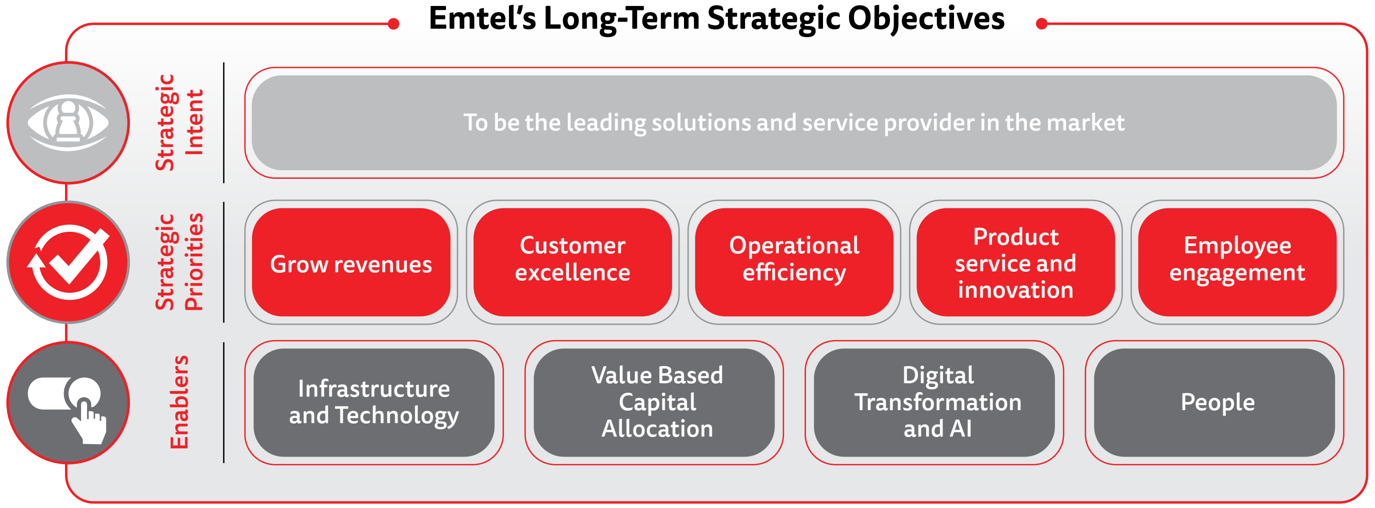
Corporate Strategy

Over the years, Emtel has directed investment flows to its infrastructure, technical expertise, distribution channels and customer relationships to ensure the Company remains ahead of the technological curve. The Company continues to leverage these assets to explore new areas of growth beyond traditional telecommunication services. Emtel has diversified into a range of business-to-business ("**B2B**") and business-to-consumer ("**B2C**") solutions and began servicing various customer segments (enterprises, home, smart cities), penetrated the FinTech space and built the foundations of a Technology Park that will serve as a springboard for future innovation, research and development.

Backed by this diversified and innovative model, Emtel is accelerating its transformation into a leading ICT solutions and service provider in the market, dedicated to using its knowledge and expertise to the benefit of the Mauritian economy and society.

Emtel's long-term strategic objectives include the following:

- Embracing innovation and investing in new areas of growth through the lens of sustainability; by leveraging the existing customer base and working with suppliers.
- Expanding investments in 5G for Mauritius with the target for island-wide coverage to be achieved by the end of 2025.
- Introducing new services backed by the 5G infrastructure.
- Growing and diversifying the FinTech business beyond payments.
- Prioritising the continuous development and enhancement of employees' skills and talents to foster a dynamic and thriving organisational culture.



Mobile

The mobile data segment is a continuously growing area and is poised for further growth as Emtel continues to leverage its 5G network coverage which services 78% of the population, the widest coverage in Mauritius and Africa. The Network in Mauritius' by Ookla in 2023 gives further impetus to data adoption and usage, and Emtel as the leading mobile data provider.

Home Market

With circa 80% of population coverage under the 5G network, Airbox 5G ULTRA FAST home internet is a game changer for the local market. Airbox was initially proposed as plug-and-play service for internet service but has since been extended to include TV bundle services which is complemented by a rich content offering in sports, movies and on demand programming.

Enterprise

The enterprise segment represents a promising segment for growth, as Emtel continues to introduce new services to supplement its existing enterprise services to cater for SOHO, SME's and big enterprises. Its ANSI TIA 942 rated 3 certified Data Centre facilities,t

Emtel is rightly positioned to tap into the cybersecurity segment in light of increasing awareness of cyberattacks and cyber risk.

Beyond Telecom

- **FinTech**

  Launched in 2022 under the brand name blink, Emtel's mobile payment app has shown strong growth and performance with transactions value crossing Rs 3 billion in 2023. blink is a universal payment app that works for any smartphone user with a Mauritian bank account from any mobile network and is rightly positioned alongside the government's vision of making Mauritius a digital economy, and of progressing towards a cashless society. blink is more than just a local payment app and will be further enhanced to tap into the multiple opportunities in the FinTech industry. As of December 2023, blink has more than 56,000 downloads and has onboarded over 4,800 outlets.

  Very recently, Unified Payments Interface ("UPI") was launched in Mauritius, and Emtel is very proud to be part of Mauritius's UPI journey. As of April 2024, blink is the only payment service provider ("PSP") licence holder to participate in the UPI service initiative. Accordingly, customers using blink are able to scan the UPI QR codes in India to make payments through their bank accounts in Mauritius, thereby minimising the inconvenience of carrying cash and exchanging local currency for Indian Rupees.

  In a similar manner, Emtel is working to make blink an app that can be used internationally. In the local landscape, blink continues to grow its merchant, customer and biller ecosystems.

- **Technopolis**

  Technopolis is the first of its kind regional satellite ground station for a leading LEO satellite company, Eutelsat OneWeb. Technopolis owns a significant portion of land, aimed at being developed into a Technology Park which will host enabling infrastructure for start-ups and tech companies. Technopolis is also ideally positioned for future data centre services and submarine cable landing station facilities and solar farms.

Macroeconomic Environment

- Despite the current macroeconomic environment remaining uncertain as a result of numerous geopolitical and global factors, the Mauritian economy is expected to grow by 4.9% according to the IMF. This is due to a reduction in inflationary pressure, the easing of national monetary policy and a full recovery of the tourism sector.[1] The Bank of Mauritius indicates that in 2023, gross direct investment has risen by 9.5%, driven by investment in real estate and other activities.
- Mauritian households stand to benefit from an improvement in the inflationary environment, particularly in light of the long-term elevated cost-of-living that has troubled the country in recent years. At the same time, Emtel is expected to continue facing a volatile forex environment, which will increase its cost base, especially as it rolls out the next phase of its capital-intensive network infrastructure.[1]

1 IMF Press release, 23 February 2024, Fitch Data as at 12 December 2023

Medium-Term Outlook

The tough operating environment has emphasised the necessity for the diversification, digitalisation, and decarbonisation of the Mauritian economy to enable future growth. In this context, Emtel remains committed to the vision of enabling a smarter, digitally-driven, and more sustainable future. More specifically, Emtel's priorities are to:

- Meet the growing demand for mobile internet services by putting in place the required infrastructure and capabilities;
- attract and grow the talents of employees;
- continue to expand its 5G network, aiming to cover the island by end-2025;
- leverage the synergies of Home Broadband and entertainment;
- meet the expectations of the market with innovative data packs;
- innovate and pursue expansion into new segments and tap into new business opportunities;
- partner with companies in related industries to offer services that appeal to a wider range of customers;
- continue to capitalise on the growth in data centre requirements, cloud adoption and cybersecurity for the enterprise segment to enable businesses to ascertain the continuity of their operations through reliable and secure solutions;
- make digital and green transformation a top priority and growth engine; and
- enhance its mobile payment app blink with more features, and turn it into more than just a payment app.

Our diversified business model

INPUTS

1. Financial Capital

Equity Invested	GROUP Rs 116 Mn
Net Debt	GROUP Rs 3.6 Bn

2. Human Capital

Permanent Employees	GROUP 542 Employees	413 (61% male & 39% female) Emtel 124 (57% male & 43% female) MC Vision
Investment in Training & development	GROUP Rs 7 M	Rs 6.13 Mn for 915 Hours Emtel Rs 0.37 Mn for 482 Hours MC Vision

3 Intellectual Capital

Our brands: Emtel feel free, Airbox 5G by Emtel, Emtel Business, blink by Emtel, Emtel Technopolis, Emtel We Care, CANAL+, myCANAL

- Continuous investments to improve processes and the customer experience
- Telecom operating licenses
- Public Switch (Fixed) Telephone Network Licence (C.02)
- Public Land Mobile Network Licence (C.03)
- International Long Distance Network Licence (C.04)
- Internet Service Provider Licence (C.08)

4. Relationship Capital

Customers	GROUP 874.6 K
Showrooms	24 (inlcuding 11 joint showrooms with MC Vision Ltd)
Trusted Distributors	GROUP 18

5. Manufactured Capital

Domestic Fibre	GROUP 628 Km
Network Sites	GROUP 482 Network sites

6. Social and Natural Capital

Radio Spectrum	800, 900, 1800, 2100, 2600 MHz bands
Electricity Consumed	18,552 Mw
Fuel/Diesel Consumed	239,998 Litres
CSR Contribution	11.3 Mn

Focus on addressing climate change, preserving ecosystems and natural resources, and responsible waste management.

Environmental stewardship and employee participation in environmental and social initiatives.

BUSINESS ACTIVITIES

- Continue and expedite the transformation of Emtel into a leading technology company.
- Pursue the modernisation of our infrastructure and grow our market share in all segments.
- Embrace innovation and invest in new areas of growth through the lens of sustainability, by leveraging our existing customer base and working with third parties.
- Expand investments in 5G for the Republic of Mauritius.
- Enable new 5G-enabled services, for mobile broadband, home broadband and enterprise solutions.
- Introduce new services backed up by the 5G infrastructure.
- Grow and diversify the Fintech business beyond just payments.
- Continue our investments in Emtel Technopolis to develop data centres and other technology-based investments.

OUTPUTS

1. Financial Capital

Turnover	4.5 Bn
Operating Profit	680 Mn
Dividends Paid	546 Mn
Interest Paid	158 Mn

2. Human Capital

Engagement Score

EMTEL	MCV
73%	52%

3. Intellectual Capital

- Strong brand value and reputation
- Robust and reliable governance systems and procedures
- Innovative products to meet the needs of our customers
- Decrease in waiting time in showrooms

4. Relationship Capital

Customer Satisfaction Score	82%
Growing social media community	**Emtel:** Facebook 233k, Instagram 27.7 K & LinkedIn 20K / **MC Vision:** Facebook 529k, Instagram 26.8 K

5. Manufactured Capital

Daily average total data consumption	516 TB
Undersea Cable Capacity	142 Gbps
4G Data Capacity	200 Gbps

6. Social and Natural Capital

E-waste collected and sent for recycling	88.7 Tons
General waste segregated and sent for recycling	9.5 Tons
Sustainability projects and initiatives	44 NGOs/NPOs

Stakeholder engagement

Shareholders

Our shareholders support us to deliver our strategic plans by injecting capital whenever needed. Keeping them abreast of our activities and developments is therefore critical to building and maintaining trust.

Modes of engagement

- Shareholder meetings
- Ad hoc meetings
- Board meetings
- Emtel corporate council meetings
- Integrated reporting

Expectations

- Achievement of financial and strategic objectives
- Sustainable growth
- Robust risk management practices
- Dividends and returns
- Transparency on major strategic decisions and actions

Actions taken in 2023

- Explored new revenue streams
- Reviewed risk mitigation plans
- Diversified revenue sources to balance risks and ensure sustainable growth
- Reviewed our capital structure and debt structure to meet strategic goals
- Paid dividends
- Achieved double-digit year-on-year growth
- Published first Integrated Report

Objectives for 2024

- Achieve double-digit year-on-year growth
- Continue to innovate and diversify revenue sources to balance risks and ensure sustainable growth
- Review our capital structure and debt structure to meet strategic goals

How we measure our engagement

Dividends paid	Group Profit after tax	Sustained growth in company performance
Rs **546** Mn	Rs **315** Mn	

Employees

Our employees are integral to our success, driving innovation, fostering collaboration, embodying the values that define us and upholding our brand reputation. Their innovative thinking fuels our competitive edge, while their dedication ensures operational efficiency. As we pursue our strategic goals and strive for excellence, we prioritise the wellbeing, growth, engagement, learning and development of our employees by adopting a positive and inclusive work environment, not only to enhance job satisfaction and retention but also to unleash the full potential of our talented workforce.

Modes of engagement

- Communication tools like email, Facebook page for employees, newsletters, town halls and team meetings, which keep employees informed about company news, strategic projects, updates, and initiatives
- Regular feedback mechanisms, such as annual employee engagement surveys and one-on-one feedback sessions
- Focus group discussions to understand the drivers of employee engagement across the Company, to develop the annual departmental Engagement Action Plan
- Opportunities for continuous learning and development through training programmes, workshops, mentoring, and educational resources to continuously upskill employees
- Career advancement opportunities through the Talent Management Framework, internal mobility, promotions, etc.
- Recognition and rewards for hard work, whether achieved individually or as a team, through awards, bonuses, and other benefits
- Employee wellbeing and wellness programmes, mental health resources, and initiatives that support a healthy lifestyle
- Promotion of work-life balance and flexible work arrangements or remote work options when possible
- Celebration of employees' birthdays at departmental level

Expectations

- Opportunities for capacity and capability building, upskilling, coaching and career advancement
- Fair and competitive remuneration structure across the Company
- Rewards and recognition for good performance
- A culture that promotes transparency, fairness and wellness of all employees
- An inclusive workplace where diversity is celebrated, and all employees feel valued and included
- A safe workplace with adequate resources and appropriate facilities

Actions taken in 2023

- Drove the Engagement Action Plans at both company and departmental levels
- Enrolled staff in technical, non-technical and soft skills training programmes
- Strengthened leadership competencies through formal learning programmes
- Held work sessions on various strategic themes like 5G and new KYC regulations
- Participated in a survey to benchmark the remuneration package
- Reviewed and upgraded components of the remuneration package, e.g., medical insurance cover and stand-by allowance
- Provided exceptional bonus to all staff for a record financial performance of the Company
- Introduced the Showrooms' Best Employee reward
- Provided Spot Awards for exceptional performance through the year
- Organised welfare activities like futsal tournaments, music day, staff party, kids-at-work, etc.
- Continued to drive employee wellbeing initiatives through fitness classes and on-site gym facility
- Held informative sessions on key lifestyle diseases and cancer awareness by doctors, etc.
- Drove the 'Living The Brand' agenda to promote company values and instil the desired behaviours

Objectives for 2024

- Align salaries across the Company following a benchmarking exercise
- Continue to build capabilities through the Learning and Development agenda and the Talent Management Development Framework
- Undertake regular upskilling of employees in technical and non-technical areas to ensure our people are trained in all new offers, technologies and working methods/ processes/tools
- Continuously improve the work environment and upgrade the infrastructure and facilities
- Strengthen the application of the Code of Conduct and the Diversity and Inclusion policy
- Pursue employee wellbeing programmes, and continue to drive employee engagement and welfare initiatives
- Ensure continuous efficiency through digitalisation
- Increase employee engagement score to 75% in 2024

How we measure our engagement

Annual engagement survey	Attrition rate	Employee Engagement Score of 73% in 2023

Stakeholder engagement (Continued)

Customers

Individual subscribers, homes and businesses

All our products and services are designed to add value to the personal and professional lives of our customers. We continually listen to their voices and improve our service offerings to ensure they have the best experience and we remain relevant in the market.

Modes of engagement

- Showrooms and retail partners' outlets
- Call centre and offices
- Customer events
- Loyalty programmes
- Focus groups and surveys
- Roadshows
- Digital platforms with up-to-date information such as Emtel website, chatbots, WhatsApp and social
- Customer app for instant payments and service updates, e.g., blink, My Emtel App, MoEmtel App
- Traditional media such as radio, press, television, outdoor advertising, direct mailers and messages, flyers, posters, flanges, shop paintings

Expectations

- Good quality, reliable and fast network connection and coverage for calls and data
- Wide range of products and services that are always available, affordable and accessible
- Enhanced internet connectivity with 5G for individuals, homes and businesses
- Transparency in usage and billing
- Prompt resolution of complaints and issues
- 24/7 availability of self-service
- Confidentiality and protection of data and personal information

Actions taken in 2023

- Enhanced our 5G coverage with 320 sites (80% of the population), providing ultra-high-speed internet
- Opened a counter at the airport to serve arriving tourists
- Rolled out new unlimited voice and data offers, latest smartphones and accessories, roaming and value-added services for all customer segments
- Provided additional features on blink app
- Leveraged our digital channels to enable quick and easy access to information, self-care and payment
- Carried out focus groups, CSAT surveys, and churn surveys and acted upon the recommended improvements
- Launched Customer service by WhatsApp

Objectives for 2024

- Sustain the fastest mobile network in Mauritius
- Upgrade blink as a one-stop solution for all payment requirements and Emtel services
- Expand digital channels for higher reach, e-KYC, faster customer resolution and nationwide communication
- Minimise loss of customers due to new KYC registration requirements

Increase CSAT score from 82% in 2023 to 83% in 2024

Expand the self care footprint to guarantee prompt access to information, seamless payment processing and swift service delivery

How we measure our engagement

Annual measurement of CSAT for B2B and B2C segments	Overall engagement of all communication on various platforms	Tracking and monitoring of uptake of offers, latest products/services, web traffic, app downloads and usage

Suppliers, partners and vendors

Our collaborators are our suppliers, business partners, and vendors. We collaborate to achieve mutual goals such as increasing sustainability and offering best value for money. Developing good ties with them allows us to assure a dependable supply chain and, as a result, reliable delivery of our products, services, and solutions.

Modes of engagement

- Supplier collaboration
- Performance monitoring
- Requests for Proposals
- Roadmap sharing with key vendors

Expectations

- Clear and unambiguous procurement requirements
- Level playing field for suppliers
- Transparent process for appointment of supplier
- Compliance to payment terms and contractual commitments
- Business development and opportunities with Emtel
- Strategic partnerships and collaboration

Actions taken in 2023

- Procured equipment with reduced power consumption
- Disposed of obsolete equipment and devices sustainably
- Introduced process-oriented trainings with key suppliers which enabled optimisation of costs
- Introduced strict Request for Proposal process

Objectives for 2024

- Continue to build pool of relevant partners and vendors for our digital transformation ambitions
- Strengthen the business relationship with our current vendors while looking for new suppliers
- Embrace more technology integration
- Communicate with vendors on good governance and refuse to accept unauthorised deliveries
- Explore resilience planning
- Automated platform to ensure all requests for purchase are dealt with within an agreed timeframe

How we measure our engagement

Time to market	Collaboration with vendors and partners	Performance metrics and monitoring

Emtel Head Office - Ebene

Stakeholder engagement (Continued)

Authorities and government bodies

Industry authorities and institutional bodies provide us with the relevant laws, regulations and frameworks that allow us to operate. We engage with them in a transparent manner to stay informed about changes to legislations and proactively address any potential issues or concerns.

Modes of engagement

- Participation in public forums and consultations
- Ad hoc meetings with authorities
- Partnerships to tackle social issues

Expectations

- Obtention of necessary permits and licences to operate
- Compliance with applicable laws and regulations, including labour and data protection laws
- Compliance with environmental legislations
- High standards of governance and ethics

Actions taken in 2023

- Ensured compliance with all applicable laws and regulations
- Completed filings on time with relevant authorities
- Ensured, on a continuous basis, transparent communication about price changes and new product developments

Objectives for 2024

- Continue to comply with any applicable laws and regulations and address any issues in a prompt manner
- Continue to maintain good working relationships with the authorities
- Contribute to the formulation of policies on issues
- Contribute to public consultations

How we measure our engagement

- Compliance with legislations
- Time taken to respond to requests from relevant institutions
- Number of participations in consultations

Community at Large

Community stakeholders include local neighbourhoods, community groups, environmental organisations, citizen associations and NGOs/NPOs.

Organisations are increasingly being held accountable for their social and environmental impact. As a responsible and caring Group, we strive to address the needs and expectations of the community at large. We work with the community to create meaningful relationships between the Group and the people it serves.

Modes of engagement

Community investment

The Group gives back to society by providing information and resources to the local communities in Mauritius, Rodrigues and Agalega. This includes donations to local and international NGOs/NPOs. Our Group employees participate voluntarily in community projects and information sessions.

Community involvement

The Group engages in two-way communication and consultation with the community. We endeavour to build bridges to stakeholders and use the voice of the local community to shape our actions. This includes meetings with government bodies and institutions, consultation with community members and NGOs/NPOs.

Community integration

The Group and the local community engage in joint learning and project management within the Republic of Mauritius. This includes collaboration with community groups for new projects and partnership with expert NGOs/NPOs on specific community initiatives.

Expectations

- Ethical business standards and practices
- Employment and wealth creation
- Sustainable business practices and operations
- Social partner for the vulnerable segments of society
- Visible support for government's environmental, social and governance initiatives

Actions taken in 2023

- Supported the local communities in Mauritius, Rodrigues and Agalega
- Supported 44 NGOs/NPOs with Rs 4.0 Mn
- Contributed Rs 5.67 Mn to the National Social Inclusion Foundation
- Contributed Rs 1.70 Mn to the Currimjee Foundation
- Involved 53% of our workforce in social and environmental initiatives

Objectives for 2024

- Implement sustainability projects within local communities
- Implement social and environmental projects through the National Social Inclusion Foundation and the Currimjee Foundation
- Support local and international NGOs/NPOs
- Encourage increased employee volunteerism and stewardship
- Support government bodies and institutions

How we measure our engagement

- Participation and funds invested in environmental, social and governance projects and activities
- Financial and value-in-kind contribution to NGOs/NPOs
- Number of beneficiaries and impact of the support provided

OPERATION AND PERFORMANCE

Group CFO report

"We are strongly committed to delivering continuous growth and improving long-term value for our stakeholders"

M. Sahoud Edoo
Group CFO

Introduction

The telecoms industry in Mauritius encountered notable challenges in 2023, impacting operational dynamics and financial performance. Fluctuations in industry fortunes were influenced by economic variables such as currency depreciation, inflation, and changes in consumer spending habits. These factors directly affected the Group, necessitating adaptive measures for financial stability.

We navigated these challenges by prioritising strategic initiatives and investing in technology and digital transformation aimed at sustaining revenue growth, costs optimisation, enhancing operational efficiency, and improving customer experience. These investments have positioned us well for future growth and innovation.

This report provides an overview of the financial performance of each of our subsidiaries and highlights key metrics and trends for the Group as a whole. Despite challenges in the market, the Group demonstrated strong financial performance in 2023 and achieved sustainable growth and gained opportunities within its business segments: telecommunication, media, fintech and space economy.

Financial Strategy

Our financial strategy continues to build upon the positive momentum achieved in previous years.

Our objectives, as agreed with the Board of Directors, are geared towards the following priorities:

- Accurate financial planning
- Cost optimisation
- Effective working capital management and debt management
- Adequate financial and accounting controls
- Capital productivity
- Increased efficiency through digitisation and automation of processes

Group Review

The Group continued to follow its growth trajectory in 2023, with improved results relative to 2022. The increase in Group profitability was mainly driven by the telecommunication segment, including core results from mobile services, enterprise services and home broadband, which continue to make up a sizeable part of Group revenues and profitability. We have maintained a strong focus on cost optimisation without hampering the growth potential of new revenue streams or our ability to leverage our networks.

1 Telecommunication Cluster - Emtel Limited

Emtel has paved the way for the growth in the ICT industry, which has become a major pillar of the Mauritian economy. The Ookla® certification as the fastest mobile network in Mauritius in 2023, awarded to Emtel, demonstrates that we remain at the forefront of innovations by always keeping an eye on the future and keeping people at the heart of our endeavours.

Emtel achieved revenue of Rs 3.4 Bn, an increase of 5.7% over 2022, when revenue was Rs 3.2 Bn.

2 Fintech Cluster - Emtel MFS Co Ltd

Launched in 2022, Emtel's mobile payment app - blink - enables users of any mobile operator to access multiple bank accounts and perform all transactions on a universal app, anytime, anywhere, and securely. Users can effect merchant payments, bill payments, mobile recharges, peer-to-peer bank transfers and other payments via blink, whether or not they are an Emtel customer.

3 Space Economy Cluster (Satellite Park) - Emtel Technopolis Ltd

This is the first of its kind Low Earth Orbit(LEO) satellite ground station in the Indian Ocean region. This groundbreaking innovation is set to revolutionize internet connectivity by delivering high-speed access not only to individuals and institutions, but also to the airborne and maritime industries, transcending geographical barriers and reaching even the most remote corners of the region. This momentous development signifies a major leap forward for the inhabitants of the Indian Ocean region, marking their inclusion in the digital economy. This is not just a technological advancement, but a stride towards progress and prosperity for the entire region.

4 Media Cluster - MC Vision Ltd

From pioneering digital satellite television in 1999, MC Vision has evolved into a sophisticated provider of premium and exclusive content, available in linear and non-linear forms across platforms and devices (TV, tablets and smartphones).

The Company is driven by its ability to constantly deliver the newest products and services in line with market evolutions and a determination to sustain an enhanced viewing experience for subscribers.

Group Prospects

The Group continues to further strengthen its financial position and generate robust cash flows, improving our financial flexibility. We are committed to maintaining a sound capital structure with appropriate levels of gearing and ensuring access to sufficient funding to sustain our operations and facilitate growth.

While we expect the trading environment to remain challenging in the short term, we are confident that the diversity, scale and positioning of the Group will continue to prove resilient.

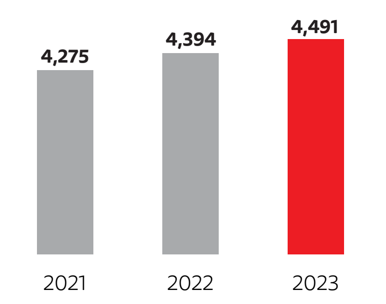
Looking ahead, we remain cautiously optimistic about the Group's prospects despite the ongoing economic uncertainties. We will continue to focus on driving revenue growth, optimising costs, and leveraging technology to drive innovation and efficiency.

Group Financial Results

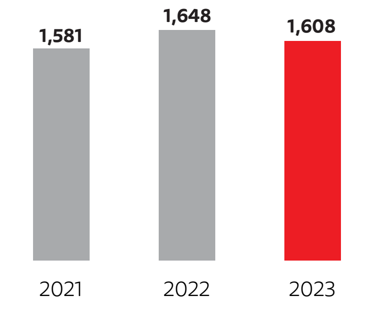
GROUP: Condensed statement of profit and loss for the financial year ended 31 December

	2021	2022	2023
	Rs Mn	Rs Mn	**Rs Mn**
Revenue	4,275	4,394	**4,491**
EBITDA	1,581	1,648	**1,608**
Depreciation & Amortisation	(881)	(888)	**(980)**
Underlying operating profit (A)	700	760	**628**
Solidarity levy on revenue	(47)	(50)	**(53)**
Profit on disposal and derecognition of lease liabilities	4	105	**105**
Operating Profit	657	815	**680**
Finance costs on debt contracted for investment in subsidiary	(50)	(50)	**(44)**
Net finance costs (B)	(123)	(139)	**(183)**
Profit before tax	484	626	**453**
Income tax expense	(134)	(116)	**(138)**
Profit for the year	350	510	**315**
Other comprehensive income	288	18	**43**
Total comprehensive income for the year	638	528	**358**
Underlying profit before tax ((A) - (B))	577	621	**445**

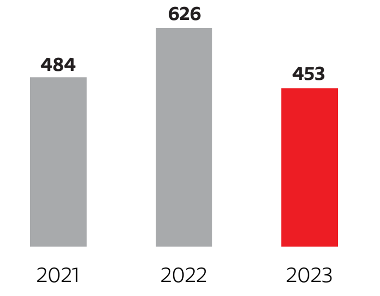
Group Revenue (Rs Mn)



Group EBITDA (Rs Mn)



Group Profit Before Tax (Rs Mn)



GROUP: Condensed statement of financial position as at 31 December

	2021	2022	2023
	Rs Mn	Rs Mn	**Rs Mn**
Assets			
Property, plant and equipment	3,630	3,987	**5,143**
Right-of-use assets	752	977	**876**
Intangible assets	321	285	**218**
Financial assets at fair value through OCI	1	1	**1**
Post employment benefit assets	–	2	**–**
Non-current assets	4,704	5,252	**6,238**
Current assets	702	1,425	**966**
Total Assets	5,406	6,677	**7,204**
Equity and Liabilities			
Stated capital	152	152	**152**
Retained earnings	876	1,113	**922**
Other reserves	267	21	**73**
Common control Reserve	(1,031)	(1,031)	**(1,031)**
Non controlling Interest	44	49	**–**
Total equity	308	304	**116**
Non-current liabilities	3,647	3,862	**3,261**
Current liabilities	1,451	2,511	**3,827**
Total Equity and Liabilities	5,406	6,677	**7,204**

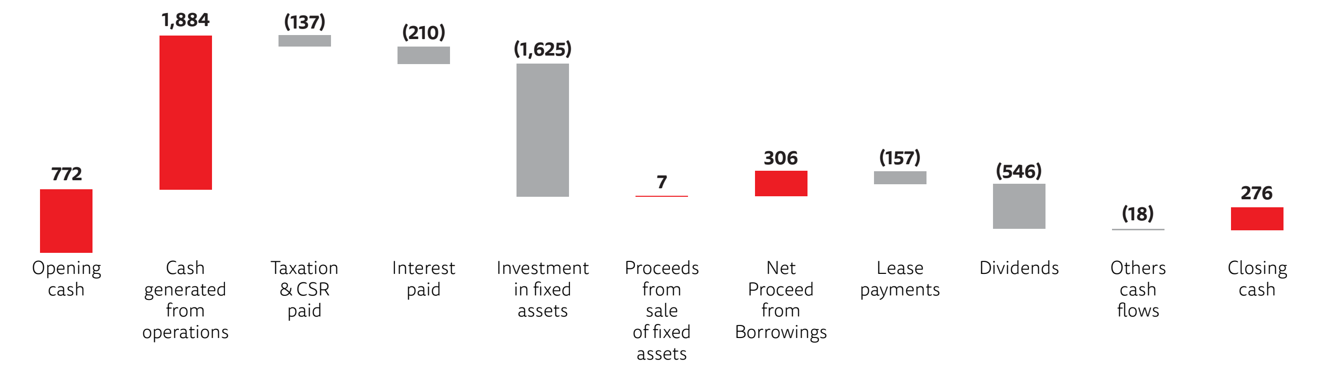
Group CFO report (Continued)

GROUP: Condensed statement of cash flows for the financial year ended 31 December

	2021	2022	2023
	Rs Mn	Rs Mn	**Rs Mn**
Net cash generated from operating activities	1,321	1,378	**1,529**
Net cash used in investing activities	(1,534)	(598)	**(1,619)**
Net cash used in financing activities	(24)	(117)	**(397)**
Net (decrease) / increase in cash and cash equivalents	(237)	663	**(487)**
Net foreign exchange difference	(12)	(17)	**(9)**
Cash and cash equivalents at 1st January	375	126	**772**
Cash and cash equivalents at 31st December	126	772	**276**

Cash Flow

The Group cash flows generated from operations stood at Rs 1.88 Bn which represent a significant growth of 12.9% compared to financial year 2022. Major outflows from the group resulted from Capex Investments in 5G technology, modernization of network equipment and upgrades of decoders.



GROUP: Condensed statement of changes in equity

	THE GROUP						
	Stated capital	**Retained earnings**	**Common Control reserves**	**Other reserves**	**Total Owners**	**Non controlling interest**	**Total equity**
	Rs Mn	**Rs Mn**	**Rs Mn**	**Rs Mn**	**Rs Mn**	**Rs Mn**	**Rs Mn**
At 1 January 2022	152	876	(1,031)	267	264	44	308
Profit for the year	–	511	–	–	511	(1)	510
Other comprehensive income	–	13	–	–	13	5	18
Total comprehensive income	–	524	–	–	524	4	528
Dividends	–	(532)	–	–	(532)	–	(532)
Recycling of revaluation reserves to retained earnings	–	245	–	(245)	–	–	–
At 31 December 2022	**152**	**1,113**	**(1,031)**	**22**	**256**	**48**	**304**
Profit for the year	**–**	**361**	**–**	**–**	**361**	**(46)**	**315**
Other comprehensive income	**–**	**(6)**	**–**	**51**	**45**	**(2)**	**43**
Total comprehensive income	**–**	**355**	**–**	**51**	**406**	**(48)**	**358**
Dividends	**–**	**(546)**	**–**	**–**	**(546)**	**–**	**(546)**
At 31 December 2023	**152**	**922**	**(1,031)**	**73**	**116**	**–**	**116**

Divisional Review

1 Telecommunication cluster

Financial Performance

The financial year (FY) 2023 has been positive for Emtel after two challenging years due to the pandemic. To provide clearer insight, our financial performance is compared against two previous reporting periods: first, the financial year ended 2022, and second, the financial year ended 2021, which I consider a normal operational year prior to the Covid-19 challenges.

Operating Context

Emtel continues to operate its business stably and remains committed to generating continuous growth in operating results. We recorded a strong financial and operational performance in 2023 and made significant advances in our growth portfolio. This performance was achieved alongside a continued focus on the safety and wellbeing of both our workforce and the communities in which we operate. Issues around the world, such as the war in Ukraine, supply chain interruptions, inflationary cost pressures, impact of foreign exchange volatility and high energy prices presented challenges that demanded the resilience and commitment of our people to produce this year's solid achievements.

Emtel also continued to grow and diversify its revenue streams. Currently, we are taking a focused approach to building our capabilities in areas where user experience enhancement is required, which includes deployment of 5G networks, expansion of infrastructure to support high-speed connectivity, low latency services and the Internet of Things (IoT), and investments in digital transformation to enhance the customer experience though new technologies like AI.

Emtel – Financial Results

EMTEL: Condensed statement of profit and loss for the financial year ended 31 December

	2019	2020	2021	2022	2023
	Rs Mn	Rs Mn	Rs Mn	Rs Mn	**Rs Mn**
Revenue	3,238	3,091	3,129	3,240	**3,425**
EBITDA	1,448	1,401	1,379	1,510	**1,577**
Depreciation & Amortisation	(688)	(632)	(720)	(715)	**(799)**
Underlying operating profit (A)	760	769	659	795	**778**
Dividend income	–	71	47	–	**–**
Solidarity levy on revenue	(49)	(47)	(47)	(50)	**(53)**
Impairment loss	–	–	–	(82)	**–**
Profit/(Loss) on disposal	2	(1)	3	103	**103**
Other one off transactions	(11)	(13)	1	(8)	**(11)**
Operating Profit	702	779	663	758	**817**
Finance costs on debt contracted for investment in subsidiary	–	(21)	(50)	(50)	**(44)**
Net finance costs (B)	(78)	(107)	(104)	(115)	**(150)**
Profit before tax	624	651	509	593	**623**
Income tax expense	(147)	(99)	(129)	(115)	**(158)**
Profit for the year	477	552	380	478	**465**
Other comprehensive income	(11)	(14)	279	8	**(1)**
Total comprehensive income for the year	466	538	659	486	**464**
Underlying profit before tax ((A) - (B))	682	662	555	680	**628**

EMTEL: Condensed statement of financial position as at 31 December

	2019	2020	2021	2022	2023
	Rs Mn	Rs Mn	Rs Mn	Rs Mn	**Rs Mn**
Assets					
Property, plant and equipment	2,386	2,621	2,905	3,201	**4,352**
Right-of-use assets	708	619	714	946	**854**
Intangible assets	387	323	312	267	**200**
Investment in subsidiaries	–	1,150	1,205	1,123	**1,123**
Financial assets at amortised costs	–	–	–	–	**31**
Financial assets at fair value through OCI	2	1	1	1	**1**
Non-current assets	3,483	4,714	5,137	5,538	**6,561**
Current assets	1,087	773	801	1,212	**817**
Total Assets	4,570	5,487	5,938	6,750	**7,378**
Equity and Liabilities					
Stated capital	152	152	152	152	**152**
Retained earnings	914	1,089	966	1,165	**1,079**
Other reserves	2	1	266	21	**25**
Total equity	1,068	1,242	1,384	1,338	**1,256**
Non-current liabilities	2,001	2,556	3,400	3,266	**2,685**
Current liabilities	1,501	1,689	1,154	2,146	**3,437**
Total Equity and Liabilities	4,570	5,487	5,938	6,750	**7,378**

EMTEL: Condensed statement of cash flows for the financial year ended 31 December

	2019	2020	2021	2022	2023
	Rs Mn	Rs Mn	Rs Mn	Rs Mn	**Rs Mn**
Net cash generated from operating activities	1,135	1,120	886	1,418	**1,513**
Net cash used in investing activities	(676)	(1,384)	(997)	(393)	**(1,525)**
Net cash (used in) / generated from financing activities	(455)	372	(41)	(439)	**(427)**
Net (decrease) / increase in cash and cash equivalents	4	108	(152)	586	**(439)**
Net foreign exchange difference	4	(5)	(2)	(4)	**(3)**
Cash and cash equivalents at 1st January	73	81	184	30	**612**
Cash and cash equivalents at 31st December	81	184	30	612	**170**

Group CFO report (Continued)

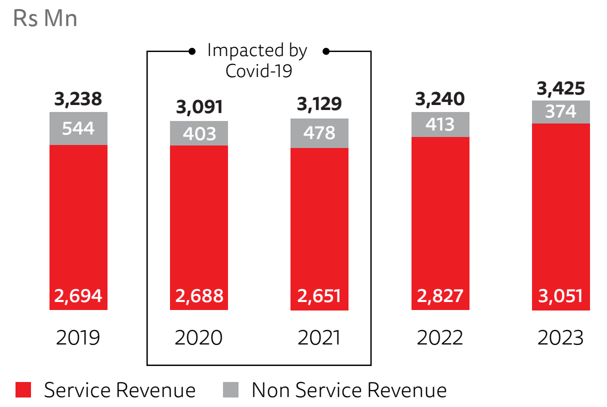
EMTEL: Condensed statement of changes in equity

	Stated capital Rs Mn	Retained earnings Rs Mn	Other reserves Rs Mn	Total equity Rs Mn
At 1 January 2022	152	966	266	1,384
Profit for the year	–	478	–	478
Other comprehensive income	–	253	(245)	8
Total comprehensive income	–	731	(245)	486
Dividends	–	(532)	–	(532)
At 31 December 2022	**152**	**1,165**	**21**	**1,338**
Profit for the year	**–**	**465**	**–**	**465**
Other comprehensive income	**–**	**(5)**	**4**	**(1)**
Total comprehensive income	**–**	**460**	**4**	**464**
Dividends	**–**	**(546)**	**–**	**(546)**
At 31 December 2023	**152**	**1,079**	**25**	**1,256**

Analysis of Financial Performance

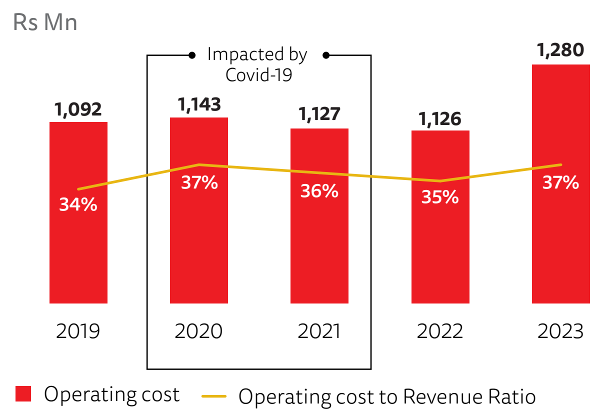
Revenue

Revenue increased by 5.7% compared to the previous financial year. Our service revenue, which comprises revenues from our mobile business, home broadband business and enterprise business, increased by 7.9% compared to 2022 and by 13.3% compared to 2019. By contrast, our non-service revenue, which comprises the resale of mobile devices, routers and tower rental income, was 9.4% lower than 2022 and 31.3% lower than 2019. The higher service revenue is mainly attributed to higher mobile revenue, the corporate segment, and home broadband, which performed well in 2023.



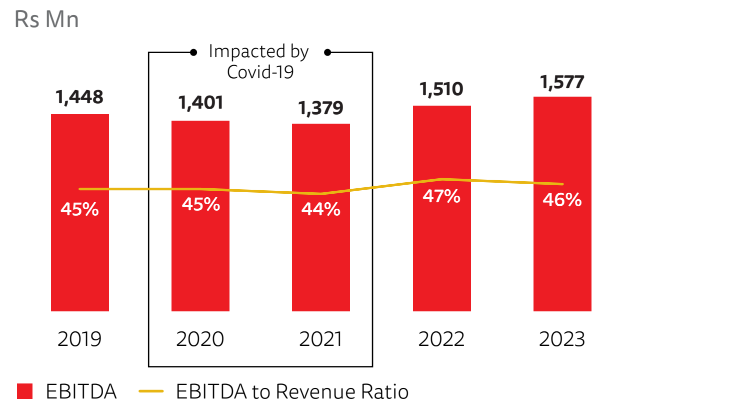
Operating Cost

Operating costs consist mainly of network expenses, human capital expenses, sales and distribution expenses and information technology expenses, among others. As a significant portion of our operating costs are in foreign currencies, Emtel was adversely impacted by the depreciation of the Mauritian rupee, increased electricity tariff and personnel cost. The impact has been further felt in 2023, bringing our operating cost-to-revenue ratio to 37%.



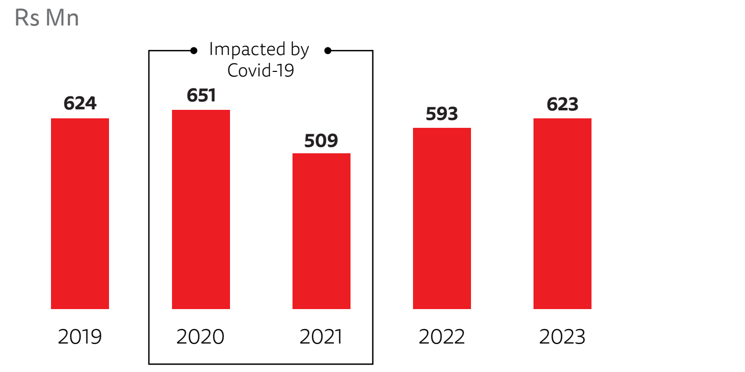
EBITDA

EBITDA adjusted for non-operational transactions grew by 3.6% compared to 2022 and by 8.1% compared to 2019. This was made possible by the steps management took to generate sales from new revenue streams and to manage and reduce operating costs through operational efficiencies, process streamlining, and resource maximisation.



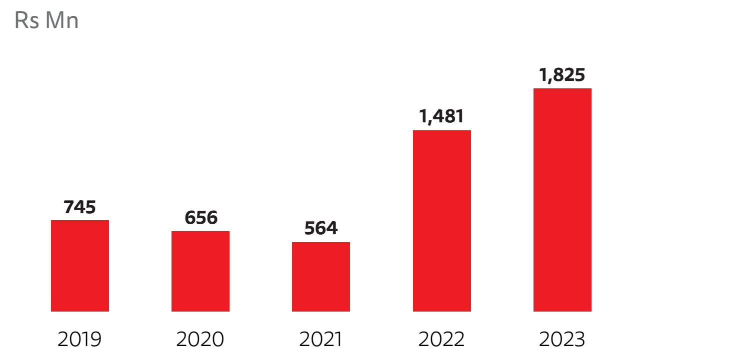
Profit before tax

Our profit before tax for 2023 stood at Rs 623 Mn, which represents growth of 5.1% compared to 2022.



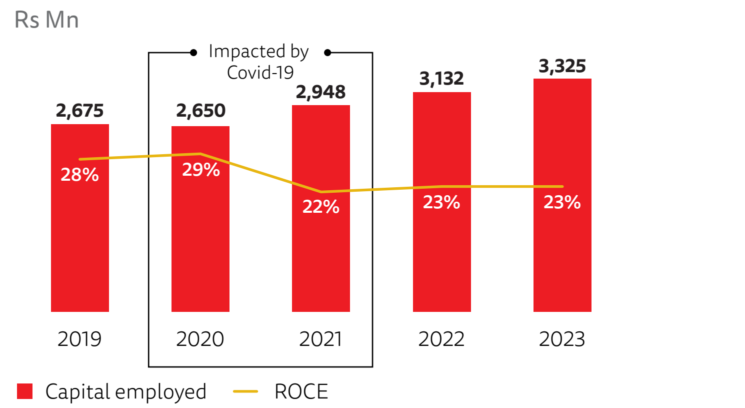
Capital Expenditure

Investment in capital expenditure ("Capex") is key to the long-term growth of Emtel, to enable us to keep abreast of technological developments, diversify revenue, and replace obsolete assets. 2023 saw major Capex investments, mainly driven by the continued expansion of 5G technology across the island and the modernisation of the 2G, 3G and 4G networks.



Underlying Return on Capital Employed ("ROCE")

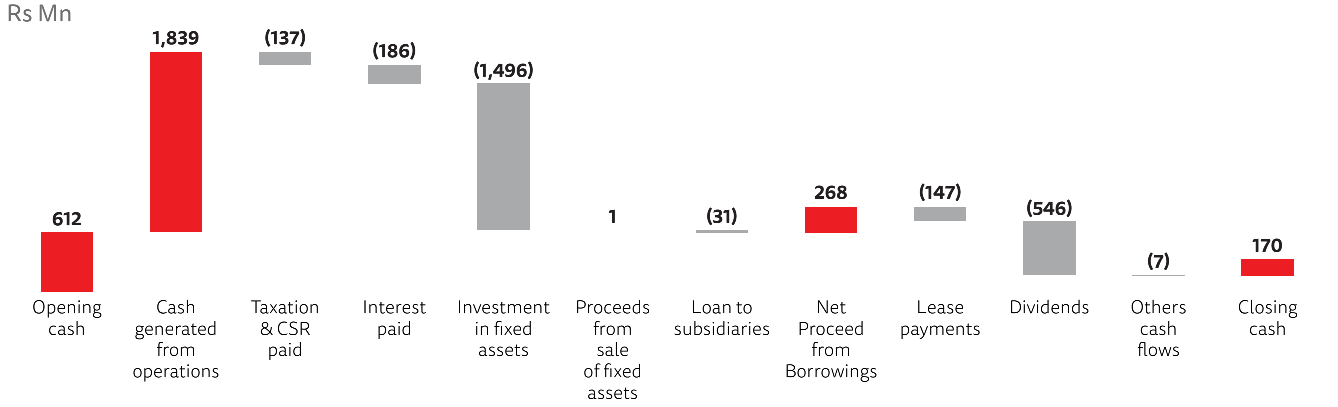
The underlying return on capital employed ("ROCE") stood at 23% for 2023. The underlying ROCE is defined as underlying operating profit divided by the underlying equity plus debt contracted to finance the growth of the Company and excludes the debt contracted for the investment in subsidiaries.



Group CFO report (Continued)

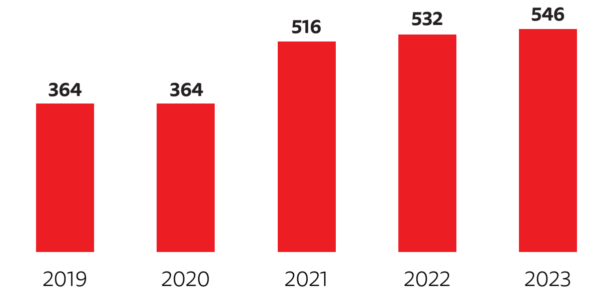
Cash Flow

The cash flow generated from operations stood at Rs 1.84 Bn in 2023 better than the previous year by 9%. Other significant cash inflows are the proceeds from new loans, amounting to Rs 268 Mn. We also negotiated longer payment facilities for Capex payments.



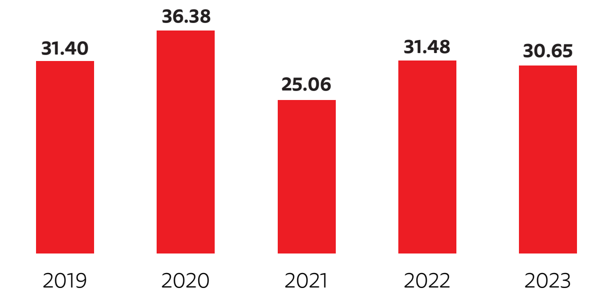
Dividend Payout

In 2023, the Company paid Rs 546 Mn as dividends to shareholders (representing Rs 35.97 per share) compared to Rs 532 Mn in 2022 (Rs 35.03 per share).



Earnings per share

Earnings per Share ("EPS") stood at Rs 30.65 for 2023 compared to Rs 31.48 in 2022. However, dividend payout were higher than previous year.



2 Fintech cluster

Operating Context

We have reached an important milestone with the launch of our mobile payment app blink, introduced in 2022. Since then, more than 50,000 users have downloaded the app and monthly transactions have been around Rs 500 Mn. With continuous upgrades and enhanced features, blink is revolutionizing the digital payment industry. blink has shown strong growth and performance with transactions value grossing Rs 3.0 Bn in 2023.

Emtel MFS – Financial Results

EMTEL MFS: Condensed statement of profit and loss for the financial year ended 31 December

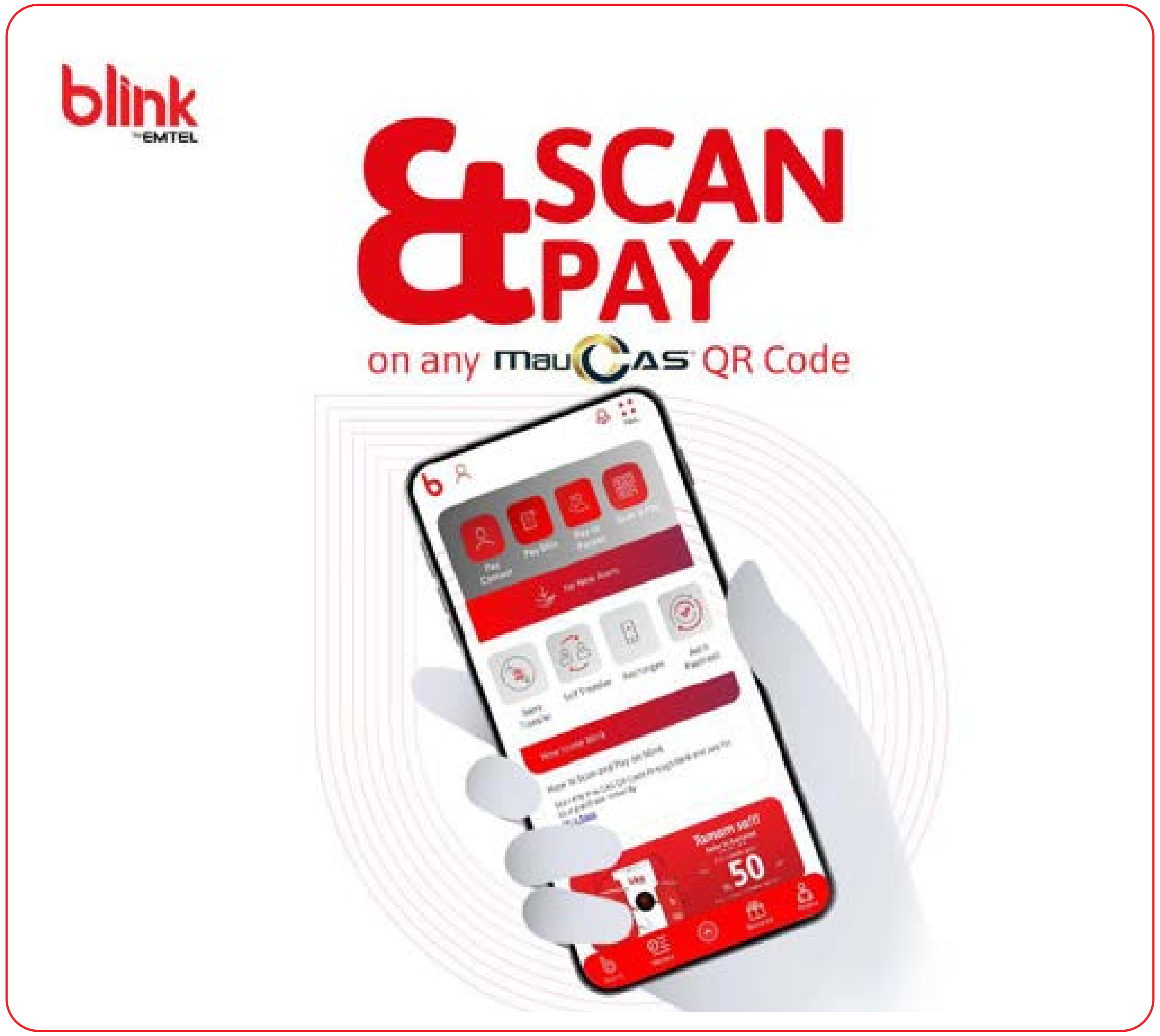
	2021 Rs Mn	2022 Rs Mn	2023 Rs Mn
Revenue	–	0.6	**7.8**
EBITDA	(4.0)	(46.0)	**(56.0)**
Depreciation & Amortisation	–	(2.0)	**(3.0)**
Operating loss	(4.0)	(48.0)	**(59.0)**
Net finance costs	–	(1.0)	**(6.0)**
Loss before tax	(4.0)	(49.0)	**(65.0)**
Total comprehensive income for the year	(4.0)	(49.0)	**(65.0)**

EMTEL MFS: Condensed statement of financial position as at 31 December

	2021 Rs Mn	2022 Rs Mn	2023 Rs Mn
Assets			
Intangible assets	6	16	**17**
Non-current assets	6	16	**17**
Current assets	1	13	**16**
Total Assets	7	29	**33**
Equity and Liabilities			
Stated capital	5	5	**5**
Retained earnings	(4)	(53)	**(118)**
Total equity	1	(48)	**(113)**
Non-current liabilities	–	65	**133**
Current liabilities	6	12	**13**
Total Equity and Liabilities	7	29	**33**

EMTEL MFS: Condensed statement of cash flows for the financial year ended 31 December

	2021 Rs Mn	2022 Rs Mn	2023 Rs Mn
Net cash generated from operating activities	1	(46)	**(61)**
Net cash used in investing activities	(6)	(12)	**(4)**
Net cash generated from financing activities	5	65	**66**
Net increase in cash and cash equivalents	–	7	**1**
Cash and cash equivalents at 1st January	–	–	**7**
Cash and cash equivalents at 31st December	–	7	**8**



3 Space Economy Cluster (Satellite Park)

Operating Context

Emtel Technopolis started operations as from August 2023 and generated revenue of Rs 18.4 Mn in 2023. The Company has invested massively in building a state-of-the-art ground station and satellite farm which positioned the Group to be among the first in the Indian Ocean to bring connectivity to unreachable areas. Emtel Technopolis owns significant portion of land, aimed at being developed into a technology park which will host enabling infrastructure for data centres, cable landing stations, start-ups and tech companies. Investment in capital expenditure amounted to Rs 492 Mn.

Emtel Technopolis – Financial Results

EMTEL TECHNOPOLIS: Condensed statement of profit and loss for the financial year ended 31 December

	2023 Rs Mn
Revenue	**18.4**
EBITDA	**14.0**
Depreciation & Amortisation	**(4.0)**
Operating Profit	**10.0**
Net finance costs	**(7.0)**
Profit before tax	**3.0**
Profit for the year	**3.0**
Total comprehensive income for the year	**3.0**

EMTEL TECHNOPOLIS: Condensed statement of financial position as at 31 December

	2021 Rs Mn	2022 Rs Mn	2023 Rs Mn
Assets			
Property, plant and equipment	288	392	**488**
Current assets	6	25	**1**
Total Assets	294	417	**489**
Equity and Liabilities			
Stated capital	50	50	**50**
Retained earnings	–	(1)	**2**
Other reserves	–	–	**47**
Total equity	50	49	**99**
Non-current liabilities	–	355	**356**
Current liabilities	244	13	**34**
Total Equity and Liabilities	294	417	**489**

Group CFO report (Continued)

4 Media Cluster

Operating Context

Performance continued to feel the long-term effects of the previous years' challenges, including Covid-19, Russia-Ukraine unrest, fierce price competition, piracy, increased content cost and foreign currency fluctuation. These have impacted the operating cost-to-revenue ratio by 95% in 2023 compared to 68% in 2019.

While we expect the environment to remain volatile in the short term, we are confident that the diversity and scale of positioning of the Company will change the situation. Management has adopted significant measures to bring down costs through the integration of support functions such as finance, IT and procurement.

The Company will continue to work closely with international operating companies to progressively enrich its content and provide an excellent customer experience, aiming to increase sales in the coming years.

MC Vision – Financial Results

MC VISION: Condensed statement of profit and loss for the financial year ended 31 December

	2019	2020	2021	2022	2023
	Rs Mn	Rs Mn	Rs Mn	Rs Mn	**Rs Mn**
Revenue	1,372	1,357	1,278	1,248	**1,129**
EBITDA	422	294	211	198	**84**
Depreciation & Amortisation	(161)	(173)	(163)	(173)	**(176)**
Underlying operating profit (A)	261	121	48	25	**(92)**
(Loss)/Profit on disposal	–	(4)	3	–	**4**
Operating Profit	261	117	51	25	**(88)**
Net finance costs (B)	21	(18)	(19)	(26)	**(20)**
Profit before tax	282	99	32	(1)	**(108)**
Income tax expense	(47)	(9)	(5)	–	**18**
Profit for the year	235	90	27	(1)	**(90)**
Other comprehensive income	(4)	(17)	9	10	**(3)**
Total comprehensive income for the year	231	73	36	9	**(93)**
Underlying profit before tax ((A) - (B))	282	103	29	(1)	**(112)**

MC VISION: Condensed statement of financial position as at 31 December

	2019	2020	2021	2022	2023
	Rs Mn	Rs Mn	Rs Mn	Rs Mn	**Rs Mn**
Assets					
Property, plant and equipment	450	415	443	399	**307**
Right-of-use assets	23	30	41	38	**23**
Intangible assets	2	5	4	2	**1**
Post employment benefit assets	–	–	–	2	**–**
Non-current assets	475	450	488	441	**331**
Current assets	345	259	161	228	**171**
Total Assets	820	709	649	669	**502**
Equity and Liabilities					
Stated capital	35	35	35	35	**35**
Retained earnings	189	112	49	58	**(35)**
Total equity	224	147	84	93	**–**
Non-current liabilities	61	152	248	181	**119**
Current liabilities	535	410	317	395	**383**
Total Equity and Liabilities	820	709	649	669	**502**

MC VISION: Condensed statement of cash flows for the financial year ended 31 December

	2019	2020	2021	2022	2023
	Rs Mn	Rs Mn	Rs Mn	Rs Mn	**Rs Mn**
Net cash generated from operating activities	404	236	201	283	**57**
Net cash used in investing activities	(332)	(134)	(188)	(114)	**(67)**
Net cash used in financing activities	(312)	(44)	(105)	(99)	**(26)**
Net (decrease) / increase in cash and cash equivalents	(240)	58	(92)	70	**(36)**
Net foreign exchange difference	–	2	(10)	(13)	**(8)**
Cash and cash equivalents at 1st January	371	131	191	89	**146**
Cash and cash equivalents at 31st December	131	191	89	146	**102**

Group CFO report (Continued)

MC VISION: Condensed statement of changes in equity

	Stated capital Rs Mn	Retained earnings Rs Mn	Total equity Rs Mn
At 1 January 2022	35	49	84
Profit for the year	–	(1)	(1)
Other comprehensive income	–	10	10
Total comprehensive income	–	9	9
At 31 December 2022	35	58	93
Profit for the year	**–**	**(90)**	**(90)**
Other comprehensive income	**–**	**(3)**	**(3)**
Total comprehensive income	**–**	**(93)**	**(93)**
At 31 December 2023	**35**	**(35)**	**–**


Emtel Head Office - Ebene


Emtel - Cell site, Tamarin


Emtel Technopolis - Satelite Park, Union Vale

Technological evolution

5G

Emtel has solidified its position as the 5G leader in Mauritius, demonstrating a strong commitment to innovation and connectivity. The rollout of 5G in 2022 was evidence of our proactive approach to staying at the forefront of technological advances. Throughout 2023, we expanded our 5G network, which now includes 323 5G base stations, and extended our 5G population coverage to around 80% the widest in Mauritius – higher than the average 5G population coverage in Europe (68%) and far ahead of the average 5G population coverage in Africa region (6%). In 2023, Emtel launched 5G mobile data for all our data subscribers, the only operator to provide such a service across the island. We also introduced 5G BizConnect, designed to assist SMEs to harness the power of 5G connectivity. These achievements were recognised with the certification as the FASTEST MOBILE NETWORK in Mauritius 2023 by Ookla®, the global leader in fixed broadband and mobile networks analysis. This recognition set a new standard for connectivity speed and user experience in Mauritius. As a result, Mauritius rose from 79th to 63rd place globally according to Ookla®'s Speedtest® Global Index (January 2023 vs. September 2023).

International Connectivity

While the METISS, LION and SAFE submarine cables continue to provide international connectivity, Emtel maintained its commitment to improving global connectivity by strategically adding capacity on two state-of-the-art submarine cables – PEACE and EQUIANO. These cables connect Mauritius to Emtel's new Point of Presence (PoP) in Marseille, France and further improve the global digital connectivity of Mauritius. The increased capacity on these submarine cables and the setup of the PoP in France reflect Emtel's contribution to a more interconnected and accessible global communication landscape.

Emtel Business

Emtel Business is a one-stop shop for ICT solutions, serving diverse sectors including manufacturing, banking, media and entertainment, ICT, government, and logistics and distribution. We have expanded our fiber reach in 2023 to connect businesses in the east and centre of Mauritius, providing fiber connectivity across the island in all major business areas. Over the years, Emtel Business has built a comprehensive service portfolio to meet the needs of businesses from SOHOs and SMEs to large enterprises, encompassing internet for business, local private links, cloud solutions, IP PABX solutions, LAN, wi-fi, and cybersecurity solutions. Recently, cyber attacks have been on the increase in the region, and local organisations are more at risk than ever. To address this threat, Emtel Business is building and updating its cybersecurity solutions portfolio, which includes Anti-Distributed Denial of Service (Anti-DDoS), next-generation firewall, secure SD-WAN, web application firewall (WAF), SASE/SSE Solutions, email security and endpoint protection. To deliver best-of-breed solutions to our customers, we have forged strategic partnerships with leading global vendors like Cisco, Juniper, Fortinet, and Palo Alto Networks. This collaboration ensures our customers always have access to cutting-edge, best-in-class technology.

Through our robust network infrastructure, state-of-the-art solutions and strategic partnerships, Emtel Business remains focused on delivering services of a high standard to meet the needs of our customers.

Emtel Technopolis - Satelite Park, Union Vale

Technological evolution (Continued)

IPTV and OTT service

Emtel, in collaboration with MC Vision and Canal+, has revolutionised the delivery of satellite content by seamlessly transitioning from traditional satellite dish broadcasting to IPTV service. Through this strategic partnership, Emtel has enabled MC Vision to offer its diverse range of satellite content through an innovative IPTV/OTT platform. This transition not only improves the accessibility of content but also reduces the need for satellite dishes, providing users with a more flexible and convenient viewing experience. Additionally, MC Vision subscribers can continue their television viewing via internet backup from any ISP on their decoder, particularly when adverse weather conditions interfere with satellite reception. The revamped OTT solution provides 'Mode Expert' and 'Multi-Live' options on the myCanal app, enhancing the customer experience.

Emtel Technopolis

Emtel Technopolis has launched a state-of-the-art ground station and satellite farm strategically located at Union Vale, heralding a new era in satellite gateway capabilities in Mauritius and the Indian Ocean. Currently serving a leading Low Earth Orbit (LEO) constellation, Emtel Technopolis is committed to delivering comprehensive services to optimise satellite gateway performance and bring connectivity to unreachable areas. The fully secured facility offers 24/7 emergency support, on-ground intervention for issue resolution and environment monitoring as well as meticulous site upkeep. Furthermore, Emtel Technopolis provides equipment hosting with uninterrupted power supply and boasts robust fiber connectivity to facilitate seamless data transmission. This initiative not only underscores Emtel's commitment to advancing satellite technology, it highlights our active participation in the burgeoning space economy. We have positioned Mauritius among the few nations providing such services and the first to do so in the Indian Ocean.

Emtel MFS (blink)

blink was introduced by Emtel in 2022 and offers instant and **zero-cost transactions** for users. It has quickly become a cornerstone in the digital payments landscape, redefining the way users engage with financial transactions. blink has continually adapted to the evolution of digital finance, ensuring it remains a dynamic and user-centric platform. blink supports open banking, which enables secure and real-time payments directly from the customer's bank account to the recipient's account with a few taps.

Our focus remains instant payment services at zero cost for the user, and the second year of blink delivered exciting new features and expanded partnerships with payment gateway providers to enhance the e-commerce landscape in Mauritius. We are dedicated to meeting the ever-changing needs of our users.

New features include Self-Transfer and Autopay, which were introduced to the app in 2023. Self-Transfer allows users to transfer money between their own accounts (registered on blink) without the need to add details manually. Autopay enables scheduled bill payments and bank transfers for a future date on a one-off or regular basis (daily, weekly, monthly or yearly). By the end of 2023, blink had connected 20 billers on its platform, enabling customers to pay their bills anytime and anywhere at their convenience.

With each new feature on blink, we aim to accelerate the transition of Mauritius to a cashless society at scale and in line with the country's vision of a digital economy equal to any international counterpart. The total volume of transactions on blink in 2023 exceeded Rs 3.0 Bn in value, with more than 4,855 merchants adopting the blink QR code to ease contactless payments. blink won first prize at the People's Choice Awards in the highly competitive FinTech category for 2023.

With more innovation planned for 2024 and beyond, blink will continue to add convenience and cost-effectiveness to financial transactions in Mauritius.

Emtel Technopolis - Satelite Park, Union Vale

Digitisation

The digitisation wave sweeping through the telecommunication sectors has fundamentally changed the way business operates. Traditional methods have given way to digital solutions, fostering efficiency, scalability, and accessibility.

Over the years, Emtel has embraced digitisation, shifting the focus from initial implementation to optimisation, innovation, and leadership in a rapidly evolving business environment.

In 2023 we focused our efforts on moving our critical IT systems and services to a fully virtual environment, automating internal processes, and providing the best products and experience to our customers. We also set the stage for a major digital transformation in 2024.

SIM Regulations 2023

Effective from 31st October, 2023, the Information and Communication Technologies (Registration of SIM) Regulations 2023 require all telecommunication operators in Mauritius to confirm the identity of SIM users for all registrations of SIMs on their networks.

To comply with the legislation:

- SIM sales for new subscribers must undergo online verification with the local authority's system prior to activation
- Existing subscribers need to re-register their SIM cards, which can also be completed via online verification with the local authority's system. The deadline for this process is 30th April 2024 and failure to re-register will mean disconnection of services.
- In the event of a Mauritian citizen's death or the departure of a non-Mauritian, the operator must request information from the local authority's system to disconnect services.

To comply with the Registration of SIM regulations, Emtel had to refine the Know your Customer (KYC) process. In so doing, we introduced some innovations to the customer journey. We developed the **MoEmtel** app, which seamlessly allows subscribers to re-register themselves or another subscriber. The app contains features such as:

- Optical Character Reader (OCR) and bar code reader, which read key information on the ID card without the need for manual data entry by the subscriber.
- Face liveliness and image check to prevent identity theft.
- Facility for subscriber to use their own handset to re-register another subscriber (with the necessary security measures in place). This will help subscribers without smartphones or individuals unable to complete this process on their own.
- Facility for a subscriber with more than one SIM card to re-register them all in a single transaction.

IT Infrastructure Modernisation

IT infrastructure modernisation is a strategic initiative Emtel has undertaken to update and enhance our IT systems, hardware, software, and processes. The process has involved the adoption of cloud computing, network virtualisation, automation, and other contemporary technologies. It aims to deliver an IT infrastructure that is agile, scalable, and capable of supporting Emtel's current and future needs.

During 2023, we completed the migration of our core IT services to a virtual mode. We look forward to fully migrating our CRM system in 2024 as well as the core telco Business Support Systems (BSS) to the same modern infrastructure with similar benefits.

Embarking on the AI journey

Emtel leverages existing artificial intelligence (AI) to add value to various aspects of our Research and Development (R&D) (such as ideas generation, prototyping, and market trend analysis), marketing (content creation and personalisation), and customer experience (AI-driven chatbots and virtual assistants).

We look forward to concluding implementation of a Customer Experience Management (CEM) tool in 2024. The CEM tool uses an AI algorithm to derive insights on critical network KPIs and to optimise the networks to ensure a seamless and responsive user experience. Tasks that once demanded significant human intervention, such as system monitoring, data analysis, and troubleshooting, can be executed with unprecedented speed and accuracy. This not only reduces operational costs but also frees up human resources for more strategic and creative endeavours.

We anticipate integrating an AI layer into Business Intelligence (BI) systems to bring about advancements in data analysis, decision-making, and overall operational efficiency. This will further enhance key processes such as churn prediction, customer segmentation, fraud detection and upselling.

Next-Generation Billing and Charging System

The Emtel billing and charging system has been designed to work with the 5G network and has specific capabilities that address the complexities of 5G technology. A new version will be released by Q3 2024.

Streamlining B2B Operations

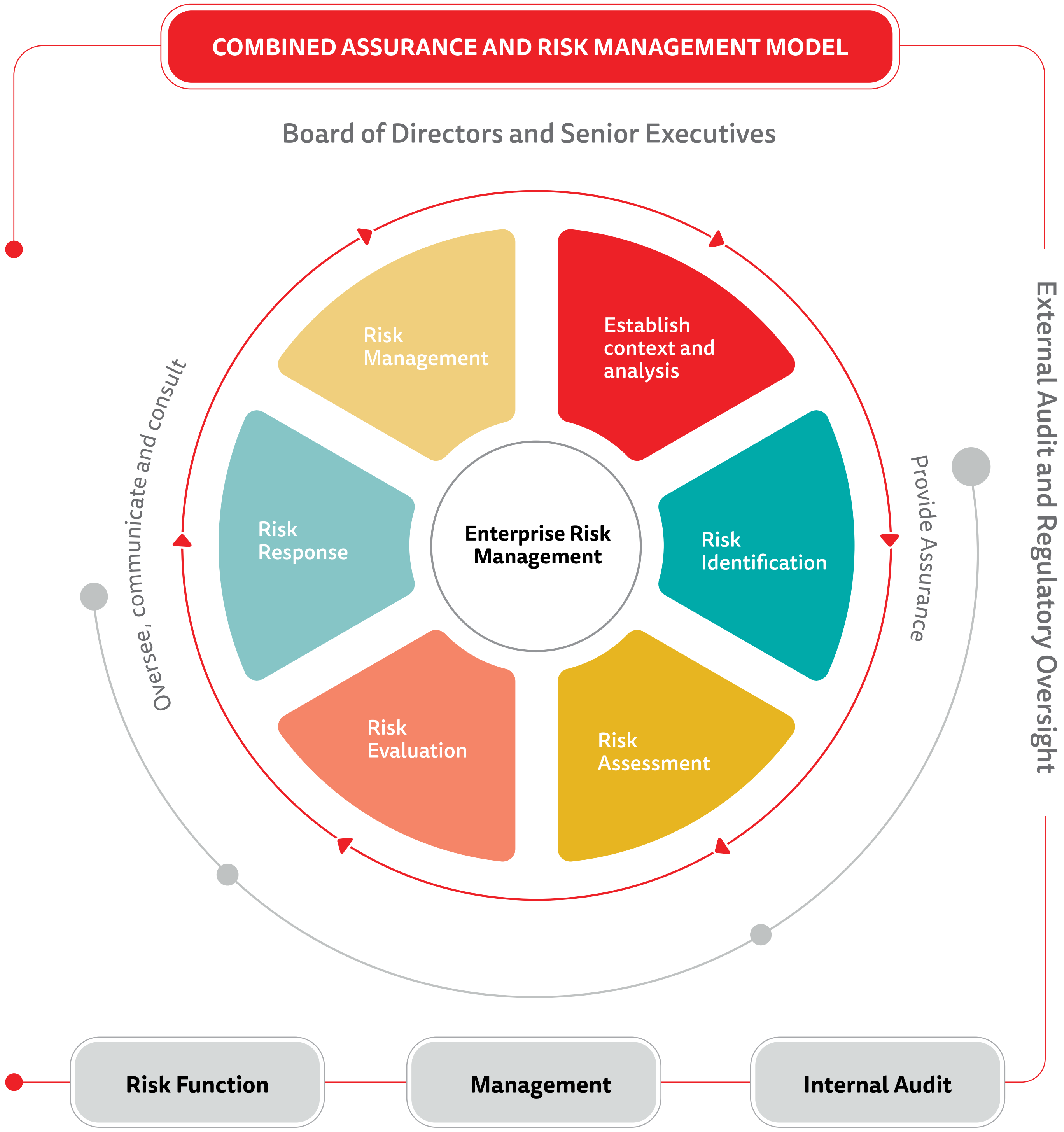
Salesforce, a leading CRM platform, has emerged as a powerful B2B solution, enabling telcos to streamline operations, enhance customer relationships, and drive business growth. Our implementation of Salesforce signifies a commitment to optimising customer interactions and driving business success.

In the relentless pursuit of innovation and efficiency, we recognise that the digitisation journey is far from over, though we are proud to take a leading role. With a solid foundation in place, we continue to consolidate our digitisation efforts in line with continually evolving technological trends.

Risk management model

Emtel's Risk Management model aligns with CJ's group risk management strategy, which is equipped to identify, evaluate, respond to, and manage risks. The process comprises the adoption of a rigorous and collaborative approach across the entire organization, in which key individuals contribute by recognizing risks in their particular areas of responsibility and expertise and providing suitable responses to these risks.

One of the key outputs of this process is the creation of a comprehensive Risk Register, which establishes the risk context and risk treatment plan for each key risk. As a result, risk management remains a priority and operational managers are adequately prepared to respond quickly to changing conditions. Refer to below figure for the CJ Risk Management Model adopted for Emtel.



Top 10 Risks identified by the Company

During the year, the Company has undertaken an initiative to perform an assessment of its Enterprise Risk Register, which has been updated on quarterly basis. The Top 10 risks and their corresponding mitigation measures are set out below:

RISK CATEGORY

STRATEGIC — 1

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Failure to diversify into newer revenue streams.	Mauritius has a highly saturated mobile market and due to limited scope of growth for mobility segment it is important for EMTEL to continue identifying new sources of revenue through continuous market scan, diversifying current product portfolio.	An ongoing strategy to diversify Emtel's business is in place whereby the Company have already expand its foot prints in Space Economy, expedited 5G deployment, Plug N Play 5G media, etc. that will create new revenue sources and enhance customer engagement as well as retention. Business focus on driving data adoption through innovative products and offer's.

RISK CATEGORY

STRATEGIC — 2

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Hyper competitive market leading to loss of market share.	Aggressive pricing strategies in market may result in churn of the existing customer base & will require aggressive pricing / margin reduction from EMTEL, ultimately impacting the profitability & market share.	Emtel successfully launched the 5G eMBB and simplified, technology-agnostic packs. The company on timey basis develop new strategies and take appropriate action to ensure increase in market share.

Risk management model (Continued)

RISK CATEGORY

FINANCIAL

3

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Depreciation of local currency.	The depreciation in local currency is increasing the cost of payments to suppliers, which could cause cost overrun.	Demand for Forex has gone up due to increase in price. Spot and forward FX purchases are done to cover payments along with usage of forex overdraft to satisfy immediate needs.

RISK CATEGORY

STRATEGIC

4

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Inconsistent Network quality leading to negative Customer Experience.	Seamless connectivity is a crucial pillar of EMTEL's customer experience strategy. Better network quality and fewer lags will boost EMTEL's reputation and protect market share & revenues.	Network coverage expansion on identified and strategic locations. Ongoing activity to improve customer experience by evaluating complaints and optimizing network in congested areas.

RISK CATEGORY

STRATEGIC

5

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Inability to leverage and deploy new age technologies viz. Data Science, Social Media Analytics, Behavioural analytics.	To better leverage consumer data, their journeys, monitor demand, and build strong customer relationships, building data science capabilities, internal up-skilling initiatives are required.	Focus on scenario based simplified structured data analysis based on user requirements. Invest in technologies, infrastructure and skills to support innovation. Various use cases are being tested at Emtel using innovative technologies such as Generative AI, Data Science, etc. This will ensure that the company is aware of the new technologies and their impact on our business.

RISK CATEGORY

FINANCIAL

6

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Limited fiber infrastructure and roll-out	Restricted fiber capabilities may lead to loss of first mover advantage as compare to competition and may impact growth and sustenance of market share	Fiber rollout and site connectivity are happening as per the plan. Project is approved and deployment is being commenced post approval from authorities. Special projects to offer fiber connectivity to concentrated housing (MDU, social housing) and Enterprises (business parks, malls, etc.) are also underway.

RISK CATEGORY

STRATEGIC

7

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Lack of end to end system integration.	Stability and end-to-end integration of essential systems and platforms to assure EMTEL's go-to-market competitiveness and minimize potential leakage.	Continuous enhancement of CRM system in order to resolve user friendliness issues. The backups of critical systems are performed in accordance with the backup plan. Enhance automation to eliminate misalignment. Strengthen process & controls to minimize gaps till complete automation is achieved.

RISK CATEGORY

STRATEGIC

8

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Global supply chain disruptions.	Disruption in Supply Chain caused by Covid-19, US-China relation and now with Ukraine-Russia war may impact the cost of operations.	The company has implemented a proactive approach in its supply chain process to address potential disruptions such as shortages, closings of factories, and delays in unloading goods at ports.

Risk management model (Continued)

RISK CATEGORY

OPERATIONAL

9

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Cyber Security risk	Increased device, interface, and network interaction raises security risk, and IoT coalitions conceal service provider responsibilities for privacy and security. Cyberattacks on EMTEL's critical infrastructure and consumer data might disrupt service and impact brand image.	Implementation of a robust cybersecurity framework. Continuous monitoring and upgrade of our IT activities, infrastructure & cloud environment. Reliable anti-virus software and firewalls are installed and updated regularly across all systems. External and internal IT audit.

RISK CATEGORY

STRATEGIC

10

RISK	BRIEF DESCRIPTION	MITIGATION PLAN
Evolving Regulatory uncertainties.	Uncertainty w.r.t requirements for license continuation, tax, spectrum auction or any new legislation impacting business operations.	Regular and adequate representation to relevant authorities. Compliance to licence and regulatory requirements.

Internal Control

The Board is responsible for reviewing the internal control system and satisfy itself that the system is functioning effectively. Management is responsible for the design, implementation and monitoring of the internal control system. Appropriate policies, processes, and procedures incorporating relevant internal controls, have been designed and implemented, to provide reasonable assurance that the control objectives are attained.

Whilst retaining the overall responsibilities, the Board has delegated the authority for monitoring and reviewing the effectiveness of the Company's internal control and compliance systems to the Audit & Risk Committee. The Board also relies on the internal audit function to report on any weaknesses in the internal control systems, and make recommendations to Management and to the Audit & Risk Committee for appropriate actions. The Board acknowledges that a system of internal control can only provide reasonable but not absolute assurance against the occurrence of misstatements, human error, losses, fraud and other irregularities.

Whistleblower Policy

The Company aims at encouraging its Directors and anyone associated with the Company, who have concerns about any aspect of malpractices encountered within the Company to come forward and voice those concerns within a defined process with the confidence that they will be treated fairly. The policy ensures that the whistle-blower's identity is treated with utmost confidentiality.


Emtel Data Centre - Arsenal

SUSTAINABILITY REPORT

Sustainability report

Emtel, We Care

At Emtel, the notion of sustainability means meeting our needs without compromising the ability of future generations to meet their own needs. Our philosophy **"We Care"** encapsulates our commitment towards a cleaner, more inclusive and equitable society by integrating environmental and social considerations in our business operations, decisions, partnerships and everyday behaviours.

The Company has adopted a new Sustainability Charter in 2023 whereby the concept of sustainability and stewardship for future generation has become an integral part of our business strategy and operations, and we are constantly striving to ensure its adoption in our organization.

Our Sustainability Commitment

Our sustainability charter outlines our key engagements and summarizes the operating principles for how we will conduct our business:

1. Manage our operations in a sustainable manner for the wellbeing of future generations.
2. Consider sustainability aspects as an integral part of our business strategy and operating methods.
3. Recognize the global sustainability challenges and diligently honor our responsibility to contribute to the solutions.
4. Engage and support our customers', employees', partners', the community's and our stakeholders' sustainability initiatives, and
5. Continually monitor, improve and report our sustainability performance openly and voluntarily.

Our Sustainability Pillars

Our sustainability framework is built around three pillars which are further translated into actionable strategic drivers:

ENVIRONMENTAL PRESERVATION

- Addressing Climate Change
- Preserving Ecosystems and Natural Resources
- Responsible Waste Management
- Environmental Stewardship

SOCIAL INCLUSION

- Poverty Alleviation
- Quality Education
- Quality Health

HUMAN CAPITAL

- Inclusive and Fair Working Environment
- Employee Safety and Wellbeing
- Learning and competency development

EMTEL We Care

Through these engagements, we aim to comply with and perform better than required under the applicable statutory requirements. The UN SDGS (United Nations Sustainable Development Goals) are our blueprint in defining our sustainability strategy and we are committed to contribute towards their achievement.

The Company works closely with the Currimjee Group's Environment & Sustainability team and the Currimjee Foundation team.

ENVIRONMENTAL PRESERVATION 1

Goal 1: Addressing Climate Change

Recognising our contribution to the global phenomenon of climate change and proactively take effective actions to minimize and offset our greenhouse gas emissions.

Emtel assessed its carbon footprint to gain a better understanding of our direct and indirect contributions to climate change and identified the most carbon-intensive operations. The Green House Gas ("GHG") protocol was used to measure our carbon emissions. The assessments covered our carbon footprint, and based on these baseline emissions, a short-term and long-term decarbonisation strategy has been developed to reduce our carbon emissions in alignment with international standards.

Results of carbon footprint assessment – Emtel	**2021 / (tCO_2e)**	**2022 / (tCO_2e)**	**2023 / (tCO_2e)**
Scope 1 (direct emissions)	529	568	**716**
Scope 2 (indirect emissions)	17,004	17,368	**14,996**
Scope 3 (indirect emissions)	27,253	28,346	**91,908**
Overall Carbon Footprint (Scopes 1,2 & 3)	**44,785**	**46,281**	**107,621**

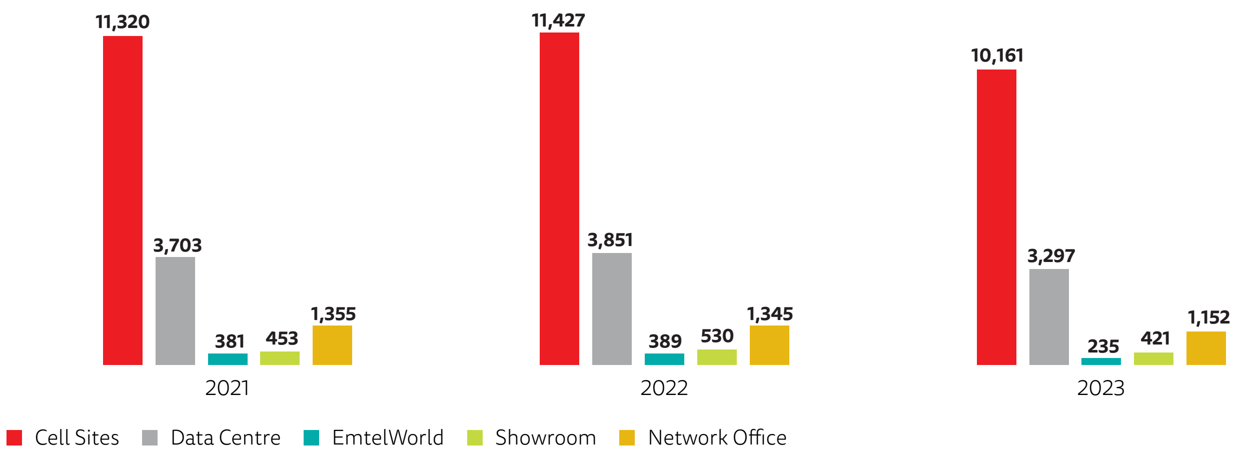
Results of carbon footprint assessment – MC Vision	**2021 / (tCO_2e)**	**2022 / (tCO_2e)**	**2023 / (tCO_2e)**
Scope 1 (direct emissions)	244	184	**116**
Scope 2 (indirect emissions)	256	137	**105**
Scope 3 (indirect emissions)	4,727	4,462	**3,142**
Overall Carbon Footprint (Scopes 1,2 & 3)	**5,227**	**4,782**	**3,364**

Results of Carbon Footprint Assessment (Emtel Group) (tCO_2e)

	Scope 1	Scope 2	Scope 3
2021	773	17,260	31,980
2022	752	17,505	32,808
2023	832	15,101	95,050

Sustainability report (Continued)

Carbon Footprint by Operational Sites (tCO_2e)



Note: This corresponds only to selected scope 1 (Fugitive emissions) and scope 2 emissions (Purchased electricity)

We have already initiated several actions to reduce our carbon emissions under each scope as per below and continuously re-evaluating the effectiveness of:

Scope 1 – Direct Emissions

- Review and improve the company policy for staff allowance to vehicles.
- Consider shifting to eco-friendlier vehicles and improve the fleet management.
- Promote outdoor cell sites not requiring AC systems.

Scope 2 – Indirect Emissions

- Conduct energy efficiency audits and implement renewable energy for cell sites.
- Increase the use of clean energy sources in our office premises.
- Use of dynamic solutions to reduce energy consumption on our networks.

Scope 3 – Indirect Emissions

- Review the design of our products in order to follow environmentally friendly criteria.
- Work with key suppliers in supply chain to reduce carbon footprint of products and services.
- Partner with owner and tenant to adopt renewable energy for cell sites.

Energy Efficiency Initiatives

In order to improve our energy efficiency and increase the use of clean energy sources, several measures have been implemented including the installation of a solar photovoltaic solution at our main Head Office, thereby reducing our reliance on fossil fuels and decreasing our GHGs emissions. The production of renewable energy generated from the implementation of the solar photovoltaic solution for 2023 was of 180 MWh, which is equivalent to reducing 70 tons of CO_2 emissions or 2,102 trees planted.

We also have two (2) base stations in Agalega being powered by a Solar Photovoltaic solution with a total capacity of 22kWp. In 2023, the amount of clean energy generated was of 23.3 MWh.

Emtel Cell Tower - Agalega

We have also taken a significant step towards eco-friendly entertainment technology by being more energy efficient with the launch of our new 4K-UHD Canal+ TV decoder. This device is innovative and consumes 65% less energy compared to previous models. We are also committed to reduce by at least 30% the carbon footprint for video streaming.

Our Adaptive Capacity

Emtel also acknowledges that climate-related risks and opportunities can significantly affect our businesses. We regularly conduct impact assessment exercises to evaluate weather events and climate changes, and its effect on how it might impact our business operations and our interested parties. The Company has an established Disaster Recovery Committee to conduct the impact assessment and take the necessary measures to improve the adaptive capacity of our businesses against the impacts of climate change.

Emtel Head Office - Ebene

Sustainability report (Continued)

Goal 2: Preserving Ecosystems and Natural Resources

Minimizing the impacts of our activities on our ecosystems and reducing our pressure on natural resources.

Emtel invested in several ecosystem restoration programmes and reduced the use of non-renewable natural resources such as energy, water, fuel and paper. We carried out several conservation initiatives in partnership with local NGOs to regenerate our land and marine ecosystems, fauna, flora and other natural resources. Emtel collaborates with the Mauritian Wildlife Foundation at the Grande Montagne Nature Reserve for the conservation and preservation of endemic plants on Rodrigues Island.

In addition, Emtel has collaborated with the Currimjee Foundation and other stakeholders for their revegetation and reforestation projects.

Name of Project	Details	Objectives for 2024
Revegetation of La Citadelle	Emtel has collaborated with the Currimjee Foundation and the NGO Friends of the Environment for the revegetation of La Citadelle. In 2023, 1,205 plants of 31 species were planted adding to a total of 10,054 endemic plants planted on 1.5Ha since the project started. The purpose behind this project is to recreate a native dry forest and preserve our native biodiversity, which also helps to mitigate the effects of climate change and tackle the challenge of forest fires in the Port Louis region.	**Actively participate in the revegetation of La Citadelle to mitigate the effects of climate change.**
Reforestation at Ebony Forest Reserve	This reforestation project is in collaboration with the Ebony Forest Reserve team. In 2023, we continued to support the maintenance of the 700 endemic plants planted on the dedicated plot of land of the Currimjee Foundation at the Ebony Forest Reserve to help restore the native endemic forest by the removal of invasive/exotic species.	**Pursue our active participation for the reforestation of the Ebony Forest Reserve to help restore our native biodiversity.**
Preservation and Conservation at Grande Montagne Nature Reserve	Emtel has continued its collaboration with the Mauritian Wildlife Foundation at the Grande Montagne Nature Reserve for the conservation and preservation of endemic plants on Rodrigues Island. The aim of this project is to restore the flora and fauna of the natural reserve, and prevent the widespread degradation. The restoration activities also help with community involvement and enhancing ecotourism opportunities in Rodrigues. As at 2023, 31 different endemic species have been planted making a total of 900 plants. A total of 23,151 plants have been planted in the whole of the Grande Montagne Nature Reserve.	**Encourage the Mauritian Wildlife Foundation in restoring Rodrigues Island's biodiversity through the ongoing conservation and preservation efforts.**
Restoration of Marine Ecosystem with Shoals	Since 2022, Emtel has invested in four (4) frames for the active restoration, management and preservation of Rodrigues island's coral reefs in collaboration with Shoals Rodrigues and their partner, Bluer Ocean Project.	**Pursue our collaboration with NGOs for ongoing coral resettlement and coral farming projects across the Republic of Mauritius.**

Rewilding of the Plaine Sophie Nature Reserve

In 2023, we have started a new collaboration with the Rotary Club of Quatres Bornes in the rewilding of the Plaine Sophie Nature Reserve. This activity consisted of an educational session for the staff to understand the importance of rewilding for the betterment of the ecosystems and its biodiversity, and how it helps with the preservation of the local flora and fauna in their natural habitat. Our staff marked their commitment by planting sixty (60) endemic species.

Ensuring the judicious use of non-renewable natural resources

Name of Project	Details	Objectives for 2024
Water Consumption	Our offices are equipped with rainwater harvesting systems, used for non-potable purposes. Other efforts to reduce our water consumption include awareness messages near water sources, the use of tap aerators and sensors, and regular maintenance of our infrastructure to minimize the risk of water leakage. The volume of water collected through our Rainwater Harvesting system for 2023 was 142 m^3	**Increase our rainwater harvesting capacity across existing operational sites.**
Paper Usage	We embarked on a company-wide digitalisation journey in 2016, which led to a significant decrease in paper consumption. 100% paper purchased are from sustainably managed forests and are PEFC-, ISO- and FSSC-certified sources. Since 2020, we have accelerated the deployment of our digitisation initiatives, with 92.3% of our prepaid customers adopting our e-bill system over traditional printed bills.	**Pursue our digitalization strategy to achieve our goal of having a "Paperless Office" by 2030.**
Plastic Usage	A new 4K-UHD CANAL+ decoder made from 97% recycled plastic and which consumes 65% less energy. It has zero plastic packaging and the size of the user manual has been reduced to 40% to decrease paper consumption.	**Reduce by at least 30% the carbon footprint for video streaming.**

Advocating for Responsible Agricultural Practices

A training session on the "Basics to Organic Home Gardening" was conducted for 20 staff. The aim of the training was to involve employees in a bio-organic gardening training and to promote safe and responsible farming practices.

- We created eco-consciousness by involving our employees in the company's environmental initiatives.
- We preserved our ecosystem and decrease our carbon footprint by planting in our office garden.
- We promoted safe and responsible farming practices amongst our workforce.

Each participant also received a starter kit to start their bio-organic home gardening journey.

Sustainability report (Continued)

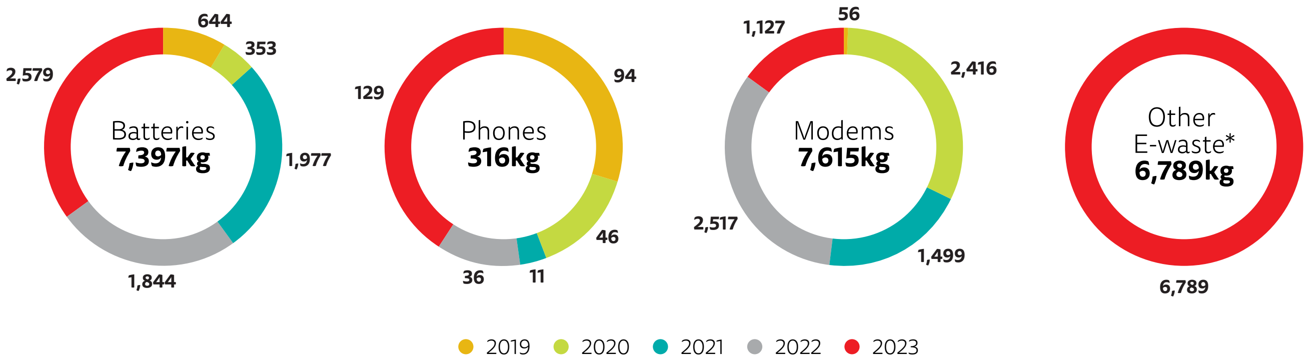
Goal 3: Responsible Waste Management

Promoting a circular economy model in the local context.

Emtel implemented a waste management system across its business operations to reduce its waste generation, manage and valorize most recyclable wastes generated, and simultaneously, disseminate a responsible waste management culture in the community at large. Emtel had set up a national e-waste recycling initiative in collaboration with the NGO Mission Verte, aimed at providing the local population with a solution to recycle old or damaged mobile phones, tablets, household batteries and accessories. Through this initiative, we also aim to encourage the local population to become more responsible towards the disposal of e-wastes.

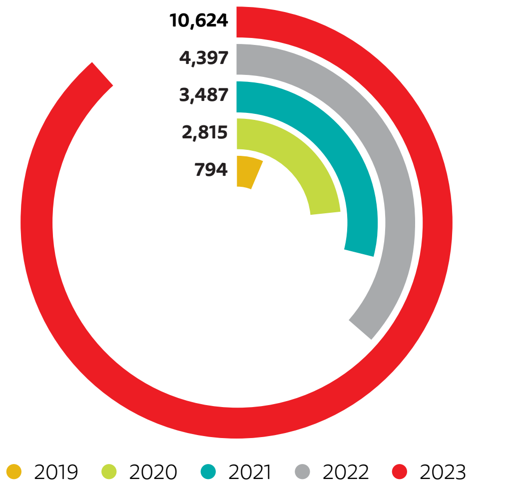
In 2023, we conducted eight (8) e-waste recycling roadshows across Mauritius to create awareness about the importance of disposing e-waste responsibly while increasing proximity towards the public to dispose of their e-waste. Emtel has collected and sent for recycling over 10 tons of e-waste, adding up to 22 tons of e-waste since the initiative was launched in 2019. With every little step, we are contributing towards reducing the amount of e-waste that ends up in landfills.

E-waste sent for Recycling through the E-waste National Project (kg)



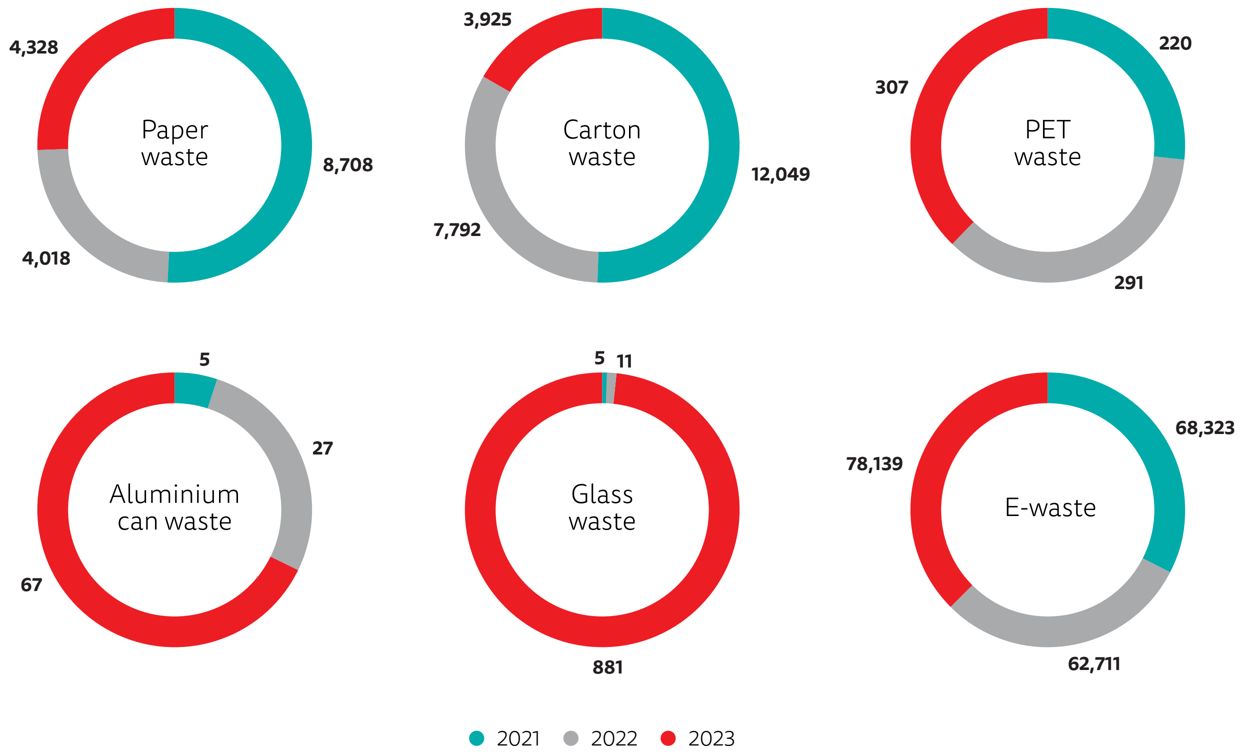
Other e-waste includes laptops, monitors, scanners, keyboards and printers.

E-waste sent for Recycling since 2019 (kg)



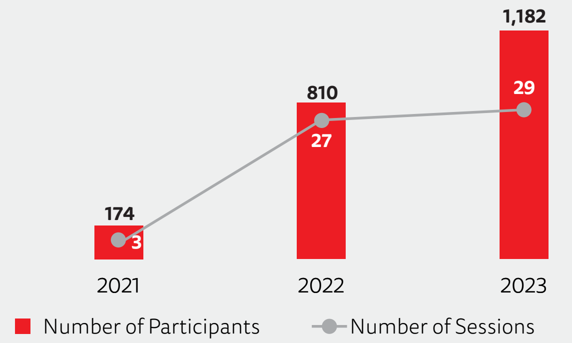
Waste Recycling within Operations (kg)

Emtel as a responsible service provider has embraced responsible waste management practices within our operations. Additionally, we empower our staff to be eco-warriors and to recycle at work. The life span of decoders is also extended through reparation and re-use in our internal workshop. All obsolete decoders which cannot be reused are responsibly collected and sent for recycling through registered recyclers.



Public Awareness on Responsible Waste Management

Emtel in collaboration with Mission Verte is committed to spread responsible waste management practices in order to empower the Mauritian community. This programme is delivered within educational institutions, corporate and in public areas. This allows the audience to foster a culture of environmental responsibility and allow them to make informed decisions when disposing of their waste



Objectives for 2024:

- Continue with our commitment to help the public dispose their e-waste in a responsible manner by being a trustworthy partner
- Increase the number of collection points for e-waste throughout the island.
- Create more public awareness on the importance of e-waste recycling within our local community.

Goal 4: Environmental Stewardship

Creating an eco-conscious culture to help achieve common goals for the planet.

Emtel has historically engaged its employees, customers and the community at large in its environmental initiatives. We organise regular activities to encourage our employees to contribute towards the preservation of the environment, with a successful participation rate of 53% in 2023 across the Republic of Mauritius. We also invite stakeholders to participate in our activities, as well as conduct awareness sessions on the importance of environmental preservation.

Through our collaboration with the NGOs Mission Verte and Shoals Rodrigues, we organised our annual clean-up campaigns in Mauritius and Rodrigues on the occasion of the World Clean-Up Day 2023. This allowed us to amplify our impact and engage local communities, including 60 ClubMer students, who joined the Rodrigues clean-up activity and learned about the importance of protecting and preserving the islands.

Emtel Eco-Warriors Challenge

Employee participation: **42**

Emtel organised the Emtel Eco-Warriors Challenge on the occasion of Earth Day 2023, which consisted of three (3) main challenges, with the aim to engage and encourage our workforce to address the company's environmental strategic drivers and foster personal eco-responsibility.

The challenges were:

a) Organic Garden Challenge where the participating staff were trained to practice safe organic gardening and learn how to offset their personal carbon emissions. They were required to apply the knowledge received and upcycle waste for agricultural purposes.

b) Recycling Champion Challenge where the staff attended responsible waste management awareness sessions and build eco-consciousness in their respective community.

c) Sustainability Challenge where the staff worked on an innovative sustainability solution to be implemented within the Company.

World Clean-Up Day

Employee participation: **34**

All stakeholders who participated in the events: 60 Clubmer students, 4 Shoals staff, 18 Currimjee Group staff and 1 staff from Mission Verte.

On the occasion of World Clean-Up Day 2023, Emtel in collaboration with the NGOs Shoals Rodrigues and Mission Verte organised clean-up days in Rodrigues and Mauritius respectively.

The objectives behind the clean-up activities were to:

- Align with our sustainability commitment by engaging in the preservation and conservation of the island's natural resources and ecosystems.
- Create awareness about how one should dispose of their waste responsibly in order to keep the environment clean.

Results: 156kg of wastes were collected and around 37kg of wastes were sent for recycling.

The participants were actively involved during the beach clean-up, demonstrating their commitment to sustainability and their desire to make a difference in their community.

Friends of The Mauritian Wildlife

Employee participations: **84**

Emtel has partnered with the Mauritian Wildlife Foundation as a Gold Sponsor to launch the "Friends of Mauritian Wildlife" Club. Our main objective was to instill public interest in all aspects of wildlife and habitat conservation, to provide educational and participative support initiatives, and to cultivate eco-conscious citizens. Since the launch in March 2022, the Club conducted twenty (20) activities which offered members with engaging opportunities to contribute to conservation efforts. The Club members gained valuable knowledge through educational workshops and actively made a difference through hands-on activities like weeding, planting and clean-ups.

Community Engagement

On the occasion of Earth Day 2023, we offered our TV subscribers special shows around the theme of our Planet Earth aiming to promote eco-consciousness among our subscribers: Notre Planete (In)habitable; Un Paradis en Peril; Les Eclaireurs de l'Energie; Les Eclaireurs de l'Eau.

Objectives for 2024:

- Foster a culture of eco-conciousness within the Republic of Mauritius, starting with our workforce.
- Makes knowledge and tools more accessible to the public for them to make informed responsible choices.

Sustainability report (Continued)

SOCIAL INCLUSION

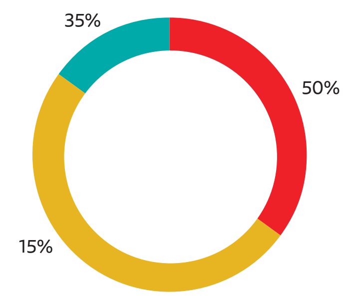
2

As an active corporate citizen in the community, Emtel has a strong sense of duty to act for the benefit of society. The previous years, during the Covid-19 pandemic in particular, have demonstrated the vital role that Emtel plays in the lives of Mauritians, as a lifeline for people to work, study, connect and stay informed. We focus on those dimensions that align with our core values and that contribute to improve, uplift and empower the local communities.

To deliver the most positive impact on our communities, we have set up an annual CSR fund with the following three types of assistance:

1. Value-In-Kind contributions in terms of call services and Internet connectivity services to local NGOs/NPOs.
2. Financial contributions towards projects implemented by Emtel and/or local NGOs/NPOs towards short and long terms project.
3. Philantropic partnership towards community initiatives and events of NGOs/NPOs.

How we deliver on our commitment



The key highlights of our sustainability commitment for year 2023 include:

Rs 11.3 Mn

invested in projects, including **Rs 4.0 Mn** disbursed as Emtel Projects

44 NGOs/NPOs

Supported through Value-In-Kind and Financial contributions.

Our top beneficiaries were Mission Verte, Light of Hope and The Mauritian Wildlife Foundation.

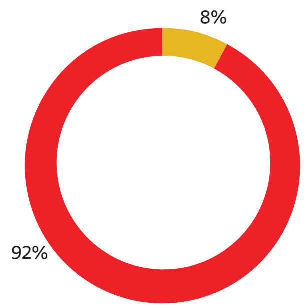
Main areas of intervention

43% Preserving Ecosystems & Natural Resources

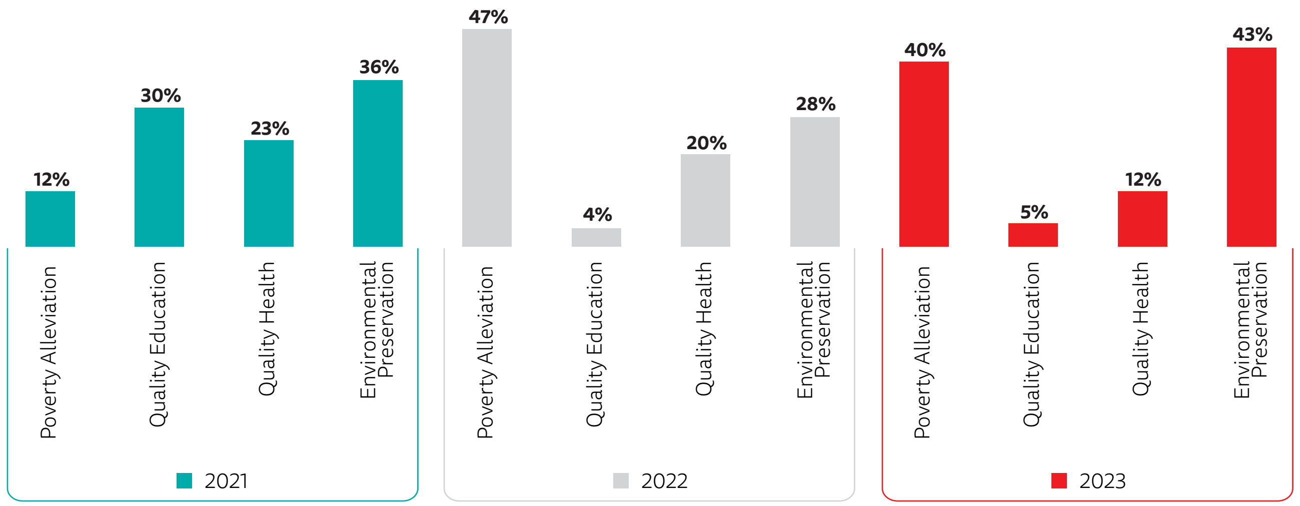
40% Poverty Alleviation

12% Quality Health

How we deliver our contributions



Emtel Projects



Total CSR contributions for Emtel Projects*

2021	2022	2023
Rs 4.1 Mn	Rs 3.4 Mn	Rs 4.0 Mn

** The Total CSR Contributions (Rs) relates to the investment mode on Emtel Sustainability projects and excludes the contribution made to National Social Inclusion Foundation and Currimjee Foundation*

Sustainability report (Continued)

Goal 1: Poverty Alleviation

Supporting social and economic development programme for the society through trust and constructive relationship.

Emtel has invested in sustainable community empowerment programmes for vulnerable groups in the society and provided assistance to the immediate needs of local communities. These include continuous assistance to a number of local NGOs/NPOs in Mauritius, Rodrigues and Agalega islands.

Since 2017, Emtel has engaged in one key initiative "Enn Zanfan Enn Sourir" which regroups children from different institutions who provides childcare and social services. Those children have challenging backgrounds or socio-economic disadvantages and are in need of support for their well-being and better future. In 2023, the initiative catered for 800 children from 23 shelters, orphanages and special educational needs institutions across Mauritius, Rodrigues and Agalega, providing them with school materials and celebrating end of year activities to bring them a smile.

Key Projects for Poverty Alleviation	Partners and NGOs/NPOs
Enn Zanfan Enn Sourir Project conducted across the Republic of Mauritius (Mauritius, Rodrigues and Agalega). Number of Emtel staff participations: **17** Locations of activities: Mauritius, Rodrigues and Agalega. Number of Beneficiaries: **800** Number of Institutions: **23** Aim of Project: Address poverty issues and alleviate social exclusion.	• Association pour le Progres d'Agalega • Light of Hope • Rotary Club of Rodrigues • Rotary Club of Tamarin Les Salines
Emtel ensured that the children are prepared for their upcoming academic year by providing them school supplies and uniforms. There was also the distribution of festive gifts and activities to celebrate together.	
Teledon: Donation for Turkey and Syria Project conducted across Mauritius to help families affected by the earthquakes. Aim of project: Distributions of essentials amenities, medical needs and help with the construction of homes and infrastructures	• Ministry of Social Integration, Social Security and National Solidarity • blink by Emtel
The Emtel team actively participated in the national relief efforts for the afflicted families. Our staff also demonstrated their commitment via the donation of groceries and essentials, which were remitted to the authorities.	

Supporting Local Entrepreneurs:

Everbloom Limited

Vishesh Gangaram (Director)

"Honored to have enriched Emtel team through sustainable agricultural training, fostering not only professional growth but also a deeper connection to nature. The experience was a powerful catalyst for team bonding and showcased the company's commendable support for empowering their staff on sustainable practices as well as giving their support aspiring young eco-entrepreneurs. Gratitude for the visionary approach and the chance to contribute to such a transformative journey."

Basic to Organic Home Gardening training at EmtelWold by Everbloom Limited.

Dee Craft Enterprise Limited

Deepta Soodoye (Director)

"Our company was founded in the year 2019 with the main goal to make a difference in the world in our way we produce top-quality and eco-friendly products.

We have been making personalized jute bags for the NGO Voluntary Blood Donors Association (Rodrigues) in collaboration with Emtel for three years now.

The partnership between a manufacturing company and a Telco company has created synergies that drive innovation, efficiency, and growth in the manufacturing sector."

Projects for Poverty Alleviation	Number of Benificiaries	Partners and NGOs/NPOs
Donation of groceries and food packs	62	• Light of Hope • Lily Power • Planètes Enfants Vulnérables • Foyer Mgr Leen
Food donation at "Abri de Nuit, St Jean"	40	• Rotary Club of Quatre Bornes
Hot meal sponsorship at "Mo Pense Toi"	30	• Rotary Club of Quatre Bornes
Computer Donation at "Autisme Maurice"	20	• Rotary Club of Quatre Bornes
Christmas Celebration at "Robert Barth Preprimary School"	40	• Rotary Club of Quatre Bornes
Setting up of a library at "Beau Songe"	50	• Rotary Club of Quatre Bornes
DLD Teen Hope Project	125	• Rotary Club of Ebene
A fruit a day at "Vuillemin School"	475	• Rotary Club of Ebene

UN SDGs:

Sustainability report (Continued)

Goal 2: Quality Education

Providing access to education to vulnerable groups to ensure their sustainable development.

Emtel has aided educational support schemes for children from vulnerable communities, including literacy programmes and outreach to students. As a responsible service provider, Emtel recognizes the power of connectivity and digital inclusion to strengthen our communities' educational systems. In this regard, the Company has provided Internet connectivity services to support various NGOs/NPOs.

In 2023, we have provided internet connectivity to 25 NGOS/ NPOs across Mauritius and Rodrigues, which accounted for 8% of our contributions. Upon request Emtel, has provided internet services to NGOs . This will allow them to have a faster and more reliable connection for office work and schooling.

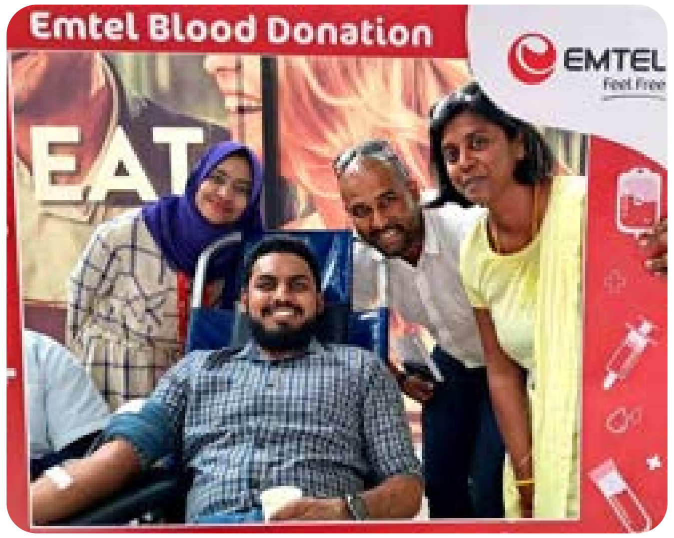
Projects for Quality Education	Number of Benificiaries	Partners and NGOs/NPOs
Donation of Pedagogical Equipment	**86**	• Association Jeunes Inadaptés de Curepipe
A.J.I.C is an NGO who provides educational program to children with special needs. Our contribution has enabled the implementation of various extracurricular activities and the adoption of adapted pedagogical programs for the children. This ensures that the children have access to a well-rounded education that is tailored to their specific needs.		
Renovations of Study Room	**17**	• Foyer Mgr Leen • Societé des Filles de Marien de Saint-Denis
Emtel has revamped the study room of the Shelter, so as to offer a better dedicated space for the children to focus on their academic works.		
Supporting ZEP schools	**95**	• Planètes Enfants Vulnérables
The NGO Planètes Enfants Vulnérables provides support to children with poor socio-economic and complicated family background. Together with them, we coordinated a special day for the students of the R.C. Nuckchady Government School in Rose-Hill.		
Supporting Mauritius School on Internet Governance (SIG) 2023	**35**	• Halley Movement
The Mauritius SIG 2023 gives a platform to deepen the understanding of Internet governance and equip participants with the knowledge and skills they need to engage in informed discussions.		

UN SDGs:

Goal 3: Quality Health

Ensuring healthy lives and promoting well-being for all ages.

Emtel has collaborated with local NGOs/NPOs to address health issues of vulnerable communities, to raise awareness on identified health issues and to support community programmes. We have provided ongoing support towards blood donation campaigns in Mauritius and Rodrigues through the NGOs Thalassemia Society of Mauritius and Voluntary Blood Donors Association (Rodrigues).



In 2023, a total of 518 pints of blood were collected to help support the National Blood Transfusion Service for the patients suffering from thalassemia and the local population of Rodrigues.

Emtel Mega Blood Donation	Partners and NGOs/NPOs
Project conducted across Mauritius and Rodrigues. Three blood drives were conducted in Mauritius: • On the occasion of International Thalassemia Day (May) – Ebene Cybercity • Tribeca Mall (October) - Trianon • MC Vision (August) - Curepipe Staff participation: **128** Number of pints of blood collected: **385**	• Thalassemia Society of Mauritius • National Blood Transfusion Service • FAREI • Mauritius Blood Donors Association
Aims of Project: a. Creating awareness around thalassemia and the importance of regular blood transfusions for the patients suffering with Thalassemia. b. Supporting the Blood bank of Mauritius and The Thalassemia Society of Mauritius	
Two blood drives were conducted in Rodrigues • On the occasion of World Blood Donor Day (June) - Terre Rouge • Annual Mega blood drive (December) - Port Mathurin Number of Pints of blood collected: **133**	• Voluntary Blood Donors Association (Rodrigues) • Queen Elizabeth Hospital (Rodrigues) • Rodrigues Regional Assembly
Aims of Project: a. Raising awareness around the importance of donating blood and its health benefits. b. Supporting the Rodrigues Community	

Sustainability report (Continued)

Support to athletes with disabilities

Emtel has supported three (3) national para-athletes through the NGO Curepipe Handisports Association and the Currimjee Foundation, by covering their expenses in regards to equipment, training and other special needs in their professional journey.

BRANDY PERRINE

Achievements:

- **Main Competing Sports:** WheelChair Racer 100m T54, 400m T54, 800m T54
- **Country of Origin:** Mauritius
- **Personal Best:** Kobe 2024 World Para Athletics Championships 100m - 4^{th} Place, 400m - 8^{th} Place

EDDY CAPDOR

Achievements:

- **Main Competing Sports:** Long Jump T20
- **Country of Origin:** Rodrigues
- **Personal Best:** Kobe 2024 World Para Athletics Championships - 7^{th} place

BRIGILA CLAIR

Achievements:

- **Main Competing Sports:** Women's Shot Put F20
- **Country of Origin:** Rodrigues
- **Personal Best:** Kobe 2024 World Para Athletics Championships - 11^{th} place

Projects for Quality Health	Number of Beneficiaries	Partners and NGOs/NPOs
Squint Project	5	• Rotary Club of Bagatelle
By contributing towards the Squint project of Rotary Club of Bagatelle, we have helped the surgery of five children suffering from strabismus.		
Fight Cancer with Hope	138	• Rotary Club of Montebello
Awareness Campaign and free screening were organised by the Rotary Club of Montebello with the support of Emtel to aid patients suffering from colorectal cancer at an early stage in Mauritius.		
Donation of sewing equipment	14	• Breast Cancer Care (Rodrigues Branch)
Emtel provided industrial sewing machines to the Merline Augustin 'Breast Cancer Care Centre" in Rodrigues. This helps empower patients by teaching them embroidery and sewing skills, while also fostering a supportive community through creating sewing projects together.		

UN SDGs:

Our partners: NGOs/NPOs/Institutions

Environmental Preservation:

- Association pour le development durable
- Ebony Forest Reserve
- Forena
- Friends of Environment
- Mauritian Wildlife Foundation
- Ministry of Environment, Solid Waste Management and Climate Change
- Mission Verte
- Natir
- Shoals Rodrigues

Social Inclusion:

- Action for Integral Human Development
- All Life Matters Animal Sanctuary
- Angel Special School and Welfare Association
- Association Jeunes Inadaptés de Curepipe
- Association Kontribition Positif Amenn Vision
- Blood Donors Association
- Breast Cancer Care
- Curepipe Handisport Association
- Development Practitioners in Network
- Dibout Ansam
- First Aiders Association
- Foyer Mgr Leen
- Gonzague Pierre Louis Special Learning Centre
- Halley Movement
- Light Of Hope
- Lizie Dan La Main
- Mangalkhan Sports Club
- Mauritius Red Cross Society
- M-Kids Association
- Mouvement Forces Vives
- MP Kisna Govt. School
- Music Mauritius Foundation
- Physically Handicapped Welfare Association
- Planète Enfants Vulnérables
- Rodrigues Council of Social Services
- Rodrigues Regional Assembly
- Rotary Club of Bagatelle
- Rotary Club of Curepipe
- Rotary Club of Rodrigues
- Rotary Club of Ebene
- Rotary Club of Montebello
- Rotary Club of Quatre Bornes
- The Shelter for Women and Children in Distress
- Thalassemia Society of Mauritius
- Valley Stars Sports Club
- Voluntary Blood Donors Association
- Will Fly

HUMAN CAPITAL

3

As an organisation, we view our employees as integral architects of our success. Each person contributes uniquely to our dynamic culture, embodying the essence of Emtel. Their growth, well-being, and continuous learning are key to our identity. Recognising them as our greatest assets, we are committed to creating an environment where everyone can thrive and drive Emtel towards sustained excellence.

Emtel Showroom - Bagatelle

Goal 1 – Promoting an inclusive and fair working environment

Culture of Inclusivity

At Emtel, leadership plays a critical role in driving the culture of inclusivity wherein the leadership team and managers lead by example, advocate for inclusive practices, and hold themselves and others accountable for creating a fair workplace. This is also reflected in the Company's Diversity & Inclusion Policy which recognizes the importance of workplace diversity and inclusion and which reinforces the core values and current practices of building an inclusive and diverse environment.

Moreover, Emtel promotes diversity in recruitment, performance evaluation and promotion by having in place inclusive recruitment practices, clear criteria promotion based on merit and skills rather than biases, diverse representation in hiring panels and decision-making processes to mitigate unconscious biases and a formal performance management process.

The Company strongly encourages open dialogue and ensure that all voices are heard and respected through the creation of various channels for employees to provide feedback and raise concerns about diversity and inclusion issues, likes holding quarterly town halls, one-to-one performance appraisal discussions and Whistle Blowing Policy, amongst others.

Promoting a Fair Working Environment

Creating an inclusive and fair work environment is essential for fostering employee satisfaction, engagement, and productivity. Inclusive workplaces value diversity and ensure that all employees feel respected, supported, and able to contribute their unique perspectives. Such practices have always been present at Emtel in various ways.

Employee Engagement

Employee engagement is a cornerstone of our corporate identity. We understand that an engaged workforce is not only more productive but also more invested in the success of our organization. Throughout the year, we have fostered a dynamic and inclusive workplace culture that encourages open communication, collaboration, and a sense of belonging. Our engagement initiatives include regular feedback mechanisms, recognition programs celebrating individual and team accomplishments, and opportunities for professional and personal development. We believe that an engaged workforce is a key driver of innovation and as we look to the future, we remain committed to sustaining and elevating our employee engagement initiatives, ensuring that our team feels valued, motivated, and connected to the shared goals of our organization.

During the past few years, Emtel has been successful in maintaining an Employee Engagement Score of over 70%, ensuring that the staff turnover rate is less than 15% and reducing the gap of Male vs Female ratio across the departments in the Company.

Employee engagement is a cornerstone of our corporate identity. We understand that an engaged workforce is not only more productive but also more invested in the success of our organization. Throughout the year, we have fostered a dynamic and inclusive workplace culture that encourages open communication, collaboration, and a sense of belonging. Our engagement initiatives include regular feedback mechanisms, recognition programs celebrating individual and team accomplishments, and opportunities for professional and personal development. We believe that an engaged workforce is a key driver of innovation and as we look to the future, we remain committed to sustaining and elevating our employee engagement initiatives, ensuring that our team feels valued, motivated, and connected to the shared goals of our organisation.

Key initiatives in 2023

- Employee Engagement Survey
- Salary benchmarking exercise
- Events like Music Day concert and Futsal Tournament for staff through the Emtel Welfare Club

Goal 2 – Employee Safety and Wellbeing

Health and Safety

Emtel recognizes that Health and Safety is of fundamental importance to its workforce and due recognition is given to related matters. Emphasis is laid on encouraging and inculcating a positive and robust safety culture with a view to ensure a safe and healthy working environment for all employees, customers, contractors and visitors. The Company complies with the Occupational Safety and Health Act 2005 and its subsidiary regulations.

Several initiatives are undertaken to promote health and wellbeing. With the support and assistance of the part time Safety and Health Officer, Emtel provides its employees with information, instruction, training and supervision to enable them to carry out their duties in a safe and efficient manner. Preventive and corrective measures are taken and reviewed to ensure that there is no risk to safety and health of the Company's employees. For instance, a Safety and Health Committee is held every two months, wherein risk assessment exercises undertaken and action plans are discussed and regular follow ups done to ensure that issues raised are addressed.

Furthermore, safety at the workplace and compliance to safety regulations and standards form an integral part of the induction programme for all new recruits. General awareness sessions and training related to safety like Working at Height are also regularly organised for all concrened employees to acquire the relevant competencies in relation to health and safety at work and, consequently be able to eliminate unsafe practices to prevent incidents. Fire drills are also conducted to assess the effectiveness of the evacuation procedures and reduce the risks of emergencies in a real life situation. Professional training is provided to technicians and field staff who work at heights, with practical sessions and allocation of required resources towards the provision of personal protective equipment to protect them against health and safety risks at work. The low number of injuries at work or incidents in sites is a positive indication of a safety culture.

Employee Wellbeing

Emtel demonstrates its commitment to supporting employees' well-being, encouraging a healthy work-life balance by setting realistic expectations around workload, and accommodating diverse needs and lifestyles by offering flexible work arrangements, such as remote work options, flexible hours, and parental leave policies and other wellness initiatives.

Emtel holds the well-being of its employees at the forefront of its organizational ethos, with the strong belief that a healthy and content workforce is fundamental to achieving sustainable success. During 2023, the Company has prioritized initiatives that support the physical and mental well-being of its employees through comprehensive well-being programs which encompass flexible work arrangements, access to an organisational psychologist, and fitness initiatives that promote a balanced lifestyle. For instance, Emtel has hired the services of a medical practioner who is present once a week and is posted to different key locations of the Company, and as part the CJ Employee Wellbeing Programme, employees benefit from a professional and confidential assistance to help them manage and overcome any psychological or emotional challenges.

We take pride in fostering a workplace culture that values work-life balance, creating an environment where employees feel supported and empowered. Our commitment to employee well-being extends beyond professional boundaries, reflecting our dedication to cultivating a holistic and fulfilling work experience for each member of our team. As we move forward, Emtel will continue to explore innovative ways to enhance employee well-being, recognizing it as a cornerstone of our organizational success.

The well-being of our employees is at the forefront of our organizational ethos. We believe that a healthy and content workforce is fundamental to achieving sustainable success. During 2023, we have prioritized initiatives that support the physical and mental well-being of our employees. Our comprehensive well-being programs encompass flexible work arrangements, access to an organisational psychologist, and wellness initiatives that promote a balanced lifestyle. We take pride in fostering a workplace culture that values work-life balance, creating an environment where employees feel supported and empowered. Our commitment to employee well-being extends beyond professional boundaries, reflecting our dedication to cultivating a holistic and fulfilling work experience for each member of our team. As we move forward, Emtel will continue to explore innovative ways to enhance employee well-being, recognizing it as a cornerstone of our organizational success.

Key initiatives in 2023

- Fitness classes, talks on lifestyle diseases/risks by experts, mental health initiatives
- Services of a psychologist for staff as part of the CJ Group wellbeing programme

Goal 3 – Learning and Competency Development

Training and Development

We provide professional development opportunities, including access to workshops, conferences, and online courses, fostering a culture of continuous learning. We remain committed to advancing learning and competence development initiatives, adapting to emerging trends, and empowering our team to excel in their roles, thus contributing to the long-term success of the Company.

In 2023, the Company invested nearly Rs 6.2 m in a variety of training programs catering to the diverse needs of its employees and creating a dynamic learning environment that empowers them to thrive in a rapidly evolving landscape. The investment in comprehensive training programs, encompassing technical skills, leadership development, and industry-specific knowledge, reflects the dedication to cultivating a skilled workforce.

As an organization, we recognize that our employees are not just contributors but integral architects of our shared success. Beyond mere job titles, each individual contributes uniquely to our dynamic and innovative culture. As the driving force behind our accomplishments, our employees embody the essence of our organization. Nurturing their growth, ensuring their well-being, and fostering continuous learning are not just strategic imperatives but intrinsic components of our corporate identity. In recognizing our employees as our greatest assets, we reaffirm our commitment to cultivating an environment where each member of the team can thrive, contribute, and collectively propel Emtel towards sustained excellence.

Emtel prioritizes talent management and development as integral components of its organisational strategy. We recognize that attracting, nurturing, and retaining top talent are crucial for sustained success. Our talent acquisition approach goes beyond technical skills, focusing on cultural fit and potential for growth. High-potential individuals undergo targeted development programs, including leadership training and preparing them for key roles. Succession planning ensures a seamless transition of leadership, while our performance management system provides valuable feedback for continuous improvement. Our commitment extends to fostering a positive workplace culture through career development programs, internal mobility, structured learning pathways, and engaging recognition initiatives. Looking ahead, Emtel remains dedicated to evolving these practices, embracing innovation, and empowering our workforce to thrive in an ever-changing business landscape.

Key initiatives in 2023

- Partnering with specialised hiring agencies for sourcing talents
- Formal Talent Management framework in place
- Well established performance management system, from objectives setting to performance evaluation
- Awarding SPOT Awards to recognise exceptional performance throughout the year

Emtel Showroom - Curepipe

Learning and Competence Development

We believe in fostering a culture of continuous learning to stay ahead in an ever-evolving business landscape. Our commitment to employee growth is reflected in our robust learning and development programs, designed to equip our workforce with the skills needed for success in their current roles and future career aspirations. In 2023, we invested nearly Rs 6.2 m in a variety of training programs catering to the diverse needs of our workforce and creating a dynamic learning environment that empowers our employees to thrive in a rapidly evolving landscape. Our investment in comprehensive training programs, encompassing technical skills, leadership development, and industry-specific knowledge, reflects our dedication to cultivating a skilled workforce. We provide professional development opportunities, including access to workshops, conferences, and online courses, fostering a culture of continuous learning. We remain committed to advancing learning and competence development initiatives, adapting to emerging trends, and empowering our team to excel in their roles, thus contributing to the long-term success of the Company.

Key Training Programmes run in 2023

- Leading for the Future
- LSE's MBA Essentials programme
- Harvard's Cybersecurity- Managing risk in the information age
- Service Excellence Training
- Project Leadership Certification
- Automation and AI
- Anti-Money Laundering

Emtel Head Office - Ebene

	Emtel & EMFS	MC Vision
Male	253	71
Female	160	53
Internal Mobility	26	4
Employee with 10+ years of service	36%	50%
Training & Development	434 Employees trained for 915 Hours	155 Employees trained for 482 Hours
Engagement Score	73%	52%
Talents who bring our vision to life each day	418	124

Emtel Showroom - Bagatelle

GOVERNANCE REPORT

Board of Directors

Bashirali A Currimjee, G.O.S.K.*
Chairman and Non-Executive Director

Peter J Lewis
Independent Non-Executive Director

Priscilla Balgobin-Bhoyrul
Independent Non-Executive Director

Charlotte M V Govin
Independent Non-Executive Director

Shirin R Gunny
Independent Non-Executive Director

Anil C Currimjee*
Non-Executive Director

Azim F Currimjee*
Non-Executive Director

M Iqbal Oozeer
Non-Executive Director

Mukesh H Bhavnani
Non-Executive Director

Sarvjit Singh Dhillon
Non-Executive Director

Krishnaduth (Kresh) Goomany
Executive Director

M. Sahoud Edoo
Executive Director

* The Directors do not have any relationship between themselves except for those marked with an (asterix) who are family related

Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Bashirali A Currimjee, G.O.S.K.	Mauritian Citizen and Resident	Chairman and Non-Executive Director	03 July 1987	**Directorship in listed and public companies:** None

Detailed Profile

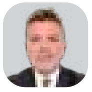
Bashirali A Currimjee, G.O.S.K. is a businessperson who has been at the head of several major organisations.

Mr. Currimjee is currently a Director of Currimjee Jeewanjee and Company Limited and the Chairman of MC Vision Ltd.

Mr. Currimjee was the past Chairman of CJ.

In the past, he occupied the position of Chairman at Soap & Allied Industries Ltd, Chairman at Quality Beverages Ltd, Chairman for Compagnie Immobilière Ltd, President of The Mauritius Chamber of Commerce and Industry, President at The Joint Economic Council of Mauritius and President for Association of Mauritian Manufacturers. He was also a former director of the Bank of Mauritius and of SBM Bank (Mauritius) Ltd. Mr. Currimjee holds a B.A. Arts, Major in Economics and Government, Tufts University, USA and OPM, Harvard Business School, USA.

Mr. Currimjee was the Consul General of the Republic of Turkey in Mauritius from 1985 to 2016.



Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Peter J Lewis	British Citizen	Independent Non-Executive Director	31 May 2024	**Directorship in listed and public companies:** None

Detailed Profile

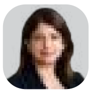
Peter J Lewis is a Co-Founder and a Director at Eastcastle Infrastructure Ltd.

Previously he has served as the Group CFO at Eaton Towers Ltd, a Director at Bandwidth and Cloud Services Group as well as the Treasurer and Head of Corporate Finance at Millicom International Cellular. Prior to working directly in the Telecom sector, Peter was a Telecom investment banker for 9 years.

Peter's experience demonstrates he is a highly-skilled professional, particularly in areas such as Strategy, Management, Mergers & Acquisitions, Finance, and Risk Management.

Peter holds an Executive MBA and is an Associate of the UK Chartered Institute of Bankers.

Board of Directors (Continued)



Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Priscilla Balgobin-Bhoyrul	Mauritian Citizen and Resident	Independent Non-Executive Director	31 May 2024	**Directorship in listed and public companies:** Promotion and Development Ltd, Caudan Development Ltd, National Investment Trust Ltd, and Alteo Ltd.

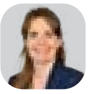
Detailed Profile

Priscilla Balgobin-Bhoyrul is currently a Senior Partner & Head of Financial Institutions (Africa) at Dentons Mauritius. She is also the current Vice Chair of Mauritius Finance.

Priscilla has 20+ years of experience in civil, commercial and employment law and is an experienced board member with over 18 years of Board Experience in companies operating in various sectors ranging from financial, agricultural to property.

She has in the past served as President of the Bar Council and as board member of the Mauritius Commercial Bank, Mauritius Union Assurance Co Ltd and the Sugar Investment Trust Property Development Ltd.

She holds a LLB (Hons) from The London School of Economics and Political Science, a Higher Diploma in Law from the University of London and has completed the Authentic Leadership Development Program from Harvard Business School Executive Education.



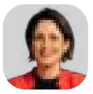
Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Charlotte Govin	French Citizen and Mauritian Resident	Independent Non-Executive Director	31 May 2024	**Directorship in listed and public companies:** None

Detailed Profile

Charlotte Govin is currently a Managing Director at Indian Ocean Cluster at CMA CGM with over 10 years of experience in strategic leadership and operational management within the supply chain and shipping industry.

Prior to this role, Charlotte was a Managing Director at New Caledonia and Regional Director in West Africa at CMA CGM and a Military Officer for the French Navy.

Her qualifications include a Master II, Engineer Diploma at Centrale Lyon Engineer School as well as a MSc in Management from EMLyon Business School.

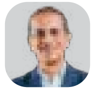


Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Shirin R Gunny	Mauritian Citizen and Resident	Independent Non-Executive Director	31 May 2024	**Directorship in listed and public companies:** None

Detailed Profile

Shirin R Gunny is currently the CEO of the Association of Mauritian Manufacturers - Made in Moris. She has vast experience in various areas including, business development, branding, communication, entrepreneurship, and strategic planning.

Her qualifications include a BSc in Sociology & Anthropology from the University of Montreal as well as a D.E.S.G in Management from HEC Montreal.



Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Anil C Currimjee	Mauritian Citizen and Resident	Non-Executive Director	06 January 2016	**Directorship in listed and public companies:** African Rainbow Capital Investments Limited, and Sanlam Africa Core Real Estate Investments Limited.

Detailed Profile

Anil C Currimjee is the Chairman of CJ. He is the current President of Business Mauritius.

Anil has occupied the position of President of The Mauritius Chamber of Commerce and Industry, Director of the Mauritius Commercial Bank Limited, and the Chairman of the Joint Business Council Mauritius-India from 2004 to 2021. Anil is also a director of numerous companies within the Currimjee Group.

Anil was the Honorary Consul General of Japan in Mauritius from 2003 to 2016. Anil holds a B.A. Liberal Arts, Williams College, Massachusetts, USA, and an MBA from London Business School, UK.

Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Azim F Currimjee	Mauritian Citizen and Resident	Non-Executive Director	06 January 2016	**Directorship in listed and public companies:** Quality Beverages Limited, Air Mauritius Ltd

Detailed Profile

Azim F Currimjee is a Mauritian businessperson and has held key executive positions in the Food and Beverages Cluster of the Currimjee Group for the last 22 years and is currently the Managing Director of Quality Beverages Limited, which is listed on the Stock Exchange of Mauritius. He is also a Director of numerous companies within the Currimjee Group and of Air Mauritius Ltd.

He is also the Chairman of the Business Regulatory Review Council, set up under the aegis of the Ministry of Finance, Economic Planning and Development of Mauritius and of the Joint Business Council Mauritius-India.

Azim previously occupied the position of Chairman at SBM Bank (India) Ltd, Director at SBM Bank (Kenya) Ltd, SBM Holdings and SBM Mauritius, President for The Mauritius Chamber of Commerce and Industry from 2016 to 2018 and 2007 and 2009, President of The Mauritius Chamber of Commerce and Industry, Vice President at Common Market for Eastern and Southern Africa (COMESA) Business Council, and Vice President at Economic Development Board Mauritius.

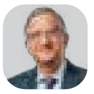
Azim has also occupied the post of Manufacturing Director of Bonair Group of Companies. Azim holds a B.A. Mathematics from Williams College, Massachusetts, USA and an MBA from Trinity College, Dublin, Ireland.

Board of Directors (Continued)

Name	Citizenship and Residency	Designation	Date of appointment	Other positions
M Iqbal Oozeer	Mauritian Citizen and Resident	Non-Executive Director	20 March 2019	**Directorship in listed and public companies:** Compagnie Immobilière Limitée and Island Life Assurance Co. Ltd.

Detailed Profile

M Iqbal Oozeer is a Non-Executive Director at Emtel Limited, and is currently the Managing Director of CJ. He was previously Audit Assistant at Kemp Chatteris Deloitte from 1982 to 1986, Accountant at Elf Antargaz (Maurice) Ltée from 1987 to 1988 and has held key executive positions in CJ for more than 25 years. He is also a director of numerous companies within the Currimjee Group. Iqbal is a fellow Member of the Association of Chartered Certified Accountants, UK and has attended a number of professional courses at Alliance Manchester Business School, Euromoney and INSEAD.



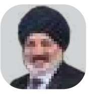
Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Mukesh H Bhavnani	Indian Citizen and Mauritian Resident	Non-Executive Director	18 November 2021	**Directorship in listed and public companies:** None

Detailed Profile

Mukesh H Bhavnani is a Non-Executive Director at Emtel Limited. He holds a Bachelor in Commerce (Hons), and a LLB from the University of Mumbai.

Mukesh has over 45 years of work experience including at the Corporate Management level, covering advice, implementation and monitoring strategic decisions on Legal and commercial matters in India, Africa, Middle East, Europe, and North Africa.

He previously held roles at Godrej Soaps, Coca-Cola, Sony, Essar, Vedanta and Bharti Airtel. He is currently a director of Bharti Airtel companies including Airtel Tanzania PLC, Airtel Africa Mauritius Limited, Indian Continent Investment Limited, Network i2i Limited amongst others.



Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Sarvjit Singh Dhillon	British Citizen and Non-Resident	Non-Executive Director	06 October 2015	**Directorship in listed and public companies:** None

Detailed Profile

Sarvjit Singh Dhillon is a Non-Executive Director at Emtel Limited. He is a member of The Chartered Institute of Management Accountants.

In the past, Sarvjit held the position of Group Director at Bharti Enterprises Ltd, Chief Financial Officer for Bharti Airtel Ltd, Principal at Pitney Bowes Credit Corp. (Pennsylvania) and Principal at British Telecommunications Plc.

He received an MBA from the University of Birmingham and an undergraduate degree from Middlesex University. He completed the Stanford Executive Programme at the Stanford Graduate School of Business, USA.

Name	Citizenship and Residency	Designation	Date of appointment	Other positions
Krishnaduth (Kresh) Goomany	Mauritian Citizen and Resident	Executive Director	24 April 2024	**Directorship in listed and public companies:** None

Detailed Profile

Kresh has over 30 years of extensive local and international experience, of which 25 years are at Senior Management level. Since beginning his career in 1992, Kresh has held the positions of Executive Director at Mauritius Telecom and Cellplus Mobile Communications Ltd – Vice President Sales, Chief Operating Officer (Africa) at Comviva Technologies Ltd, and Managing Partner at Anglo African Ltd. He played an important role in the success stories of the companies he worked at.

Kresh joined Emtel in 2014 and held the positions of Chief Operating Officer and Deputy CEO, before moving into his current role as Chief Executive Officer in January 2021. His background and expertise in Telecommunications Networks, Cellular Communications, Leadership and strategic skills and Sales have enabled him to play an instrumental role in Emtel's strategy, innovation, new products and services, and growth journey in recent years.

He holds an MBA from Heriot-Watt University, a Master's degree in Telematics from the University of Surrey (UK) and an undergraduate degree in Electronic and Electrical Engineering from the University of Birmingham (UK). He also completed the Harvard Programme on Cybersecurity: Managing Risk in the Information Age and the National University of Singapore Programme on Fintech, Innovation & Transformation in Financial Services.

Name	Citizenship and Residency	Designation	Date of appointment	Other positions
M. Sahoud Edoo	Mauritian Citizen and Resident	Executive Director	24 April 2024	**Directorship in listed and public companies:** None

Detailed Profile

Sahoud first joined Emtel Limited in 1995 before joining Millicom International Cellular Group in 2010 as CFO in three (3) different countries in Africa. He returned to Emtel in November 2015 as Chief Financial Officer, heading the Finance, Supply Chain and Revenue Assurance functions. He has been responsible for MC Vision Ltd finances since September 2020.

Sahoud is a Fellow Member of the Association of Chartered Certified Accountants. He holds a Postgraduate Diploma in Leadership from the Emeritus Institute of Management (USA) and has completed an MBA Essentials Programme at the London School of Economics and Political Science (UK). Sahoud is also a Member of the Mauritius Institute of Professional Accountants.

Leadership team

Leadership team (Continued)

Krishnaduth (Kresh) Goomany
Group Chief Executive Officer

Date of appointment:
January 2021

Skills and experience:

Kresh has over 30 years of extensive local and international experience, of which 25 years at Senior Management level. Since beginning his career in 1992, Kresh has held the positions of Executive Director at Mauritius Telecom and Cellplus Mobile Communications Ltd – Vice President Sales, Chief Operating Officer (Africa) at Comviva Technologies Ltd, and Managing Partner at Anglo African Ltd. He played an important role in the success stories of the companies he worked at. Kresh joined Emtel in 2014 and held the positions of Chief Operating Officer and Deputy CEO, before moving into his current role as Chief Executive Officer in January 2021. His background and expertise in Telecommunications Networks, Cellular Communications, Leadership and strategic skills and Sales have enabled him to play an instrumental role in Emtel's strategy, innovation, new products and services, and growth journey in recent years.

M. Sahoud Edoo
Group Chief Financial Officer

Date of appointment:
November 2015

Skills and experience:

Sahoud first joined Emtel Limited in 1995 before joining Millicom International Cellular Group in 2010 as CFO in three (3) different countries in Africa. He returned to Emtel in November 2015 as Chief Financial Officer, heading the Finance, Supply Chain and Revenue Assurance functions. He brings to his role his added experience and excellent understanding of telecommunications processes, combined with his proven ability to drive financial strategies for improved company performances. Sahoud is responsible for MC Vision Ltd finances since September 2020.

Rajeshwaree (Priya) Foolchand-Chunderdeep
Head of Human Resources

Date of appointment:
September 2017

Skills and experience:

Priya is a Human Resource specialist with over 20 years of experience in the field across industries such as telecommunications, banking, insurance and financial services, amongst others. She joined Emtel in September 2017 as the Head of Human Resources and is responsible for developing and driving people management strategies across the organisation, as well as managing employee relations.

Veekash Aukhojee
Chief Information Officer - Telecom

Date of appointment:
January 2021

Skills and experience:

Veekash brings 22 years of extensive experience in the telecommunications industry to his role as Chief Information Officer – Telecom of Emtel. Veekash's background in IT, Network and Programming, coupled with Computational Science, enable him to establish and execute the technical direction of the organisation encompassing IT, billing and CRM, and FinTech products and services, amongst others. Prior to being appointed CIO – Telecom in January 2021, he began his journey at Emtel as Operations Executive in 2007, before being successively promoted to Head of IT and Billing Projects, IT Manager and finally, Deputy CIO – Telecom in 2019. Before joining Emtel, Veekash worked for 7 years at Mauritius Telecom and Cellplus Mobile Communications Ltd.

Mohummad Ally (Mamad) Aumjaud
Chief Sales Officer

Date of appointment:
April 2022

Skills and experience:

Mamad has 18 years of experience in the telecommunications industry, prior to which he spent 12 years in the FMCG distribution sector. He joined Emtel in February 2005 as Retail Sales Manager before occupying the roles of Distribution Manager and Territory Manager, where he was responsible for developing the pre-paid market and the network of Emtel shops in Mauritius and Rodrigues. Promoted to his current role as Chief Sales Officer in April 2022, his experience in Retail Management, Distribution, Sales Management, Relationship Development, combined with his understanding of different customer segments, enable him to play an important role in Emtel's growth strategy.

Dhunshalini (Brinda) Baboolall-Boodhun
Chief Customer Care Officer - Telecom

Date of appointment:
January 2021

Skills and experience:

Brinda counts more than 28 years of experience in Customer Service and operations at Emtel, leading to her appointment as Chief Customer Care Officer – Telecom in January 2021. She joined Emtel as Assistant Customer Service Manager in August 1995 and was subsequently appointed as Operations Manager and Deputy Chief Customer Care Officer, lending her the perspectives and skills required to drive Emtel's customer-centric journey, which is a crucial business imperative for the organisation. Prior to joining Emtel, Brinda worked at Mauritius Telecom and the Bank of Mauritius.

Leadership team (Continued)

Pooroosotum (Prakash) Bheekhoo
Chief Enterprise Solutions Officer

Date of appointment:
July 2018

Skills and experience:

Prakash has been serving in C-level leadership positions since 2004, across Oceania and Africa. Over the years, he applied his expertise in Business Development, Change Management and Stakeholder Management to successfully grow the operations of businesses engaged in Telecommunications activities. He joined Emtel in 2018 and is currently responsible for the Enterprise Market as the Chief Enterprise Solutions Officer. He leads the team to provide state-of-the-art solutions to enterprises in the Mauritian market.

Avinash Chettiar
Chief Technology Officer - Telecom

Date of appointment:
January 2021

Skills and experience:

Avinash has 25 years of in-depth experience in Mobile Network Operations, Data Centre Operations Management and Submarine Cable System Management, amongst others. He joined Emtel as a Technician in 1998 and has, over the years, been assigned an increasing number of responsibilities as Senior Technician, Head of Operations (Network) and Deputy CTO, until his appointment as CTO – Telecom in January 2021. He serves as a member of the Management Committee for the LION2 and METISS submarine cable consortiums, playing a key role in enhancing Mauritius' connectivity to the region. In his current role, Avinash oversees the development of Emtel's technology vision in line with the overarching business strategy.

Shivendra Nautiyal
Chief Strategy and Innovation Officer

Date of appointment:
January 2023

Skills and experience:

Shivendra has over 26 years of experience in mobile telephony, having engaged in multiple Greenfield deployments and complex network operations. His background in Electronics, Communications and Telecommunications have enabled him to contribute his expertise in ICT, Business Strategy, Transformation and Technology Bidding, amongst others, to his many roles at Emtel. Shivendra joined Emtel as Chief Technical Officer in September 2016. He was appointed Chief Strategy and Innovation Officer in January 2023. In his current role, he spearheads the newly formed Strategy and Innovation, and ensures that Emtel remains ahead of the technology and innovation curve.

Vikas Khanna
Chief Information Officer

Date of appointment:
November 2016

Skills and experience:

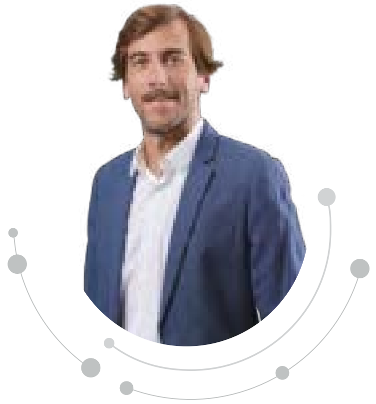
Vikas has been the Chief Information Officer of Emtel since November 2016, a role in which he leads and formulates the IT operational plans in alignment with the organisation's business strategy. He is a certified project management professional with 25 years of experience in Telecommunications and Service Delivery, having worked with IBM and Hutchison Telecom, and served as the General Manager for IT at Airtel India, a company that has over 350 million mobile, fixed line broadband, enterprise, and direct-to-home customers. Since January 2023, he has been entrusted with new responsibilities to drive strategic projects, such as the digitalisation processes across Emtel and MC Vision, the convergence of media and entertainment, as well as the development of a strategy for Data Science and Analytics.

Atul Bhatia
Chief FinTech Officer

Date of appointment:
January 2023

Skills and experience:

Atul is a Telecommunications and FinTech executive with over 24 years of experience in Sales and Marketing Operations and Strategy, Customer Experience and Supply Chain. He worked for Airtel in a variety of markets, including South Asia and Africa, and has amassed a wealth of knowledge and expertise. Atul joined Emtel in June 2017 as Chief Customer Care Officer and was assigned additional responsibilities as Head of Project Management Office in January 2021. In January 2023, he was appointed as Chief FinTech Officer and has been entrusted with the responsibility to drive the development of the Emtel MFS.



Stanislas Balaÿ
Officer in Charge

Date of appointment:
September 2023

Skills and experience:

Stanislas Balaÿ is the Officer in Charge for MC Vision. He was previously Commercial Director of MC Vision from October 2022 – September 2023. Prior to this, he held roles such as Sales, Marketing and Client Relations Director for CANAL+ International I Reunion.

Corporate governance report

Introduction

Emtel Limited ('Emtel' or 'the Company') is a public interest entity under the provisions of the Financial Reporting Act and the Board endorses the eight principles espoused by the National Code of Corporate Governance of Mauritius 2016 ('the Code'). The Company, incorporated on 3rd July 1987 as a private company, was converted into a public company on 24th April 2024.

Over the years, Emtel has directed investment flows to ensure it remains ahead of the technological curve by strengthening its infrastructure, technical expertise, distribution channels and customer relationships. The Company continues to leverage these assets to explore new areas of growth beyond traditional telecommunication services. Emtel has diversified into a range of business-to-business ("B2B") and business-to-consumer ("B2C") solutions and began servicing various customer segments (enterprises, home, smart cities), penetrated the Fintech space and built the foundations of a technology park that will serve as a springboard for future innovation and Research and Development. Underpinned by its diversified and innovative business model, Emtel is accelerating its transformation into a leading ICT solutions and service provider in the market, to the benefit of the Mauritian economy and society.

Entrenched by a culture of compliance and governance, Emtel has adopted a new Constitution on 24th April 2024 and has carried out a comprehensive review of the composition of its Board of Directors with the appointments of Messrs Krishnaduth Goomany and M. Sahoud Edoo as Executive Directors of Emtel effective 24th April 2024 and the appointments of Mmes Priscila Balgobin-Bhoyrul, Charlotte M. V. Govin and Shirin R. Gunny and Mr Peter J. Lewis as Independent Directors of Emtel, effective on 31st May 2024. Following this review, the Board of Directors of Emtel satisfies the statutory requirements.

Led by an established Senior Management team with over 25 years of deep industry expertise on average and driven by the Company's five core values, namely Integrity, Foresight, Responsibility, Passion and Openness, the Board remain committed to uphold an effective corporate governance framework across the Company and to safeguard the interests of its stakeholders.

After a transformational journey at the helm of Emtel, Mr Bashirali A Currimjee has retired as Managing Director of Emtel in April 2024. We extend our gratitude and deepest appreciation to Mr Bashirali for his unwavering 37-year dedication and service to Emtel as Managing Director which was marked by his wisdom, wealth of experience, arduous ethic and discipline and has been the substance to the invaluable growth of the Company. Mr Bashirali will continue to serve the Company as the Chairman of the Board of Directors.

We are also bidding farewell to Mr Mazahir F. E. Adamjee who has been a Non-Executive Director at Emtel since 2016 and has retired on 31st December 2023. We extend our gratitude for his contributions and insights also as member of the Audit & Risk Committee of Emtel. The Board expresses his warmest thanks to Mr Mazahir for his commitment and dedication to the Company.

This Report sets out how Emtel undertakes to achieve governance excellence and upheld the key corporate governance practices in accordance with the Code. All material information on the Company and its governance framework, as recommended to be disclosed on the website as per the Code, is available to shareholders and stakeholders through the Annual Report & Financial Statements filed at the Registrar of Companies. The Company is constructing a new website which will be launched during the year.

1: Governance Structure

Statement of Accountabilities

The Company is led by a committed and unitary Board which assumes the responsibility for leading and controlling the organisation and ensuring that all legal and regulatory requirements are met.

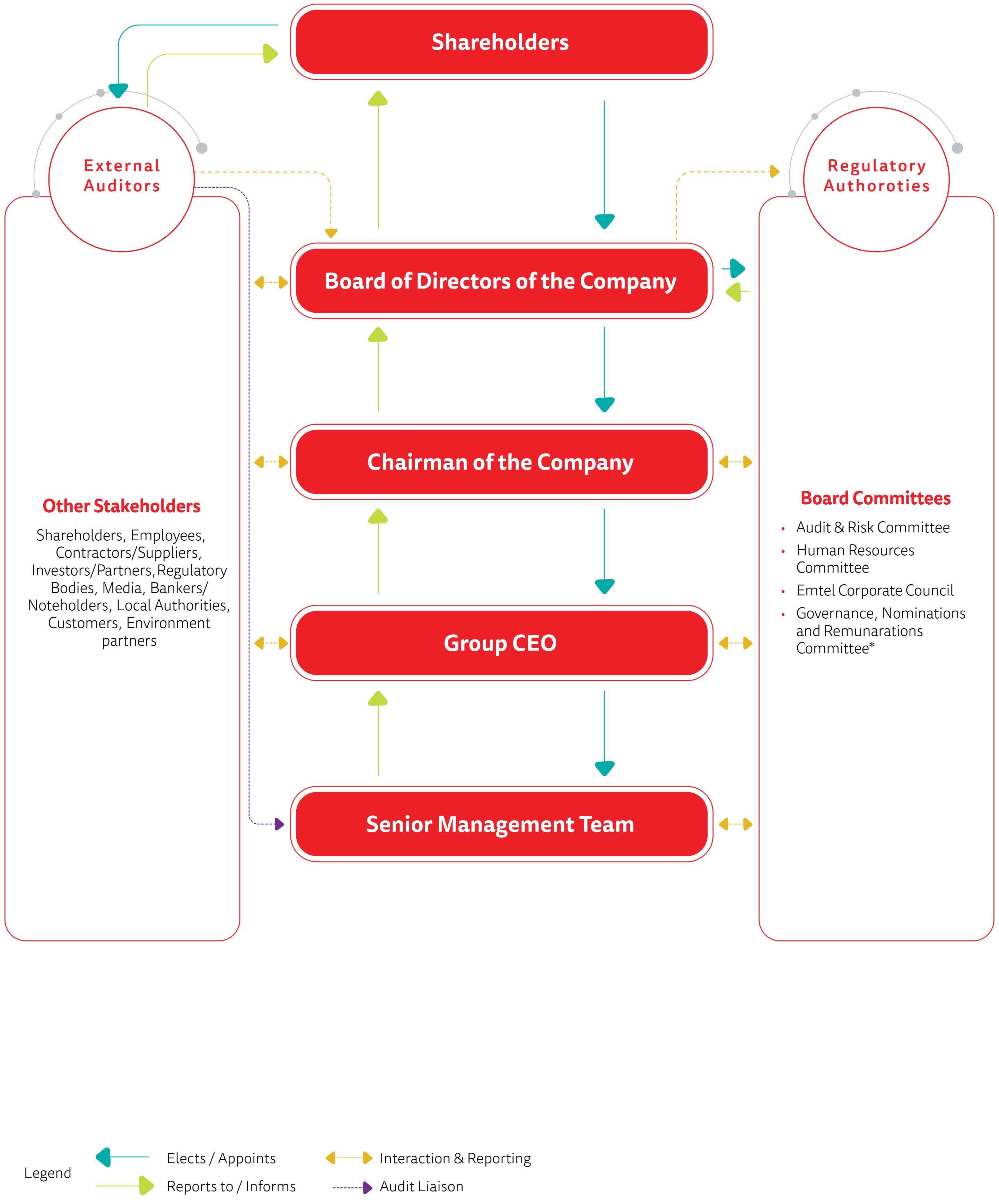
The Board is guided by the provisions of the Company's constitutive documents including the Company's Constitution, adopted on 24th April 2024 and prevailing legislation, rules and regulations such as the Companies Act 2001, the Financial Reporting Act 2004 and the Code.

A Board Charter, including the position statements of the key senior governance positions, setting out the objectives, roles and responsibilities and composition of the Board of Directors is being formulated and will be adopted during the year 2024.

The Company has adopted an Equal Opportunity policy and a Diversity and Inclusion policy which advocate for gender parity at all levels within the Company.

In line with the Code, the Board has:

- Adopted a Code of Conduct and a Whistleblowing Policy;
- Established a Delegation of Authority Framework, defining the decision-making authority and financial limits (where relevant) for the Board, the Emtel Corporate Council and the Company's Group Chief Executive Officer; and
- Approved a Governance Framework (as illustrated below).



Key Senior Governance Positions and Responsibilities

The Board operates under the Chairmanship of Mr. Bashirali A Currimjee.

Mr. Krishnaduth Goomany was appointed as Group Chief Executive Officer in January 2021 and Mr. Bashirali A Currimjee has an advisory role to the Group Chief Executive Officer and he supports and oversees the latter's functions.

The job descriptions of the Chairman, the Group Chief Executive Officer and the Company Secretary have not been confined within written position statements. Their key duties and responsibilities are set out below:

Chairman

The Chairman is responsible for leading the Board and facilitating the effective and constructive contribution of Directors and encouraging their active engagement to ensure the effectiveness of the Board in all aspects of its role. His main responsibilities include:

- Setting the Board agenda and ensuring that adequate time is granted to discuss all agenda items particularly strategic issues;
- Ensuring that the Directors receive complete and adequate information in a timely manner;
- Ensuring effective communication with Shareholders;
- Encouraging constructive relations within the Board and between the Board and Management;
- Facilitating the effective contribution of the Directors; and
- Promoting high standards of Corporate Governance.

The Chairman has an advisory role to the Group Chief Executive Officer and he supports and oversees the latter's functions.

Group Chief Executive Officer

The role and responsibilities of the Group Chief Executive Officer are centered towards the overall management of the Company's and its subsidiaries operations, its include:

- Dissemination of the Company's values and ensuring that they are lived by all employees;
- Formulating and assisting the Board to establish the Company's long term strategic direction, strategic plan and risk profile for approval;
- Implementing, administering and achieving the Company's objectives, goals, plans and budgets;
- Developing the Company's Strategic Plan, Annual Operating Plan, Capital Budget, Operating Budget, Long Term Budget and Project Specific budget for approval by the Board;
- Managing resources efficiently and effectively in the best interest of the Company;
- Approving the delegation and limits of authority of all direct reportees and supervise, guide and mentor all direct reportees and other employees;
- Ensuring that an appropriate, sound and effective prudent compliant risk management and compliance framework and supporting policies and controls are in place and observed to safeguard the Company's and stakeholders' interests and that these are regularly reviewed.

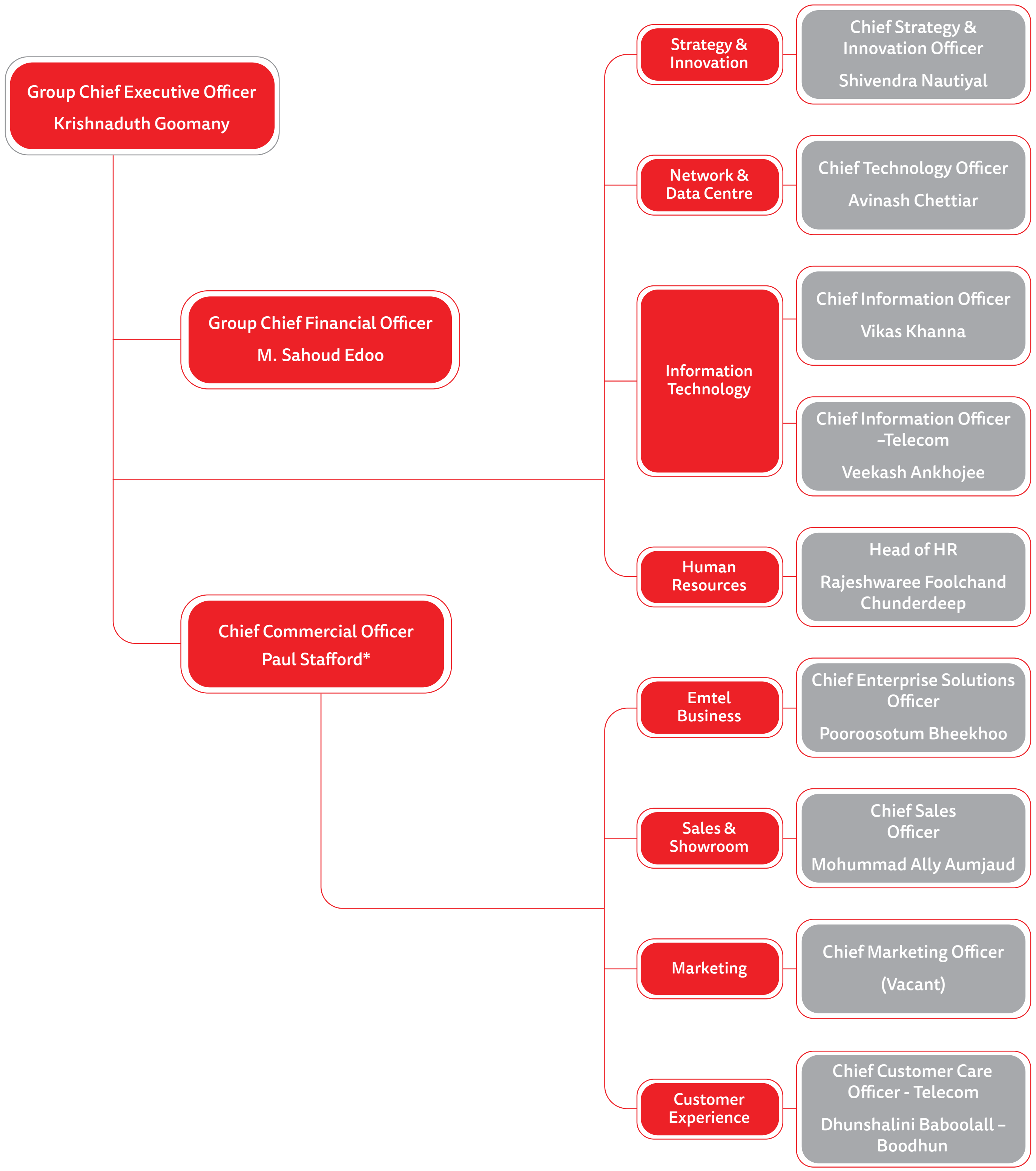
Company Secretary

The Company Secretary is responsible for:

- Ensuring that the Company complies with its Constitution, all relevant statutory and regulatory requirements and rules established by the Board;
- Providing the Board as a whole and the Directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Company;
- Developing the agenda of the Board and Board Committee meetings in consultation with the Chairman;
- Circulating agendas and any supporting papers in a timely manner;
- Taking minutes of meetings and circulating the draft minutes to all concerned parties;
- Ensuring that the procedure for the appointment of Directors is properly carried out; and
- Assisting in the proper induction of Directors, including assessing the specific training needs of Directors / Executive Management.

Organisational Chart of Senior Management Team

The organisational chart as at the date of this report is as follows:



* Appointed on 1st June 2024

2: The Structure of the Board and its Committees

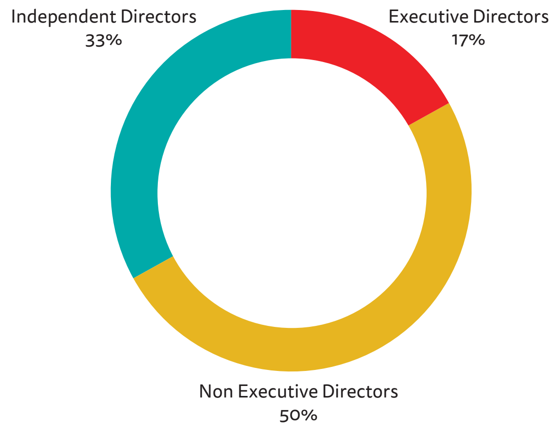
Size and Composition of the Board

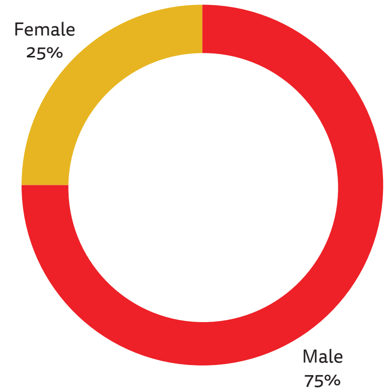
For the year under review, the Board was comprised of seven (7) Directors, including one (1) Executive Director and six (6) Non-Executive Directors. The Directors came from different industries and backgrounds with strong business, international and management experience which are crucial given the nature and scope of activities of the Company and the Board Committees.

On 31st December 2023, Mr Mazahir F. E. Adamjee resigned as Director of Emtel.

In April 2024, Mr Bashirali A. Currimjee has retired as Managing Director of Emtel and shall continue to serve the Company as the Chairman of the Board of Directors.

With the appointments of Messrs Krishnaduth Goomany and M. Sahoud Edoo as Executive Directors on 24th April 2024 and the appointments of Mmes Priscila Balgobin-Bhoyrul, Charlotte M. V. Govin and Shirin R. Gunny and Mr. Peter J. Lewis as Independent Directors effective 31st May 2024, the Company shall be led by a unitary Board of twelve (12) Directors in the following category: six (6) Non-Executive Directors including the Chairman, two (2) Executive Directors and four (4) Independent Non-Executive Directors, effective as from 31st May 2024. The Board is satisfied with the size, having an adequate balanced composition with the requisite range of skills, expertise, and experience to carry out their duties properly.





Board Composition and Gender representation effective 31st May 2024.

Company Secretary

Currimjee Secretaries Limited is the Company Secretary and is represented by Mr. Ramanuj Nathoo, having the requisite qualifications to assume the position.

Board Responsibilities

The Board is responsible for leading and controlling the Company for meeting all legal and regulatory requirements and for acting in the best interest of its Shareholders.

Board Meetings Process

Convening the meeting
The Company Secretary sends Directors a yearly meeting calendar a year ahead, convening all meetings for the upcoming year.

Agenda Setting
Setting of Agenda in consultation with the Chairman and Group CEO well in advance of the Board Meeting.

Prior of the Meeting
Circulate Notice, Agenda and Board Papers prior to Board meeting. Board Papers encompass Operational and financial reports, board Committee(s) findings and recommendations, and compliance matters.

Day of Board Meeting
Day of Board Meeting. Company Secretary ascertains constitution of meeting and the Chairman proceeds with the business of the day.

Post Board Meeting
Drafting of Minutes and circulating to the Board. Follow up by Company Secretary / Management on board decisions.

Board Committees normally precede Board Meetings and additional Committee meetings may be convened, if required. A similar process as set out above is followed. The agenda for the Committee meetings are set in consultation with the respective Committee Chairperson, the Group CEO, the Group CFO and the Secretary.

Board Focus Areas

Three (3) Board Meetings were held during the year under review. Board Meetings were organized both in-person and by videoconference to give the opportunity to all Directors to attend and participate.

The key items discussed at the Board Meetings held during the year are set out below:

- Approval of the Annual Report for the year ended 31 December 2022.
- Quarterly review of the Company's performance v/s budget (including operational/financial highlights).
- The reports from the Chairman of Board Committees, with respect to the main deliberations at these Committee meetings.
- Declaration and payment of dividends for the year ended 31 December 2023.
- Update on major projects.
- Approval of capital expenditures.
- Approval of banking facilities.
- Presentation of the Company's budget for the years 2024 – 2026.
- Review of Governance Structure.

Board Committees

The Board has delegated some of its powers and responsibilities to its Board Committees, namely the Audit & Risk Committee, the Human Resources Committee and the Emtel Corporate Council to assist it in the execution of its duties. The Board Committees operate within defined terms of reference outlining their objectives, composition, functioning, responsibilities and reporting requirements.

In line with the recent changes in the Company's Governance Structure, the compositions of the Board Committees are being reviewed in accordance with the requirements of the Code.

Audit & Risk Committee ('ARC')

- **Composition**

  In the absence of Independent Director(s) on the Board of the Company, the ARC was chaired by M Iqbal Oozeer, a Non-Executive Director.

  The Committee's composition during the year under review was as follows:

  - Mr M Iqbal Oozeer - Chairman
  - Mr Mukesh Bhavnani
  - Mr Mazahir F E Adamjee, resigned on 31st December 2023.

- **Main responsibilities**

  Monitoring the integrity of the financial statements & annual report and reviewing significant financial reporting issues and judgements therein.

  Reviewing the Company's internal controls related to financial reporting and disclosure controls and procedures and monitoring the effectiveness of the internal audit function.

  Reviewing the internal audit recommendations & monitoring their implementation.

  Recommending the Board in relation to the appointment, re-appointment & removal of the External Auditor.

  Agreeing with the External Auditor on their terms of engagement, the audit scope & fees (whether for audit or non-audit services).

  Assessing annually the independence & objectivity of the External Auditor, their expertise and resources and the effectiveness of the audit process.

  Advising the Board on the overall risk appetite, tolerance and strategy, ensuring that an overall risk management framework is in place and reviewing policies related to risk management.

- **Focus areas for year 2023**

  Review of Audited Financial Statements for financial year 2022.

  Review of client service report from external auditors and letter of representation.

  Appointment of external auditors for financial year 2023.

  Approval of external auditor's engagement letter and client service plan.

  Review of internal audit reports, approval of internal audit plan and monitor implementation of audit recommendations.

  Review of the implementation of the Company's Enterprise Risk Management process.

  Updates on information security matters.

  Receive reports on the Company's revenue assurance framework, its implementation and effectiveness.

Human Resources ('HR') Committee

- **Composition**

  During the year 2023, The HR Committee was chaired by Mr Bashirali A Currimjee.

  The Committee's current composition is as follows:

  - Mr Bashirali A Currimjee – Chairman
  - Mr Anil C Currimjee
  - Mr Azim F Currimjee

- **Main responsibilities**

  Review and recommend for Board approval the HR Strategy, including key HR policies, plans and human resources requirement and monitor implementation of same.

- **Focus areas for year 2023**

  Review of HR dashboards and HR metrics.

  Talent Review and Performance Management Updates.

  Employee Engagement updates.

  Key staff movements/ Key recruitments.

  HR Focus Areas for year 2024.

Emtel Corporate Council ('ECC')

The Emtel Corporate Council was established for the strategic management and supervision of the Company's operations within a framework approved by the Board.

- **Composition**

  The Committee's composition during the year under review was as follows:

  - Mr Bashirali A Currimjee – Chairman
  - Mr Anil C Currimjee
  - Mr Sarvjit Singh Dhillon
  - Mr M Iqbal Oozeer, appointed as member on 1st March 2024.

- **Main responsibilities**

  Providing guidance to the Board on the establishment of the Company's values and vision.

  Recommending long-term strategic direction, plans and risk profile to the Board for approval.

  Monitoring of the Company's financial and non-financial performance and financial planning.

  Making recommendations to the Board on Board structure and Board governance matters.

  Making recommendations on Human Resources planning, systems and management.

  Reviewing and recommending to the Board for approval, the status of business risk exposures, its management and related action plans.

- **Focus areas for year 2023**

  Review and monitoring of financial and operational performance.

  Review of Big Ticket items.

  Update on major projects and initiatives.

  Approval of capital expenditures.

  Review of Treasury reports.

  Recommend dividend declarations to the Board for approval.

  Update on legal and regulatory matters.

Governance, Nominations and Remunerations Committee*

The Governance, Nomination and Remunerations ('GNR') Committee's functions are currently assigned by the Board of the Company to the GNR Committee set up at the level of Currimjee Jeewanjee and Company Limited ('CJ & CO LTD'), its Holding company.

The GNR Committee of CJ & CO LTD is thus mandated to advise the Board of Emtel Limited on corporate governance matters and on the application of the Code.

Attendance at Board Meetings and Board Committees

The table below gives the attendance records at the Company's Board and Committee meetings for the year ending 31st December 2023:

Directors & Committee Members	Category of Directors	Board Meeting	Audit & Risk Committee	Human Resources Committee	Emtel Corporate Council
Number of Meetings held during the year under review		3	4	2	6
Mr Bashirali A Currimjee	ED	3	n/a	2	6
Mr Anil C Currimjee	NED	2	n/a	2	6
Mr Azim F Currimjee	NED	2	n/a	2	n/a
Mr Mazahir F E Adamjee[1]	NED	3	4	n/a	n/a
Mr M Iqbal Oozeer	NED	3	4	n/a	n/a
Mr Sarvjit Singh Dhillon	NED	2	n/a	n/a	6
Mr Mukesh Bhavnani	NED	3	4	n/a	n/a

Note 1: Mr Mazahir F E Adamjee resigned as Director on 31st December 2023.

3: Director Appointment Procedures

Director's Appointment, Re-election, Induction and Orientation

The appointment, re-election and removal of Directors on the Board of Emtel is currently deputized to the GNR Committee of CJ & CO LTD, which recommends to the Board of Emtel, the Directors to be appointed and/or re-elected. All Directors are eligible for re-election at the Annual Meeting of Shareholders.

The nomination and appointment process of directors for the Board is as per below:

Board of Directors to determine vacancy or replacement and potential Director(s) identified

Recommendation to the GNR Committee and its Board of Directors of CJ & CO LTD

Approval of recommendation by the CJ & CO LTD GNR Committee and Board of Directors and referral to the Company's Board

Appointment of new Director(s) by the Board of Directors of the Company

New Director(s) Induction Programme:
(Circulation of Induction Pack and business presentations by Leadership Team/Site Visits of the businesses)

Director(s) stand for re-election at the Company's Annual Meeting

The Induction Pack for newly appointed Directors contains inter-alia the following documents to help the Director better understand the Company and the governance system in place for the effective discharge of his/her duties:

- Corporate Details and high-level Company organigram;
- Governance Framework;
- Code of Conduct;
- Company Constitution; and
- Information on the Company's strategy, major projects and financials.

Professional Development of Directors

The Company provides regular updates to the Directors to best develop their knowledge and capabilities. Directors are kept abreast of trends in the business, competitive and regulatory environments regularly at Board Meetings.

The Board values ongoing professional development and recognises the importance of all Directors receiving regular training to be able to serve effectively on, and contribute to, the Board and Board Committees.

Directors are further encouraged to undergo continual professional development to ensure that they can fulfill their obligations to the best of their ability and to continually improve the performance of the Board. They are given the opportunity to attend training workshops organised by external facilitators.

The Board also recognises and nurtures talent and has put in place a Talent Development Programme for key executives to ensure that opportunities are created to develop current and future leaders.

Succession Planning

The Board is responsible for the succession planning of Directors and maintains a database of prospective candidates for Board appointments.

The GNR Committee of CJ & CO LTD recommends succession plans for Directors. They ensure that when the replacement of the Chairman/ Directors is made, candidates with the requisite skills and experience are identified, considering the Company's current and future needs.

4: Director Duties, Remuneration and Performance

The Directors are fully appraised of their fiduciary duties as laid out in the Companies Act. All Directors are expected to act in the utmost good faith and in the best interests of the Company, which includes the need to exercise care, skill and diligence so as to promote company success through independent judgement.

Conflict of Interest / Related Party Transactions

The Company's Constitution as adopted on 24th April 2024, requires that a director declares his/her interest in any transaction or proposed transaction with the Company. Such Director shall not vote on any matter approving any contract, arrangement or any other proposal in which he/she or his/ her Associates have a material interest nor be counted in the quorum of the board's meeting, except in certain situations catered for under the Company's Constitution.

The Company Secretary maintains an interest register, which is available to Shareholders upon written request.

Information

The Chairman, with the assistance of the Senior Management Team, ensures that Directors are provided with relevant Board papers in a timely manner so that they can participate effectively in Board deliberations and decisions. Ongoing relevant information is also shared with Directors between two Board meetings to keep them abreast of developments.

The Directors also have access to the Company's Senior Management Team as and when required with the approval of the Chairman.

Information Technology ('IT') and Information Security Governance

The Company has implemented a framework on Information Technology and Information Security Governance and adopted operational policies pertaining to IT. It also follows the ISO 27001:2013 standard for its Data Centre.

The Company's key policies and their purposes are as follows:

- Information Security ('IS') and Information Security Management System ('ISMS') policy - The purpose of this policy is to establish a culture of security and trust for all employees. It also gives a brief introduction of the organisation, lists down the objectives of ISMS and describes the methodology adopted to establish ISMS. The policy encompasses the following activities: clear desk/ screen policy, acceptable use policy, password policy, logical access control, removable media and storage devices, BYOD (Bring Your Own Device) and data protection.
- IT General policy - This policy covers all the different activities and guidelines related to Information Technology, such as backup retention, email, maintenance and configuration, internet, wireless connectivity, computer network logins, operating systems computer network use and change management.
- Incident Management policy - The purpose of this policy is to provide an effective way to ensure a quick, effective and orderly response to incidents so as to minimise damages.
- Physical Access Control policy - The purpose of this policy is to regulate the provisioning, granting, controlling, monitoring and removing of physical access and ID card system also referred to as Proximity Card throughout the Company, including the offices at Ebène & Boundary Road, Rose Hill, Arsenal Data Centre, showrooms and cell sites.
- Business Continuity Management ('BCM') policy – The BCM policy describes the various steps to be taken by the Company to protect critical business processes and assets from the effects of major disasters and identify continuity plans for business resumption.
- Data Centre policy – The Data Centre provides a secure and controlled environment necessary to support the operations of customers and telecommunications equipment that stores, processes and transmits information.

The Company is committed to securing the confidentiality, integrity and availability of information for the day-to-day business activities and technical operations. The security of information and other assets is therefore regarded as fundamental for the successful business operation of Emtel's Data Centre. The Data Centre has adopted an Information Security Management System comprising of Information Security policies, procedures and processes to effectively protect data / information of Emtel's Data Centre and its customers from information security threats, whether internal or external, deliberate or accidental. The Data Centre is ISO 27001 certified with the Mauritius Standards Bureau for providing secured Data Centre operations and services.

All significant investments in information technology and expenditures, based on the business needs for the financial year, are provided for in the Company's annual budget and approved by the Board.

Data Protection

At Emtel, privacy matters. We respect the privacy of our data subjects and other interested parties with whom we have business interactions. We are committed to comply with all applicable data protection legislations. The Company is registered with the Data Protection Office as a Data Controller (Registration No. C1788) and a Data Processor (Registration No. P144); the Certificates of Registration were last renewed in August 2023 as per the Data Protection Act 2017 and shall be renewed in July 2026.

The Company had appointed Ernst & Young Ltd (Mauritius) to conduct an internal audit review with respect to compliance with the Mauritius Data Protection Act 2017. The objective of the internal audit was to assess the adequacy of the framework which has been implemented by Emtel, to comply with the requirements of the Data Protection Act 2017. It was reported that the Company has a relatively mature data protection framework, whereby a number of privacy requirements and practices are already embedded within the Company's process documentation. The framework is governed by a Data Privacy Committee which regroups specific department heads and the regulatory-mandated Data Protection Officer role is also formally designated.

With the enforcement of the new Information and Communication Technologies (Registration of SIM) Regulations 2023, our commitment towards data privacy was strengthened with a series of planned initiatives supported by the team of appointed Data Privacy Champions and the Data Privacy Committee. Due to the nature of its industry, Emtel processes personal data on a large scale and this poses significant privacy risks to its data subjects. The Company is establishing a rigorous data privacy framework which is a key expectation for players in the telecom sector due to its data intensive nature, over and above the compliance considerations which are mandatory.

The Company has published and communicated its Privacy Notice to all stakeholders and is available on the corporate website https://www.emtel.com/privacy-policy. The Company's Data Protection Officer can be contacted at dataprotection@emtel.com.

Board, Board Committee & Individual Director evaluation

No evaluation of the Board, Board Committees or individual Directors has been undertaken during the year under review.

Remuneration Policy

None of the Directors received any remuneration and benefits from the Company during the financial year ended 31st December 2023 (2022: Nil).

Mr Bashirali A. Currimjee, who was the Managing Director of the Company during the year under review, was not remunerated by the Company. He was deputed by Currimjee Jeewanjee and Company Limited, with which the Company has a Business Support Services Agreement. Any Director who is in full-time employment with CJ & CO LTD or any of its subsidiaries does not receive any additional remuneration for sitting on the Board of Directors of the Company.

The Directors have not received remuneration in the form of share options or bonuses associated with the Company's performance and there are currently no long-term incentive plans.

Directors' Service Contracts

None of the Directors received any remuneration and benefits from the Company during the financial year ended 31st December 2023 (2022: Nil).

None of the Directors has a service contract with the Company or any of its subsidiaries, except for Mr Sarvjit Singh Dhillon who provides consultancy services to the Company by virtue of a services agreement dated 1st January 2019.

Directors' & Officers' Liability Insurance

A liability insurance cover for Directors and Officers has been subscribed by the Company. The policy provides cover for the risks arising out of acts or omissions of the Directors and Officers of the Company in the performance of their duties, to the extent permitted by law.

Directors' interests in shares

The Directors of the Company do not have any direct interests in the Company; however, three (3) Directors' have indirect interests in the Company through Currimjee Limited, the ultimate holding company of Emtel Limited.

The Directors' indirect interests in the stated capital of the Company at 31st December 2023 were as follows:

Director	Indirect interests in the Company's shares %
Mr Bashirali A. Currimjee	0.08
Mr Anil C. Currimjee	3.53
Mr Azim F. Currimjee	5.74

5: Risk Governance and Internal Control

Risk Governance

Managing risks and uncertainties is essential to achieving our long-term success and strategic objectives. Risks are inherently dynamic; as the environment evolves, certain risks reduce or grow, while new ones emerge.

An effective Enterprise Risk Management framework has been established at Emtel in line with the Group's policy. It not only focuses on operational and business (including strategic and financial) risks, but also its regulatory, societal, human capital, health and safety risks. Emtel's ERM is a well-defined, three-step procedure comprising risk identification, risk mitigation, and monitoring and reporting.

- In the first step, a set of well-defined criteria helps to identify enterprise-level strategic risks that pose business and operational continuity, brand and market perception, the ability to generate resources for future expansion, etc. A dedicated risk owner is responsible for the main risks and sub-risks.
- In the next step, risk mitigation strategies are identified and deployed to eliminate exposure to potential risks and reduce their chance and negative impact. This includes the action plan and the assignment of the responsibilities to risk owners
- In the third stage, quarterly monitoring of key risks, as well as the effectiveness of the mitigation plan is carried out by the Audit and Risk Committee (ARC).

Risk Management Model

Emtel's Risk Management model aligns with CJ's group risk management strategy, which is equipped to identify, evaluate, respond to, and manage risks. The process comprises the adoption of a rigorous and collaborative approach across the entire organization, in which key individuals contribute by recognizing risks in their particular areas of responsibility and expertise and providing suitable responses to these risks.

One of the key outputs of this process is the creation of a comprehensive Risk Register, which establishes the risk context and risk treatment plan for each key risk. As a result, risk management remains a priority and operational managers are adequately prepared to respond quickly to changing conditions. Refer to page 64 for the CJ Risk Management Model adopted for Emtel.

6: Reporting with Integrity

The Board should present a fair, balanced and understandable assessment of the organisation's financial, environmental, social and governance position, performance and outlook in its annual report and on its website.

Sustainability

The Company has adopted a new Sustainability Charter in 2023 whereby the concept of sustainability and stewardship for future generation has become an integral part of our business strategy and operations, and we are constantly striving to ensure its adoption in our organization.

Our sustainability charter outlines our key engagements and summarizes the operating principles for how we will conduct our business:

1. Manage our operations in a sustainable manner for the wellbeing of future generations.
2. Consider sustainability aspects as an integral part of our business strategy and operating methods.
3. Recognize the global sustainability challenges and diligently honour our responsibility to contribute to the solutions.
4. Engage and support our customers', employees', partners', the community's and other stakeholders' sustainability initiatives, and
5. Continually monitor, improve and report our sustainability performance openly and voluntarily.

Through these engagements, we aim to comply to and perform better than applicable statutory requirements. The UN SDGS (United Nations Sustainable Development Goals) are our blueprint in defining our sustainability strategy and we are committed to contribute towards their achievement.

Our sustainability framework is built around three (3) pillars which are further translated into actionable strategic drivers:

- Environmental Preservation
- Social Inclusion
- Human Capital

The sustainability initiatives are detailed in the Sustainability Report on page 72 and in the Human Capital Report on page 90.

Quality Management System (ISO 9001:2015)

Emtel is certified ISO 9001:2015 with the Mauritius Standards Bureau (MSB) for the sales, support, distribution and service of Information and Communication Technology products and services for both prepaid and post-paid customers through mobile and fixed technology. The Company has successfully completed its surveillance audit in October 2023 by the MSB and the certification (RF 164) is valid until December 2024.

The Company strives to provide the best experience to its customers through the provision of efficient, effective and innovative Information and Communication Technology products and services. It is committed to satisfying the needs and expectations of its interested parties, and will ensure continual improvement of its Quality Management System in compliance with the applicable legal and regulatory requirements and the ISO 9001 requirements.

The Company operates a Quality Management System driven by its philosophy of continual improvement towards an enhanced customer experience. Internal process audits are carried out by the Company's team of trained internal quality auditors, process documentation is reviewed on a continuous basis and a risk-based approach is adopted across the organisation.

Donations

The Company did not make any political donations during the year under review (year 2023: Nil). The Company supported several charitable institutions from the Company's CSR funds, which are detailed in the Sustainability Report on pages72.

7: Audit

Internal Audit

The Company's Internal Audit Function is outsourced to Ernst & Young (EY) and approved by the Board on the recommendation of the Audit & Risk Committee.

As part of their delivery of internal audit services, the Internal Auditor has performed a risk assessment and considered additional risks that apply to the Company and which were not captured in the existing risk register and the list of top inherent risks ranked in terms of significance for the Company. An internal audit plan for a three-year period was then established in collaboration with top management, targeting the higher risk areas that lend themselves to internal audits, and approved by the Audit and Risk Committee.

The Internal Auditor's methodology aims ultimately to position the internal audit reviews to proactively drive strategic value to the organisation, by providing:

- Key insights that enable the business to focus on the risks that matter, and which aim to improve the quality and effect of work delivered.
- A robust mechanism to identify performance improvement opportunities (including robustness and efficiency of operations, quality of information for better decision making, optimising the use of available resources like technology).
- Strategic insights that improve business performance.
- Prioritisation of recommendations to facilitate implementation and sense of achievement.

Internal audit services are conducted in accordance with an Internal Audit Charter, aligned with the standards of the Institute of Internal Auditors' International Professional Practices Framework and adapted for the outsourced internal audit model, that has been approved by the Audit & Risk Committee.

As part of the audit, the Internal Auditor reviews the design and operating effectiveness of controls in operation at Emtel for the areas identified as part of the internal audit plan. Following the completion of internal audit engagements, salient internal audit observations are reported to Management in a closing meeting, followed by the issue of the internal audit reports. These reports are then presented at Audit & Risk Committee meetings, to communicate significant audit findings as well as Management's proposed action plans. Regular follow-up audits are also undertaken to monitor the progress on the implementation of internal audit recommendations by Management, which are then reported back to the Audit & Risk Committee. The Internal Auditor, works closely with and shares its internal audit findings with the external auditors.

The Internal Auditor reports independently to the Chairman of the Audit & Risk Committee and the Chairman of the Board on all internal audit matters, and is responsible for providing assurance to the Audit & Risk Committee regarding the implementation, operation and effectiveness of the Company's internal control systems. In this respect, reliance is placed on the work undertaken by the Internal Auditor in line with an internal audit plan, as approved by the Audit & Risk Committee, which ensures that all significant areas of the Company's activities are duly covered in turn over a predetermined timeframe.

The Internal Auditor has unrestricted access to the Company's records, the Chairman of the Company, the Chairman of the Audit & Risk Committee, Management and employees, for the effective performance of its duties.

During the financial year 2023, the following internal audit assignments were deployed for the Company: Compliance with Data Protection Act, Procurement to Pay and Revenue Assurance and Fraud Management. Follow up audits were also completed on Fixed Asset Management and HR and Payroll.

External Audit

PricewaterhouseCoopers was re-appointed as the External Auditor of Emtel for the financial year 2023, by the Shareholders in June 2023.

The Audit & Risk Committee has reviewed and reported to the Board on the clarity and accuracy of the financial statements. While conducting their reviews, the Committee considered the following:

- The accounting policies and practices applied;
- material accounting judgements and assumptions made by management or significant issues, or audit risks identified by the external Auditor; and
- compliance with relevant accounting standards and other regulatory financial reporting requirements, including the Code.

All significant issues raised by the external auditors during the audit are reviewed and monitored at the level of the Audit & Risk Committee until they are fully addressed.

The external auditors are free to meet the Audit & Risk Committee without the presence of management should they wish to do so. No such meeting was required during the year under review. Nonetheless, the Chairman of the Audit & Risk Committee regularly consults the External Audit Partner.

The Board is regularly informed of all material matters being discussed at the level of the Audit & Risk Committee.

The fees paid to the External Auditors are disclosed on pages 129.

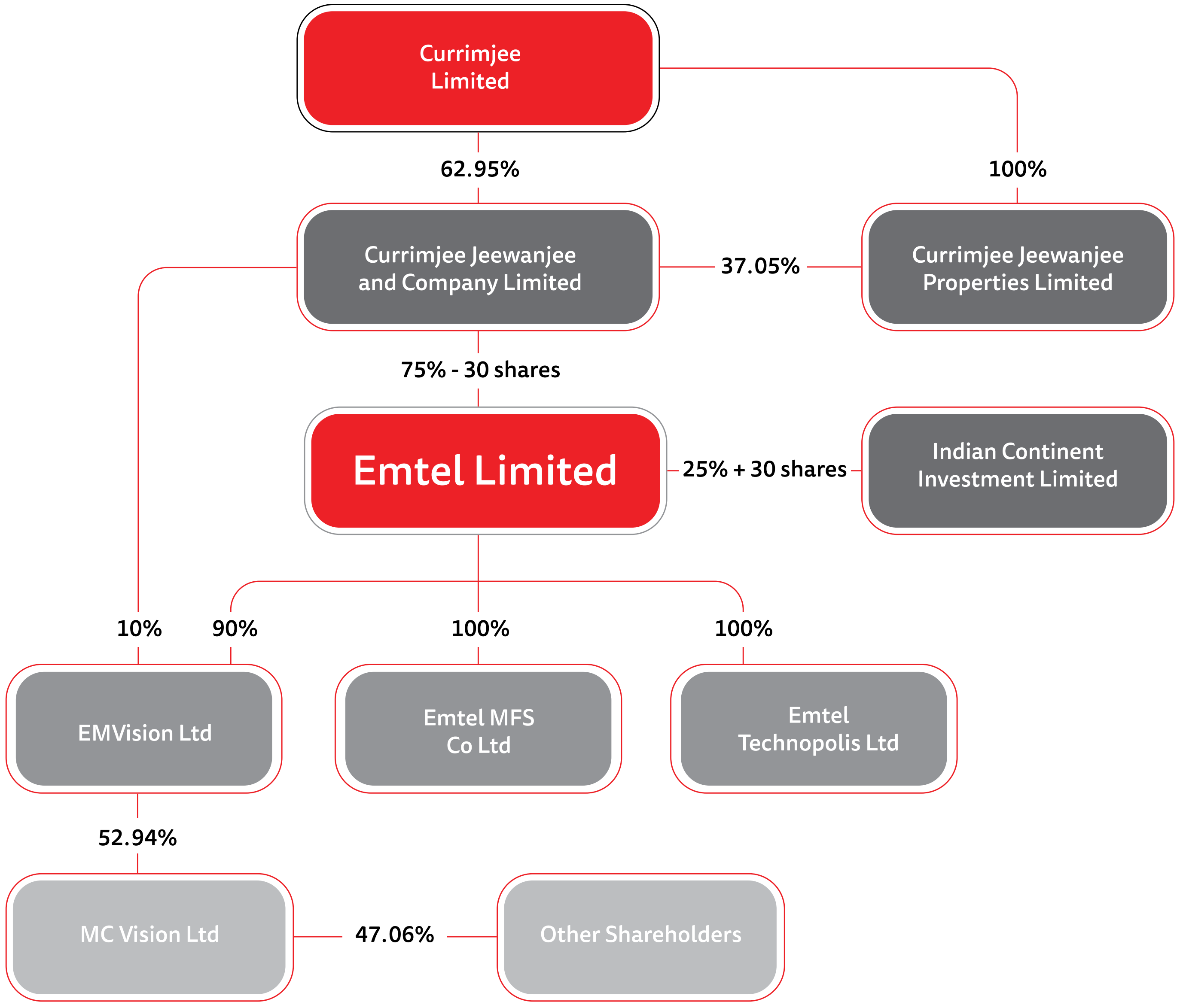
The Board ensures that the provision of non-audit services by the External Audit Firm are delivered by a team of officers that is completely independent from the external audit team, to ensure that the Auditor's objectivity and independence are safeguarded.

8: Relations with Shareholders and Other Key Stakeholders

Ownership Structure

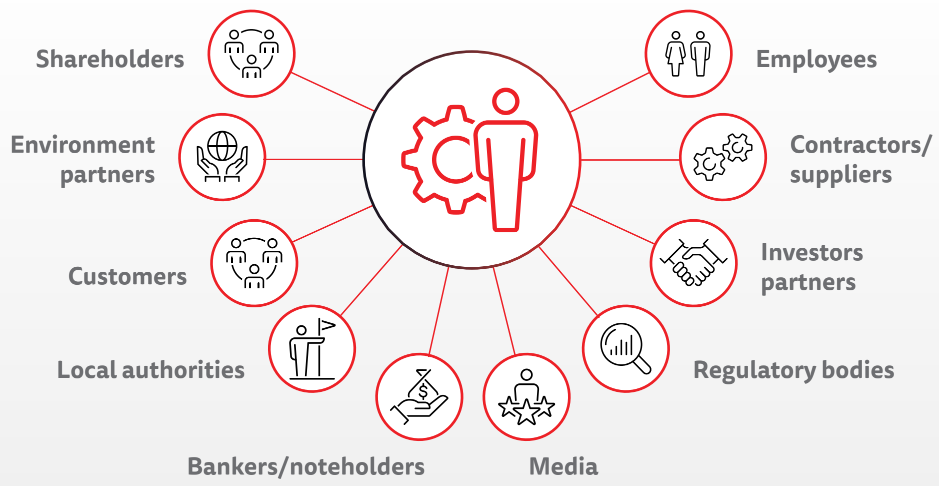
For the year under review, the stated capital of the Company consisted of 15,180,000 Ordinary Shares of Rs 10 each. The shareholding structure of the Company at 31 December 2023 was as set out below.

On 24th April 2024, the shares issued by the Company has been divided, in the ratio of 30 Ordinary Shares for every 1 Ordinary Share held in Emtel. Following the share split, the total number of shares in issue of Emtel is 455,400,000 ordinary shares, with no change in stated capital.



Key Stakeholders

The Company is committed to responding to the needs and expectations of its key stakeholders and considers their interests. The Board ensures that information is delivered in an open, transparent, meaningful and regular manner to the stakeholders. It engages with its key Stakeholders, as set out in the diagram below, through existing communications platforms (Annual Report, Shareholders meetings, Website, Employee Engagement Surveys, Social Media, CJ News & Intranet, Communiqués).



Shareholders' Agreement

Following the adoption of the Constitution of Emtel on 24th April 2024, the Shareholders' Agreement between CJ & CO LTD and Indian Continent Investment Limited shall be discontinued.

Calendar of key events and publications

The calendar of key events for the year is as follows:

31 December 2023	June 2024	June 2024
Financial Year End	Circulation of Annual Report to Shareholders	Approval of Annual Report by Shareholders

Employee Share Scheme

There is no Employee Share Scheme in place at the Company's level.

Dividend Policy

The Company shall in every financial year distribute 95% of all free cash available each year upon satisfactorily passing the solvency test and after provision has been made for debt servicing, cash flow, business and investment requirements as well as capital expenditure and prudent financial provisioning. 95% of the remaining 5% of the Company's immediately previous financial year's free cash flow shall be paid out in the following financial year in addition to the dividend payable by the Company in such financial year, subject to the solvency test being satisfied and after provision has been made for cash flow, capital expenditure and prudent financial provisioning.

The Company declared and paid total dividends of Rs 546 million during the year (2022: Rs 532 million).

Approved by the Board of Directors on 26 April 2024

Bashir Currimjee — Anil C Currimjee

Mr. Bashirali A Currimjee, G.O.S.K — Mr. Anil C Currimjee

Chairman — **Director**

FINANCIAL REPORT

Directors' report

The Board of Directors is pleased to present the Annual Report of Emtel Limited and its subsidiaries (the "Group") for the year ended 31 December 2023.

Principal Activity

The principal activity of the Company is in the operation and provision of mobile telephony, fixed telephone, broadband and enterprise solutions to residential and corporate customers in the Republic of Mauritius, including Rodrigues & Agalega. The Company's subsidiaries are engaged in investment holding within the media sector, offering subscription television services via satellite and internet platforms, FinTech mobile payment applications, and operating data center hosting services.

Review of the Business

The year 2023 was an eventful one for the Group and the Company ("Emtel Group"). The Company has embarked on a new era of transformation and is witnessing a defining moment in the Company's history, the media business is surviving the local challenges and pursing its growth strategy, the fintech business is expanding as expected and the hosting of satellite farm business has started its operations in August 2023.

The Company delivered an excellent performance in pursuit of its ambitious strategy to expand its 5G footprint over the island and strengthen its position on the market. The Company launched 5G technology in July 2022 and 78% of the population had 5G coverage at the end of the year 2023.

On the other hand, MC Vision Ltd has been heavily impacted by the depreciation of the local currency and is pursuing its business strategy to increase its subscriber base and is closely working with the media partners to source qualitative contents at affordable costs, review the business model and continue to be closer to all market segment requirements to deliver the best TV offer in the Mauritian market.

Emtel MFS Co Ltd and Emtel Technopolis Ltd are both startup operations and are pursuing their strategies well and are giving expected results.

The Group's turnover has increased by 2.2% to **Rs 4,491 million** (2022: Rs 4,394 million) and the Company's turnover has increased by 5.7% to **Rs 3,425 million** (2022: Rs 3,240 million) in the financial year ended 2023. The Group has registered a net profit after tax of **Rs 335 million** (2022: Rs 510 million) and the Company **Rs 466 million** (against Rs 478 million in 2022) for the financial year ended 2023. The Company has not received any dividend income for year 2023 and 2022 from its subsidiary EmVision Ltd. The Directors have declared dividends of **Rs 546 million** (compared to Rs 532 million in 2022) for the year ended 31 December 2023.

The Group has invested **Rs 1,950 million** (2022: Rs 1,713 million) and the Company **Rs 1,824 million** (2022: Rs 1,479 million) in capital expenditure. The investment were mainly in (i) deployment of 5G technology equipment (ii) modernization of old equipment (iii) extension of the inland fibre and (iv) setting up of the satellite farm infrastructure.

The financial position of the Group and Company are as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Profit before tax	**453,156**	625,674	**622,723**	593,315
Current assets	**965,669**	1,424,576	**816,985**	1,212,245
Current liabilities	**3,826,600**	2,510,913	**3,436,628**	2,145,970
Net assets	**115,937**	304,200	**1,256,518**	1,338,369

Management continued the "Living the Brand" philosophy which was started in 2021. This initiative is geared to improve employee engagement and enhance customer experience.

Outlook and prospects

The global geopolitical and economic outlook remains uncertain. However, the Mauritian economy has rallied, driven by the revival of tourism along with local spending, and is certainly poised for further growth in 2024.

The Company and Group will persue the strategies put in place since 2022 which has given positive results.

Financial Statements and auditor's report

The financial statements of the Company for the year ended 31 December 2023 are set out on pages 134 to 197. The auditor's report on these financial statements is on pages 132 to 133.

Directors

The names of the Directors who held office as at the date of this report are set out on page 98.

Statement of Directors' Responsibilities in respect of the Financial Statements

Company law requires the Directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The fees payable to the External auditors, for audit and other services were as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Statutory audit services	**4,930**	3,136	**3,042**	2,028
Other services	**3,641**	2,382	**2,866**	1,600
TOTAL	**8,571**	5,518	**5,908**	3,628

The other services for the Group and Company for the year ended 31 December 2023 relate to tax consulting services, debt capital restructuring, the audit of financial information of MFS Trust and consultancy services for Mobile Financial Services.

The auditors, PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution proposing their re-appointment will be submitted to the Annual Meeting.

Acknowledgement

On behalf of the Board, we wish to express our sincere appreciation and gratitude to Management and staff for their hard work, dedication, commitment and loyalty to the Company.

We also wish to thank our fellow members of the Board for their support and contribution.

Authorised for issue by the Board of Directors on 26th April 2024

Mr Bashirali A Currimjee, G.O.S.K
Chairmain

Mr. Anil C Currimjee
Director

Statement of compliance

(Section 75 (3) of the Financial Reporting Act)

Name of Public Interest Entity ("PIE"): Emtel Limited

Reporting Period: 01 January 2023 to 31 December 2023

We, the Directors of Emtel Limited, confirm to the best of our knowledge that the Company has complied with all material obligations and requirements under the Code of Corporate Governance. Reasons for non-compliance, as applicable, have been explained in the Corporate Governance Report, save and except for the following:

Website disclosures

The Company is constructing a website which will be launched during the year 2024. The Board further believes that all material information on the Company and its governance framework, as recommended to be disclosed on the website as per the Code, is available to shareholders and stakeholders through the Annual Report & Financial Statements filed at the Registrar of Companies.

Profile of Directors

The Board has decided to only disclose other directorship(s) in public and listed companies. Details of other directorships are available at the Company's registry.

1: Governance Structure

Board Charter

The Board is guided by the provisions of the Company's constitutive documents including the Company's Constitution and prevailing legislation, rules and regulations such as the Companies Act 2001, the Financial Reporting Act 2004 and the Code.

A Board Charter, including the position statement of the key governance positions, setting out the objectives, roles and responsibilities and composition of the Board of Directors shall be adopted during the year 2024.

2: The structure of the Board and its Committees

Executive Directors and Independent Directors

During the year under review, the Company had not appointed an Independent Director and the Board operated under the Chairmanship of Mr. Bashirali A Currimjee, who was also the Managing Director of the Company.

On 24th April 2024, Emtel has adopted a new Constitution and has carried out a comprehensive review of the composition of its Board of Directors with the appointments of Messrs Krishnaduth Goomany and M. Sahoud Edoo as Executive Directors of Emtel effective 24th April 2024 and the appointments of Mmes Priscila Balgobin-Bhoyrul, Charlotte M. V. Govin and Shirin R. Gunny and Mr. Peter J. Lewis as Independent Directors of the Company, effective on 31st May 2024. Following this review, the Board of Directors of Emtel satisfies the statutory requirements.

3: Chairman of the Audit & Risk Committee ('ARC')

In the absence of Independent Director(s) on the Board of the Company during the year under review, the ARC was chaired by M Iqbal Oozeer, a Non-Executive Director.

The Company is in the process of reviewing the ARC composition to comply with the requirements of the Code.

4: Director Duties, Remuneration and Performance

Board evaluation and development

Any evaluation of the Board, Board Committees or individual Directors have not been undertaken during the year under review.

SIGNED BY:

Mr. Bashirali A Currimjee, G.O.S.K
Chairman

Mr. Anil C Currimjee
Director

Date: 26th April 2024

Secretary's certificate

UNDER SECTION 166(d) OF THE MAURITIUS COMPANIES ACT 2001

We certify that in terms of the compliance report as submitted and approved by the Board, the Company has filed with the Registrar of Companies, for the year ended 31 December 2023, all such returns as are required of the Company under the Companies Act 2001 of Mauritius.

Currimjee Secretaries Limited
Per Ramanuj Nathoo (Mr)
Secretary

Date: 26th April 2024

Independent Auditor's Report

To the Shareholders of Emtel Limited

Report on the Audit of the Consolidated and Company Financial Statements

Our Opinion

In our opinion, the consolidated and Company financial statements give a true and fair view of the financial position of Emtel Limited (the "Company") and its subsidiaries (together the "Group") and of the Company standing alone as at 31 December 2023, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

The financial statements of Emtel Limited set out on pages 134 to 197 comprise:

- the consolidated and company statements of financial position as at 31 December 2023;
- the consolidated and company statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended;
- the consolidated and company statements of cash flows for the year then ended;
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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 Company Financial Statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The directors are responsible for the other information. The other information comprises the company information, the directors' report, the corporate governance report, the statement of compliance and the secretary's certificate but does not include the consolidated and company financial statements and our auditor's report thereon. .

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

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

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Company Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and company financial statements in accordance with IFRS Accounting Standards and in compliance with the Mauritian Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and company financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Group's and Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 company financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and company 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 Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 auditor's report to the related disclosures in the consolidated and company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and company financial statements, including the disclosures, and whether the consolidated and company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

(a) we have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditor and tax advisors of the Company and some of its subsidiaries;

(b) we have obtained all the information and explanations we have required; and

(c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers Sharvin Ballah

PricewaterhouseCoopers | **Sharvin Ballah, licensed by FRC**

Date: 26th April 2024

Statements of Profit or Loss and other Comprehensive Income

for the year ended 31 December 2023

	Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
Revenue from contracts with customers	3	**4,491,388**	4,393,506	**3,425,084**	3,240,350
Cost of operations		**(2,753,471)**	(2,610,654)	**(1,813,065)**	(1,714,669)
Gross profit		**1,737,917**	1,782,852	**1,612,019**	1,525,681
Selling and distribution expenses		**(456,837)**	(422,850)	**(380,240)**	(352,401)
Administrative expenses		**(699,946)**	(653,966)	**(519,992)**	(447,277)
Impairment loss on financial assets	16	**(12,049)**	(8,161)	**(4,445)**	(1,671)
Impairment loss on subsidiary		**–**	–	**–**	(82,125)
Other income	4	**13,439**	8,127	**12,690**	11,988
Other gains	5	**136,708**	119,279	**132,355**	105,197
Other losses	5	**(39,560)**	(10,223)	**(35,622)**	(934)
Operating profit	6	**679,672**	815,058	**816,765**	758,458
Finance income	8	**4,263**	2,105	**4,321**	2,014
Finance costs	8	**(230,779)**	(191,489)	**(198,363)**	(167,157)
Finance costs – net	8	**(226,516)**	(189,384)	**(194,042)**	(165,143)
Profit before tax		**453,156**	625,674	**622,723**	593,315
Income tax expense	9	**(138,655)**	(115,853)	**(157,472)**	(115,499)
Profit for the year		**314,501**	509,821	**465,251**	477,816
Profit attributable to:					
Owners of the parent		**361,401**	510,681	**–**	–
Non-controlling interest		**(46,900)**	(860)	**–**	–
		314,501	509,821	**–**	–
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Changes in the fair value of equity investments at fair value through other comprehensive income		**22**	54	**22**	54
Revaluation of property, plant and equipment	10	**51,306**	–	**4,065**	–
Effect of deferred tax on revaluation of property, plant and equipment	9(d)	**(309)**	–	**(309)**	–
Re-measurements of post-employment benefits obligations	22	**(9,313)**	21,535	**(5,807)**	9,556
Effect of deferred tax on re-measurement of post-employment benefits obligations	9(d)	**1,590**	(3,661)	**987**	(1,626)
Other comprehensive income for the year		**43,296**	17,928	**(1,042)**	7,984
Total comprehensive income for the year		**357,797**	527,749	**464,209**	485,800
Total comprehensive income for the year attributable to:					
Owners of the parent		**406,239**	523,404	**–**	–
Non-controlling interest		**(48,442)**	4,345	**–**	–
		357,797	527,749	**–**	–

The notes on pages 141 to 197 form an integral part of the financial statements.

Statements of Financial Position

as at 31 December 2023

	Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE GROUP 2021 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
ASSETS						
Non-current assets						
Property, plant and equipment	10	**5,142,928**	3,987,449	3,629,626	**4,351,665**	3,200,847
Right-of-use assets	11	**876,076**	976,961	752,062	**853,956**	946,228
Intangible assets	12	**218,132**	285,127	321,323	**200,157**	266,737
Investment in subsidiaries	13	**–**	–	–	**1,122,875**	1,122,875
Post employment benefit assets	22	**–**	1,728	–	**–**	–
Financial assets at fair value through OCI	14(a)	**1,229**	1,207	1,153	**1,229**	1,207
Financial assets at amortised cost	14(b)	**–**	–	–	**31,000**	–
		6,238,365	5,252,472	4,704,164	**6,560,882**	5,537,894
Current assets						
Cash and cash equivalents	18	**410,372**	831,774	197,342	**299,603**	671,313
Trade and other receivables	16	**403,162**	418,410	361,129	**387,567**	395,204
Inventories	15	**71,753**	94,010	63,172	**49,433**	65,346
Current tax receivables	17	**80,382**	80,382	80,382	**80,382**	80,382
		965,669	1,424,576	702,025	**816,985**	1,212,245
Total assets		**7,204,034**	6,677,048	5,406,189	**7,377,867**	6,750,139
EQUITY						
Stated capital	19	**151,800**	151,800	151,800	**151,800**	151,800
Fair value reserves		**1,209**	1,187	1,133	**1,209**	1,187
Revaluation reserves		**71,681**	20,375	265,854	**24,440**	20,375
Common control reserves	30	**(1,030,768)**	(1,030,768)	(1,030,768)	**–**	–
Retained earnings		**922,252**	1,113,401	876,377	**1,079,069**	1,165,007
Non controlling interest		**(237)**	48,205	43,860	**–**	–
Total equity		**115,937**	304,200	308,256	**1,256,518**	1,338,369
LIABILITIES						
Non-current liabilities						
Borrowings	20	**2,030,351**	2,622,782	2,576,024	**1,506,601**	2,102,782
Lease liabilities	11	**816,587**	900,738	685,338	**802,153**	880,203
Deferred tax liabilities	21	**311,529**	253,770	263,882	**275,348**	198,170
Post-employment benefits obligations	22	**28,633**	20,153	52,609	**26,222**	20,153
Asset retirement obligations	23	**74,397**	64,492	69,237	**74,397**	64,492
		3,261,497	3,861,935	3,647,090	**2,684,721**	3,265,800
Current liabilities						
Borrowings	20	**1,809,846**	896,243	340,211	**1,711,805**	840,832
Lease liabilities	11	**145,876**	150,123	125,113	**137,365**	139,659
Trade and other payables	24	**1,598,644**	1,132,728	643,395	**1,394,700**	915,427
Contract liabilities	25	**201,141**	205,953	213,756	**121,665**	124,186
Provisions for solidarity levy	9(c)	**53,192**	50,344	47,324	**53,192**	50,344
Current income tax liabilities	9(b)	**17,901**	75,522	43,985	**17,901**	75,522
Dividend payables	26	**–**	–	37,059	**–**	–
		3,826,600	2,510,913	1,450,843	**3,436,628**	2,145,970
Total liabilities		**7,088,097**	6,372,848	5,097,933	**6,121,349**	5,411,770
Total equity and liabilities		**7,204,034**	6,677,048	5,406,189	**7,377,867**	6,750,139

Authorised for issue by the Board of directors on 26th April 2024 and signed on its behalf:

Mr. Bashirali A Currimjee, G.O.S.K
Chairman

Mr. Anil C Currimjee
Director

The notes on pages 141 to 197 form an integral part of the financial statements.

Statements of Changes In Equity

for the year ended 31 December 2023

		THE GROUP							
		Stated capital	**Revaluation reserves**	**Common control reserves**	**Fair value reserves**	**Retained earnings**	**Total owners**	**Non controlling interest**	**Total equity**
	Notes	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 1 January 2022		151,800	265,854	(1,030,768)	1,133	876,377	264,396	43,860	308,256
Comprehensive income									
Profit for the year		–	–	–	–	510,681	510,681	(860)	509,821
Items that will not be reclassified to profit or loss									
Changes in the fair value of financial assets	14(a)	–	–	–	54	–	54	–	54
Re-measurements of post-employment benefits obligations	22	–	–	–	–	15,264	15,264	6,271	21,535
Effect of deferred tax on re-measurement of post-employment benefits obligations	9(d)	–	–	–	–	(2,595)	(2,595)	(1,066)	(3,661)
Total comprehensive income		–	–	–	54	523,350	523,404	4,345	527,749
Dividends paid to owners		–	–	–	–	(531,805)	(531,805)	–	(531,805)
Recycling of revaluation reserves to retained earnings		–	(245,479)	–	–	245,479	–	–	–
At 31 December 2022		151,800	20,375	(1,030,768)	1,187	1,113,401	255,995	48,205	304,200

		THE GROUP							
		Stated capital	**Revaluation reserves**	**Common control reserves**	**Fair value reserves**	**Retained earnings**	**Total owners**	**Non controlling interest**	**Total equity**
	Notes	**Rs 000**	**Rs 000**	**Rs 000**	**Rs 000**	**Rs 000**	**Rs 000**	**Rs 000**	**Rs 000**
At 1 January 2023		**151,800**	**20,375**	**(1,030,768)**	**1,187**	**1,113,401**	**255,995**	**48,205**	**304,200**
Comprehensive income									
Profit for the year		**–**	**–**	**–**	**–**	**361,401**	**361,401**	**(46,900)**	**314,501**
Items that will not be reclassified to profit or loss									
Changes in the fair value of financial assets	14(a)	**–**	**–**	**–**	**22**	**–**	**22**	**–**	**22**
Revaluation Adjustment	10	**–**	**51,306**	**–**	**–**	**–**	**51,306**	**–**	**51,306**
Effect of deferred tax on revaluation adjustment	9(d)	**–**	**–**	**–**	**–**	**(309)**	**(309)**	**–**	**(309)**
Re-measurements of post-employment benefits obligations	22	**–**	**–**	**–**	**–**	**(7,771)**	**(7,771)**	**(1,542)**	**(9,313)**
Effect of deferred tax on re-measurement of post-employment benefits obligations	9(d)	**–**	**–**	**–**	**–**	**1,590**	**1,590**	**–**	**1,590**
Total comprehensive income		**–**	**51,306**	**–**	**22**	**354,911**	**406,239**	**(48,442)**	**357,797**
Dividends paid to owners		**–**	**–**	**–**	**–**	**(546,060)**	**(546,060)**	**–**	**(546,060)**
At 31 December 2023		**151,800**	**71,681**	**(1,030,768)**	**1,209**	**922,252**	**116,174**	**(237)**	**115,937**

The notes on pages 141 to 197 form an integral part of the financial statements.

Statements of Changes In Equity (Continued)

	Notes	THE COMPANY Stated capital Rs 000	Revaluation reserves Rs 000	Fair value reserves Rs 000	Retained earnings Rs 000	Total equity Rs 000
At 1 January 2022		151,800	265,854	1,133	965,587	1,384,374
Comprehensive income						
Profit for the year		–	–	–	477,816	477,816
Items that will not be reclassified to profit or loss						
Changes in the fair value of financial assets	14(a)	–	–	54	–	54
Revaluation adjustment	10	–	(245,479)	–	245,479	–
Re-measurements of post-employment benefits obligations	22	–	–	–	9,556	9,556
Effect of deferred tax on re-measurement of post-employment benefits obligation	9(d)	–	–	–	(1,626)	(1,626)
Total comprehensive income		–	(245,479)	54	731,225	485,800
Transactions with owners						
Dividends	26	–	–	–	(531,805)	(531,805)
Total transactions with owners		–	–	–	(531,805)	(531,805)
At 31 December 2022		151,800	20,375	1,187	1,165,007	1,338,369

	Notes	THE COMPANY Stated capital Rs 000	Revaluation reserves Rs 000	Fair value reserves Rs 000	Retained earnings Rs 000	Total equity Rs 000
At 1 January 2023		**151,800**	**20,375**	**1,187**	**1,165,007**	**1,338,369**
Comprehensive income						
Profit for the year		**–**	**–**	**–**	**465,251**	**465,251**
Items that will not be reclassified to profit or loss						
Changes in the fair value of financial assets	14(a)	**–**	**–**	**22**	**–**	**22**
Revaluation adjustment	10	**–**	**4,065**	**–**	**–**	**4,065**
Effect of deferred tax on revaluation adjustment	9(d)	**–**	**–**	**–**	**(309)**	**(309)**
Re-measurements of post-employment benefits obligations	22	**–**	**–**	**–**	**(5,807)**	**(5,807)**
Effect of deferred tax on re-measurement of post-employment benefits obligation	9(d)	**–**	**–**	**–**	**987**	**987**
Total comprehensive income		**–**	**4,065**	**22**	**460,122**	**464,209**
Transactions with owners						
Dividends	26	**–**	**–**	**–**	**(546,060)**	**(546,060)**
Total transactions with owners		**–**	**–**	**–**	**(546,060)**	**(546,060)**
At 31 December 2023		**151,800**	**24,440**	**1,209**	**1,079,069**	**1,256,518**

The notes on pages 141 to 197 form an integral part of the financial statements.

Statements of Cash Flows

for the year ended 31 December 2023

		THE GROUP		THE COMPANY	
		2023	2022	**2023**	2022
	Notes	**Rs 000**	Rs 000	**Rs 000**	Rs 000
Cash generated from operations	29	**1,883,352**	1,666,975	**1,838,480**	1,683,680
Taxation paid	9	**(125,843)**	(87,825)	**(125,843)**	(87,825)
Corporate Social Responsibility contribution	9	**(11,211)**	(9,982)	**(11,211)**	(9,982)
Interest paid		**(209,701)**	(164,503)	**(185,550)**	(153,572)
Interest received		**4,226**	2,105	**4,297**	2,014
Contributions made for post-employment benefits obligations	22	**(11,914)**	(28,671)	**(6,977)**	(16,107)
Net cash generated from operating activities		**1,528,909**	1,378,099	**1,513,196**	1,418,208
Cash flows from investing activities					
Payments made for the purchase of property, plant and equipment	10	**(1,620,518)**	(1,068,924)	**(1,495,220)**	(834,191)
Payments for purchase of intangible assets	12	**(4,783)**	(14,517)	**(541)**	(2,124)
Net proceed from disposal of property, plant and equipment		**6,703**	484,947	**1,349**	442,841
Loan to subsidiary		**–**	–	**(31,000)**	–
Net cash used in investing activities		**(1,618,598)**	(598,494)	**(1,525,412)**	(393,474)
Cash flows from financing activities					
Proceeds from borrowings		**3,320,000**	2,925,000	**3,265,000**	2,505,000
Repayment of borrowings		**(3,012,500)**	(2,331,875)	**(2,997,500)**	(2,281,875)
Bond issue transaction costs		**(1,065)**	(1,125)	**(1,065)**	(1,125)
Lease payments	11	**(157,148)**	(139,826)	**(147,022)**	(129,133)
Dividends paid	26	**(546,060)**	(568,864)	**(546,060)**	(531,805)
Net cash used in financing activities		**(396,773)**	(116,690)	**(426,647)**	(438,938)
Net (decrease)/increase in cash and cash equivalents		**(486,462)**	662,915	**(438,863)**	585,796
Cash and cash equivalents at beginning of the year		**772,290**	125,893	**611,829**	30,453
Exchange losses on cash and cash equivalents		**(9,839)**	(16,518)	**(2,533)**	(4,420)
Cash and cash equivalents at end of the year	18 & 20	**275,989**	772,290	**170,433**	611,829

The notes on pages 141 to 197 form an integral part of the financial statements.

Notes to the financial statements

for the year ended 31 December 2023

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information adopted in the preparation of the consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Consolidated financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards and interpretations issued by the IFRS Interpretations Executive Committee (IFRS IEC) applicable to companies reporting under IFRS. The consolidated and separate financial statements comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and with the Mauritius Companies Act 2001.

The consolidated and separate financial statements have been prepared on a historical cost basis, except for the revaluation of freehold land and buildings, financial assets at fair value through other comprehensive income and the post-employment benefits obligations, where the plan assets of the post-employment benefits obligations and the financial assets are measured at fair value.

Changes in accounting policy and disclosures

The financial statements were presented for the Company in prior years since the Company took advantage of the exemption under 'IFRS 10 - Consolidated financial statements' from the requirements to prepare consolidated financial statements as Emtel Ltd and its subsidiaries were included by a full consolidation in the consolidated financial statements of its intermediary holding company, Currimjee Jeewanjee Company Limited.

In the current year, the Company has opted to prepare consolidated financial statements in accordance with 'IFRS 10 – Consolidated financial statements'. The financial statements contain consolidated financial information of the Company and its subsidiaries for the current year and prior years as comparative information.

Going Concern

The directors have assessed the principal and emerging risks and considered it appropriate to adopt the going concern basis of accounting when preparing the consolidated and separate financial statements. The directors took into account the Group's and Company's overall financial position and based on its financial forecast, the Group and Company would generate sufficient cash to sustain its operations.

At 31 December 2023, the Group and Company had (i) net assets **Rs 116 million** (2022: Rs 304 million) and **Rs 1,257 million** (2022: Rs 1,338 million) respectively, (ii) net current liabilities **Rs 2,861 million** (2022: Rs 1,086 million) and **Rs 2,620 million** (2022: Rs 934 million) respectively and have made a profit for the year of **Rs 315 million** (2022: Rs 510 million) and **Rs 465 million** (2022: Rs 478 million) respectively.

The directors have started to negotiate the re-financing of their short term debt which is due in the next twelve months with their banking institutions and have also managed to extend some of its capital expenditure equipment creditor repayments by six months which will be settled through the normal operating cash flow of the business. It is planned to raise a total medium term loan of Rs 2.3 billion in 2024 to reduce the short term liabilities. The Group and the Company have also access to overdraft and money market line facilities amounting to Rs 571 million for the Group and Rs 543 million for the Company respectively. Any other current liabilities due will be settled through the normal cashflow generated by the business as it has done in the past.

The directors are therefore satisfied that the Group and Company have the adequate resources and access to financing facilities with financial institutions to continue in business for the foreseeable future. The directors are not aware of any material uncertainties that may cast significant doubt upon the Group and Company ability as a going concern.

Consolidation of subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the reporting period to 31 December 2023 on the basis outlined below.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group (acquisition date) and are deconsolidated from the date that control ceases (disposal date).

The Group controls an entity when it is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

When assessing whether control exists, the Group considers all existing substantive rights that result in the current ability to direct relevant activities.

All intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated on consolidation. Unrealised losses are considered an impairment indicator of the asset transferred.

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Consolidation of subsidiaries (Continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to align any difference in accounting policies with those of the Group.

The Company accounts for investments in subsidiaries at cost, less accumulated impairment losses.

Non-controlling interests

On an acquisition-by-acquisition basis, non-controlling interests in the acquiree may initially be measured either at fair value, or at the non-controlling shareholders' proportion of the net identifiable assets acquired and liabilities and contingent liabilities assumed.

Non-controlling shareholders are treated as equity participants; therefore, all acquisitions of non-controlling interests or disposals by the Group of its interests in subsidiaries, where control is maintained subsequent to the disposal, are accounted for as equity transactions. Consequently, the difference between the fair value of the consideration transferred and the carrying amount of a non-controlling interest purchased or disposed of, is recorded in equity.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity.

Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

1.1 Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group's accounting policies.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the areas involving a higher degree of judgement or complexity are as follows:

1.1.1 Depreciation charge on property, plant and equipment and right of use assets

Depreciation is calculated on the basis of the depreciation rates set out in the accounting policy note on property, plant and equipment, on page 146. The depreciation rates have been estimated according to the respective property, plant and equipment useful lives and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The useful lives are reviewed on an annual basis with the effect of any changes in estimate accounted for on a prospective basis.

1.1.2 Fair value measurement on property, plant and equipment

Property, plant and equipment, except for freehold land and buildings and site improvements are stated at cost less accumulated depreciation and/or accumulated impairment losses, if any. Freehold land is stated at revalued amounts and buildings are stated at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at each financial year end. It is the Group's policy to revalue its freehold land and buildings at least every three years. The basis used is market value derived using the Market-based valuation approach and independent valuers are used for such exercises. Please refer to Note 2 and 10 for disclosure in relation to the fair value assumptions used.

1.1.3 Lease term

At inception of a contract, the Group and Company assess 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. The lease term is recognised through the non-cancellable period in the contract. Where leases include additional optional periods after an initial lease term, the Company applies significant judgement in determining whether these optional periods would be exercised which takes into consideration the cost of replacing the assets, its strategic geographical location and its future economic benefits.

1.1.4 Provision for Asset Retirement Obligations

Management has estimated the costs of dismantling, removing antennas and restoring the leased sites to their original conditions. These costs have been provided in full in the financial statements. This assumes that the effect of the inflationary increase and fluctuation in bond rates on the costs will be reduced on discounting such costs to their present values.

1.1.5 Post-employment benefits obligations

The present value of the post-employment benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate, inflation rate, salary growth rate, pension growth rate, medical growth rate and withdrawal rate. Any changes in these assumptions will impact the carrying amount of post-employment benefits obligations.

Critical assumptions are made by the actuary in determining the present value of post-employment benefits obligations. These assumptions are set out in Note 22.

1.1.6 Current tax receivables

The Mauritius Revenue Authority (MRA) had raised an assessment on the Company with respect to the income tax rate used for income tax years of assessments 2006/2007 and 2007/2008. The total amount claimed by the MRA has been paid under protest inclusive of the penalties and interest.

According to the Company's legal advisors appointed to handle this matter, they believe that it is highly probable that the Company will have a positive outcome. Based on significant judgment that has been applied by the Company's directors, following advice from its legal advisor, no tax liability has been accounted with respect to this assessment. Given that the Company has already paid the amount of Rs 80.4 million to the MRA, this represents an asset (current tax receivable) for the Company. The Company has lodged an application for permission to appeal that judgement to the Judicial Committee of the Privy Council. The Case was fixed by the Court for MERITS to the 6th November 2023, however, the Case has been postponed for 27 May 2024.

In preparing the financial statements, the directors, in the process of applying the Group and Company's accounting policies, did not make any judgement other than those involving estimates that could have a significant effect on the amounts recognised in the financial statements.

1.1.7 Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on the higher of its fair value less cost to sell and value in use. The value in use is derived using assumptions and estimates on cash flow projections. Key assumptions used are weighted average cost of capital and terminal growth rate in the cash flow projections.

1.2 Application of new and revised international financial reporting standards

1.2.1 New standards, amendments to existing standards and interpretation issued and effective for the financial year beginning on 1 January 2023.

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2023:

- Amendments to IAS 1 'Presentation of Financial Statements'
- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'
- Amendments to IAS 12 'Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction'
- Amendments to IAS 12 'International Tax Reform'
- IFRS 17 'Insurance Contracts'

The Group has assessed all of the new standards, interpretations by the International Accounting Standards Board ("IASB") that are relevant to their operations and effective for accounting periods beginning 1 January 2023. There are no new standards and amendments to standards and interpretations that are effective for annual period beginning on 1 January 2023 that would relevant or have a material impact on the Company's financial statements.

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

1.2 Application of new and revised international financial reporting standards (Continued)

1.2.2 New standards, amendments and interpretations issued but effective for financial year beginning after 1 January 2024 and not been early adopted by the Company.

As at 31 December 2023, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2023.

- Amendments to IAS 1 – Non-current liabilities with covenants
- Amendment to IFRS 16 – Leases on sale and leaseback
- Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7)
- Amendments to IAS 21 Lack of Exchangeability (Amendments to IAS 21)

These new accounting standards and interpretations have not been early adopted by the Group and Company and are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1.3 Accounting policies and disclosures

1.3.1 Subsidiaries

Subsidiaries are all entities over which the Group and Company have control. The Group and Company control an entity when the Company is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Investments in subsidiaries are recognised at cost (which includes transaction costs) in the separate financial statements of the Company.

Subsequently, where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in profit or loss. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

1.3.2 Common control transactions

Transactions in which combining entities are controlled by the same party or parties before and after the transaction and where that control is not transitory are referred to as common control transactions. The Group's accounting policy for the acquiring entity would be to account for the transaction at book values as reflected in the consolidated financial statements of the selling entity.

The excess of the cost of the transaction over the acquirer's proportionate share of the net assets value acquired in common control transactions, will be allocated to the common control reserve in equity.

1.3.3 Foreign currency translation

(i) Functional and presentation currency - Items included in the financial statements of the Group and Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Mauritian rupee, which is the functional currency of the Group and Company. The financial statements are presented in thousands of Mauritian rupees (Rs 000), unless otherwise stated.

(ii) Transactions and balances - Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss

(iii) Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit or loss within 'other gains / losses'.

1.3.4 Revenue recognition

The Group derives revenue from the provision of telecommunication services, such as rendering of services which includes: mobile revenue, roaming and interconnect, enterprise revenue, tower rental, deferred revenue, sales of telephone and equipment, the provision of subscription television direct to home satellite broadcasting, mobile financial services and revenue from site hosting and support services. Revenue is recognised to the extent the Group and Company have delivered goods or rendered services under an agreement, provided the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group and Company. Revenue is measured at the fair value of the consideration received or receivable, exclusive of sales taxes and discounts

- Rendering of services

(i) Mobile revenue

The Group provides telecommunication services to its subscribers to have access to services such as unlimited data packs, post-paid bundle plan and voice and short message service packs both on pre-paid and post-paid.

Post-paid revenue is measured at the fair value of the consideration received or receivable for services provided and equipment sales, net of discounts and valued added tax. Revenue is recognised based on their performance obligations at its corresponding transaction price.

Revenue from connection activities are recognised when it is earned, upon activation.

Revenue from calls is recognised at the time the call is made over the Company's network.

Revenue from SMS is recognised when the SMS is submitted.

Revenue from data is recognised on a data usage basis.

(ii) Roaming and interconnect

The Company has entered into international roaming agreement with foreign operators which allows network access to the mobile subscribers of one operator to the another operator. The roaming revenue generated is recognised when the services are rendered. Revenue for interconnection of voice and short message service traffic between other telecommunication operators is recognised at the time the transit occurs in the Company's network.

(iii) Enterprise revenue

The Company offers a "One-stop ICT solution Provider" to the enterprise business such as Data Centre and Cloud Services, Business Communications, Security and Network services. Revenue from enterprise services is recognised when the Company has performed the related service over its contractual period.

(iv) Tower rental

Revenue derived from tower rental on sharing arrangement with other operators are recognised over the contractual period and upon its performance of its contractual obligation.

(v) Deferred revenue

Prepaid revenue from sales of airtime and data and payment are received upfront. The revenue is recognised based on actual usage by the customers and the remaining balance is accounted as deferred revenue.

(vi) Revenue from subscriptions of television

The Group's revenue comprises of revenue from external customers for the provision of subscription television direct to home satellite broadcasting and re-broadcasting services comprises the invoiced value for subscription fees, rental income and connection fees, net of value added tax and trade discounts. Subscription fees and rental income are recognised as turnover upon the performance of services and customer acceptance over time. Connection, installation fees and technical intervention are recognised as turnover when a subscription is taken as they are incidental to the sale of a subscription at a point in time.

A contract liability is presented in the statement of financial position where a customer has paid an amount of consideration prior of the entity performing by transferring the related service to the customer.

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

1.3 Accounting policies and disclosures (Continued)

1.3.4 Revenue recognition (Continued)

(vii) Mobile financial services revenue

The Group provide a digital payment platform that enable individual customers to transact directly from their bank account on their smartphone in a secured manner. The Group's revenue comprises of commission and are recognised when the service has been provided.

(vii) Revenue from site hosting and support services

Revenue comes from hosting and support fees, recognized in the income statement when contractual obligations are met and economic benefits are probable

- Sales of telephone and equipment

Revenue from the sale of equipment and related accessories, whether the sales is on stand-alone basis or with bundle services, is recognised when the equipment is delivered to the end-customer and its significant risks and rewards of ownership are transferred.

1.3.5 Property, plant and equipment

Freehold land and buildings including buildings on leasehold land are shown at fair value, based on a periodic but at least triennial valuation by external independent valuers, less subsequent depreciation for buildings. Valuations are performed every three years to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the assets, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of freehold land and buildings and buildings on leasehold land are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve directly in equity; all other decreases are charged to profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives. The annual rates used are:

Buildings	2.5% - 5%
Infrastructure assets	2.5% - 5%
Technical equipment	6.7% - 33%
Motor vehicles	20%
Furniture, fixtures and fittings	20%
Office equipment	20% - 50%

Depreciation starts as from the date the asset is available for use as intended by the directors. No depreciation is charged in the month of disposal.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains / (losses)' in profit or loss. On disposal of revalued assets, the surplus on revaluation remaining in revaluation reserve for these assets is transferred to retained earnings.

1.3.6 Intangible assets

(i) Licences

Acquired licences are shown at historical cost. Licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of licences over their estimated useful lives, which range between 3 to 15 years.

(ii) Indefeasible Rights of Use ("IRU")

Capacity purchased on an Indefeasible Rights of Use ("IRU") basis is shown under "non-current assets" as intangible assets on the face of the statement of financial position.

The IRU is amortised on a straight-line basis over the contract period, ranging from 3 years to 15 years from the effective date of the IRUs brought into use.

(iii) Software

Software comprises of purchased software and developed software. Purchased software relate to costs associated with acquiring and implementing computer software programs that are clearly associated with an identifiable and unique product which will be controlled by the Group and Company and will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets and are amortised on a straight line basis over a period of 3 to 5 years which is the estimated useful life. Costs associated with the maintenance of existing purchased software programs are expensed as incurred. Developed software comprises of a mobile payment application that works seamlessly with any bank or mobile network and is amortised on a straight line basis over a period of 5 years.

1.3.7 Financial assets at fair value through other comprehensive income

Investments that are non-derivatives have been designated as financial assets at fair value through other comprehensive income at initial recognition.

Financial assets at fair value through other comprehensive income are initially recognised at fair value plus transaction costs. Gains and losses arising from changes in the fair value of securities classified as financial assets at fair value through other comprehensive income are recognised in other comprehensive income.

1.3.8 Leases

The lease arrangement the Group and Company have entered includes land and building, warehouse, showrooms and motor vehicles. The management assesses the contract to identify whether the right to control the use of an identified asset for a period of time in exchange for consideration has been transferred to the Group and Company. Control exists if the Group or the Company obtains substantially all of the economic benefit from the use of the asset, and has the ability to direct its use, for a period of time. An identified asset exists where an agreement explicitly or implicitly identifies an asset or a physically distinct portion of an asset which the lessor has no substantive right to substitute.

The Group and Company recognise right-of-use assets and lease liabilities at the lease commencement date for most leases. The right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received

The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Right-of-use assets are subsequently adjusted for any re-measurement of lease liabilities and are subject to impairment testing.

The depreciation rate on right-of-use assets is computed on straight line basis over the duration of the leases varying between 2 to 20 years.

In instances where lease agreements contain lease and non-lease components, they are generally accounted for separately. Therefore, non-lease components are accounted for as operating expenses and are recognised in profit or loss as they are incurred. For certain instances where it is impractical to separate the lease from the non-lease component, the Company will account for them as a single lease component.

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

1.3 Accounting policies and disclosures (Continued)

1.3.8 Leases (Continued)

However, the Group and Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases with a lease terms of 12 months or less. The Group and Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the following lease payments to be made over the lease term:

- Fixed payments (including in-substance fixed payments), including non-recoverable payments that do not transfer a separate service, less any incentives receivable.
- Variable lease payments that are based on an index or rate, measured using the index or rate as at the lease commencement date.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the entity incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The incremental borrowing rate is determined at the interest rate which the entity has availed financing facilities through the local bank for acquiring assets of capital nature.

The incremental borrowing rates for the Group and Company were determined as per the actual borrowing rate of loan contracted with bank and the amortisation schedule from lessor for motor vehicles.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. Interest costs are charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

It is remeasured when there is a change in future lease payments arising from a change in index or rate.

A number of lease contracts include the option to renew the lease for a further period or terminate the lease earlier. The majority of extension and termination options held are exercisable only by the entity and not by the respective lessor.

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 Group and Company apply judgement in assessing whether it is reasonably likely that options will be exercised. Factors considered include how far in the future an option occurs, the entity's business planning cycle, significance of related leasehold improvements and past history of terminating/not renewing leases.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

A number of leases entitle both the Group and Company and the lessor to terminate the lease without a termination penalty. In determining whether the Group and Company have an economic incentive to not exercise the termination option, the Group and Company consider the broader economics of the contract and not only contractual termination payments.

As at 31 December 2023, a number of lease contracts relating to land and building and colocation, include renewal options for a pre-defined renewal period. Due to the judgement exercised in relation to the determination of the lease term as outlined above, the Group and Company are exposed to potential future cash outflows relating to an indefinite period which have not been included in the lease liability because it is not reasonably certain that the leases will be extended beyond the estimated lease term. .

1.3.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out ("FIFO") method and includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

1.3.10 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for loss allowance.

The creation and release of provision for loss allowance on trade receivables has been included within administrative expenses' in the profit or loss. Amounts charged as loss allowance for doubtful debts account are generally written off, when there is no expectation of recovering additional cash.

1.3.11 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings under current liabilities.

1.3.12 Restricted cash

The restricted cash as disclosed in Note 18, relates to cash held by the Group and Company and subject to withdrawal restrictions and are therefore not available for general use by the Group and Company.

1.3.13 Share capital

Ordinary shares are classified as 'stated capital' in equity.

1.3.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan or other borrowing facilities are recognised as transaction costs of the loan or borrowing facilities to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

1.3.15 Current and deferred tax

The tax expense for the period comprises current and deferred tax, solidarity levy and corporate social responsibility tax. Tax is recognised in profit or loss, except to the extent that it related to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Net deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Net deferred tax liability is provided on taxable temporary differences arising from accelerated capital allowances, provision for loss allowance on trade receivables, provision for post-employment benefits obligations and on recognition of lease liability.

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

1.3 Accounting policies and disclosures (Continued)

1.3.16 Asset Retirement Obligations

The provision relates to the estimated cost of dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located to its original condition. The Group and Company provide for the anticipated costs associated with the restoration of leasehold property to its original condition at inception of the lease, including the removal of items included in plant and equipment that is erected on leased land.

The Group and Company only recognise these decommissioning costs for the proportion of its overall number of sites for which it expects decommissioning to take place. The expected percentage has been based on actual experience in the respective operations.

A provision is made for the present value of the estimated future decommissioning costs at the end of life of the site/expected lease term. When this provision gives rise to future economic benefits, an asset is recognised at a pre-tax rate that reflects current market assessments of the time value of money. The increase in the decommissioning provision due to the passage of time is recognised as a finance cost.

1.3.17 Post-employment benefits obligations

The Group and Company operate various post-employment schemes, including both defined benefit and defined contribution pension plans. The schemes are generally funded through payments to Island Life Assurance Co. Ltd, determined by periodic actuarial calculations.

(i) Pension obligations

A defined contribution plan is a pension plan under which the Group and Company pay fixed contributions into a separate entity.

The Group and Company have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a retirement benefit plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The current service cost of the defined benefit plan, recognised in profit or loss within employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Past-service costs are recognised immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

For defined contribution plans, the Group and Company pay contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group and Company have no further payment obligations once the contributions have been paid subject that the fund will at least cover the gratuity on retirement payable under the Workers' Right Act (WRA) 2019. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payments is available.

Where employees are not covered under any pension plan, the gratuity on retirement payable under the WRA 2019 are estimated and provided for.

Other employee benefits include items such as wages, salaries, social security contributions, travelling and medical insurance. These costs are charged to profit or loss when incurred.

Contributions to the Contribution Sociale Generalisee (CSG) and defined contribution pension plan are expensed to the statement of profit or loss and other comprehensive income in the period they fall due.

Prior to the implementation of the Portable Retirement Gratuity Fund (PRGF), the pension contribution benefits are unfunded. Moreover, employees who resigned as of 2020, are eligible for a portable gratuity benefit based on service with the employer as from 1 January 2020 and remuneration at exit (same benefit formula as for retirement/ death gratuity). It is assumed that employees not recovered under any pension scheme will join the PRGF (based on the eligibility criteria described in the Workers' Rights Act 2019). PRGF is also expensed to the statement of profit or loss and other comprehensive income in the period in which they fall due.

(ii) Other post-employment benefits obligations

The Group and Company provide post-retirement healthcare benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group and Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and Company recognise termination benefits at the earlier of the following dates:

(a) when the Group and Company can no longer withdraw the offer of those benefits; and

(b) when the Group and Company recognised costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(iv) Bonus plans

The Group and Company recognise a liability and an expense for bonuses based on its financial performance. The Group and Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.3.18 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.3.19 Provisions

Provisions are recognised when the Group and Company have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where the Group and Company expect a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

1.3 Accounting policies and disclosures (Continued)

1.3.19 Provisions (Continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

1.3.20 Dividend distribution

Dividend distribution to the Group's and Company's shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are declared and approved by the directors.

1.3.21 Dividend income

Dividend income is recognised when the right to receive payment is established and accounted under other income.

1.3.22 Interest Income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group and Company reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

1.3.23 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty. Roaming and Interconnect debtors and creditors are treated separately in the statement of financial position.

1.3.24 Impairment of non-financial assets

Assets that have indefinite useful lives are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

1.3.25 Financial instruments

Financial instruments carried on the statement of financial position include financial assets at fair value through other comprehensive income, trade and other receivables, cash and cash equivalents, borrowings, lease liabilities and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

(i) Financial assets

Classification

The Group and Company classify its financial assets in the following measurement categories:

- Measurement subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Measurement at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group and Company have made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. See note 2 for details about each type of financial asset.

Recognition and derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and Company have transferred substantially all the risks and rewards of ownership

Measurement

IFRS 9 divides all financial assets into two classifications - those measured at amortised cost and those measured at fair value. Where assets are measured at fair value, gains and losses are either recognised entirely in profit or loss (fair value through profit or loss, FVTPL), or recognised in other comprehensive income (fair value through other comprehensive income, FVTOCI). For debt instruments the FVTOCI classification is mandatory for certain assets unless the fair value option is elected. Whilst for equity investments, the FVTOCI classification is an election. Furthermore, the requirements for reclassifying gains or losses recognised in other comprehensive income are different for debt instruments and equity investments. The classification of a financial asset is made at the time it is initially recognised, namely when the entity becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Debt instruments

Subsequent measurement of debt instruments depends on the Group and Company business model for managing the asset and the cash flow characteristics of the asset. The Group and Company classify its debt instruments at amortised cost. This comprises assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Impairment of financial assets

The Group and Company assess the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

1.3.26 Capitalisation of borrowing costs

The Group and Company capitalise borrowing costs for construction of buildings and infrastructure as part of the cost of these assets. The construction takes over a year to get ready for its intended use.

2 FINANCIAL RISK MANAGEMENT

The Group and Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest-rate risk), credit risk and liquidity risk. The Group and Company's overall risk management programme seek to minimise potential adverse effects on the financial performance of the Company.

(a) Market risk

(i) Foreign exchange risk

The Group and Company have financial assets and financial liabilities denominated in various foreign currencies, mainly in Euro ("EUR") and US Dollar ("USD"). Foreign exchange risk arises from commercial transactions with its suppliers, recognised assets and liabilities. Consequently, the Group and Company is exposed to the risk that the carrying amounts of these foreign currency denominated assets and liabilities may change due to fluctuations in foreign exchange rates.

Management has set up a policy to address their foreign exchange risk against their functional currency. The Group and Company manages foreign currency exposures by forecasting its need for foreign currencies and retaining such amounts that will be necessary to settle purchases denominated in foreign currencies. Any excess foreign currencies are sold on the local market. The Group and Company also have a banking facility to negotiate better rates for spot or forward transactions.

At 31 December 2023, if the Mauritian rupee had strengthened/weakened by 5% against the US dollar with all other variables held constant, pre-tax profit and equity for the year would have been Group: higher/lower by **Rs 24,025,000** in 2023 (2022 – pre-tax profit would have been higher/lower by Rs 14,613,000); Company: higher/lower by **Rs 23,541,000** in 2023 (2022 – pre-tax profit would have been higher/lower by Rs 15,420,000), mainly as a result of foreign exchange differences on translation of US dollar- denominated trade receivables and bank balances, net of US dollar-denominated trade payables.

At 31 December 2023, if the Mauritian rupee had strengthened/weakened by 5% against the Euro with all other variables held constant, pre-tax profit and equity for the year would have been Group: higher/lower by **Rs 5,215,000** in 2023 (2022 – pre-tax profit would have been higher/lower by Rs 422,000); Company: higher/lower **by Rs 576,000** in 2023 (2022 – pre-tax profit would have been higher/lower by Rs 6,142,000), mainly as a result of foreign exchange differences on translation of Euro-denominated trade payables, net of Euro-denominated trade receivables and bank balances.

Currency profile

The currency profile of the Group's financial assets and liabilities is summarised as follows:

	Financial assets 2023	Financial liabilities 2023	Financial assets 2022	Financial liabilities 2022
	Rs 000	**Rs 000**	Rs 000	Rs 000
United States dollar	**107,387**	**587,896**	83,740	376,008
Euro	**197,830**	**302,124**	249,063	257,496
Great Britain pound	**17**	**28**	17	17
Swiss franc	**3**	**3**	5	2
Mauritian rupee	**441,675**	**5,546,179**	789,678	5,132,010
	746,912	**6,436,230**	1,122,503	5,765,533

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2023	Financial liabilities 2023	Financial assets 2022	Financial liabilities 2022
	Rs 000	**Rs 000**	Rs 000	Rs 000
United States dollar	**103,467**	**574,286**	61,127	369,535
Euro	**187,401**	**175,891**	222,057	99,208
Great Britain pound	**17**	**28**	17	17
Swiss franc	**3**	**3**	5	2
Mauritian rupee	**383,792**	**4,846,952**	697,748	4,479,859
	674,680	**5,597,160**	980,954	4,948,621

The following have been excluded from financial assets and financial liabilties:

	THE GROUP		THE COMPANY	
	Non-Financial assets		Non-Financial assets	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Prepayment	**55,327**	64,592	**39,097**	45,162
VAT receivable	**6,881**	46,142	**–**	37,528
Advance to suppliers	**5,643**	18,154	**5,622**	4,080
Current tax receivables	**80,382**	80,382	**80,382**	80,382
	148,233	209,270	**125,101**	167,152

	THE GROUP		THE COMPANY	
	Non-Financial liabilities		Non-Financial liabilities	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
VAT payable	**42,939**	6,799	**33,329**	–
Provision of solidarity levy	**53,192**	50,344	**53,192**	50,344
Deferred tax liabilities	**311,529**	253,771	**275,348**	198,170
Post employee benefits	**28,633**	20,153	**26,222**	20,153
Current income tax liabilities	**17,901**	75,522	**17,901**	75,522
Contract liabilities	**201,141**	205,953	**121,665**	124,186
Prepaid bond issue cost	**(3,468)**	(5,226)	**(3,468)**	(5,226)
	651,867	607,316	**524,189**	463,149

2 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) Price risk

The Company's exposure to equity securities price risk arises from investment held by the Company and classified in the statement of financial position as Financial assets at fair value through other comprehensive income (FVTOCI). Any movement in the price risk is not deemed to have a material impact on the financial statements.

(iii) Interest rate risk

The Group and Company's income and cash flows may be affected by changes in market interest rates. The Group's interest rate risk arises from bank loans (including overdraft) which are issued at variable interest rate and cash and cash equivalents (excluding restricted cash).

The Company's policy is to maximise returns on interest-bearing assets. The debts contracted are at fixed interest rates and are not exposed to interest rate risk.

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Gross debt – fixed interest rates	**3,603,452**	3,374,253	**3,121,874**	2,948,840
Gross debt – variable interest rates	**240,213**	150,000	**100,000**	–
Total debt	**3,843,665**	3,524,253	**3,221,874**	2,948,840
Debt exposed to interest rate risk	**6%**	4%	**3%**	0%

Based on the simulations performed, at 31 December 2023, if interest rate on the bank loans (including overdraft) had increased/(decreased) by 0.5%, with all other variables held constant, the pre-tax profit for the year would have increased/decreased for the Group by **Rs 1,201,000** (2022- Rs 750,000) and the Company by **Rs 500,000** (2022- Rs Nil), respectively.

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, Financial asset at amortised cost and credit exposures from trade and other receivables. Credit risk is managed on a company-wide basis.

For banks, the Group and Company transact only with highly reputable financial institutions. The credit quality of this financial asset can be assessed by the historical information about the financial strengths of the financial institutions the Group and Company are dealing with. In the opinion of the Group and Company, there is no associated risk as these are reputable institutions in the industry.

The credit rating of the main banks are as follows:

Banks	**Moody's Agency Credit Ratings**
Mauritius Commercial Bank Ltd	Baa2
Absa Bank (Mauritius) Limited (ABSA Group Ltd)	Baa3
SBM Bank (Mauritius) Ltd	Baa3

The Company extended a loan to its subsidiary in December 2023, Emtel MFS Co Ltd, with a duration of three years, subject to an interest rate aligned with the MCB Prime Lending rate. Management will conduct periodic evaluations to determine the subsidiary's capacity to fulfill its forthcoming obligations. As at 31 December 2023, the impact of expected credit losses were not material on the financial statements arising on the loan.

To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months 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 ability of the customers to settle the receivables. Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for defined period of days past due. Refer to the ECL calculation disclosed in note 16.

The Company has policies in place to control the level of debts and to ensure that sales of products and services are made to customers with an appropriate credit history. Such policies include credit vetting before connection, monthly credit limit and disconnection of subscribers on non-payment of invoices.

The Group and the Company have evaluated the expected credit loss on other receivables, receivables from related parties and cash and cash equivalents. The probability of default is negligible, as there have been no instances of loss following default in prior years. This assessment is undertaken at each financial period ending 31 December.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group and Company treasury maintain flexibility in funding by maintaining availability under committed credit lines.

The Group and Company generate adequate cash flows from operations to service and finance its short term liabilities. The Group and Company have access to financing facilities which it can take and negotiate with its existing debt holders.

The table below analyses the Group and Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

THE GROUP	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**After 5 years**	**Total**
	Rs 000	**Rs 000**	**Rs 000**	**Rs 000**	**Rs 000**
At 31 December 2023					
Borrowings	**1,912,610**	**590,586**	**1,169,693**	**532,134**	**4,205,023**
Lease liabilities	**196,030**	**180,186**	**366,687**	**531,778**	**1,274,681**
Asset retirement obligation	**6,858**	**4,646**	**15,556**	**73,397**	**100,457**
Trade and other payables	**1,555,705**	**–**	**–**	**–**	**1,555,705**
	3,671,203	**775,418**	**1,551,936**	**1,137,309**	**7,135,866**

	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**After 5 years**	**Total**
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 31 December 2022					
Borrowings	1,019,927	774,909	1,332,937	868,136	3,995,909
Lease liabilities	207,716	190,287	407,297	587,614	1,392,914
Asset retirement obligation	1,981	7,313	16,177	80,528	105,999
Trade and other payables	1,125,929	–	–	–	1,125,929
	2,355,553	972,509	1,756,411	1,536,278	6,620,751

VAT payable of **Rs 42,939,000** (2022 – Rs 6,799,000) are excluded from Trade and other payables.

2 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

THE COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total
	Rs 000	**Rs 000**	**Rs 000**	**Rs 000**	**Rs 000**
At 31 December 2023					
Borrowings	**1,796,948**	**452,880**	**909,833**	**322,030**	**3,481,691**
Lease liabilities	**186,208**	**173,242**	**357,909**	**531,778**	**1,249,137**
Asset retirement obligation	**6,858**	**4,646**	**15,556**	**73,397**	**100,457**
Trade and other payables	**1,361,371**	**–**	**–**	**–**	**1,361,371**
	3,351,385	**630,768**	**1,283,298**	**927,205**	**6,192,656**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
At 31 December 2022					
Borrowings	942,276	660,039	1,065,653	643,539	3,311,507
Lease liabilities	194,098	178,338	392,297	587,614	1,352,347
Asset retirement obligation	1,981	7,313	16,177	80,528	105,999
Trade and other payables	915,427	–	–	–	915,427
	2,053,782	845,690	1,474,127	1,311,681	5,685,280

VAT payable of **Rs 33,329,000** (2022 – Rs Nil) are excluded from Trade and other payables.

(d) Capital risk management

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

In order to maintain or adjust the capital structure, the Group and Company may adjust the amount of dividends paid to shareholders.

Consistent with others in the industry, the Group and Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at 31 December 2023 and 2022 were as follows:

		THE GROUP		THE COMPANY	
		2023	2022	**2023**	2022
	Notes	**Rs 000**	Rs 000	**Rs 000**	Rs 000
Total borrowings –excluding transaction costs	20	**3,843,665**	3,524,252	**3,221,874**	2,948,840
Less: Cash and cash equivalents	18	**(281,202)**	(772,290)	**(170,433)**	(611,829)
Net debt		**3,562,463**	2,751,962	**3,051,441**	2,337,011
Total equity		**115,937**	304,200	**1,256,518**	1,338,369
Total capital		**3,678,400**	3,056,162	**4,307,959**	3,675,380
Gearing ratio		**97%**	90%	**71%**	64%

The Company gearing ratio at 31 December 2023 is **71%** (2022: 64%) which is not in breach of the financial covenant imposed by the debt holders.

(e) Fair Value Estimation

The fair value of financial assets at FV through OCI that are traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price.

The carrying amounts of loans and receivables less impairment provision, cash and cash equivalents, borrowings, lease liabilities, trade and other payables and contract liabilities are assumed to approximate their fair values. The carrying values of financial liabilities also approximate their fair values.

- Fair values hierarchy

IFRS 13 requires the Group and Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Group and Company. The Group and Company consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Group and Company have classified the financial assets at FVTOCI as level 1. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and financial assets at FVTOCI) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Freehold land and building are revalued every 3 years. The Group revalued its land and buildings in year 2023 by an independent professional valuer.

	Level 1	Level 2	Total
At 31 December 2023	**Rs 000**	**Rs 000**	**Rs 000**
Financial assets at fair value through OCI			
- Equity shares	**1,229**	**–**	**1,229**
Non financial asset at fair value through OCI			
- Land and buildings	**–**	**404,543**	**404,543**
	1,229	**404,543**	**405,772**
At 31 December 2022			
Financial assets at fair value through OCI			
- Equity shares	1,207	–	1,207
Non financial asset at fair value through OCI			
- Land and buildings	–	27,262	27,262
	1,207	27,262	28,469

2 FINANCIAL RISK MANAGEMENT (Continued)

(e) Fair Value Estimation (Continued)

The Company is exposed to equity securities price risks. If the fair value of the investments increases/ decreases by 5%, other factors remaining unchanged, the Company's profit for the year and financial assets (financial assets at fair value through OCI) would increase/decrease by **Rs 51,000** (2022 – Rs 50,000).

The sensitivity analysis of an increase/decrease by 1% in price per square meter, other factors remaining unchanged, on the the fair value Company's freehold land and buildings, its profit for the year and its valuation of the land and buildings (revaluation reserves through OCI) would have increase/decrease by **Rs 4,045,000** (2022- Rs 273,000).

(f) Financial instruments by category

At 31 December 2023

	THE GROUP				THE COMPANY			
Financial assets at amortised cost	**Financial asset at amortised cost Rs 000**	**Financial asset at FVTOCI Rs 000**	**Total Rs 000**	**Expected credit loss Rs 000**	**Financial asset at amortised cost Rs 000**	**Financial asset at FVTOCI Rs 000**	**Total Rs 000**	**Expected credit loss Rs 000**
Assets as per statement of financial position								
Financial assets at FVTOCI	**–**	**1,229**	**1,229**	**–**	**–**	**1,229**	**1,229**	**–**
Financial assets at amortised cost	**–**	**–**	**–**	**–**	**31,000**	**–**	**31,000**	**–**
Trade and other receivables	**335,311**	**–**	**335,311**	**69,569**	**342,848**	**–**	**342,848**	**47,365**
Cash and cash equivalents	**410,372**	**–**	**410,372**	**–**	**299,603**	**–**	**299,603**	**–**
Total	**745,683**	**1,229**	**746,912**	**69,569**	**673,451**	**1,229**	**674,680**	**47,365**

	THE GROUP		THE COMPANY	
	Other financial liabilities at amortised cost Rs 000	**Total Rs 000**	**Other financial liabilities at amortised cost Rs 000**	**Total Rs 000**
Liabilities as per statement of financial position				
Borrowings	**3,843,665**	**3,843,665**	**3,221,874**	**3,221,874**
Lease liabilities	**962,463**	**962,463**	**939,518**	**939,518**
Asset retirement obligation	**74,397**	**74,397**	**74,397**	**74,397**
Trade and other payables excluding non-financial liabilities	**1,555,705**	**1,555,705**	**1,361,371**	**1,361,371**
Total	**6,436,230**	**6,436,230**	**5,597,160**	**5,597,160**

At 31 December 2022

	THE GROUP				THE COMPANY			
Financial assets at amortised cost	Financial asset at amortised cost Rs 000	Financial asset at FVTOCI Rs 000	Total Rs 000	Expected credit loss Rs 000	Financial asset at amortised cost Rs 000	Financial asset at FVTOCI Rs 000	Total Rs 000	Expected credit loss Rs 000
Assets as per statement of financial position								
Financial assets at FVTOCI	–	1,207	1,207	–	–	1,207	1,207	–
Trade and other receivables	289,522	–	289,522	106,194	308,434	–	308,434	81,374
Cash and cash equivalents	831,774	–	831,774	–	671,313	–	671,313	–
Total	1,121,296	1,207	1,122,503	106,194	979,747	1,207	980,954	81,374

	THE GROUP		THE COMPANY	
	Other financial liabilities at amortised cost Rs 000	Total Rs 000	Other financial liabilities at amortised cost Rs 000	Total Rs 000
Liabilities as per statement of financial position				
Borrowings	3,524,252	3,524,252	2,948,841	2,948,841
Lease liabilities	1,050,861	1,050,861	1,019,862	1,019,862
Asset retirement obligation	64,492	64,492	64,492	64,492
Trade and other payables excluding non-financial liabilities	1,125,928	1,125,928	915,427	915,427
Total	5,765,533	5,765,533	4,948,622	4,948,622

3 REVENUE FROM CONTRACT WITH CUSTOMERS

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Sale of telephone and equipment	**187,609**	224,102	**259,446**	313,009
Rendering of services	**4,303,779**	4,169,404	**3,165,638**	2,927,341
	4,491,388	4,393,506	**3,425,084**	3,240,350
Timing of revenue recognition				
At a point in time	**187,609**	224,102	**259,446**	313,009
Over time	**4,303,779**	4,169,404	**3,165,638**	2,927,341
	4,491,388	4,393,506	**3,425,084**	3,240,350
Total revenue generated by the provision of international roaming service to inbound roamers (include only inbound roaming)	**91,398**	71,622	**91,398**	71,622
	Minutes	Minutes	**Minutes**	Minutes
Number of minutes from incoming international calls terminating in Mauritius	**1,482,586**	1,528,259	**1,482,586**	1,528,259

4 OTHER INCOME

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Management fee	**–**	–	**10,000**	10,000
Other income	**13,439**	8,127	**2,690**	1,988
	13,439	8,127	**12,690**	11,988

Other income mainly include income from LION for chairmanship fee, income from Arsenal Central Landing station and other miscellaneous income.

5 OTHER GAINS / (LOSSES)

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Other gains				
Profit on disposal of property, plant and equipment	**133,491**	113,255	**131,205**	102,909
Property, plant and equipment and intangibles written back	**1,556**	–	**–**	–
Foreign exchange gain	**8**	6,024	**–**	2,288
Gain arising on derecognition of lease liabilities	**1,653**	–	**1,150**	–
	136,708	119,279	**132,355**	105,197

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Other Losses				
Foreign exchange loss	**(11,315)**	(2,794)	**(7,398)**	–
Property, plant and equipment and intangibles written off	**(28,224)**	–	**(28,224)**	–
Loss on disposal of property, plant and equipment	**(21)**	(6,495)	**–**	–
Loss arising on derecognition of lease liabilities	**–**	(934)	**–**	(934)
	(39,560)	(10,223)	**(35,622)**	(934)

6 OPERATING PROFIT

The following items have been charged in arriving at operating profit:

		THE GROUP		THE COMPANY	
	Note	**2023 Rs 000**	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Depreciation on property, plant and equipment:	10				
Owned assets					
- Buildings		**486**	13,817	**299**	13,667
- Asset Infrastructure		**3,173**	543	**864**	543
- Technical equipment		**636,854**	575,028	**481,246**	426,210
- Motor vehicles		**47**	79	**2**	–
- Furniture, fixtures and fittings		**13,690**	10,110	**9,129**	6,053
- Office equipment		**104,705**	83,353	**101,366**	78,581
Depreciation on right-of-use assets	11	**171,175**	154,363	**160,970**	142,905
Amortisation of licence and IRU	12	**49,799**	51,205	**44,962**	47,138
Impairment loss on subsidiary		**–**	–	**–**	82,125
Advertising and promotion		**73,400**	66,336	**60,274**	46,226
Commission to dealers		**72,913**	69,221	**72,913**	69,221
Consultancy fees		**17,548**	12,481	**17,548**	12,256
Employee benefits expense	7	**585,262**	552,154	**477,179**	450,389
Cost of inventories expensed		**274,514**	329,322	**262,920**	307,587
Repairs and maintenance costs		**110,173**	111,596	**104,051**	108,335
Increase in loss allowance on trade receivables	16	**12,049**	8,161	**4,445**	1,671
Audit fees		**5,167**	3,284	**3,280**	2,200
Non-audit fees		**2,836**	2,639	**1,588**	1,417
Business support services fees	28(v)	**82,202**	77,768	**82,202**	77,768
Solidarity levy tax on turnover	9	**53,193**	50,368	**53,193**	50,368
Property, plant and equipment write off	10	**–**	6,494	**–**	2,745
Property, plant and equipment write back		**(1,556)**	–	**–**	–

The Group and Company cost of operations include mainly interconnect expenses, roaming costs, network operational expenses, cost of inventories expensed, channel costs, football rights, programme costs, satellite costs and licence costs.

7 EMPLOYEE BENEFITS EXPENSE

	Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
Wages and salaries		**390,965**	365,829	**302,986**	285,734
Social security cost		**22,917**	21,472	**18,567**	17,252
Pension cost – defined contribution plans		**15,056**	14,496	**15,056**	14,496
Pension costs – defined benefit plans	22	**12,811**	16,022	**7,239**	8,917
Other costs:					
Training costs		**4,675**	3,062	**4,441**	3,022
Bonus and commissions		**71,404**	60,766	**70,024**	60,766
Other commissions		**31,678**	34,752	**31,678**	34,726
Recruitment costs		**901**	876	**901**	876
Staff Welfare		**34,855**	34,879	**26,287**	24,600
		585,262	552,154	**477,179**	450,389

	2023 Number	2022 Number	2023 Number	2022 Number
Number of employees at end of year	**606**	596	**462**	444

8 FINANCE COSTS – NET

	Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
Finance income					
Interest income		**4,251**	2,105	**4,321**	2,014
Foreign exchange gain		**12**	–	**–**	–
		4,263	2,105	**4,321**	2,014
Finance costs					
Interest payable on:					
Bank overdrafts		**(458)**	(171)	**(153)**	(162)
Loans		**(63,992)**	(28,242)	**(40,541)**	(17,768)
Bonds		**(93,061)**	(99,150)	**(93,061)**	(99,150)
Interest and finance charges for lease liabilities		**(58,670)**	(42,977)	**(57,328)**	(41,226)
Amortisation of bond issue transaction costs		**(2,823)**	(3,224)	**(2,823)**	(3,224)
Unwinding of asset retirement obligations	23	**(1,924)**	(1,207)	**(1,924)**	(1,207)
Foreign exchange loss		**(9,851)**	(16,518)	**(2,533)**	(4,420)
		(230,779)	(191,489)	**(198,363)**	(167,157)
Finance costs - net		**(226,516)**	(189,384)	**(194,042)**	(165,143)

9 TAXATION

(a) Recognised in profit or loss

This note provides an analysis of the Company's tax expense, showing the amount recognised under the administrative expenses and income tax expense.

The schedule below shows the charge during the year:

	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
Recognised under administrative expenses				
Solidarity levy charge on revenue	**53,193**	50,368	**53,193**	50,368
Recognised under income tax expense				
Income tax expense	**138,655**	115,853	**157,472**	115,499

Taxes paid during the year are as follows:

	2023 Rs 000	2022 Rs 000	2023 Rs 000	2022 Rs 000
Income tax	**93,842**	62,624	**93,842**	62,624
Solidarity levy on profit	**32,184**	25,483	**32,184**	25,483
Adjustment for tax deduction at source	**(183)**	(282)	**(183)**	(282)
Income tax (net)	**125,843**	87,825	**125,843**	87,825
Corporate Social Responsibility	**11,211**	9,982	**11,211**	9,982
Taxation paid	**137,054**	97,807	**137,054**	97,807

(b) Income tax

The Company is liable to income tax on its profit, as adjusted for income tax purposes, at the rate of **17%** (2022 – 17%), including CSR of **2%** (2022 – 2%).

	Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
Charge for the year:					
Based on profit for the year, as adjusted for tax purposes		**41,049**	85,733	**41,049**	85,733
Movement in deferred tax	21	**59,039**	(13,773)	**77,856**	(14,127)
Solidarity levy based on book profit		**33,796**	32,184	**33,796**	32,184
Corporate Social Responsibility (CSR) fund		**5,473**	11,432	**5,473**	11,432
Income tax and CSR adjustment for prior year		**(702)**	277	**(702)**	277
Income tax expense		**138,655**	115,853	**157,472**	115,499

9 TAXATION (Continued)

(b) Income tax (Continued)

The following tax rules were applicable during the year ended 31 December 2023:

• Solidarity levy

The Solidarity levy on telephony service providers was introduced in 2009 and has subsequently been extended further. In the Finance Act 2020, Solidarity levy has been made permanent whereby every profitable providers of fixed and mobile telephone services shall be liable to pay a solidarity levy of 5% of accounting profit (i.e. derived by an operator from all its activities and computed in accordance with IFRS) and 1.5% of turnover in respect of the preceding year.

	THE GROUP			
	Current tax liabilities	**Solidarity Levy based on profit**	**Corporate Social Responsibility**	**Total**
	2023 Rs 000	**2023 Rs 000**	**2023 Rs 000**	**2023 Rs 000**
At 1 January	**30,625**	**32,184**	**12,713**	**75,522**
Charge for the year	**41,049**	**33,796**	**5,473**	**80,318**
Adjustment for prior year	**(619)**	**–**	**(83)**	**(702)**
Paid during the year	**(93,842)**	**(32,184)**	**(11,211)**	**(137,237)**
At 31 December	**(22,787)**	**33,796**	**6,892**	**17,901**

	THE GROUP			
	Current tax liabilities	Solidarity Levy based on profit	Corporate Social Responsibility	Total
	2022 Rs 000	2022 Rs 000	2022 Rs 000	2022 Rs 000
At 1 January	7,272	25,483	11,230	43,985
Charge for the year	85,733	32,184	11,432	129,349
Adjustment for prior year	244	–	33	277
Paid during the year	(62,624)	(25,483)	(9,982)	(98,089)
At 31 December	30,625	32,184	12,713	75,522

	THE COMPANY			
	Current tax liabilities	**Solidarity Levy based on profit**	**Corporate Social Responsibility**	**Total**
	2023 Rs 000	**2023 Rs 000**	**2023 Rs 000**	**2023 Rs 000**
At 1 January	**30,625**	**32,184**	**12,713**	**75,522**
Charge for the year	**41,049**	**33,796**	**5,473**	**80,318**
Adjustment for prior year	**(619)**	**–**	**(83)**	**(702)**
Paid during the year	**(93,842)**	**(32,184)**	**(11,211)**	**(137,237)**
At 31 December	**(22,787)**	**33,796**	**6,892**	**17,901**

	THE COMPANY			
	Current tax liabilities	Solidarity Levy based on profit	Corporate Social Responsibility	Total
	2022 Rs 000	2022 Rs 000	2022 Rs 000	2022 Rs 000
At 1 January	7,272	25,483	11,230	43,985
Charge for the year	85,733	32,184	11,432	129,349
Adjustment for prior year	244	–	33	277
Paid during the year	(62,624)	(25,483)	(9,982)	(98,089)
At 31 December	30,625	32,184	12,713	75,522

(c) Provision for solidarity levy

The provision relates to solidarity levy charge on revenue. The movement in provision is as follows:

	THE GROUP & COMPANY	
	2023 Rs 000	2022 Rs 000
At 1 January	**50,344**	47,324
Charge for the year	**53,193**	50,344
Adjustment for prior year	**–**	24
Paid during the year	**(50,345)**	(47,348)
At 31 December	**53,192**	50,344

(d) The tax (charge)/ credit relating to components of other comprehensive income is as follows:

		THE GROUP			THE COMPANY		
	Notes	**2023**			**2023**		
		Before tax Rs 000	**tax (charge) / credit Rs 000**	**After tax Rs 000**	**Before tax Rs 000**	**tax (charge) / credit Rs 000**	**After tax Rs 000**
Revaluation of land and building		**4,065**	**(309)**	**3,756**	**4,065**	**(309)**	**3,756**
Re-measurements of post-employment benefits obligations	22	**(9,311)**	**1,590**	**(7,721)**	**(5,807)**	**987**	**(4,820)**
Other comprehensive income		**(5,246)**	**1,281**	**(3,965)**	**(1,742)**	**678**	**(1,064)**
		2022			2022		
		Before tax Rs 000	tax (charge) / credit Rs 000	After tax Rs 000	Before tax Rs 000	tax (charge) / credit Rs 000	After tax Rs 000
Re-measurements of post-employment benefits obligations	22	21,535	(3,661)	17,874	9,556	(1,626)	7,930
Other comprehensive income		21,535	(3,661)	17,874	9,556	(1,626)	7,930

9 TAXATION (Continued)

A reconciliation between the effective rate of income tax of the Group **30.69%** (2022- 19.21%) and Company of **25.29%** (2022 – 17.71%) and the applicable income tax rate of **17%** (2022 – 17%) follows:

	THE GROUP		THE COMPANY	
	2023 %	2022 %	**2023 %**	2022 %
(As a percentage of profit before tax)				
Applicable income tax rate	**17.00**	17.00	**17.00**	17.00
Impact of:				
Non-tax deductible expenses	**1.93**	3.14	**1.41**	2.81
Income not subject to tax	**(0.10)**	(9.46)	**–**	(8.74)
Under provision on deferred tax	**2.38**	–	**–**	–
Unrecognised deferred tax assets	**–**	1.35	**–**	–
Solidarity levy based on revenue – (Non deductible)	**2.00**	1.37	**1.45**	1.27
Solidarity levy based on book profit	**7.48**	5.81	**5.43**	5.37
Effective tax rate	**30.69**	19.21	**25.29**	17.71

10 PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings Rs 000	Infrastructure assets Rs 000	Technical equipment Rs 000	Motor vehicles Rs 000	Furniture, fixtures and fittings Rs 000	Office equipment Rs 000	Asset in progress Rs 000	Total Rs 000
Cost or valuation:								
At 1 January 2022	596,727	34,616	6,716,570	15,079	183,153	1,309,955	486,281	9,342,381
Additions	–	–	1,250,240	8	25,845	58,826	378,512	1,713,431
Disposals	(560,737)	(70)	(459,700)	(4,922)	(974)	(1,175)	–	(1,027,578)
Write off	(5,144)	–	(98,735)	–	(21,915)	(4,105)	(1,607)	(131,506)
Transfer	–	–	85,734	–	–	22,123	(107,857)	–
ARO adjustment	–	–	(6,492)	–	–	–	–	(6,492)
Transfer to inventories	–	–	–	–	–	–	(147)	(147)
Transfer to Intangible assets	–	–	–	–	–	–	(492)	(492)
Reclassification in class of assets	–	–	3,583	–	13,381	1,684	(18,648)	–
At 31 December 2022	**30,846**	**34,546**	**7,491,200**	**10,165**	**199,490**	**1,387,308**	**736,042**	**9,889,597**
Additions	**8,652**	**17,597**	**1,051,296**	**–**	**21,014**	**156,355**	**694,876**	**1,949,790**
Disposals	**–**	**–**	**(288,479)**	**(3,032)**	**(14,429)**	**(132,522)**	**(129)**	**(438,591)**
Write off	**–**	**–**	**(129,403)**	**–**	**(4,089)**	**(2,633)**	**–**	**(136,125)**
Revaluation of assets	**51,306**	**–**	**–**	**–**	**–**	**–**	**–**	**51,306**
Transfer	**318,538**	**65,861**	**221,813**	**–**	**2,037**	**50,895**	**(659,144)**	**–**
ARO adjustment	**–**	**–**	**7,049**	**–**	**–**	**–**	**–**	**7,049**
Transfer to inventories	**–**	**–**	**–**	**–**	**–**	**–**	**(4,631)**	**(4,631)**
Transfer to Intangible Assets	**–**	**–**	**–**	**–**	**–**	**–**	**(4,550)**	**(4,550)**
Reclassification in class of assets	**(2,994)**	**2,994**	**–**	**–**	**–**	**–**	**–**	**–**
At 31 December 2023	**406,348**	**120,998**	**8,353,476**	**7,133**	**204,023**	**1,459,403**	**762,464**	**11,313,845**

THE GROUP	Land and buildings Rs 000	Infrastructure assets Rs 000	Technical equipment Rs 000	Motor vehicles Rs 000	Furniture, fixtures and fittings Rs 000	Office equipment Rs 000	Asset in progress Rs 000	Total Rs 000
Accumulated depreciation:								
At 1 January 2022	95,205	16,621	4,299,923	14,806	156,219	1,129,981	–	5,712,755
Charge for the year	13,817	543	575,028	79	10,110	83,353	–	682,930
Disposals adjustment	(103,349)	(36)	(258,237)	(4,901)	(967)	(1,035)	–	(368,525)
Write off	(2,522)	–	(98,173)	–	(21,521)	(2,796)	–	(125,012)
At 31 December 2022	**3,151**	**17,128**	**4,518,541**	**9,984**	**143,841**	**1,209,503**	**–**	**5,902,148**
Charge for the year	**486**	**3,173**	**636,854**	**47**	**13,690**	**104,705**	**–**	**758,955**
Disposals adjustment	**–**	**–**	**(204,649)**	**(3,032)**	**(14,422)**	**(132,207)**	**–**	**(354,310)**
Write off	**–**	**–**	**(129,272)**	**–**	**(3,995)**	**(2,609)**	**–**	**(135,876)**
Reclassification in class of assets	**(1,832)**	**1,832**	**–**	**–**	**–**	**–**	**–**	**–**
At 31 December 2023	**1,805**	**22,133**	**4,821,474**	**6,999**	**139,114**	**1,179,392**	**–**	**6,170,917**
Net book value:								
At 31 December 2023	**404,543**	**98,865**	**3,532,002**	**134**	**64,909**	**280,011**	**762,464**	**5,142,928**
At 31 December 2022	27,695	17,418	2,972,659	181	55,649	177,805	736,042	3,987,449

10 PROPERTY, PLANT AND EQUIPMENT (Continued)

THE COMPANY	Land and buildings Rs 000	Infrastructure assets Rs 000	Technical equipment Rs 000	Motor vehicles Rs 000	Furniture, fixtures and fittings Rs 000	Office equipment Rs 000	Asset in progress Rs 000	Total Rs 000
Cost or valuation:								
At 1 January 2022	591,583	34,616	5,464,937	6,935	142,116	1,267,944	175,866	7,683,997
Additions	–	–	1,121,052	8	25,393	57,784	274,461	1,478,698
Disposals	(560,737)	(70)	(444,326)	(3,360)	(328)	(865)	–	(1,009,686)
Write off	–	–	(329)	–	(1,976)	(2,835)	(1,607)	(6,747)
Transfer	–	–	85,734	–	–	22,123	(107,857)	–
ARO adjustment	–	–	(6,492)	–	–	–	–	(6,492)
Transfer to inventories	–	–	–	–	–	–	(147)	(147)
At 31 December 2022	**30,846**	**34,546**	**6,220,576**	**3,583**	**165,205**	**1,344,151**	**340,716**	**8,139,623**
Additions	**–**	**–**	**980,766**	**–**	**3,673**	**148,638**	**691,415**	**1,824,492**
Disposals	**–**	**–**	**(282,022)**	**(1,970)**	**(14,262)**	**(132,522)**	**–**	**(430,776)**
Write off	**–**	**–**	**(60,233)**	**–**	**(438)**	**(738)**	**–**	**(61,409)**
Revaluation of assets	**4,065**	**–**	**–**	**–**	**–**	**–**	**–**	**4,065**
Transfer	**–**	**–**	**218,115**	**–**	**1,566**	**41,474**	**(261,155)**	**–**
ARO adjustment	**–**	**–**	**7,049**	**–**	**–**	**–**	**–**	**7,049**
Transfer to inventories	**–**	**–**	**–**	**–**	**–**	**–**	**(4,631)**	**(4,631)**
Transfer to intangible assets	**–**	**–**	**–**	**–**	**–**	**–**	**(4,370)**	**(4,370)**
Reclassification	**(2,994)**	**2,994**	**–**	**–**	**–**	**–**	**–**	**–**
At 31 December 2023	**31,917**	**37,540**	**7,084,251**	**1,613**	**155,744**	**1,401,003**	**761,975**	**9,474,043**

THE COMPANY	Land and buildings Rs 000	Infrastructure assets Rs 000	Technical equipment Rs 000	Motor vehicles Rs 000	Furniture, fixtures and fittings Rs 000	Office equipment Rs 000	Asset in progress Rs 000	Total Rs 000
Accumulated depreciation:								
At 1 January 2022	92,833	16,621	3,448,597	6,935	119,491	1,094,783	–	4,779,260
Charge for the year	13,667	543	426,210	–	6,053	78,581	–	525,054
Disposals adjustment	(103,349)	(36)	(253,625)	(3,360)	(328)	(838)	–	(361,536)
Write off	–	–	(329)	–	(1,973)	(1,700)	–	(4,002)
At 31 December 2022	**3,151**	**17,128**	**3,620,853**	**3,575**	**123,243**	**1,170,826**	**–**	**4,938,776**
Charge for the year	**299**	**864**	**481,246**	**2**	**9,129**	**101,366**	**–**	**592,906**
Disposals adjustment	**–**	**–**	**(201,151)**	**(1,970)**	**(14,255)**	**(132,207)**	**–**	**(349,583)**
Write off	**–**	**–**	**(58,548)**	**–**	**(435)**	**(738)**	**–**	**(59,721)**
Reclassification in class of assets	**(1,832)**	**1,832**	**–**	**–**	**–**	**–**	**–**	**–**
At 31 December 2023	**1,618**	**19,824**	**3,842,400**	**1,607**	**117,682**	**1,139,247**	**–**	**5,122,378**
Net book value:								
At 31 December 2023	**30,299**	**17,716**	**3,241,851**	**6**	**38,062**	**261,756**	**761,975**	**4,351,665**
At 31 December 2022	27,695	17,418	2,599,723	8	41,962	173,325	340,716	3,200,847

10 PROPERTY, PLANT AND EQUIPMENT (Continued)

Fair values of land and buildings

The revaluation surplus net of applicable deferred tax was credited to other comprehensive income and is shown in the revaluation reserves in shareholders' equity.

	THE GROUP		THE COMPANY	
Significant other observable inputs (Level 2)	**2023 Rs 000**	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Recurring fair value measurements				
Land	**49,486**	–	**2,245**	–
Building	**1,820**	20,375	**1,820**	20,375
	51,306	20,375	**4,065**	20,375

Level 2 fair values of land and buildings have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter.

During the year, the Group has incurred a write off totaling Rs 136.1 million and Company Rs 61.4 million of its assets with a depreciated value for the Group of Rs 135.9 million and Company Rs 59.7 million respectively. These assets consist mainly of decoders which were scrapped, furniture and fittings, routers and IT equipment which were either damaged or obsolete.

Payments for the purchase of property, plant and equipment during the year are as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Additions to property, plant and equipment	**1,949,790**	1,713,431	**1,824,492**	1,478,698
Unpaid at 1 January	**420,878**	64,273	**420,878**	64,273
Unpaid at 31 December	**(538,175)**	(420,878)	**(538,175)**	(420,878)
Trade-In arrangement	**(211,043)**	(287,012)	**(211,043)**	(287,012)
ARO provision for the year	**(932)**	(890)	**(932)**	(890)
Payments for purchase of property, plant and equipment	**1,620,518**	1,068,924	**1,495,220**	834,191

As at 31 December 2023, if no revaluation was done on land and building, the historical cost would have been as follows:

	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Cost	**392,223**	30,846	**27,852**	30,846
Accumulated Depreciation	**(2,039)**	(3,150)	**(1,452)**	(3,150)
Net Book Value	**390,184**	27,696	**26,400**	27,696

The sensitivity analysis on depreciation, factoring in changes to the weighted average useful life, is outlined below:

	Change in Assumption	Impact **2023**	Impact 2022	Impact **2023**	Impact 2022
	%	**Rs 000**	Rs 000	**Rs 000**	Rs 000
Increase in weighted average useful life	**1**	**64,657**	62,687	**46,513**	45,333
Decrease in weighted average useful life	**1**	**(49,482)**	(49,029)	**(34,655)**	(34,831)

11 LEASES

This note provides information for leases where the Group and Company are a lessee.

Amounts recognised in the statements of financial position

Right-of-use assets	THE GROUP				THE COMPANY			
	Land & buildings Rs 000	**Co-location of cellsites Rs 000**	**Motor vehicles Rs 000**	**Total Rs 000**	**Land & buildings Rs 000**	**Co-location of cellsites Rs 000**	**Motor vehicles Rs 000**	**Total Rs 000**
At 1 January 2022	513,237	221,360	17,465	752,062	482,204	221,360	10,838	714,402
Remeasurement	1,654	(132)	–	1,522	754	(132)	–	622
Additions	381,974	4,598	586	387,158	378,187	4,598	586	383,371
Depreciation	(104,316)	(46,258)	(3,789)	(154,363)	(94,047)	(46,258)	(2,600)	(142,905)
De-recognition	(6,022)	(3,345)	(51)	(9,418)	(5,866)	(3,345)	(51)	(9,262)
At 31 December 2022	**786,527**	**176,223**	**14,211**	**976,961**	**761,232**	**176,223**	**8,773**	**946,228**
Remeasurement	**19,583**	**466**	**–**	**20,049**	**18,590**	**466**	**–**	**19,056**
Additions	**73,760**	**3,293**	**–**	**77,053**	**69,100**	**3,293**	**–**	**72,393**
Depreciation	**(123,798)**	**(43,764)**	**(3,613)**	**(171,175)**	**(114,782)**	**(43,764)**	**(2,424)**	**(160,970)**
De-recognition	**(18,778)**	**(8,034)**	**–**	**(26,812)**	**(14,717)**	**(8,034)**	**–**	**(22,751)**
At 31 December 2023	**737,294**	**128,184**	**10,598**	**876,076**	**719,423**	**128,184**	**6,349**	**853,956**

Lease liabilities	THE GROUP				THE COMPANY			
	Land & buildings Rs 000	**Co-location of cellsites Rs 000**	**Motor vehicles Rs 000**	**Total Rs 000**	**Land & buildings Rs 000**	**Co-location of cellsites Rs 000**	**Motor vehicles Rs 000**	**Total Rs 000**
At 1 January 2022	559,319	233,177	17,955	810,451	528,889	233,177	11,262	773,328
Remeasurement	1,654	(132)	–	1,522	754	(132)	–	622
Additions	381,966	4,598	586	387,150	378,187	4,598	586	383,371
Interest expense	32,433	9,519	943	42,895	31,068	9,519	639	41,226
Payments	(127,310)	(50,734)	(4,677)	(182,721)	(116,322)	(50,734)	(3,303)	(170,359)
De-recognition	(4,942)	(3,488)	(6)	(8,436)	(4,832)	(3,488)	(6)	(8,326)
At 31 December 2022	**843,120**	**192,940**	**14,801**	**1,050,861**	**817,744**	**192,940**	**9,178**	**1,019,862**
Remeasurement	**19,640**	**466**	**–**	**20,106**	**18,590**	**466**	**–**	**19,056**
Additions	**74,321**	**3,672**	**–**	**77,993**	**69,658**	**3,672**	**–**	**73,330**
Interest expense	**50,654**	**7,529**	**707**	**58,890**	**49,563**	**7,529**	**457**	**57,549**
Payments	**(161,025)**	**(50,959)**	**(4,054)**	**(216,038)**	**(150,933)**	**(50,959)**	**(2,679)**	**(204,571)**
De-recognition	**(20,927)**	**(8,422)**	**–**	**(29,349)**	**(17,286)**	**(8,422)**	**–**	**(25,708)**
At 31 December 2023	**805,783**	**145,226**	**11,454**	**962,463**	**787,336**	**145,226**	**6,956**	**939,518**

11 LEASES (Continued)

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Current	**145,876**	150,123	**137,365**	139,659
Non-current	**816,587**	900,738	**802,153**	880,203
At 31 December	**962,463**	1,050,861	**939,518**	1,019,862

The future cash outflows on the lease liabilities are disclosed under the financial risk management, liquidity risk (Note 2(c)).

The statement of profit or loss shows the following amounts relating to leases:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Depreciation charge of right-of-use assets	**171,175**	154,363	**160,970**	142,905
Interest expense (included in finance cost)	**58,890**	42,895	**57,549**	41,226
Total lease payment inclusive of short term leases	**216,038**	182,721	**204,571**	170,359
Expense relating to variable lease payments not included in lease liabilities	**4,096**	3,069	**4,096**	3,069

12 INTANGIBLE ASSETS

	THE GROUP						THE COMPANY		
	Purchased Software Rs 000	**Developed Software Rs 000**	**Licence Rs 000**	**IRU Rs 000**	**Assets in Progress Rs 000**	**Total Rs 000**	**Licence Rs 000**	**IRU Rs 000**	**Total Rs 000**
Cost:									
At 1 January 2022	33,734	–	114,013	654,930	5,822	808,499	114,013	654,930	768,943
Additions	456	9,138	2,124	–	2,799	14,517	2,124	–	2,124
Reclassification	492	5,822	–	–	(5,822)	492	–	–	–
Intangibles write off	(13)	–	–	–	–	(13)	–	–	–
At 31 December 2022	**34,669**	**14,960**	**116,137**	**654,930**	**2,799**	**823,495**	**116,137**	**654,930**	**771,067**
Additions	**–**	**2,586**	**–**	**541**	**1,656**	**4,783**	**–**	**541**	**541**
Write off	**–**	**–**	**–**	**(82,659)**	**–**	**(82,659)**	**–**	**(82,659)**	**(82,659)**
Transfer	**180**	**–**	**–**	**4,370**	**–**	**4,550**	**–**	**4,370**	**4,370**
At 31 December 2023	**34,849**	**17,546**	**116,137**	**577,182**	**4,455**	**750,169**	**116,137**	**577,182**	**693,319**
Accumulated Amortisation:									
At 1 January 2022	29,984	–	63,262	393,930	–	487,176	63,262	393,930	457,192
Charge for the year	2,247	1,820	8,313	38,825	–	51,205	8,313	38,825	47,138
Write off	(13)	–	–	–	–	(13)	–	–	–
At 31 December 2022	**32,218**	**1,820**	**71,575**	**432,755**	**–**	**538,368**	**71,575**	**432,755**	**504,330**
Charge for the year	**1,533**	**3,304**	**6,309**	**38,653**	**–**	**49,799**	**6,309**	**38,653**	**44,962**
Write off	**–**	**–**	**–**	**(56,130)**	**–**	**(56,130)**	**–**	**(56,130)**	**(56,130)**
At 31 December 2023	**33,751**	**5,124**	**77,884**	**415,278**	**–**	**532,037**	**77,884**	**415,278**	**493,162**
Net book value:									
At 31 December 2023	**1,098**	**12,422**	**38,253**	**161,904**	**4,455**	**218,132**	**38,253**	**161,904**	**200,157**
At 31 December 2022	2,451	13,140	44,562	222,175	2,799	285,127	44,562	222,175	266,737

The Intangible assets consist of acquired licences from the Information and Communication Technologies Authority (ICTA), capacity purchased on an Indefeasible Rights of Use ("IRU"), software licences purchased and software developed for the mobile financial app trading under the name of "blink". The IRU is amortised on a straight- line basis over the contract period from the effective date of the IRUs was brought into use.

13 INVESTMENT IN SUBSIDIARIES

The Company owns a 100% shareholding in Emtel MFS Co Ltd with a paid-up capital of Rs 5,000,000. Emtel MFS Co Ltd offers digital payment platform facilities.

The Company acquired EMVision in previous years for a purchase consideration of Rs 1.15 Billion representing 90% of the stated capital. This is accounted under a common control transaction at Group level (Note 30).

The Company owns 100% shareholding in Emtel Technopolis Ltd with a paid-up share capital of Rs 50 million. Emtel Technopolis Ltd will provide building and infrastructure facility on lease for a satellite farming project. The building and infrastructure are accounted as assets in progress at the reporting date.

The directors have reviewed the financial position of the subsidiaries at 31 December 2023 and are of the opinion that these investments have not suffered any impairment in the current year (2022: Rs 82,125,000).

	THE COMPANY	
	2023	2022
	Rs 000	Rs 000
At 1 January	**1,122,875**	1,205,000
Impairment loss	**–**	(82,125)
At 31 December	**1,122,875**	1,122,875

14(a) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

		THE GROUP & COMPANY	
		2023	2022
	Notes	**Rs 000**	Rs 000
At fair value:			
At 1 January		**1,207**	1,153
Movement in fair value		**22**	54
At 31 December	**2(e)**	**1,229**	1,207

The financial assets represent investment in equity securities.

14(b) FINANCIAL ASSETS HELD AT AMORTISED COST

	THE COMPANY	
	2023	2022
	Rs 000	Rs 000
Shareholders loan to subsidiary	**31,000**	–

The Company has provided a loan of Rs 31 million in December 2023 to its subsidiary Emtel MFS Company Ltd, which is accounted for at fair value through amortised cost in accordance with IFRS 9. The loan bears interest rate at the MCB Prime lending rate and is repayable over a period of 3 years from the date of issuance subject to extension or termination by mutual written agreement. The Company has evaluated the expected credit loss on the loan to subsidiary and the probability of default is negligible. This assessment is undertaken at each financial period ending 31 December.

15 INVENTORIES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs 000	Rs 000	**Rs 000**	Rs 000
Telephone sets, related spares and accessories:				
At cost	**70,819**	91,246	**48,499**	62,582
At net realisable value	**934**	2,764	**934**	2,764
	71,753	94,010	**49,433**	65,346

The Group and Company have cost of inventories recognised as an expense of **Rs 274 million** (2022: Rs 329 million) and Rs **263 million** (2022: Rs 308 million) respectively.

16 TRADE AND OTHER RECEIVABLES

		THE GROUP		THE COMPANY	
		2023	2022	**2023**	2022
	Notes	**Rs 000**	Rs 000	**Rs 000**	Rs 000
Trade receivables		**236,792**	265,342	**206,666**	232,277
Less: Loss allowance on trade receivables		**(69,569)**	(106,194)	**(47,365)**	(81,374)
		167,223	159,148	**159,301**	150,903
Prepayments		**55,327**	64,592	**39,097**	45,162
Advance to supplier		**5,622**	18,154	**5,622**	4,080
Deposit		**23,795**	23,397	**21,081**	22,254
VAT receivable		**6,881**	46,142	**–**	37,528
Accrued income		**46,226**	46,922	**46,226**	46,922
Accrued interest income		**24**	–	**24**	–
Other receivables		**88,006**	43,371	**76,436**	27,143
Receivable from related parties	28 (vii) & (viii)	**10,058**	16,684	**39,780**	61,212
		403,162	418,410	**387,567**	395,204

The carrying amount of trade and other receivables approximate their fair values.

The maximum exposure to credit risk at the reporting date is equal to the carrying value of each class of the trade and other receivables mentioned above.

The Group and Company include trade receivables which are not secured, non-interest bearing and generally on average 30-90 days term.

The Company's accrued income mainly consist of inbound roaming commitment. The Company has a discount agreement with some of its roaming partners for a guaranteed send or pay commitment to our network over a defined period. At end of each period, the Group and Company assess the actual revenue generated through the contract and provide for any shortfall in revenue based on the guaranteed roaming revenue commitment. Accrued income is thus accounted for as a receivable as the amount will be recovered in the short term from the respective roaming partner after all services have already been rendered.

16 TRADE AND OTHER RECEIVABLES (Continued)

On that basis, the loss allowance as at 31 December 2023 and 31 December 2022 was determined as follows for the trade receivables:

	THE GROUP				
31 December 2023	**Current**	**Up to 1 month past due**	**1 to 2 months past due**	**Over 2 months past due**	**Total**
Expected loss rate	**1.32%**	**4.76%**	**12.09%**	**91.82%**	
Gross carrying value (Rs 000)	**105,135**	**46,464**	**15,367**	**69,826**	**236,792**
Loss allowance (Rs 000)	**1,383**	**2,212**	**1,858**	**64,116**	**69,569**
31 December 2022					
Expected loss rate	1.75%	5.78%	9.59%	95.34%	
Gross carrying value (Rs 000)	93,321	46,940	20,295	104,786	265,342
Loss allowance (Rs 000)	1,636	2,711	1,946	99,901	106,194

	THE COMPANY				
31 December 2023	**Current**	**Up to 1 month past due**	**1 to 2 months past due**	**Over 2 months past due**	**Total**
Expected loss rate	**0.66%**	**3.25%**	**7.61%**	**89.89%**	
Gross carrying value (Rs 000)	**97,792**	**45,204**	**14,556**	**49,114**	**206,666**
Loss allowance (Rs 000)	**641**	**1,469**	**1,108**	**44,147**	**47,365**
31 December 2022					
Expected loss rate	0.77%	3.96%	5.21%	94.43%	
Gross carrying value (Rs 000)	87,308	43,814	18,558	82,597	232,277
Loss allowance (Rs 000)	676	1,735	966	77,997	81,374

At 31 December 2023, if the expected credit losses had increased/decreased by 1%, pre-tax profit and equity for the year would have been Group: higher/lower by **Rs 2,368,000** in 2023 (2022 – pre-tax profit would have been higher/lower by Rs 2,653,000); Company: higher/lower by **Rs 2,067,000** in 2023 (2022 – pre-tax profit would have been higher/lower by Rs 2,323,000).

The carrying amounts of the Group and Company's trade and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Mauritian Rupee	**358,231**	390,594	**344,394**	370,461
United States Dollar	**16,438**	17,930	**15,950**	14,857
Euro	**28,473**	9,864	**27,203**	9,864
Great Britain Pound	**17**	17	**17**	17
Swiss Franc	**3**	5	**3**	5
	403,162	418,410	**387,567**	395,204

Movements on the Group and Company's loss allowance on trade receivables are as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
At 1 January	**106,194**	147,957	**81,374**	96,291
Receivables written off during the year as uncollectible	**(48,674)**	(49,924)	**(38,454)**	(16,588)
Increase in loss allowance recognised in profit or loss during the year	**12,049**	8,161	**4,445**	1,671
At 31 December	**69,569**	106,194	**47,365**	81,374

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable. The Group and Company do not hold any collateral as security.

17 CURRENT TAX RECEIVABLES

	THE GROUP & COMPANY	
	2023 Rs 000	2022 Rs 000
Amount receivable from MRA	**80,382**	80,382

Income tax

The Mauritius Revenue Authority (MRA) had raised an assessment on the Company with respect to the income tax rate used for income tax years of assessments 2006/2007 and 2007/2008. The total amount claimed by the MRA has been paid under protest inclusive of the penalties and interest.

According to the Company's legal advisors appointed to handle this matter, they believe that it is highly probable that the Company will have a positive outcome. Based on significant judgement that has been applied by the Company's directors, following advice from its legal advisor, no tax liability has been accounted with respect to this assessment. Given that the Company has already paid the amount of Rs 80.4 million to the MRA, this represents an asset (current tax receivable) for the Company. The Company has lodged an application for permission to appeal that judgement to the Judicial Committee of the Privy Council. The Case was fixed by the Court for MERITS to the 6 November 2023, however, the Case has been postponed for 27 May 2024.In parallel to those two appeals, Emtel is contesting before the Supreme Court the MRA's refusal to allow it to join the Voluntary Disclosure of Income Arrangement (VDIA) Scheme for those same years 2005 and 2006. The VDIA proceedings were heard on 13 March 2018 and judgment is awaited.

Pending the determination of those three cases, the payments made to the MRA have been recorded as a receivable from the MRA as the Board of the Company is confident that the matter shall be resolved positively.

18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents and in hand comprise the following statement of financial position amounts:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Cash and cash equivalents	**281,202**	772,290	**170,433**	611,829
Restricted cash	**129,170**	59,484	**129,170**	59,484
	410,372	831,774	**299,603**	671,313

For the purpose of the statement of cash flows, cash and cash equivalents excluding restricted cash amounts to Group **Rs 281,246,000** (2022 – Rs 772,290,000) and the Company **Rs 170,433,000** (2022 – Rs 611,829,000). The restricted cash held at local banks represents the amount which the Company can use to pay specific suppliers (Note 24).

19 STATED CAPITAL

	THE GROUP & COMPANY			
	2023 Number	2022 Number	**2023 Rs 000**	2022 Rs 000
Authorised:				
Ordinary shares of Rs 10 each	**20,000,000**	20,000,000	**200,000**	200,000
Issued and fully paid:				
At 1 January and 31 December	**15,180,000**	15,180,000	**151,800**	151,800

20 BORROWINGS

	THE GROUP					
	2023			2022		
	Current Rs 000	**Non-Current Rs 000**	**Total Rs 000**	Current Rs 000	Non-Current Rs 000	Total Rs 000
Loan	**1,276,250**	**632,500**	**1,908,750**	625,000	726,250	1,351,250
Interest on loan	**19,807**	**–**	**19,807**	11,187	–	11,187
Bank overdraft	**5,213**	**–**	**5,213**	–	–	–
	1,301,270	**632,500**	**1,933,770**	636,187	726,250	1,362,437
Bond	**500,000**	**1,400,000**	**1,900,000**	250,000	1,900,000	2,150,000
Unamortised transaction cost	**(1,319)**	**(2,149)**	**(3,468)**	(1,759)	(3,468)	(5,227)
Interest on bonds	**9,895**	**–**	**9,895**	11,815	–	11,815
	508,576	**1,397,851**	**1,906,427**	260,056	1,896,532	2,156,588
Total borrowings	**1,809,846**	**2,030,351**	**3,840,197**	896,243	2,622,782	3,519,025

	THE COMPANY					
	2023			2022		
	Current Rs 000	**Non-Current Rs 000**	**Total Rs 000**	Current Rs 000	Non-Current Rs 000	Total Rs 000
Loan	**1,190,000**	**108,750**	**1,298,750**	575,000	206,250	781,250
Interest on loan	**13,229**	**–**	**13,229**	5,775	–	5,775
	1,203,229	**108,750**	**1,311,979**	580,775	206,250	787,025
Bond	**500,000**	**1,400,000**	**1,900,000**	250,000	1,900,000	2,150,000
Unamortised transaction cost	**(1,319)**	**(2,149)**	**(3,468)**	(1,758)	(3,468)	(5,226)
Interest on bonds	**9,895**	**–**	**9,895**	11,815	–	11,815
	508,576	**1,397,851**	**1,906,427**	260,057	1,896,532	2,156,589
Total borrowings	**1,711,805**	**1,506,601**	**3,218,406**	840,832	2,102,782	2,943,614

The transaction cost incurred on the issue of bonds and the amount recognised under borrowings are as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
At 1 January	**5,226**	7,325	**5,226**	7,325
Bond issue transaction costs incurred	**1,065**	1,125	**1,065**	1,125
Amortisation	**(2,823)**	(3,224)	**(2,823)**	(3,224)
At 31 December	**3,468**	5,226	**3,468**	5,226

	Maturity Date	**2023 Rs 000**	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Secured bank loans					
ABSA loan	Jun 2026	**93,750**	131,250	**93,750**	131,250
ABSA loan	Sep 2029	**100,000**	65,000	**–**	–
ABSA loan	Feb 2032	**300,000**	300,000	**–**	–
ABSA loan	Sep 2032	**75,000**	55,000	**–**	–
AfrAsia loan	Aug 2025	**105,000**	150,000	**105,000**	150,000
MCB short term loan	Jan 2024	**100,000**	–	**100,000**	–
ABSA short term Loan	Aug 2023	**–**	500,000	**–**	500,000
ABSA short term Loan	Feb 2024	**500,000**	–	**500,000**	–
AfrAsia short term Loan	Mar 2024	**500,000**	–	**500,000**	–
SBM loan	Jun 2025	**135,000**	150,000	**–**	–
Repayable within one year		**(1,276,250)**	(625,000)	**(1,190,000)**	(575,000)
Repayable by instalments in the second to tenth year		**632,500**	726,250	**108,750**	206,250

The Group's debts and other banking facilities are secured by fixed and floating charges on the Company's assets and Corporate guarantees given by the parent Company. All the loans have been contracted on fixed interest rates with the exception of one loan for a subsidiary. The interest rate for the fixed loan varies between **3.60%-5.75%** (2022: 4.00%-5.75%).

The Group also carries a secured bank loan from SBM Bank (Mauritius) Ltd which bears interest at the rate of 0.5% above PLR and is repayable in three instalments until full repayment on 30 June 2025. The interest rate on the floating loan varies between **7.40%-7.55%** (2022: 4.75%-7.15%).

The Company's debts and other banking facilities are secured by floating charges on the Company's assets. The interest rate of loans varies between **3.60%-5.40%** (2022: 2.85%-3.60%) and rate of interest applicable on bank overdraft varies between **6.70%-6.75%** (2022: 4.05%-6.90%) during the year ended 31 December 2023.

At 31 December 2023, the Mauritius Commercial Bank's Prime Lending rate was **6.75%** (2022: 6.75%), the ABSA Prime Lending rate was **7.45%** (2022: 7.45%) and SBM Prime Lending rate was **7.05%** (2022: 6.90%). The borrowings have been contracted on fixed interest rate.

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of **5.31%** (2022:4.00%) and are within level 2 of the fair value hierarchy.

20 BORROWINGS (Continued)

	Maturity Date	2023 Rs 000	2022 Rs 000	2023 Rs 000	2022 Rs 000
Secured bank loans					
MCB 5 years Bond	June 2024	**300,000**	300,000	**300,000**	300,000
MCB 7 years Bond	June 2026	**300,000**	300,000	**300,000**	300,000
SBM 5 years Bond	June 2024	**200,000**	200,000	**200,000**	200,000
SBM 7 years Bond	June 2026	**200,000**	200,000	**200,000**	200,000
MCB 3 years Bond	April 2023	**–**	250,000	**–**	250,000
MCB 5 years Bond	April 2025	**250,000**	250,000	**250,000**	250,000
MCB 8 years Bond	April 2028	**300,000**	300,000	**300,000**	300,000
MCB 10 years Bond	April 2030	**250,000**	250,000	**250,000**	250,000
ABC 5 years Bond	April 2025	**50,000**	50,000	**50,000**	50,000
ABC 10 years Bond	April 2030	**50,000**	50,000	**50,000**	50,000
		1,900,000	2,150,000	**1,900,000**	2,150,000

The bank bonds facilities are secured by floating charges on the Company's assets and have been contracted at fixed interest rate which range between **3.50%** and **5.15%**.

The carrying amounts of the Group and Company's borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	2023 Rs 000	2022 Rs 000
Mauritian rupee	**3,840,197**	3,519,025	**3,218,406**	2,943,614

21 DEFERRED TAX LIABILITIES

The movement in deferred tax is as follows:

		THE GROUP		THE COMPANY	
	Notes	2023 Rs 000	2022 Rs 000	2023 Rs 000	2022 Rs 000
At 1 January		**253,771**	263,882	**198,170**	210,671
Statement of profit or loss	9(b)	**59,039**	(13,773)	**77,856**	(14,127)
Charge relating to components of other comprehensive income	9(d)	**(1,281)**	3,661	**(678)**	1,626
At 31 December		**311,529**	253,770	**275,348**	198,170

The movement in deferred tax assets and liabilities is as follows:

	THE GROUP				THE COMPANY			
	At 1 January 2023 Rs 000	Credited to profit or loss Rs 000	Credited to Other Compre-hensive Income Rs 000	At 31 December 2023 Rs 000	At 1 January 2023 Rs 000	Credited to profit or loss Rs 000	Credited to Other Compre-hensive Income Rs 000	At 31 December 2023 Rs 000
Deferred tax assets								
Provision for loss allowance on trade receivables	(18,054)	6,227	–	(11,827)	(13,835)	5,782	–	(8,053)
Allowance for tax losses	(3,009)	(4,697)	–	(7,706)	–	–	–	–
Provision for post-employment benefit obligations	(3,132)	208	(1,590)	(4,514)	(3,426)	(45)	(987)	(4,458)
Lease liabilities	(13,377)	(1,280)	–	(14,657)	(13,474)	(1,071)	–	(14,545)
	(37,572)	458	(1,590)	(38,704)	(30,735)	4,666	(987)	(27,056)
Deferred tax liabilities								
Accelerated capital allowances	291,343	58,581	–	349,924	228,905	73,190	–	302,095
Revaluation of property, plant and equipment	–	–	309	309	–	–	309	309
	291,343	58,581	309	350,233	228,905	73,190	309	302,404
Net deferred tax liabilities	253,771	59,039	(1,281)	311,529	198,170	77,856	(678)	275,348

21 DEFERRED TAX LIABILITIES (Continued)

The movement in deferred tax assets and liabilities is as follows:

	THE GROUP				THE COMPANY			
	At 1 January 2022 Rs 000	Credited to profit or loss Rs 000	Credited to Other Compre-hensive Income Rs 000	At 31 December 2022 Rs 000	At 1 January 2022 Rs 000	Credited to profit or loss Rs 000	Credited to Other Compre-hensive Income Rs 000	At 31 December 2022 Rs 000
Deferred tax assets								
Provision for loss allowance on trade receivables	(25,152)	7,098	–	(18,054)	(16,369)	2,534	–	(13,835)
Allowance for tax losses	(1,292)	(1,717)	–	(3,009)	–	–	–	–
Provision for post-employment benefit obligations	(8,944)	2,150	3,661	(3,133)	(6,273)	1,221	1,626	(3,426)
Lease liabilities	(10,277)	(3,100)	–	(13,377)	(10,018)	(3,456)	–	(13,474)
	(45,665)	4,431	3,661	(37,573)	(32,660)	299	1,626	(30,735)
Deferred tax liabilities								
Accelerated capital allowances	270,866	20,477	–	291,343	204,650	24,255	–	228,905
Revaluation of property, plant and equipment	38,681	(38,681)	–	–	38,681	(38,681)	–	–
	309,547	(18,204)	–	291,343	243,331	(14,426)	–	228,905
Net deferred tax liabilities	263,882	(13,773)	3,661	253,770	210,671	(14,127)	1,626	198,170

22 POST-EMPLOYMENT BENEFITS OBLIGATIONS

The table below outlines where the Company's post-employment amounts and activity are included in the financial statements.

		THE GROUP		THE COMPANY	
	Notes	**2023 Rs 000**	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Statement of financial position					
Post-employment benefits obligation		**28,633**	20,153	**26,222**	20,153
Profit or loss charge included in operating profit					
Defined pension and gratuity benefit	7	**12,811**	16,022	**7,239**	8,917
Re-measurements for:					
Defined pension and gratuity benefit		**9,313**	(21,535)	**5,807**	(9,556)

The Company operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The amounts recognised in the statement of financial position are determined as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Present value of funded obligations	**164,940**	142,166	**102,589**	90,453
Fair value of plan assets	**(136,307)**	(123,741)	**(76,367)**	(70,300)
Deficit of funded plans	**28,633**	18,425	**26,222**	20,153
Net liability in the statement of financial position	**28,633**	18,425	**26,222**	20,153
Represented under:				
Post benefit employment assets	**–**	(1,728)	**–**	–
Post benefit employment liabilities	**28,633**	20,153	**26,222**	20,153
Net liability in the statement of financial position	**28,633**	18,425	**26,222**	20,153

The defined benefit obligations and plan assets are composed as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Present value of obligations	**164,940**	142,166	**102,589**	90,453
Fair value of plan assets	**(136,307)**	(123,741)	**(76,367)**	(70,300)
Total	**28,633**	18,425	**26,222**	20,153

22 POST-EMPLOYMENT BENEFITS OBLIGATIONS (Continued)

The movement in the net defined benefit obligation over the year is as follows:

	THE GROUP			THE COMPANY		
	Present value of obligation Rs 000	**Fair value of plan assets Rs 000**	**Total Rs 000**	**Present value of obligation Rs 000**	**Fair value of plan assets Rs 000**	**Total Rs 000**
At 1 January 2023	**142,166**	**(123,741)**	**18,425**	**90,453**	**(70,300)**	**20,153**
Current service cost	**11,968**	**–**	**11,968**	**7,522**	**–**	**7,522**
Interest expense/(income)	**9,286**	**(8,443)**	**843**	**5,887**	**(4,762)**	**1,125**
Past service cost and gains and losses on settlement	**–**	**–**	**–**	**(1,408)**	**–**	**(1,408)**
	21,254	**(8,443)**	**12,811**	**12,001**	**(4,762)**	**7,239**
Remeasurements						
- Return on plan asset, excluding amount included in interest income	**–**	**445**	**445**	**–**	**254**	**254**
- Loss from change in financial assumptions	**7,871**	**–**	**7,871**	**3,567**	**–**	**3,567**
- Experience loss	**995**	**–**	**995**	**1,986**	**–**	**1,986**
	8,866	**445**	**9,311**	**5,553**	**254**	**5,807**
Exchange differences						
Contributions:						
- Employers	**–**	**(11,914)**	**(11,914)**	**–**	**(6,977)**	**(6,977)**
Payment from plans:						
- Benefit payments	**(7,346)**	**7,346**	**–**	**(5,570)**	**5,570**	**–**
Transfer in	**–**	**–**	**–**	**152**	**(152)**	**–**
	(7,346)	**(4,568)**	**(11,914)**	**(5,418)**	**(1,559)**	**(6,977)**
At 31 December 2023	**164,940**	**(136,307)**	**28,633**	**102,589**	**(76,367)**	**26,222**

The movement in the net defined benefit obligation over the year is as follows:

	THE GROUP			THE COMPANY		
	Present value of obligation Rs 000	Fair value of plan assets Rs 000	Total Rs 000	Present value of obligation Rs 000	Fair value of plan assets Rs 000	Total Rs 000
At 1 January 2022	158,918	(106,309)	52,609	88,879	(51,980)	36,899
Current service cost	14,221	–	14,221	9,571	–	9,571
Interest expense/(income)	7,304	(5,503)	1,801	4,132	(2,833)	1,299
Past service cost and gains and losses on settlement	–	–	–	(1,953)	–	(1,953)
	21,525	(5,503)	16,022	11,750	(2,833)	8,917
Remeasurements						
- Return on plan asset, excluding amount included in interest income	–	12,891	12,891	–	6,691	6,691
- Loss from change in financial assumptions	(39,996)	–	(39,996)	(23,117)	–	(23,117)
- Experience loss	5,570	–	5,570	6,870	–	6,870
	(34,426)	12,891	(21,535)	(16,247)	6,691	(9,556)
Exchange differences						
Contributions:						
- Employers	–	(28,671)	(28,671)	–	(16,107)	(16,107)
Payment from plans:						
- Benefit payments	(3,851)	3,851	–	(2,060)	2,060	–
Transfer in	–	–	–	8,131	(8,131)	–
	(3,851)	(24,820)	(28,671)	6,071	(22,178)	(16,107)
At 31 December 2022	142,166	(123,741)	18,425	90,453	(70,300)	20,153

The Group and Company contribute to a defined benefit pension plan which is administered by Island Life Assurance Co Ltd. As at 31 December 2023, the Group has recognised a net liability of **Rs 10,332,000** (2022: a net assets of Rs 1,620,000) and the Company **Rs 10,872,000** (2022: Rs 1,014,000) for the plan.

The Company also participates in a defined contribution (DC) pension plan. Its contributions for DC employees are expensed to the income statement and amounted to **Rs 15,056,000** for the year ended 31 December 2023 (2022: Rs 14,496,000).

In addition, the Group has recognised in its statement of financial position as at 31 December 2023 a net defined benefit liability of **Rs 18,391,000** (2022: Rs 20,067,000) and the Company **Rs 15,440,000** (2022: Rs 19,139,000) in respect of any additional retirement gratuities that are expected to be paid out of the Company's cash flow to its employees under the WRA 2019.

Risk exposure

The Group and Company operates a final salary defined benefit pension plan for some of its employees. The plan exposes the Company to normal risks associated with defined benefit pension plans, such as investment, interest, longevity and salary risks.

Investment risk: The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk: The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

22 POST-EMPLOYMENT BENEFITS OBLIGATIONS (Continued)

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas a decrease below the assumed rate will decrease the liability.

The Company had a residual obligation imposed by WRA 2019 on top of its DC plan. It is also particularly exposed to investment under-performance of the DC plan. There has been no plan amendment, curtailment or settlement during the year, except for past service costs due to employee transfers to and from related entities within Currimjee Group and due to change in the retirement gratuity formula (from 15/22 to 15/26) for employees working 5-day weeks (assuming that the change in the retirement gratuity formula applies in respect of service as from 1 July 2023 only).

The significant actuarial assumptions for the Group and the Company were as follows:

	2023	2022
Discount rate	**5.5%**	6.7%
Inflation rate	**3.2%**	4.3%
Salary growth rate	**3.5%**	5.3%
Average retirement age	**63**	63

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 63.

	THE GROUP		**THE COMPANY**	
	2023	2022	**2023**	2022
Assume Island Life Assurance annuity rates:				
- Male at Average Retirement Age	**10.6**	9.7	**11**	9.7
- Female at Average Retirement Age	**12.1**	11.0	**12**	11.0

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

	Change in Assumption	**Impact of defined benefit obligation**			
		THE GROUP		**THE COMPANY**	
		2023	2022	**2023**	2022
	%	**Rs 000**	Rs 000	**Rs 000**	Rs 000
Increase in liability due to decrease in discount rate by	**1**	**42,649**	38,187	**26,410**	24,767
Decrease in liability due to increase in discount rate by	**1**	**30,246**	28,338	**18,060**	18,295

Future cash flows:

The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries and pay benefits out of the Company's cash flow as and when it is due.

	THE GROUP		**THE COMPANY**	
	2023	2022	**2023**	2022
	Rs 000	Rs 000	**Rs 000**	Rs 000
Expected employer contribution for next year	**12,631**	12,113	**7,478**	6,906
Weighted average duration of the defined benefit obligation:				
- Pension scheme	**19**	19	**15**	15
- Retirement gratuities / Residual retirement gratuities	**20**	21	**19**	20

The above sensitivity analysis has been carried out by recalculating the present value of obligation at the end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumption would have shown smaller variations in the benefit obligation.

Plan assets are comprised as follows:

	THE GROUP					
	2023			2022		
	Quoted Rs 000	**Unquoted Rs 000**	**Total Rs 000**	Quoted Rs 000	Unquoted Rs 000	Total Rs 000
Local equities	**38,107**	**1,361**	**39,468**	33,375	1,236	34,611
Loan	**20,415**	**20,415**	**40,830**	10,089	18,542	28,631
Overseas bonds and equities	**35,385**	**–**	**35,385**	17,306	–	17,306
Others	**20,415**	**–**	**20,415**	43,065	–	43,065
	114,322	**21,776**	**136,098**	103,835	19,778	123,613

	THE COMPANY					
	2023			2022		
	Quoted Rs 000	**Unquoted Rs 000**	**Total Rs 000**	Quoted Rs 000	Unquoted Rs 000	Total Rs 000
Local equities	**21,335**	**762**	**22,097**	18,948	702	19,650
Loan	**11,429**	**11,430**	**22,859**	4,211	10,527	14,738
Overseas bonds and equities	**19,811**	**–**	**19,811**	9,825	–	9,825
Others	**11,430**	**–**	**11,430**	25,966	–	25,966
	64,005	**12,192**	**76,197**	58,950	11,229	70,179

The above fair value of plan assets for both Group and Company includes only for the defined benefit plan and exclude fair value of plan assets for retirement and residual gratuities amounting to **Rs 209,000** for Group (2022: Rs 128,000) and **Rs 170,000** for Company (2022: Rs 121,000).

23 ASSET RETIREMENT OBLIGATIONS

The provision is in respect of the dismantling and removal of equipment from leased cell sites at the end of lease periods agreed.

		THE GROUP & COMPANY	
	Notes	**2023 Rs 000**	2022 Rs 000
At 1 January		**64,492**	69,237
Additional provision during the year		**932**	890
Unwinding of asset retirement obligation	8	**1,924**	1,207
Change in assumptions		**7,049**	(6,492)
Disposal adjustments		**–**	(350)
At 31 December		**74,397**	64,492

The significant assumption used were as follows:

	THE GROUP & COMPANY	
	2023	2022
Inflation rate	**3.78%**	4.72%
Bond Rate:		
5 years	**3.78%**	4.56%
10 years	**4.28%**	5.85%
15 years	**4.78%**	6.35%
20 years	**5.28%**	6.85%

Based on the simulations conducted as of 31 December, adjusting the assumptions applied in the computation of asset retirement obligation by 1% is not anticipated to result in any significant impact.

24 TRADE AND OTHER PAYABLES

		THE GROUP		THE COMPANY	
	Notes	**2023 Rs 000**	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Trade payables		**425,894**	432,904	**415,266**	421,297
Accruals		**590,688**	382,121	**547,322**	355,346
VAT payables		**42,939**	6,799	**33,329**	–
Payables to related parties	28 (vii)	**137,589**	178,687	**31,305**	32,540
Payable to Parent	28 (vii)	**24,913**	15,323	**–**	–
Amount due to Metiss Consortium	18	**129,170**	59,484	**129,170**	59,484
Other payables		**206,203**	16,527	**199,395**	8,174
Deposit roaming and others		**41,248**	40,883	**38,913**	38,586
		1,598,644	1,132,728	**1,394,700**	915,427

25 CONTRACT LIABILITIES

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
At 1 January	**205,953**	213,754	**124,186**	125,134
Additions	**4,277,217**	4,060,992	**3,231,868**	2,904,084
Released	**(4,277,160)**	(4,068,793)	**(3,229,520)**	(2,905,032)
Other Adjustment	**(4,869)**	–	**(4,869)**	–
Net movement on services	**(4,812)**	(7,801)	**(2,521)**	–
At 31 December	**201,141**	205,953	**121,665**	124,186

The Group and Company have contract liabilities relating mainly to airtime sold to distributors for which revenue will be recognised once it is purchased and subscription fees received in advance from customers.

26 DIVIDENDS PAID

A total dividend of **Rs 35.97** (2022: Rs 35.03) per ordinary share aggregating to **Rs 546,060,000** (2022: Rs 531,805,000) was declared in the year ended 31 December 2023 as follows:

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
At 1 January	**–**	37,059	**–**	–
Dividend proposed	**546,060**	531,805	**546,060**	531,805
Dividend paid	**(546,060)**	(568,864)	**(546,060)**	(531,805)
At 31 December	**–**	–	**–**	–

27 NET DEBT RECONCILIATION

This section sets out an analysis of the net debt and the movements in net debt for each of the periods presented.

	THE GROUP		THE COMPANY	
	2023 Rs 000	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Cash and cash equivalents	**281,202**	772,290	**170,433**	611,829
Interest on bonds - repayable within one year	**(9,895)**	(11,815)	**(9,895)**	(11,815)
Bonds - repayable within one year	**(500,000)**	(250,000)	**(500,000)**	(250,000)
Bonds - repayable after more than one year	**(1,400,000)**	(1,900,000)	**(1,400,000)**	(1,900,000)
Interest on borrowings - repayable within one year	**(19,807)**	(5,775)	**(13,229)**	(5,775)
Borrowings - repayable within one year (including overdraft)	**(1,281,463)**	(630,413)	**(1,190,000)**	(575,000)
Borrowings - repayable after one year	**(632,500)**	(726,250)	**(108,750)**	(206,250)
Net debt	**(3,562,463)**	(2,751,963)	**(3,051,441)**	(2,337,011)
Cash and cash equivalents	**281,202**	772,290	**170,433**	611,829
Gross debt - fixed interest rates	**(3,603,452)**	(3,374,253)	**(3,121,874)**	(2,948,840)
Gross debt - variable interest rates	**(240,213)**	(150,000)	**(100,000)**	–
Net debt	**(3,562,463)**	(2,751,963)	**(3,051,441)**	(2,337,011)

28 RELATED PARTY TRANSACTIONS

As at 31 December 2023, the Company's issued share capital is owned by Currimjee Jeewanjee and Company Limited Group ("Currimjee Group") at 75% - 1 share and Indian Continent Investment Ltd at 25% + 1 share (2022: Currimjee Jeewanjee and Company Limited Group ("Currimjee Group") at 75% - 1 share and Indian Continent Investment Ltd at 25% + 1 share).

The following transactions were carried out with related parties:-

		Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
(i)	**Sales of services**					
	Immediate parent		**31,405**	35,969	**11,599**	11,371
	Fellow subsidiaries		**19,837**	2,029	**100,522**	97,133
	Other related parties		**9,316**	8,414	**9,316**	8,414
			60,558	46,412	**121,437**	116,918
(ii)	**Income from Management fee**					
	Subsidiaries	4	**-**	-	**10,000**	10,000
(iii)	**Income from sublease**					
	Subsidiary		**-**	-	**2,322**	3,114

The Company subleases part of its office space in certain showroom to its subsidiary and the income derived is reported under income from sublease.

		Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
(iv)	**Interest income**					
	Immediate parent		**-**	-	**173**	1,640
(v)	**Purchases of goods and services**					
	Purchases of goods included in cost of operations and administrative expenses:					
	Other related parties		**13,907**	9,128	**13,907**	9,128
	Purchases of services included in cost of operations and administrative expenses:					
	Immediate parent		**13,934**	15,391	**2,480**	2,489
	Fellow subsidiaries		**39,384**	53,442	**30,529**	43,238
	Other related parties		**757,270**	727,585	**21,491**	31,532
			810,588	796,418	**54,500**	77,259
	Shareholders	6	**82,202**	77,768	**82,202**	77,768
	Payment for rentals:					
	Parent		**3,260**	2,567	**3,260**	2,567
	Fellow subsidiaries		**37,151**	5,422	**37,151**	5,422
	Other related parties		**1,514**	1,347	**1,514**	1,347
			41,925	9,336	**41,925**	9,336

Key management includes directors and the Chief Executive Officer. The compensation paid to key management for employee services is shown below:

		Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
(vi)	**Key management compensation**					
	Salaries and other short term benefits		**27,508**	24,336	**16,885**	14,454
	Post-employment benefits		**2,347**	2,397	**2,076**	1,854
			29,855	26,733	**18,961**	16,308
(vii)	**Year-end balances arising from sales/ purchases of goods and services**					
	Receivables from related parties:					
	Immediate parent		**1,921**	7,552	**1,191**	829
	Fellow subsidiaries		**5,521**	3,556	**37,244**	55,056
	Other related parties		**2,616**	2,576	**1,345**	2,327
	Total	16	**10,058**	13,684	**39,780**	58,212
	Payables to related parties:					
	Immediate parent		**24,913**	15,323	**23,750**	20,791
	Fellow subsidiaries		**-**	10,026	**7,214**	10,202
	Other related parties		**137,589**	168,661	**341**	1,547
	Total	24	**162,502**	194,010	**31,305**	32,540

The amounts due to/from related parties are unsecured, interest free and repayable on demand. These amounts are not subject to any guarantee.

		Notes	THE GROUP 2023 Rs 000	THE GROUP 2022 Rs 000	THE COMPANY 2023 Rs 000	THE COMPANY 2022 Rs 000
(viii)	**Year-end balances for advances**					
	Advances to related parties:					
	Subsidiary	16	-	-	**-**	3,000

The advance has been issued to the subsidiary at the prevailing market rate and refundable within one year or on demand.

29 CASH GENERATED FROM OPERATIONS

		THE GROUP		THE COMPANY	
	Notes	**2023 Rs 000**	2022 Rs 000	**2023 Rs 000**	2022 Rs 000
Profit before income tax		**453,156**	625,674	**622,723**	593,315
Adjustments for:					
Depreciation	10	**758,957**	682,930	**592,907**	525,054
Depreciation of Right-of-use assets	11	**171,175**	154,363	**160,970**	142,905
Impairment loss on subsidiary	13	**–**	–	**–**	82,125
Amortisation	12	**49,799**	51,205	**44,962**	47,138
Profit on disposal of property, plant and equipment	5	**(133,491)**	(113,255)	**(131,205)**	(102,909)
Loss on written off of property, plant and equipment and intangible assets		**28,245**	6,495	**28,224**	–
Property, Plant and Equipment write back		**(1,439)**	–	**–**	–
Inventory write back		**(17)**	–	**–**	–
Derecognition of lease liabilities		**(1,653)**	982	**(1,150)**	935
Increase in provision for loss allowance on trade receivables	16	**12,049**	8,161	**4,296**	1,636
Unwinding of asset retirement obligation	23	**1,924**	1,207	**1,924**	1,207
Interest income	8	**(4,251)**	(2,105)	**(4,321)**	(2,014)
Interest expense	8	**157,511**	127,563	**133,755**	117,080
Interest and finance charges for lease liabilities	8	**58,670**	42,977	**57,328**	41,226
Amortisation of bond issue transaction costs	8	**2,823**	3,224	**2,823**	3,224
Foreign exchange losses		**21,145**	16,518	**9,931**	2,132
Increase in provision for post-employment benefits expense		**12,809**	16,043	**7,239**	8,917
		1,587,412	1,621,982	**1,530,406**	1,461,971
Decrease / (Increase) in inventories		**26,905**	(30,691)	**20,544**	(26,940)
Decrease / (Increase) in trade and other receivables		**4,420**	(65,724)	**3,315**	185,675
Increase in trade and other payables		**266,577**	146,189	**283,888**	60,902
(Decrease) / Increase in contract liabilities		**(4,810)**	(7,801)	**(2,521)**	(948)
Increase in provisions		**2,848**	3,020	**2,848**	3,020
Cash generated from operations		**1,883,352**	1,666,975	**1,838,480**	1,683,680

30 COMMON CONTROL

In February 2020, the Company has acquired 90% shareholding of EMVision Ltd for a purchase consideration of Rs 1.15 billion from its immediate parent company, Currimjee Jeewanjee and Company Limited. The acquisition represents a business combination under common control as EMVision Ltd was ultimately controlled by Currimjee Jeewanjee and Company Limited both before and after the acquisition, and that control is not transitory.

The consolidated financial statements of EMVision Ltd are included in the Group's consolidated financial statements as if the combination had occurred from the date when the ultimate controlling shareholder first obtained control. Therefore, the opening balances and the comparative figures of the consolidated financial statements are restated.

The following is a reconciliation of the effect arising from the acquisition of EMVision Ltd in February 2020 which is accounted for under common control combination on the Group financial statements.

	THE GROUP Rs 000
Assets	
Property, plant and equipment	475,813
Right-of-use assets	21,118
Intangible assets	1,987
Inventories	16,500
Trade and other receivables	35,909
Cash and cash equivalents	177,315
	728,642
Liabilities	
Deferred tax liabilities	40,760
Post-employment benefits obligations	8,158
Borrowings	79,656
Lease liabilities	19,963
Trade and other payables	223,851
Contract liabilities	93,520
Current income tax liabilities	12,272
	478,180
Fair value of net assets acquired	**250,462**
Consideration paid in cash	1,150,000
Non controlling interest	131,230
	1,281,230
Common control reserves	**1,030,768**

31 CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred amounted to approximately for the Group **Rs 291,000,000** (2022: Rs 164,000,000) and the Company **Rs 291,000,000** (2022: Rs 109,000,000).

32 IMMEDIATE AND ULTIMATE PARENTS

The directors consider Currimjee Jeewanjee and Company Limited as the Company's immediate parent and Currimjee Limited as the Company's ultimate parent. These companies are incorporated in Mauritius. The registered address of the Company's ultimate parent, Currimjee Limited, is at 38, Royal Street, Port Louis.

33 GUARANTEES

Bank guarantees

There were contingent liabilities in respect of the Company's bank guarantees amounting to **Rs 51,276,100** (2022: Rs 54,004,900) in the ordinary course of business from which it is anticipated that no material liability will arise. As at 31 December 2023, there were no bank guarantees issued by the subsidiaries.

34 CONTINGENT ASSETS AND LIABILITIES

Emtel v/s ICTA, Mauritius Telecom (MT), Cellplus Mobile Communications and Ministry of Telecommunications

In June 2000, Emtel entered a claim for damages in excess of Rs 1 billion (plus interest and costs) against four parties: (1) the Mauritius Telecommunications Authority (now the ICTA, the Regulator); (2) the Ministry of Telecommunications (the Ministry); (3) Mauritius Telecom; and (4) Cellplus. Emtel's claim for damages arose by reason of the anti-competitive behaviour of Mauritius Telecom and Cellplus and the tolerance of that anti-competitive behaviour by the Regulator. In August 2017, after a six-week trial, the Supreme Court of Mauritius awarded Rs 554 million in damages to Emtel together with interest at the legal rate from June 2016 and costs. The Ministry was held not liable to Emtel. The Regulator, Mauritius Telecom and Cellplus (collectively the Three Respondents) appealed the judgment of the Supreme Court. In November 2021, after lengthy appellate hearings, the Court of Civil Appeal allowed the Three Respondents' appeals on points of liability and reversed the 2017 judgment of the Supreme Court. In December 2022, Emtel was granted permission to appeal the 2021 judgment of the Court of Civil Appeal to the Judicial Committee of the Privy Council. The Privy Council hearings took place on 16 and 17 January 2024. On 22 April 2024, the Privy Council delivered a judgment in favour of Emtel, allowing its appeals against the Three Respondents. The Privy Council held that the Regulator, Mauritius Telecom and Cellplus are liable to Emtel. However, in January 2023, the Three Respondents had requested that in the event that Emtel was successful before the Privy Council, grounds of appeal not considered by the Court of Civil Appeal be remitted to the Court of Civil Appeal. In April 2023, the Privy Council acceded to the remittal request of the Operators and the Regulator. Unless Emtel's claim is settled earlier, the untreated 2021 grounds of appeal of the Regulator, Mauritius Telecom and Cellplus will be remitted back to the Court of Civil Appeal for consideration.

Emtel v/s Data Communications Ltd (DCL)

Emtel has sued DCL for unpaid services supplied by Emtel. In the course of the case, DCL has counter claimed the sum of Euros 1.5 million from Emtel for allegedly failing to supply an uninterrupted data service in respect of an International Private Line leased from Emtel. The case is not yet in shape for trial as DCL was subject to both an insolvency process and a receivership. In February 2021, the Court was informed that DCL is no more in receivership. An extension of time was requested to obtain the permission of the Court to proceed against DCL which is in liquidation. The matter is therefore still at pleadings stage. At this point, the Board of Directors does not believe that Emtel will be required by the Court to settle the amount claimed by DCL.

35 EVENTS AFTER THE REPORING PERIOD

The following events after reporting period are as follows:

(a) The Company had a disagreement with the Mauritius Revenue Authority (MRA) as regards whether the concessionary tax rate of 15% continued to apply to the Company in the years 2005 and 2006 (instead of 25% and 22.5% respectively as was then applicable), the Company paid the total amount claimed by the MRA of Rs 80.4 million (tax assessment of Rs 47.8 million plus penalties and interest of Rs 32.6 million). After objecting to the MRA's assessments, the Company then lodged representations before the ARC. In November 2013, the ARC dismissed Emtel's representations. The Company appealed to the Supreme Court against the ARC's determination. On 20th January 2023, the Supreme Court delivered a judgement dismissing Emtel's application for judicial review. On 7th and 8th February 2023, the Company lodged an application for permission to appeal that judgement to the Judicial Committee of the Privy Council. The Case was fixed by the Court for MERITS to the 6th November 2023, however, the Case has been postponed for 27 May 2024.

(b) In April 2024, EMVision Ltd signed a share purchase agreement for the sale of some of its shares in MC Vision Ltd, which would have the effect of reducing its shareholding in MC Vision Ltd to 25%. The completion of the transaction, including the transfer of shares, is subject to the fulfilment of certain condition precedents, and shall occur by end of December 2024.

(c) On 23 April 2024, the Board has approved a resolution to split the existing number of authorised ordinary shares from 20,000,000 to 600,000,000 and the issued ordinary shares from 15,180,000 to 455,400,000 respectively.

Besides those events mentioned above, there are no other material events after the reporting period which should require disclosure or adjustments to the financial statements for the year ended 31 December 2023.

36 REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The Group registered office is 38, Royal Street, Port Louis and its principal place of business is EmtelWorld, 10, Ebène CyberCity, Ebène.

37 INCORPORATION

The Company is incorporated as a private company with limited liability and is domiciled in the Republic of Mauritius.

SUPPLEMENTARY INFORMATION

Abbreviations

2G	Second generation
3G	Third generation
4G/4G+	Fourth-generation
5G	Fifth-generation
AI	Artificial Intelligence
Anti-Ddos	Anti-Distributed Denial of Service
ARC	Audit and Risk Committee
ASN	Autonomous System Number
B2B	Business to Business
B2C	Busines to Consumer
BCM	Business Continuity Management
BI	Business Intelligence
Bn	Billion
BSS	Business Support System
BYOD	Bring your own device
Capex	Capital Expenditure
CEM	Customer Experience Management
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CRM	Customer Relationship Management
CSAT	Customer Satisfaction score
CSR	Corporate social responsibility
DDoS	Distributed Denial of Service
DIY	Do it Yourself
DNA	Deoxyribonucleic acid
DPA	Data Protection Act
DR	Disaster Recovery
EASSY	Eastern Africa Submarine Cable System
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation
ED	Executive Director
e-KYC	Electronic Know Your Customer
EMBB	Enhanced Mobile Broadband
EPS	Earnings Per Share
ERM	Enterprise Risk Management
ESG	Environment, Social and Governance
Forex/FX	Foreign Exchange
FY	Financial Year
Gbps	Gigabits Per Second
GDPR	General Data Protection Regulation
GHG	Green house Gas
GNR	Governance, Nomination and Remuneration
GTM	Go To Market
ICT	Information Communications Technology
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ILD	International Long Distance
IMF	International Monetary Fund
iOS	Iphone Operating system
IoT	Internet of Things
IP	Internet Protocol
IPTV	Internet Protocol Television
IS	Information Security
ISMS	Information Security Management System
ISO	International Organisation for Standardisation
IT	Information Technology
kg	kilogram
km	kilometer
KSI	Key Strategic Initiatives
KYC	Know Your Customer
LAN	Local Area Network
LEO	Low Earth Orbit
LION	Lower Indian Ocean Network
MARS	Mauritius and Rodrigues Submarine
METISS	Meltingpot Indianoceanic Submarine System
MFS	Mobile Financial Services
Mhz	Megahertz
Mn	Million
MSB	Mauritius Standard Bureau
MW	Megawatt
NED	Non Executive Director
NGO	Non Governmental Organisation
NPO	Non Profit Organisation
OCR	Optical Character Reader
OTT	Over-The-Top
PABX	Private Automatic Branch Exchange
PB	Petabyte
PEACE	Pakistan and East Africa Connecting Europe
PEFC	Programe for the Endorsement of Forest Certification
PoP	Point of Presence
POS	Point Of Sales
PSP	Payment Service provider
QR Code	Quick-Response Code
R&D	Research &Development
ROCE	Return on Capital Employed
SAFE	South Africa Far East
SASE	Secure Access Service Edge
SD WAN	Software-defined Wide Area Network
SIM	Subscriber Identity Module
SME	Small and Medium Enterprises
SMS	Short Message Service
SOHO	Small Office/Home Office
TB	Terabyte
Tbps	Terabits per second
TIA	Telecommunications Industry Association
UN SDG	United nations Sustainable Development Goals
UPI	Unified Payments Interfaced
VAS	Value-Added Services
WAF	Web application Firewall
WAR	Work Area Recovery
WiFi	Wireless Fidelity