



ANNUAL FINANCIAL REPORT

**& CONSOLIDATED FINANCIAL
STATEMENTS**

31 DECEMBER

2024

**DRIVING A DIGITAL MALTA
WHERE NO ONE IS LEFT BEHIND**

GO p.l.c.
Annual Financial Report and Consolidated
Financial Statements
31 December 2024

Company Registration Number: C 22334

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Chairman's address

Half a century ago, we started as a government-owned telecommunications provider, and today, we stand as a dynamic, future-driven company shaping Malta's digital and sustainable transformation. This is not just a celebration of our legacy but a reaffirmation of our vision: to connect communities, drive innovation, and create lasting value for our shareholders, customers, and employees.

From the very beginning, GO has embraced change, continuously evolving to meet the needs of an increasingly digital world. We have redefined the industry, moving beyond traditional telecoms to become a leader in digital infrastructure, cloud services, cybersecurity, and green energy solutions. The completion of our nationwide True Fibre network five years ahead of schedule is not just an achievement—it is a testament to our unwavering commitment to connectivity and progress. Similarly, our AI-powered 5G network and the launch of our third submarine cable are strengthening Malta's position as a digital hub.

Beyond connectivity, we are making bold strides in sustainability. The acquisition of AQS and the launch of GO ENERGI mark a new era in our environmental responsibility, empowering customers to adopt renewable energy solutions while driving our own transition to a net-zero future. The relocation to a new, net-zero headquarters in Żejtun, the shift to an electric fleet, and GO's hybrid work policies further reinforce its pledge to sustainable growth.

GO's strong performance in 2024 is a reflection of its disciplined strategy and the trust of its stakeholders. It achieved record consolidated revenue of €244.9 million, a 3.8% increase over the previous year, and delivered a consolidated profit of €15.7 million. This continued success allows GO to balance strategic investments with substantial shareholder returns, with total dividends for 2024 amounting to €0.28 per share. Over the past six years, GO has returned over €154 million in dividends, underscoring its commitment to delivering long-term value.

The Group subsidiaries continue to be key pillars of GO's success. Cablenet's mobile growth, expanded fibre reach, and increased profitability reinforce its position as Cyprus's fastest-growing operator. Meanwhile, BMIT Technologies delivered a record-breaking year, achieving double-digit growth in revenue and EBITDA, while cementing its leadership in digital infrastructure and cybersecurity. These achievements highlight the strength of GO's diversified portfolio and the synergies it continues to build across the Group, especially with the acquisition of Klikk and the launch of GO IP Holdings Ltd.

As we reflect on GO's 50-year journey, we collectively recognize that its greatest strength lies in its people. The resilience, dedication, and innovation of its employees are the driving force behind GO's success.

The next chapter of GO's story will be defined by continued innovation, sustainability, and an unwavering commitment to customers. As we step into the future, we do so with confidence, knowing that our strong foundation and bold vision will continue to push boundaries and create new opportunities.

I extend my heartfelt gratitude to my fellow Board Members, our Group CEO, Nikhil Patil, whose leadership and vision have been instrumental in our growth, and to every member of the GO team. Your passion and dedication are what make this company extraordinary.

Together, we will continue to shape the future—going beyond telecoms, beyond expectations, and beyond limits.

Signed by Lassâad Ben Dhiab, Chairman on 16 April 2025

Chief Executive Officer's review

Fellow Shareholders,

As we stand on the brink of a monumental milestone, 2024 marks not just a significant chapter in our journey but a testament to GO p.l.c.'s extraordinary evolution as we enter our 50th year of operations. From our beginnings as a government-owned telecommunications entity to a dynamic, internationally active powerhouse, we have continually redefined what is possible. This message is not just a celebration of our legacy, but a fervent pledge to an even more ambitious future.

A Golden Anniversary: Going Beyond Telecoms

The past 50 years have been nothing short of transformative. GO has evolved from a traditional voice company, to a leader in Malta's digital landscape, driving technological progress and contributing to the nation's economic prosperity. We have gone beyond telecoms, successfully diversifying into green energy and digital hardware, underscoring our relentless commitment to innovation, sustainability, and empowering the communities we serve.

Championing Connectivity and Innovation

Our commitment to driving a digital Malta where no one is left behind is stronger than ever. In 2018, we were rolling out True Fibre to approximately 23,000 homes annually. By 2024, thanks to enhanced speed, efficiency, and cost reductions, we were passing over 50,000 homes per year with Malta's only True Fibre network. Today, almost every home and office on the Maltese islands enjoy True Fibre connectivity. Our €100 million Fibre-to-the-Home project is on the verge of completion—five years ahead of schedule. This is more than infrastructure; it is about ensuring no one is left behind in our shared digital ambitions, as well as a testament to our green agenda.

Beyond True fibre, we continue to shape Malta's technological future. Our nationwide, energy smart, AI powered 5G network, robust cloud and cybersecurity solutions, and our third submarine cable reinforce our position at the forefront of connectivity and innovation.

Heralding a Sustainable Future

2024 marked a new era in GO's story. Our investment in the green energy sector, including the acquisition of AQS, cemented our commitment to sustainability. Through our GO ENERGI initiative, we empower customers to embrace renewable energy, offering them zero upfront costs and immediate economic benefits, while making a tangible impact on climate change.

Our move to our new, net-zero headquarters in Żejtun further reinforces our environmental commitment. More than just a workspace, this building stands as a beacon of sustainability and innovation. We are also transitioning to a fully electric fleet with close to 50% of our passenger fleet now fully electric, complementing our hybrid working policy, reducing our carbon footprint, and providing our people with greater flexibility and balance.

Our Enduring Commitment to Our Communities

We do more than connect people digitally; we embed ourselves in the heart of the communities we serve. Through TOKIS TV, we celebrate Maltese culture, capturing local stories and talent, ensuring that our channels reflect the spirit of our people. Today our 24x7 channel TOKIS registers over 200,000 views daily and offers over 10,000 hours of engaging Maltese content, of which over 500 hours are original GO productions.

Chief Executive Officer's review - continued

But technology is only as powerful as the experience it delivers. That is why we remain obsessed with customer experience—making every interaction seamless, every service intuitive, and every engagement meaningful. Today, more than 60% of our customers are served digitally. We are serving double the number of customers, with a reduced workforce, whilst keeping NPS and CSAT Scores at record highs.

In 2024, we successfully reclaimed our leadership position in the broadband market, surpassing the milestone of 112,500 customers and securing an impressive 46.8% market share, as confirmed by the Malta Communications Authority's data for the third quarter of 2024. Concurrently, our mobile segment also demonstrated robust growth, gaining an additional 10,000 customers and further consolidating our strong second-place standing with a market share of 34.8%, underscoring our continued strength and competitive momentum in the telecommunications sector.

On the business front, despite increasing competitive pressures, we continue to be the partner of choice for the business community offering a range of bespoke digital solutions, retaining a healthy revenue for GO.

A Strong Financial Performance

Living our purpose and values, and maintaining a stable cost base despite high inflation, has enabled us to deliver exceptional financial performance and shareholder returns.

In 2024, we achieved another record consolidated revenue of €244.9 million, representing a 3.8% increase over 2023. Our continued focus on disciplined cost management allowed us to deliver a consolidated profit for the year of €15.7 million, further building upon the strong financial performance achieved in the previous years.

We continue to balance shareholder returns with strategic investments. The Board is recommending a final dividend of €0.08 per share, bringing total dividend distributions for financial year 2024 to €0.28 per share. With this dividend, total distributions over the past six years now exceed €154 million, underscoring our consistent growth in revenues, increasing profitability, and reinvestment in the business.

Our Subsidiaries

Cablenet

Despite global volatility and technological shifts, Cablenet sustained its growth trajectory. It grew its mobile subscriber base by approximately 10%, whilst mobile service revenue increased by approximately 19% to reach €20 million. Its network coverage expanded to 230,000 homes, with its fibre roll-out now reaching 80%. Telecom services revenue grew by €2.6 million, whilst operating profit doubled to €3.6 million, reflecting improved cost efficiencies.

Looking ahead, Cablenet remains focused on expanding its mobile business, growing its fibre network, and enhancing profitability, whilst navigating market challenges.

Chief Executive Officer's review - continued

BMIT Technologies

2024 was a record-breaking year for BMIT Technologies. Revenue achieved amounts to €33.6 million, representing a 17.2% year-on-year growth, whilst EBITDA rose to €12.7 million. BMIT Technologies continued to strengthen its position as a leader in digital infrastructure, cloud services, and cybersecurity. It shall continue to drive innovation, expand cybersecurity, invest in AI-driven automation, and explore international growth to create long-term value for clients and shareholders.

Strategic Investments: Powering Growth and Innovation

In 2024, we took bold strides in expanding the GO Group, making two game-changing acquisitions that reinforce our vision of shaping a smarter, more sustainable future.

Our acquisition of alternative energy supplier AQS Group is a clear testament to our unwavering commitment to sustainability. This move cements our position as a key player in the energy sector, actively contributing to Malta's green transition while empowering customers with cleaner, more efficient energy solutions.

Equally transformative is our entry into the technology retail space with the acquisition of Klikk Finance p.l.c. As digital lifestyles evolve, so do our customers' needs, and this strategic move enhances our ability to provide cutting-edge digital hardware and seamless financial solutions, further strengthening our ecosystem of services.

2024 also marked a significant milestone for GO Ventures Ltd, with the first partial exit from its portfolio delivering an exceptional return. This success not only validates our investment strategy but sets the fund on a clear trajectory to generate substantial value—unlocking new opportunities for growth and innovation.

An Ode to Our People and Our Mission

Our achievements are a reflection of our talented and dedicated workforce. We remain committed to making GO a great place to work, fostering a culture of growth, inclusion, and innovation.

With over €154 million returned in dividends over the past six years, we continue to embody financial strength and a steadfast commitment to value creation. As we step into the next chapter, we do so with confidence, passion, and an unwavering vision to push boundaries and GO beyond telecoms.

Thank you for your trust and for being part of this extraordinary journey. May the next 50 years continue to connect people and business in Malta and beyond.

Signed by Nikhil Patil, Chief Executive Officer on 16 April 2025

Directors' report

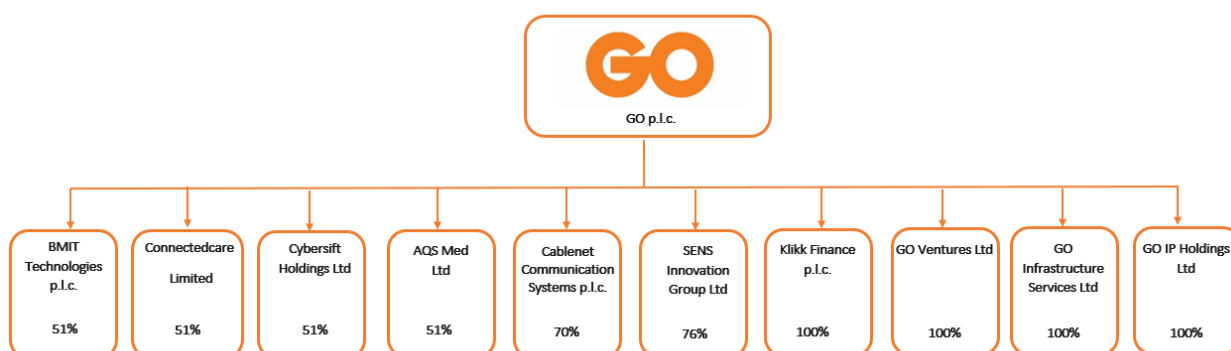
The Directors are pleased to present their report together with the financial statements of the Company for the year ended on 31 December 2024.

Principal activities

GO p.l.c. ('GO') is a publicly listed company on the Malta Stock Exchange and parent company of the GO Group ('Group'). The Group has a controlling interest in BMIT Technologies p.l.c., Cablenet Communications Systems p.l.c., Connectedcare Limited, Sens Innovation Group Limited, Cybersift Holdings Limited, AQS Med Limited, Klikk Finance p.l.c. and GO IP Holdings Ltd.

GO is a leading integrated telecommunication services company and the first quad play provider in Malta, offering mobile, fixed line, high-speed broadband, and TV services to more than 500,000 customers. GO also provides unrivalled services to the Maltese business community, including cloud services, roaming services, data networking solutions, business IP services, and managed services.

Our Organisation



GO p.l.c.

GO is the parent company of the GO Group and a provider of integrated telecommunications services. It was the first operator in Malta to offer a quad-play package—mobile, fixed line, high-speed broadband, and TV—serving over 500,000 customers. GO also delivers a wide range of advanced solutions to the Maltese business sector, including cloud computing, roaming, data networking, business IP, and managed services.

GO's growth and success were built on a focused strategy aimed at delivering a world-class service in terms of infrastructure and customer experience. Through substantial investment in fibre-powered infrastructure and international connectivity, an extensive network of retail outlets across the Maltese Islands, and dedicated customer call centre and B2B support, GO cemented its position as a provider of world-class communications services.

GO's pioneering role in Malta's communications industry is based on a tradition which dates back to 1975 when Telemalta Corporation, the country's first national telecommunications entity, was established. This tradition was strengthened in 1997, when the then renamed Company, Maltacom, was privatised and its shares floated on the Malta Stock Exchange. Foreign investment in the Company followed in 2006, with Emirates International Telecommunications (Malta) Limited taking over from the government, subsequently taken over by TTML Limited, a wholly owned subsidiary of Tunisie Telecom, in 2016. TTML Limited currently holds a 65% shareholding in the Company with the remaining shares held by the general public.

Directors' report - continued

BMIT Technologies p.l.c.

BMIT Technologies p.l.c. ('BMITT') offers a range of data centre and hosting services, public, private and hybrid cloud services and managed I.T. services. These services can be offered at customer premises, hosted at BMITT's data centres, or integrated with services offered by other services providers, thereby scaling the solutions from the desktop to the data centre and into the cloud.

Connectedcare Limited

Connectedcare Limited ('Connectedcare') offers electronic and mobile care solutions in order to enhance one's lifestyle through independent living. Their services range from 'safe at home' devices to mobile remote monitoring, as well as solutions for Residential Care Homes and Domiciliary Care.

Cybersift Holdings Limited

Cybersift Holdings Limited ('Cybersift') is the parent company of Cybersift Limited. The latter provides cyber-security services to business clients. Its objective is to enhance cyber security by employing machine learning to equip organisations with advanced, self-learning tools for threat detection. It also facilitates the automation of alert investigation, reducing time and increasing cost efficiency for the client. Cybersift's current customer base is distributed across Malta, Italy and the US.

AQS Med Limited

AQS Med Limited ('AQS') is a Malta based engineering company specialising in renewable energy solutions for residential and commercial properties. Through its subsidiaries, AQS Solar Capital Limited and Malta Solar Parks Limited, it finances large commercial PV projects. It also has stakes in three solar farms installed across the Maltese Islands.

Cablenet Communication Systems p.l.c.

Cablenet Communication Systems p.l.c. ('Cablenet') is a leading provider of telecommunications services in Cyprus, offering high-speed internet, fixed and mobile telephony, as well as TV services that are rich in sports and entertainment content. Cablenet's flagship 'Purple Max' products are designed to offer domestic customers with exceptional value by providing unlimited mobile data allowances and reliable high-speed fixed internet and at affordable prices. Cablenet also offers a host of bespoke business connectivity services to SMEs as well as large business customers. The Company operates stores in Nicosia, Limassol, Larnaca, and Paphos.

SENS Innovation Group Limited

SENS Innovation Group Limited ('SENS') is an energy management company that leverages proprietary IoT-based technology to reduce energy consumption and associated costs for commercial buildings. The Company designs and builds customised solutions for clients that improve their business operations and efficiencies whilst also contributing to the environmental responsibilities that modern business governance and legislation demands. SENS serves large hotels and commercial clients in Malta, UK, mainland Europe and Dubai.

Klikk Finance p.l.c.

Klikk Finance p.l.c. ('Klikk') is the parent company of Klikk Limited which operates two consumer electronic outlets servicing both retail and corporate clients across the Maltese Islands.

GO Ventures Limited

GO Ventures Limited ('GO Ventures') is an investment vehicle dedicated to exploring and investing in tech start-ups to support the innovation, creativity, determination, and hard work of founders, and helping them develop further their ideas. The company delivers its mission statement of 'Helping Great Ideas Grow' by providing start-ups financial investment, mentoring and expertise, and access to an extensive network of national and international contacts that few other Maltese enterprises can offer.

Directors' report - continued

GO Infrastructure Services Limited

GO Infrastructure Services Limited ('GOIS') was incorporated to act as a vehicle for the transfer of the mobile tower business to BMITT.

GO IP Holdings Limited

GO IP Holdings Limited was established as a dedicated entity within the Group to strategically acquire, safeguard, and commercialise intellectual property assets, supporting long-term value creation and enhancing the Group's innovation and competitive positioning.

Our business model

GO proudly celebrates a 50-year legacy of excellence in connecting Malta, its people, and businesses to what matters most. As the leading provider in the Maltese telecommunications market, GO has become a trusted and integral part of the community, playing a key role in the country's economic growth. Committed to driving Malta's digital transformation, GO remains at the forefront as one of the largest investors in the nation's digital infrastructure.

The sections within the Directors' report termed 'Principal activities', 'Business review', 'Review of financial performance' and 'Our principal risks and uncertainties' provide detailed information on the undertaking's business model. The section Business review refers to the Chief Executive Officer's review on pages 2 to 4 of the Annual Financial Report which highlights the business model and strategy in detail. In our view the required information on the undertaking's business model has been included within the Annual Financial Report. The section of the Directors' report termed 'Our principal risks and uncertainties', presented below, contains a detailed analysis of the principal risks linked to GO's business model and operations which potentially impact areas like environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters.

GO's vision and commitment for the future is grounded on the following strategic pillars:

Take a lead role in delivering a true digital Malta where no one is left behind

As GO celebrates 50 years of connecting Malta, its people, and businesses, it remains committed to driving a digital Malta where no one is left behind. This purpose is shaped by the ongoing digital transformation that is redefining societies. It extends beyond providing products and services or deploying infrastructure—it is about making a meaningful impact on communities in Malta and beyond.

Digital technologies are revolutionising the way people work, rest, play, and interact. As a fundamental enabler of Malta's present and future, digital connectivity is critical to the wellbeing of the nation and its people. For 50 years, GO has had the privilege and responsibility of delivering essential services that individuals, businesses, and the entire country rely on daily.

However, not everyone is benefiting equally from the digital revolution. Digital access and skills are key to thriving in today's world, and GO is committed to ensuring that no one is left behind. In addition to its ongoing investments in network infrastructure and technology, GO is also investing in digital education and skill-building initiatives. By empowering people with the tools and knowledge to fully participate in the digital age, GO is helping Malta thrive, driving demand for its services, and creating greater opportunities for innovation.

Delivering the best customer experience, cutting-edge products and services and exceptional value to customers

From the very beginning of Malta's connectivity journey 50 years ago, GO has been at the forefront, evolving and innovating to meet the ever-changing needs of its customers. What started as the foundation of communication has grown into a powerhouse of cutting-edge technology, making GO a leader in the digital era. Built on decades of experience, strong financial and operational capabilities, and a relentless drive for progress, GO continues to shape the future of connectivity.

Directors' report - continued

Today, this commitment is reflected in GO's investment in True Fibre (FTTH) technology, ensuring that every household has access to the fastest and most reliable internet available. FTTH is not just the technology of today—it's the foundation of the future. It enables GO to offer innovative products, flexible bundling options, and ultra-fast, high-quality services. With coverage now extending to more than 92% of the island and reaching over 330,000 households, GO is nearing the completion of this significant project. As it does, the company enters a new era of connectivity, empowering even more homes and businesses with future-proof technology that guarantees long-term digital readiness.

Beyond local infrastructure, GO has also strengthened Malta's international connectivity, becoming the only operator in the country with full in-house redundancy. More importantly, GO has made history as the first telecom provider to connect Malta directly to France and extend links to the Middle and Far East. This strategic expansion enhances resilience and unlocks new opportunities for global connectivity, further solidifying GO's role as a pioneer in the industry.

Becoming a digital enterprise

Becoming a fully digital enterprise allows GO to deliver a seamless customer experience, optimize operations by eliminating non-value-adding costs, enhance price competitiveness, and continue investing in a digitally advanced Malta. Moreover, this transformation empowers GO to cultivate the most highly digitally skilled workforce on the islands. Significant investments in advanced systems ensure exceptional customer service and robust reporting structures, reinforcing GO's commitment to innovation and operational excellence.

Minimising environmental impact

Digital enablement can play a key role in protecting the environment. The costs of pollution and the benefits of environmental sustainability are increasingly recognised worldwide. The Coronavirus pandemic has given us a glimpse of what future climate-related crises could look like – unpredictable swift, and global. Such crises pose enormous risks to businesses and companies across the globe must take action to safeguard societies and ultimately themselves from such crises. Making capital investments that minimise their carbon footprint is one way of doing this.

Business review

A review of the business of the Group during the year under review, events which took place since the end of the accounting period and an indication of likely future developments are given in the Chief Executive Officer's review on pages 2 to 4.

Review of financial performance

Building on the strong foundation established in previous years, the Group maintained its positive momentum in 2024 despite facing ongoing challenges. These included competitive market pressures, persistent inflation, rising employment costs, and increased finance expenses. Through a clear strategic vision and a commitment to adaptability, the Group successfully navigated these hurdles, sustaining the growth and profitability achieved in prior years while reinforcing its position for long-term success.

Directors' report - continued

GO's total revenue remained stable at €139.6 million compared to €139.4 million in the previous year. However, when excluding one-off revenues, primarily intercompany sale of mobile devices in 2023, GO achieved a significant improvement, with normalized revenue increasing by €2.7 million. This growth was driven by strong performance in our core business, where our strategic focus on the mobile postpaid market led to a 6.0% increase in postpaid subscribers as a share of total subscribers. Notably, growth was not limited to the mobile segment, our fixed services also saw positive momentum, with broadband subscribers increasing by 2.5% and TV subscribers rising by 5.3%. These results reflect the increasing demand for high-speed internet, premium and local TV content, and long-term service commitments. At the same time, traditional legacy services continued their expected decline, in line with industry trends favouring digital communication solutions. GO's ability to achieve growth in its core services, despite market saturation, reinforces its strong market position and unwavering commitment to delivering innovative, high-value connectivity solutions.

In 2024, total costs increased by €3.9 million compared to the previous year, driven largely by strategic investments in workforce retention and operational restructuring. The main contributors to this increase were higher lease costs of €2.7 million, following last year's tower transaction with BMITT, and a €3.9 million increase in employee costs, driven by cost-of-living adjustments (COLA) and competitive salary pressures to attract and retain top talent, voluntary retirement costs increased and a reduction in labour cost capitalisation. These increases were partially offset by lower cost of goods sold, and cost savings driven by operational efficiencies across the organisation. The cost structure reflects a proactive approach to workforce investment and strategic realignment, reinforcing long-term sustainability and efficiency.

As a result of these cost movements, Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) declined to €55.4 million, compared to €60.3 million in 2023. After accounting for depreciation and amortization charges of €31.8 million (€31.5 million in 2023), Operating Profit totalled €23.6 million, down from €28.9 million in the previous year.

In 2024, GO implemented a strategic reorganisation of its intellectual property (IP) assets through their transfer to a wholly owned subsidiary, GO IP Holdings Ltd, at a valuation of €158.6 million. The transaction resulted in a one-time gain on disposal of intellectual property of €154.9 million at the GO level. GO subsequently entered into a licensing agreement with GO IP Holdings Ltd, incurring €0.8 million in licensing fees and generating €0.4 million in interest income from the unpaid consideration which was converted into a loan. The restructuring aims to protect the Group's valuable IP by isolating it from operational risks, enhance the management and commercialisation of these assets, and simplify their valuation for financing or partnership opportunities. By establishing a dedicated entity for IP management, the Group reduces administrative complexity, strengthens its resilience, and positions itself to better capitalise on future growth and IP-driven revenue opportunities.

The Company registered a profit before tax for the year of €178.9 million (2023: €57.2 million).

BMITT delivered a strong performance in 2024, achieving record revenue and EBITDA growth. The year marked the first full consolidation of its two key segments: its core business in data centre, cloud, cyber resilience, and managed services, and its new digital infrastructure segment, following the acquisition of a network of mobile towers in late 2023 from GO. Revenue increased by 17.2% to €33.6 million, with cloud services driving the majority of this growth, while EBITDA rose by 26.7% to €12.7 million. The expansion of cloud services resulted in higher direct costs and lower margins due to its subscription-based model. Meanwhile, finance costs increased to €1.8 million, reflecting a full year of interest on loans for the tower acquisition. Despite these cost pressures, profit before tax reached €7.2 million (€7.7 million in 2023), and profit after tax stood at €4.2 million (€4.7 million in 2023).

Directors' report – continued

In 2024, Cablenet achieved key milestones in its growth strategy, particularly in the mobile segment, where its subscriber base grew by 11% to approximately 157,000, driving a 19% increase in mobile service revenue to €20 million. Despite a strategic reduction in mobile handset sales, which led to a 3% decline in total revenue to €72.1 million, the company successfully grew its core telecommunications services revenue by €2.6 million. Investments in network expansion and 5G migration further strengthened its market position. A focus on high-margin services and operational efficiencies led to an increase in gross profit to €27.8 million (2023: €26.7 million) and a significant rise in operating profit to €3.6 million (2023: €1.7 million).

In 2024, GO further expanded its business portfolio through the strategic acquisition of two subsidiaries, AQS Med Limited and Klikk Finance p.l.c., reinforcing its commitment to growth and diversification. The acquisition of AQS Med was completed in June, enhancing the Group's service offering and contributing €2 million in revenue and €0.3 million in EBITDA to the consolidated results. In November 2024, GO acquired Klikk Finance p.l.c., which, despite being integrated for less than two months, contributed to the consolidated results of the Group, a notable €2.0 million in revenue and €0.2 million in EBITDA. These acquisitions reflect GO's ongoing efforts to strengthen its market position, unlock new revenue streams, and drive long-term value for stakeholders.

The Group's other subsidiaries—Connectedcare, Cybersift, and SENS—continued to expand, achieving notable revenue growth in 2024. Connectedcare delivered a particularly strong performance, with revenue increasing by 16% and EBITDA growing by 67%, reflecting the successful execution of its growth strategy. Meanwhile, both Cybersift and SENS experienced robust revenue growth; however, their profitability was impacted by challenging market conditions, which exerted pressure on margins. Despite these headwinds, the Group remains committed to supporting these subsidiaries in strengthening their market positions and enhancing operational efficiencies to drive long-term sustainable growth.

The strong financial performance achieved at GO Company level and the subsidiaries have propelled the Group to once again register its highest-ever revenue of €244.9 million, an increase of a €9.0 million or 3.8% compared to 2023. Consolidated cost of sales and operating expenses amounted to €213 million (2023: €203 million) and included depreciation and amortisation charges of €55.3 million (2023: €53.5 million).

Consolidated EBITDA rose to €90.6 million (2023: €88.4 million), while Operating Profit reached €35.2 million (2023: €34.9 million). Higher net borrowings and right-of-use liabilities led to an increase in consolidated finance costs, which rose to €8.9 million (2023: €8.5 million). Despite this, the Group achieved a Profit for the year of €15.6 million (2023: €15.5 million), resulting in an earnings per share of €0.143 (2023: €0.142).

Consolidated net cash generated from operations amounted to €76.0 million, a decrease of €9.2 million or 11% over 2023, mainly arising from negative movements in working capital.

The Group continued to invest on various fronts to provide customers with cutting-edge products and services and stay ahead of the ever-changing technological developments. Significant investments continued to be deployed towards the expansion of fibre networks in Malta and Cyprus, upgrading of GO's mobile sites to 5G, and international capacity at Cablenet in the form of a long-term IRU agreement on the Arsinoe submarine cable. Total payments for the acquisition of property, plant, equipment, and intangible assets amounted to €64.8 million, (2023: €61.3 million), of which €34.7 million (2023: €38.9 million) attributable to GO, €18.6 million (2023: €21 million) attributable to Cablenet, and €2.3 million (2023: €1.2 million) attributable to BMITT. Payments for acquisition of financial investments net of disinvestments in subsidiaries, associates and other investments amounted to €1.9 million (2023: €0.9 million).

Directors' report – continued

On a consolidated basis, net cash generated in financing activities in 2024 amounted to €50.2 million (2023: (€43.3 million)), consisting of loan drawdowns of €8.0 million (2023: €53.0 million), debt service payments (principal and interest) related to bank loans and lease obligations of €31.9 million (2023: €20.4 million) and dividends payments amounting to €27.7 million (2023: €18.7 million).

Consolidated net cash and cash equivalents as at end of year amounted to €4.6 million, a decrease of €39.1 million compared to year end 2023.

Review of financial position

Group total assets stand at €430.6 million (2023: €458.1 million), a decrease of €27.5 million over the prior year. Non-current assets amounted to €358.4 million (2023: €338.4 million), a net increase of €20.0 million. Current assets amounted to €72.2 million (2023: €119.6 million) and are mainly represented by trade and other receivables of €45.7 million (2023: €60.0 million), inventories of €10.8 million (2023: €10.4 million), and cash equivalents of €14.8 million (2023: €49.2 million).

Group total liabilities amounted to €344.4 million (2023: €358.6 million), a net decrease of €14.2 million mainly attributable to decreases in trade and other payables of €15.3 million.

The Group continues to maintain a healthy financial position with shareholders' funds as at year-end amounting to €86.2 million (2023: €99.4 million), a decrease of €12.6 million compared to the prior year. The Group's net asset value per share stands at €0.85 (2023: €0.98), whilst the Group's Net Debt to Total Capital ratio stands at 70% (2023: 63%).

A strong and sustained operational performance and appropriate funding arrangements will allow the Group to continue to fund its investments in technology, honour its obligations with its lenders and pursue new investment initiatives aimed at increasing shareholder value.

The Directors recommend that at the forthcoming Annual General Meeting, the shareholders approve the payment of a net final dividend of €0.08 per share (after taxation).

Review of financial performance and comparison to 2024 projections as included in the Financial Analysis Summary

GO delivered another strong set of results for the year ended 31 December 2024, outperforming the projections published in the Financial Analysis Summary dated 14 May 2024 ('2024 FAS'). The Company continued to capitalise on Malta's robust economic growth, increased population demand for connectivity, and a buoyant tourism sector, which once again contributed positively to GO's wholesale operations.

Revenue reached €139.6 million exceeding the forecast in the 2024 FAS by €5.7 million (4.1%). This positive variance was primarily driven by higher consumer revenue from fixed and mobile services, an uplift in roaming and wholesale traffic, and sustained demand for mobile handsets and connectivity solutions.

Direct costs totalled €86.1 million, exceeding projections by €2.5 million (3.0%), primarily driven by higher volumes in hardware and wholesale sales, along with €0.8 million in Intellectual Property licence fees. Despite this, GO delivered a gross profit of €53.5 million, surpassing the forecast by €3.1 million (6.2%).

Administrative and related expenses remained well managed at €32.6 million, in line with forecast underscoring the Company's ongoing cost discipline. Other income stood at €2.7 million, slightly ahead of projections.

Directors' report - continued

These operating results translated into a strong EBITDA of €55.4 million, exceeding the 2024 FAS projection by €1.5 million (2.9%), driven by topline growth and operating leverage.

Profit before tax reached €178.9 million, reflecting a significant uplift primarily driven by an exceptional gain from the sale of intellectual property comprising trademarks, brand names, software, and other intangible assets to GO IP Holdings Limited, a newly established subsidiary tasked with the strategic acquisition, management, and commercialisation of the Group's intellectual property assets.

Even when excluding the impact of this one-off transaction, the Group's normalised profit before tax still exceeded the FAS projection by €3.6 million (17.8%), underscoring the strength and resilience of GO's underlying operations and its ability to consistently outperform expectations.

Our principles risks and uncertainties

Security and resilience

The Group's commercial success is dependent upon the resilience of the various networks, IT systems, exchanges, and data centres. Our networks, systems and infrastructure face a variety of hazards that could cause significant interruptions to the delivery of our services. If the Group experiences any significant failure of its systems, the impact could be considerable and include significant financial loss besides reputational damage that could jeopardise future revenue. The Group identifies and mitigates risks through structured risk management processes. Risk mitigation includes significantly investing in the security and resiliency of its key networks and infrastructure wherever this is possible and feasible. The increasing risk of cyber threats is also continuously analysed and appropriate cyber security controls and capabilities are updated as necessary to protect the Group and its information, people, and services against attacks to confidentiality, integrity and availability. Information Security and Data governance committees are established, and they provide the required guidance and direction to ensure risk management and security initiatives are in line with Group business objectives. The Group adopts a robust industry standard control framework that focuses on prevention supported by tried-and-tested recovery capabilities.

Customer data processing

The Group processes personal data of its significant client base on a daily basis. The Group recognises the importance of adhering to data privacy laws and wants its customers to feel confident that the Group acts properly and protects the data they share with it. Failure to abide by all relevant data protection and privacy laws could result in reputational damage for the Group as well as regulatory action and fines. The Group manages this risk by having in place a robust governance and monitoring framework. This framework defines roles and responsibilities of employees who have access to personal data, provides training and awareness to these employees and includes monitoring, reporting and audit to ensure compliance with various policies and procedures aimed to protect customer data and privacy.

Directors' report - continued

Ability to grow

The Group operates in two highly developed and well-penetrated markets characterised by extensive competition, pressure on pricing, technology substitution and product convergence. The Group strives to maintain its ability to grow revenues in spite of this adverse environment as failure to do so will impact profitability and the Group's ability to maintain its investment programme. The Group mitigates this risk by identifying opportunity to diversify its product portfolio and invest in new markets. The Group also pursues innovative product bundling and extends to its customer new technologies soon after these become available whilst working hard to become a leaner organisation.

i-gaming industry

The i-gaming industry has grown to become one of Malta's main economic pillars. GO is a major supplier of technology and services to operators working out of Malta and any negative impact on the ability of the industry to retain its significant presence in Malta will impact the Group's profitability. Aware of this risk the Group is augmenting its range of co-location services to include a holistic ICT experience targeted at the Group's large business client base, thereby reducing the Group's reliance on the i-gaming industry.

Communications industry regulation

The Malta Communications Authority can request GO to provide specific wholesale services on specified terms following market reviews. These terms and regulations can include control over prices, both at the wholesale as well as the retail level besides other conditions. Furthermore, GO is also bound by regulation that from time to time come into force across the European Union. Regulatory requirements and constraints can impact revenues and GO's ability to compete effectively with the resultant impact on profitability and cash generation. GO manages this risk by maintaining ongoing dialogue with regulators through a team of regulatory specialists who, with the help of various advisors, continuously monitor and review regulatory changes and how these may impact the Group.

Financial risk management

The Group's activities potentially expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk, and liquidity risk. The Group's overall risk management, covering risk exposures for all subsidiaries, focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the respective company's financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Accordingly, the Company's Board of Directors provides principles for overall Group risk management, as well as risk management policies covering risks referred to above and specific areas such as investment of excess liquidity. A detailed review of the risk management policies employed by the Group is included in Note 2 to the financial statements.

Environmental risk management

The Group's telecommunications and data centre operations have significant sustainability and environmental impacts, including energy consumption, dependence on non-renewable energy sources, eco taxes, regulatory compliance challenges, and reputational risks stemming from unsustainable practices. To mitigate these risks, the Group prioritises environmental considerations as a core pillar, ensuring that all investments are made through this lens.

Directors' report - continued

Non-financial statement in terms of the requirements of the Sixth Schedule to the Companies Act (Cap. 386)

Driving a Digital Malta where no one is left behind

Our Vision

For over 50 years, GO has been at the heart of Malta's social, economic, and digital transformation. From the early days of telecommunications to today's smart, connected world, we've played a central role in shaping how Malta lives, works, and thrives. As Malta's leading communications provider, our journey has been one of bold innovation, unwavering investment, and a relentless commitment to progress—for our customers, for our people, and for the nation.

Our purpose remains clear and unwavering: to drive a Digital Malta where no one is left behind. In 2024, this vision gained even greater momentum. We're not just building infrastructure—we're building possibilities. We're not just connecting people—we're creating futures.

With a powerful mix of technical expertise, strategic investments, and a passionate team, GO continues to lead from the front. From nationwide True Fibre rollouts and 5G advancements to the expansion of our international infrastructure and continued growth through Cablenet in Cyprus and other subsidiaries, we're laying the foundation for Malta's digital future.

Yet, as technology continues to evolve at unprecedented speed, the challenges also grow. Global disruptions, rapidly changing consumer expectations, and the widening digital divide demand a new kind of company—one that is bold, agile, and purpose-driven. GO is rising to meet that call.

We are proud to be at the very core of Malta's digital heartbeat—powering businesses, enriching lives, and ensuring that every individual, regardless of background, has a place in the digital world.

We believe that true progress means everyone moves forward together.

Risks and Opportunities

With great opportunity comes great responsibility. At GO, we recognise that failing to deliver on our purpose is not just a missed opportunity—it's a setback for the entire nation. Digital exclusion is not an abstract concept; it's a tangible barrier to education, opportunity, and prosperity.

We also understand the risk of losing credibility if our purpose becomes just words on a page. That's why our commitment to living our values—every day, in every interaction—is more important than ever. The alignment between our people and our purpose is our superpower.

And when companies lead with purpose, customers respond. People want to support brands that make a real difference. We've seen this firsthand—purpose drives engagement, and engagement drives performance.

Directors' report - continued

Strategy and commitments

To make our vision a reality, we've grounded our strategy in three core values that define who we are and how we operate:

1. **Obsessing about Customers:** We exist to make life better for our customers—every hour, every day. Whether it's connectivity, content, or care, we never rest until we deliver excellence. Our teams are empowered to solve, support, and serve—quickly, compassionately, and consistently.
2. **Act Like Owners:** Every person at GO takes personal responsibility for our shared success. We're proactive, accountable, and always seeking smarter, better ways to move forward. Mistakes are lessons, and progress is our mindset.
3. **One GO Team:** Collaboration is our catalyst. We believe the best customer experience is built by a unified, connected team - across functions, across borders, and across all the communities we serve.

These values are more than slogans—they're hardwired into our KPIs, our strategy, and our everyday operations.

Purpose in Action: 2024 Highlights

Over four years ago, GO began a journey to bring its purpose and culture to life. To help lead the way, we appointed Purpose Champions from across the organisation—people who believe deeply in what we stand for.

Their mission has grown since then. Today, they listen, observe, and help uncover what might be holding us back from truly living our purpose and values. More than that, they actively support teams in finding solutions and inspire others by leading through example.

They're helping shape what it really means to be a purpose-driven organisation—and how each part of GO can bring that to life every day. This journey is ongoing.

Investing in a digital Malta where no one is left behind

- **True Fibre Expansion:** Over 68,000 new homes were passed with True Fibre in 2024. Today we have surpassed the 96% nationwide coverage putting us well on track for nationwide coverage by end of year.
- **5G Network Rollout:** Accelerated deployment and enhanced spectrum use, delivering faster speeds and lower latency mobile services across fibre powered, AI supported network.
- **Robust Infrastructure:** Strategic investment in submarine cable and local infrastructure for seamless international connectivity.
- **Digital Inclusion Initiatives:** We continued our sponsorship of Mase in Space, Malta's first digital, autism-friendly children's book and supported the organisation of a multisensory experience for children on the spectrum and expanded 'Your Device Your Right' initiative, supporting underprivileged families with devices, connectivity, and digital tools. We also supported a number of youth outreach programmes.
- **Cybersecurity Investment:** Strengthened digital trust with investment in Cybersift Holdings Ltd, providing cutting-edge cyber protection for businesses.
- **Expansion of digital reach:** The acquisition of Klikk, a local digital and electronics store will allow us to serve our customers digital needs even better.

Directors' report - continued

Providing the best customer experience

- Empowered Frontline Teams: Faster resolutions and first-contact service without escalation.
- Internet Continuity Promise: Our Plug & Go product continues to deliver on our 24-hour connection pledge.
- GO App Evolution: eSIM support, bill management, security toggles—all in one convenient digital hub.
- Local Content, Global Quality: TOKIS now offers over 10,000 hrs of exclusive Maltese content of which 500 hrs are GO original content, reaching over 200,000 views daily, making it the third most viewed channel on the island.
- Business Tech Migration: The removal of ISDN is almost complete with less than 1% of the base now remaining and that it will be completed by end of Q2 2025.

Building a digital enterprise

- Billing System Overhaul: Fully modernised for speed, flexibility, and better customer experience.
- Self-Service First: Over 60% of customer interactions now handled online through smart, intuitive channels.
- Process Digitisation: Enhanced automation and agility following considerable upgrades to all our digital systems.

Minimising our environmental impact

GO has remained committed to undertake every effort to reduce its environmental footprint whilst also helping its customers become more environmentally conscious. A dedicated section on our efforts to minimise our environmental impact is available on pages 17 to 20.

Living our values whilst creating a great place to work and grow

- Purpose Champions: Active throughout the business to break down barriers and drive values-based transformation.
- Recognition & Reward: New programmes rolled out to celebrate purpose-driven performance.
- Community Impact: €200,000 in donations, sponsorships, and in-kind services to causes aligned with our purpose.
- Highest-Ever Engagement: Our employee satisfaction score hit 79.7%—a reflection of a healthy, empowering culture.
- Work-Life Balance: Continued adoption of our hybrid work model to support flexibility and wellbeing.
- Learning Culture: Individual training budgets empower each team member to grow on their own terms.

Directors' report - continued

Looking Ahead

GO's journey is far from over. As Malta becomes smarter, more connected, and more digital, our mission grows in importance. We are not just investing in technology—we are investing in people, in possibilities, and in a future where everyone can thrive.

At GO, we believe the digital world belongs to all of us. And we're here to make that belief a reality.

GO Green

Our vision

In line with the European Green deal, digital enablement can play a key role in protecting the environment. In the current context of geopolitical instability and rising global challenges, the transformation of how companies do business is essential in safeguarding the prosperity and wellbeing of our society. Environmental sustainability needs to be at the top of everyone's agenda.

In 2024 GO continued to work on its submission to get its commitments approved by the Science Based Targets initiative. This necessitated the compilation of the emissions' computation at each subsidiary within the Group. Focus was on 2021, which is GO's base year. GO's Science Based Targets were approved in January 2024 by the Science Based Targets initiative. The latter is a collaboration between the CDP, the United Nations Global Compact, World Resources Institute and the Worldwide Fund for Nature.

The approved targets covering greenhouse gas emissions from GO's operations (scopes 1 and 2) are consistent with reductions required to keep warming to 1.5 degrees Celsius, the most ambitious goal of the Paris Agreement. GO's target for the emissions from its value chain (scope 3) also meet the Science Based Targets initiative's criteria for ambitious value chain goals, meaning they are in line with current best practice:

- GO has committed to reach net-zero greenhouse gas emissions across the value chain by 2050.
- GO p.l.c. committed to reduce absolute scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year. GO p.l.c. is committed to reduce absolute scope 3 GHG emissions from purchased goods and services, capital goods and downstream leased assets by 42% within the same timeframe.
- Furthermore, GO is committed to reduce absolute scope 1 and 2 GHG emissions by 90% by 2050 from a 2021 base year. GO p.l.c. has also committed to reduce absolute scope 3 GHG emissions by 90% within the same timeframe.

By committing and working towards these targets, GO p.l.c. is driving ambitious corporate climate action.

Directors' report - continued

The GO Green Strategy is based on three pillars, namely reduce, replace and transform. GO has implemented a GHG emission reduction strategy centred around the principles of reduce, replace, and transform.

- Under the 'reduce' component, it is committed to completing the full deployment of true fibre and switching off copper upon the completion of the true fibre roll-out, minimising paper usage through digital alternatives, adopting best practices to diminish electricity consumption in its offices, and streamlining its property footprint by minimising property exchanges.
- Under the 'Replace' initiative, the company has started transitioning to an electric fleet, with 14 additional electric vehicles introduced this year. It has also relocated to its new sustainable head office, where the recently activated solar plant will significantly reduce reliance on non-renewable energy sources. The development of the new head office represents a major investment of €20 million, aimed at reducing the company's carbon footprint. The site also features a reservoir to enable the use of grey water, as well as an advanced energy management system provided by GO's subsidiary, SENS.
- In the realm of 'Transform', GO is committed to expanding its renewable energy generation, investing in green technologies, and actively supporting its clients in reducing their carbon emissions. This year, GO strengthened its capabilities in this area through the acquisition of AQS Med Limited ('AQS'), a Malta-based engineering company specialising in renewable energy solutions for both residential and commercial properties. Through its subsidiaries, AQS Solar Capital Limited and Malta Solar Parks Limited, AQS finances large-scale commercial PV projects and holds stakes in three solar farms across the Maltese Islands. In addition, GO continues to provide energy-efficient Customer Premises Equipment (CPE) and leverages the cutting-edge technology of its subsidiary, SENS Innovation Group Limited.

The outlined strategy will help GO achieve its targets however it is expected that there are uncertainties since GO's carbon footprint is not entirely within its control. One significant factor is the possibility to procure cleaner energy, a factor currently contingent upon Malta's sole electricity provider. Additionally, it relies on the Group's suppliers' initiatives to reduce emissions.

A GO Green page has been created on GO's website to raise awareness and inform the community at large on what GO is doing to enhance its green credentials. This is being done through blogs, interviews as well as snippets.

Directors' report - continued

GO Green progress*	Company	
	2024	2023
Consumption		
Energy Consumption (KWH)	18,482,974	18,062,544
Renewable Energy generated (KWH)	178,299	155,086
Water Consumption (ML)	3,915	4,787
Circular Emissions		
Waste Generated (t)	193	181
Non-hazardous waste (t)	63	53
Hazardous waste (t)	15	16
Recycled waste (t)	115	112
Equipment refurbished to be reused	26,613	56,732

Emission calculation	Group	
	2024*	2023**
Emissions		
Scope 1 GHG emissions	877	1,326
Scope 2 GHG emissions	15,357	14,504
Scope 3 GHG emissions	41,599	34,812

Emission calculation	Company	
	2024	2023
Emissions		
Scope 1 GHG emissions	465	1,326
Scope 2 GHG emissions	11,372	14,504
Scope 3 GHG emissions	21,402	37,955

*For the emission calculation the two new acquisitions Klikk and AQS, the full year was considered.

** These do not include the emissions of the new acquisitions Klikk and AQS.

In 2024, the Group's total emissions did not show a decline compared to the previous year, primarily due to the inclusion of emissions from newly acquired subsidiaries AQS and Klikk, which were not accounted for in the 2023 figures. The combined Scope 3 emissions of these entities for a full year amount to 5,482 tCO₂e, contributing significantly to the overall increase of 6,787 tCO₂e in the Group's emissions. This rise is also in line with ongoing, heavy investment in network infrastructure, which is expected to taper off in the coming years. Additionally, Scope 2 emissions are projected to decline following the commissioning of the new solar plant in Žejtun. However, in 2024, a temporary overlap in electricity use—due to the transition from the old head office to the new premises—resulted in a one-off increase in energy consumption.

Directors' report - continued

Methodology and Assumptions supporting Actual Emissions Metrics

GO has completed a thorough screening of all Scope 1, 2 and 3 emissions sources to ensure all key emissions have been captured. It based its methodology to be aligned with GHG Protocol reporting standards.

- Scope 1 emissions was based on actual consumption of refrigerant leakage, liquid fuels used by GO's fleet;
- Scope 2 emissions as based on actual electricity consumption of all the used premises, outdoor cabinets and Mobile RAN sites
- For Scope 3 emissions, the emissions of 9 out of 15 categories were found to be relevant to the Group and hence calculated. The categories that were taken into account were:
 - purchased goods and services,
 - capital goods,
 - fuel and energy related activities not included in Scope 1 or 2,
 - Waste
 - transport and distribution both upstream - transportation of equipment from supplier to GO and from GO to customer and also downstream like customers collecting equipment and paying bills at GO's outlets,
 - business travel
 - employee commuting (including home working)
 - use of sold products (physical electrical equipment and bandwidth sold to customer
 - End of life treatment of Sold products
 - Downstream leased assets.

For Scope 3 emissions, GO abided with the SBTi Target Validation Protocol guidance that states that the scope 3 GHG inventory must account for at least 95% of corporate-wide Scope 3 emissions. GO tried to ensure as much as feasibly possible that the data was based on consumption by collecting activity data or supplier specific data rather than spend for each significant spend category mentioned above. In order to get such data, GO reached out to their largest suppliers of key services/products to collect specific supplier information. In absence of specific supplier information, GO used secondary data or surveys to fill the gaps.

Consolidated disclosures pursuant to Article 8 of the Taxonomy Regulation

Introduction

In order to achieve the targets established by the European Union ('EU') of reaching net zero greenhouse gas ('GHG') emissions by 2050, with an interim target of reducing GHG emissions by 55%, compared to 1990 levels, by 2030, the EU has developed a classification system, by virtue of the EU Taxonomy Regulation¹, or ('the EU Taxonomy') which establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable.

The EU Taxonomy establishes criteria in terms of six environmental objectives, against which entities will be able to assess whether economic activities qualify as environmentally sustainable.

In order to qualify as such, an economic activity must be assessed to substantially contribute to at least one of these environmental objectives, whilst doing no significant harm ('DNSH') to the remaining objectives. This is achieved by reference to technical screening criteria established in delegated acts to the EU Taxonomy. The economic activity is also required to meet minimum safeguards established in the EU Taxonomy.

¹ EU Regulation 2020/852

Directors' report - continued

The six environmental objectives considered by the EU Taxonomy are the following, where climate-related environmental objectives (i-ii below) are established in the Climate Delegated Act² ('CDA'), whilst non-climate environmental objectives (iii-vi below) are established in the Environmental Delegated Act³ ('EDA'). This financial year is the first reporting period in which the Group is required to report the Taxonomy alignment of its activities in the context of the EDA, which was formally adopted in 2023, following its initial eligibility disclosure in the prior reporting period.

- i. Climate change mitigation ('CCM');
- ii. Climate change adaptation ('CCA');
- iii. Sustainable use and protection of water and marine resources ('WTR');
- iv. Transition to a circular economy ('CE');
- v. Pollution prevention and control ('PPC'); and
- vi. Protection and restoration of biodiversity and ecosystems ('BIO').

The EC adopted a Delegated Act supplementing Article 8 of the Taxonomy Regulation ('the Disclosures Delegated Act') in 2021, which establishes the disclosure requirements of entities within the scope of the Taxonomy Regulation. At this stage, this solely comprises entities subject to an obligation to publish non-financial information pursuant to Article 19a or Article 29a of Directive 2013/34/EU (being those entities subject to the Non-Financial Reporting Directive, 'NFRD'). However, the NFRD will be replaced by the Corporate Sustainability Reporting Directive (CSRD), once the latter is transposed into local legislation in 2025.

In the following section, the Group, as a non-financial parent undertaking, presents the share of its turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the reporting period ended 31 December 2024, which are associated with taxonomy-eligible and taxonomy-aligned economic activities for all six environmental objectives. The Group was exempt from reporting on alignment for these four environmental objectives in the first year. Reporting taxonomy alignment for objectives 3 to 6 became mandatory for non-financial undertakings from the financial year ending 31 December 2024. Accordingly, the Group is required to disclose both eligibility and alignment for all six environmental objectives.

This does not include subsidiary level Taxonomy KPIs in the contextual information, which are only required where the parent undertaking identifies significant differences between the risks or impacts of the Group and those of the subsidiaries, in line with FAQ 12 in the Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (second Commission Notice)⁴. The Group is currently still in the process of identifying such risks and impacts as part of its preparation for CSRD reporting.

The Group does not identify any significant differences between the risks or impacts of the Group and those of its subsidiaries. In addition, none of the Group's subsidiaries are currently obliged to publish non-financial information pursuant to the NFRD. Neither do they avail of the subsidiary exemption emanating from paragraph (9) of Article 19a, or paragraph (8) of Article 29a, of the Accounting Directive, respectively.

² Commission Delegated Regulation 2021/2139

³ Commission Delegated Regulation 2023/2486

⁴ C/2023/305

Directors' report - continued**Our activities - Overview**

Proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in total Turnover, CapEx and OpEx in FY 2024				
FY 2024	Total (€000)	Proportion of Taxonomy-eligible (non-aligned) economic activities	Proportion of Taxonomy-aligned economic activities	Proportion of Taxonomy non-eligible economic activities
Turnover	244,875	19.3%	0%	80.7%
CapEx	75,589	33.3%	0%	66.7%
OpEx	21,460	39.5%	0%	60.5%

The Group also provides comparatives for the financial year ended 31 December 2023.

Proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in total Turnover, CapEx and OpEx in FY 2023				
FY 2023	Total (€000)	Proportion of Taxonomy-eligible (non-aligned) economic activities	Proportion of Taxonomy-aligned economic activities	Proportion of Taxonomy non-eligible economic activities
Turnover	235,893	18.3%	0%	81.7%
CapEx	65,543	38.4%	0%	61.6%
OpEx	22,545	63.9%	0%	36.1%

Definitions

'Taxonomy-eligible economic activity' means an economic activity that is described in the delegated acts supplementing the Taxonomy Regulation (that is, either the Climate Delegated Act or the Environmental Delegated Act), irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

The Climate Delegated Act is structured such that Annex I contains a list of activities and the respective technical screening criteria in relation to the Climate Change Mitigation objective, whereas Annex II relates to the Climate Change Adaptation objective, with potentially different activities being considered in the different annexes.

The Environmental Delegated Act similarly comprises respective lists of activities and technical screening criteria in relation to the non-climate environmental objectives therein.

Directors' report - continued

'Taxonomy-aligned economic activity' refers to a Taxonomy-eligible activity which complies with the technical screening criteria as defined in the Climate Delegated Act or Environmental Delegated Act and it is carried out in compliance with the minimum safeguards regarding human and consumer rights, anti-corruption and bribery, taxation, and fair competition. To meet the technical screening criteria, an economic activity must contribute substantially to one or more environmental objectives while 'doing no significant harm' to any of the other environmental objectives. Furthermore, the activity must be performed in a manner that meets minimum safeguards in relation to human rights, bribery & corruption, fair competition and taxation.

'Taxonomy non-eligible economic activity' means any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

Taxonomy-eligible and Taxonomy-aligned economic activities

Taxonomy eligibility of turnover-generating activities

The Group has examined all economic activities carried out to see which of these are Taxonomy-eligible in accordance with Annexes I and II to the Climate Delegated Act and Annexes I to IV to the Environmental Delegated Act. The table below indicates the activities performed by the Group which have been identified as Taxonomy-eligible and the environmental objective with which the activity may be associated. Information on the extent to which the economic activities are also Taxonomy-aligned is provided in the KPI templates further below.

Taxonomy-eligible activities were identified by extracting the total Turnover, CapEx and OpEx required to be captured in the denominators of the respective KPIs and assessing the NACE code of the activities to which the amounts relate. The Group then assessed which of the identified NACE codes relate to activities included within the annexes to the Climate Delegated Act. For the identified eligible activities, the Group then began the process to assess them against the technical screening criteria.

Through the activities highlighted in the following table, the Group generates turnover, and generally incurs both CapEx and OpEx for these activities.

Economic activity	Description	Turnover (%)*	CapEx (%)*	OpEx (%)*	Environmental objective(s)	NACE code
8.1 Data processing, hosting and related activities	Customised data hosting solutions	6.7	1.3	1.7	CCM, CCA	J63
8.2 Data-driven solutions for GHG emissions reductions	Development of IoT-based technology to reduce energy consumption for commercial buildings	0.9	-	-	CCM	J61
8.3 Programming and broadcasting activities	TV broadcasting services	10.8	21.6	31.3	CCA	J60
13.3 Motion picture, video and television programme production, sound recording and music publishing activities	Distribution of motion pictures and television productions to consumers	0.9	0.8	4.2	CCA	J59

*% of the total Turnover, CapEx and OpEx included in the denominator of the respective KPI

Directors' report - continued

Economic activities classified under activity 8.1 'Data processing, hosting and related activities' relate to the provision of data hosting services provided through multiple fully redundant state-of-the-art data centres hosting a variety of services, both for internal load and colocation of end customers. The internal load includes storage services, server infrastructure including virtualisation and container technologies, networking, and cyber security infrastructure. Activity 8.1 also relates to the provision of cloud services. The Group offers cloud services using its own data centres and is also an authorised reseller of third-party cloud service offerings. The Group considers the revenue from reselling third-party cloud services as Taxonomy non-eligible.

Economic activities classified under activity 8.2 'Data-driven solutions for GHG emissions reductions' relates to proprietary IoT-based technology to reduce energy consumption and associated costs for commercial buildings. The Group designs and builds customised solutions for customers to improve their business operations and efficiencies whilst also contributing to the environmental responsibilities that modern business governance and legislation demands.

Economic activities classified under activity 8.3 'Programming and broadcasting activities' includes the Group's turnover generated from TV broadcasting over the internet ('IPTV'), cable or digital terrestrial transmission for which it acquires the right to distribute content over its network.

Economic activities classified under activity 13.3 'Motion picture, video and television programme production, sound recording and music publishing activities' relates to the Group's Turnover generated from the distribution of movies and TV series via its television platform.

The CapEx classified as Taxonomy-eligible entails capital investments which relate to necessary components to execute the respective Turnover-generating economic activity. In summary, this largely relates to the following:

- The acquisition of solar photovoltaic panels (under activity 4.1);
- Building improvements that directly impact the operating capabilities of the data centre, such as raised flooring and piping improvements (under activity 8.1);
- The acquisition/development of software utilised in the IoT solutions developed by the Group (under activity 8.2);
- The acquisition of broadcasting rights (under activity 8.3); and
- Licensing rights (under activity 13.3).

Other Turnover generating activities performed by the Group classified as Taxonomy non-eligible

The Group's Taxonomy non-eligible economic activities relate largely to other telecommunication activities which are not considered to be captured under broadcasting activities, such as the provision of telephony and related data/internet services.

Directors' report - continued

The consideration to classify telecommunication activities as Taxonomy non-eligible is based on the EU Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Climate Delegated Act establishing technical screening criteria for economic activities that contribute substantially to climate change mitigation or climate change adaptation and do no significant harm to other environmental objective⁵. Within the notice, the EC addressed the information and communications sector, particularly with respect to the treatment of telecommunication activities related to telephony and data/internet services and deemed that 'while the generic public electronic communications network is an important and necessary infrastructure for the ICT solutions mentioned above, its predominant use or deployment is often not to reduce emissions'. Therefore, the EC concluded that such activities should be treated as Taxonomy non-eligible.

In addition to the above, Taxonomy non-eligible activities performed by the Group relate to the sale of hardware including mobile phones, television devices, and gaming consoles, the sale of third-party cloud services, and managed services relating to system administration and infrastructure management.

Taxonomy eligibility of investment activities not directly related to Turnover-generating activities

Further to the activities from which the Group generates Turnover, and generally incurs both CapEx and OpEx, the Group also engages in investment activities not directly related to its Turnover-generating activities as highlighted in the following table.

Economic activity	Description of the Taxonomy-eligible purchased output or individual measure	CapEx (%)*	OpEx (%)*	Environmental objective(s)	NACE code
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	The acquisition of motor vehicles designated as category M1 and N1	0.5	1.1	CCM, CCA	N77
7.2 Renovation of existing buildings	All major renovation measures of existing buildings	5.1	-	CCM, CCA	F41
7.3 Installation, maintenance and repair of energy efficiency equipment	All maintenance and repair of the energy efficiency equipment in the Group's existing buildings (primarily the replacement of air conditioners)	1.3	0.9	CCM, CCA	F43
7.6 Installation, maintenance and repair of renewable energy technologies	The installation of PV panels	-	-	-	C27
7.7 Acquisition and Ownership of buildings	Acquisition of new leased premises	2.6	0.3	CCM, CCA	L68
5.1 Repair, refurbishment and remanufacturing	Repair of electronic devices	0.1	-	CE	N/A

*% of the total CapEx and OpEx included in the denominator of the respective KPI

⁵ EU Commission Notice C/2024/267

Directors' report - continued

Included in the above are amounts that relate to the acquisition of motor vehicles which are utilised by the Group to enable it to perform certain operations towards its customers. The CapEx and OpEx in this respect have been classified under activity 6.5 'Transport by motorbikes, passenger cars and light commercial vehicles' as opposed to being allocated to a Turnover-generating activity (for which the Group would make use of such vehicles at times in performing its duties). The Group has classified the amounts in this manner since the assessment to determine Taxonomy-alignment of the vehicles acquired would only be possible to be performed against the technical screening criteria developed under activity 6.5.

In a similar manner, CapEx has been allocated to activities classified under category 7 'Construction and real estate activities' given that they are not directly associated with a Turnover-generating activity. In particular, renovation works such as upgrades, structural alterations, reorganisation of service areas, interior design work and related finishing, to the Group's outlets and premises are allocated under activity 7.2 'Renovation of existing buildings', installation of air-conditioning systems are allocated under activity 7.3 'Installation, maintenance and repair of energy efficiency equipment', whilst no associated OpEx is incurred by the Group in this regard given that such expenses are capitalised in full. The Group's installation of solar photovoltaic ('PV') panels is allocated to activity 7.6 'Installation, maintenance and repair of renewable energy technologies'. Acquisitions of new outlets and additions to right-of-use asset leases on property are allocated under 7.7 'Acquisition and ownership of buildings'. The Group did not have any CapEx relating to activity 7.4 'Installation of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)' in the current year, however, such activity is retained in the Taxonomy templates given the comparative balance relating to such activity.

The Group's CapEx incurred in repairing internet routers, television set-top boxes, cables, remote controls, and other electronic devices is allocated under activity 5.1 'Repair, refurbishment and remanufacturing', whilst no associated OpEx is incurred by the Group in this regard given that such expenses are capitalised in full. In this respect, there is no dedicated NACE Code to the economic activity as outlined in the activity description in section 5.1 of Annex II to the Environmental Delegated Act, however, the activity relates to products manufactured by economic activities under NACE Code C26.

The largest change in the Group's CapEx from eligible activities, vis-à-vis the prior period owes to activity 8.3, which increased from 18.2% to 21.6% of CapEx. Such an increase in Taxonomy-eligibility is largely driven by additions in the Group's football broadcasting rights recognised during the year.

The largest change in the Group's OpEx from eligible activities, vis-à-vis the prior period owes to activity 8.3, which decreased from 57.9% to 31.4% of OpEx. Such an increase in Taxonomy-eligibility is largely the Group's OpEx attributable towards the OpEx denominator remaining unchanged whilst the Group OpEx attributable to activity 8.3 decreased from the previous year, bringing down the OpEx of Taxonomy-eligible activities.

Taxonomy alignment

Determining whether an activity meets the requirements to be classified as Taxonomy-aligned requires considerable detailed information about the activity in order to properly assess it against the established technical screening criteria.

The Group is currently still in the process of gathering the necessary information in order to conclude that activities may be considered as Taxonomy-aligned and verifying its accuracy. As a result of the ongoing process, the Group has not been able to substantiate the Taxonomy-alignment of any of its activities in the current year.

Despite not being able to fully substantiate the Taxonomy-alignment of any of its activities, the Group has identified instances of partial Taxonomy-alignment in the current year.

Directors' report - continued

Economic activities classified as 4.1 'Electricity generation using solar photovoltaic technology' have been assessed to meet the substantial contribution criteria under the climate change mitigation objective, being that the activity generates electricity using solar PV technology. However, the Group is still in the process of assessing certain elements of the DNSH criteria. In relation to climate change adaptation, the Group is yet to undertake a physical climate risk assessment on the location in which the PV panels are installed and is still to assess the durability and recyclability of the components utilised by the manufacture of the PV panels to ensure no significant harm to the transition towards a circular economy. With respect to the protection and restoration of biodiversity and ecosystems, the Group is confident that the DNSH criteria have been met, given the approvals obtained surrounding the project location.

Economic activities classified as 8.1 'Data processing, hosting and related activities' have been assessed to meet certain elements of the 'European Code of Conduct on Data Centre Efficiency' required as part of the substantial contribution criteria under the climate change mitigation objective. The assessment to determine full compliance with this code is currently still ongoing. Furthermore, the Group is still in the process of assessing the remaining substantial contribution criteria and DNSH criteria.

Economic activities classified as 8.2 'Data-driven solutions for GHG emissions reductions' meet the initial substantial contribution requirement in relation to the climate change mitigation objective of the ICT solution being predominantly used for the provision of data analytics enabling GHG emission reductions. However, further assessment needs to be performed to identify whether alternative technologies are readily available on the market, and if so, that the ICT solution of the Group demonstrates substantial life cycle GHG emission savings compared to the best performing alternative. Furthermore, the Group is still in the process of assessing compliance with the DNSH criteria in relation to 'climate change adaptation', and 'transition to a circular economy' which are the two environmental objectives applicable for this activity from a DNSH perspective.

Economic activities classified as 13.3 'Motion picture, video and television programme production, sound recording and music publishing activities' requires a robust climate risk and vulnerability assessment in order to be aligned. Since the Group has not yet undertaken such assessment, no instances of partial alignment can be identified in respect of this activity so far.

The Group has also identified the partial alignment of certain individual investment activities not relating to Turnover-generating activities.

Economic activities classified under activity 6.5 'Transport by motorbikes, passenger cars and light commercial vehicles', which include the acquisition of electric vehicles amongst other internal combustion engine vehicles, are assessed to result in the substantial contribution requirements in relation to the climate change mitigation objective being met, given that an electric vehicle results in zero tailpipe emissions. However, the Group has not been able to assess the DNSH criteria for the activity, particularly in relation to the recyclability of the materials of the vehicle. Furthermore, the Group has not been able to assess the DNSH criteria for pollution prevention and control which relates to the specifications of the tyres of the vehicle. Therefore, continued engagement with suppliers will be required to identify whether such activities may be considered as Taxonomy-aligned in the future. This applies specifically in the case of electric vehicles purchased and does not capture other internal combustion engine vehicles acquired by the Group.

Economic activities classified under activity 5.1 'Repair, refurbishment and remanufacturing' meet the initial technical screening criterion relating to the activity extending the lifetime of products by repairing products that have already been used for their intended purpose by a customer. However, they do not meet remaining substantial contribution and DNSH criteria.

In the case of investment activities 7.2 'Renovation of existing buildings', 7.3 'Installation, maintenance and repair of energy efficiency equipment', and 7.7 'Acquisition and ownership of buildings', the Group has not yet identified any instances of partial alignment.

Directors' report - continued

Therefore, as further progress is made in the Group's internal assessment process, certain activities may be identified as Taxonomy-aligned without the need for further capital investments.

Further to meeting technical screening criteria, economic activities must meet minimum safeguards relating to human and consumer rights, anti-corruption and bribery, taxation, and fair competition in order to be Taxonomy-aligned. Such assessment must be carried out in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as outlined in the Platform on Sustainable Finance's Report on Minimum Safeguards published in October 2023. The Group is currently still in the process of establishing a framework to comply with minimum safeguards.

As a result of no activities being considered as Taxonomy-aligned in the current year, disclosure requirements surrounding the assessment of Taxonomy-alignment in accordance with section 1.2.2.1 of the Disclosures Delegated Act are not deemed to be applicable to the Group.

Our KPIs and accounting policies

The key performance indicators ('KPIs') comprise the Turnover KPI, the CapEx KPI and the OpEx KPI. In presenting the Taxonomy KPIs, the Group uses the templates provided in Annex II to the Disclosures Delegated Act. The Group also presents comparative figures on Taxonomy-alignment.

Moreover, since the Group is not performing any of the activities related to fossil gas and nuclear energy (activities 4.26-4.31), the Group only publishes Template 1 of Annex XII of the Disclosures Delegated Act as regards activities in certain energy sectors.

In section A.1 'Environmentally sustainable activities (Taxonomy-aligned)' of respective Turnover, CapEx, and OpEx templates, columns 5 and 6 are marked as 'N' given that the Group does not have any Taxonomy-aligned balances, whilst remaining columns 7-17 are marked as '-' since, under Substantial Contribution criteria, Taxonomy-alignment reporting is not required for non-climate environmental objectives and under DNSH criteria and Minimum Safeguards, there is no current Taxonomy-alignment assessment to be reported.

Directors' report - continued

Template: Proportion of Turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering 2024

Financial year 2024 Economic Activities (1)	Code (2)	2024		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		Turnover (3)	Proportion of Turnover 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
		€ 000	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%		
Of which Enabling		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%	E	
Of which Transitional		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Data processing, hosting and related activities	CCM 8.1 / CCA 8.1	16,491	6.7%	EL	EL	N/EL	N/EL	N/EL	N/EL								6.4%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	1,986	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Programming and broadcasting activities	CCM 8.3 / CCA 8.3	26,475	10.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								9.8%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	2,261	0.9%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1.3%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy- aligned activities) (A.2)		47,213	19.3%	18.4%	0.9%	0.0%	0.0%	0.0%	0.0%								18.3%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		47,213	19.3%	18.4%	0.9%	0.0%	0.0%	0.0%	0.0%								18.3%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		197,662	80.7%																
TOTAL		244,875	100.0%																

	Proportion of turnover/Total turnover	
	Taxonomy- aligned per objective	Taxonomy- eligible per objective
CCM	0.0%	18.4%
CCA	0.0%	18.3%
WTR	-	0.0%
CE	-	0.0%
PPC	-	0.0%
BIO	-	0.0%

Directors' report - continued

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering 2024

Financial year 2024 Economic Activities (1)	Code (2)	2024		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		CapEx (3)	Proportion of CapEx 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
		€ 000	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%		
Of which Enabling		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%	E	
Of which Transitional		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	353	0.5%	EL	EL	N/EL	N/EL	N/EL	N/EL								1.7%		
Renovation of existing buildings	CCM 7.2	3,859	5.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	953	1.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Installation of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	2,019	2.7%	EL	EL	N/EL	N/EL	N/EL	N/EL								2.3%		
Data processing, hosting and related activities	CCM 8.1 / CCA 8.1	1,008	1.3%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Programming and broadcasting activities	CCM 8.3 / CCA 8.3	16,322	21.6%	EL	EL	N/EL	N/EL	N/EL	N/EL								18.2%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	595	0.8%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1.2%		
Repair, refurbishment and remanufacturing	CE 5.1	48	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.1%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		25,157	33.3%	32.4%	0.8%	0.0%	0.0%	0.1%	0.0%								25.9%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		25,157	33.3%	32.4%	0.8%	0.0%	0.0%	0.1%	0.0%								25.9%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		50,432	66.7%																
TOTAL		75,589	100.0%																

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	32.4%
CCA	0.0%	26.9%
WTR	-	0.0%
CE	-	0.1%
PPC	-	0.0%
BIO	-	0.0%

Directors' report - continued

Template: Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering 2024

Financial year 2023 Economic Activities (1)	Code (2)	2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		OpEx (3)	Proportion of OpEx 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
		€ 000	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	0.0%			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	0.0%			
Of which Enabling		0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	0.0%	E		
Of which Transitional		0	0.0%	N						-	-	-	-	-	-	0.0%		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.0%			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 / CCA 6.5	237	1.1%	EL	EL	N/EL	N/EL	N/EL	N/EL							2.3%			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	188	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.1%			
Installation of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.0%			
Acquisition and ownership of buildings	CCM 7.7 / CCA 7.7	57	0.3%	EL	EL	N/EL	N/EL	N/EL	N/EL							0.2%			
Data processing, hosting and related activities	CCM 8.1 / CCA 8.1	361	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.2%			
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.0%			
Programming and broadcasting activities	CCM 8.3 / CCA 8.3	6,733	31.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							57.9%			
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	900	4.2%	N/EL	EL	N/EL	N/EL	N/EL	N/EL							3.1%			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		8,476	39.5%	35.3%	4.2%	0.0%	0.0%	0.0%	0.0%							63.8%			
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		8,476	39.5%	35.3%	4.2%	0.0%	0.0%	0.0%	0.0%							63.8%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		12,984	60.5%																
TOTAL		21,460	100.0%																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	35.3%
CCA	0.0%	38.6%
WTR	-	0.0%
CE	-	0.0%
PPC	-	0.0%
BIO	-	0.0%

Directors' report - continued

Nuclear and fossil gas related activities for financial year 2024

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	NO

The specification of the KPIs is determined in accordance with Annex I to the Disclosures Delegated Act. The Group adopts the methodology to determine Taxonomy alignment in accordance with the legal requirements and describes its policies in this regard as follows:

Turnover KPI**Definition**

The proportion of Taxonomy-aligned economic activities of the total Turnover has been calculated as the part of net Turnover derived from products and services associated with Taxonomy-aligned economic activities (numerator) divided by the net Turnover (denominator), in each case for the financial year from 1 January 2024 to 31 December 2024. Given that the Group has not identified any Taxonomy-aligned economic activities, the current proportion of alignment is 0%.

The denominator of the Turnover KPI is based on the consolidated net Turnover in accordance with paragraph 82(a) of IAS 1. For further details on our accounting policies regarding the Group's consolidated net Turnover, refer to disclosure Note 1.15 'Revenue recognition' in the Group's consolidated financial statements included in this Annual Report.

Directors' report - continued

Reconciliation

The 2024 Group's consolidated net Turnover captured in the denominator of the KPI of €244,875,000 reconciles with the amount disclosed in the 'Revenue' financial statement line item included in the 'Income Statements' in the consolidated financial statements included in this annual report. Additionally, the amount also reconciles to the revenue disclosure note.

Turnover reconciliation	2024 Amount (€000)
<u>Turnover as per KPI denominator</u>	244,875
<u>Turnover as per the consolidated financial statements relating to:</u>	244,875
- Telecommunication and data centre services	209,652
- Sale of goods	27,735
- Other services and sundry revenues	7,488 <i>Disclosure Note 22</i>

The following is a detailed breakdown of the Turnover generated by the Group in accordance with the 3 categories of revenue disclosed in the consolidated financial statements in Note 22, amongst the different activities disclosed in the Turnover KPI.

Detailed breakdown of 'Telecommunication and data centre services'	2024 Amount (€000)
<u>'Telecommunication and data centre services' Turnover as per the consolidated financial statements</u>	209,652
<u>Allocation of services in the Turnover KPI</u>	209,652
8.1 Data processing, hosting and related activities	16,491
8.3 Programming and broadcasting activities	26,475
13.3 Motion picture, video and television programme production, sound recording and music publishing activities	2,261
Taxonomy non-eligible	164,425

Directors' report - continued

<i>Detailed breakdown of 'Sale of goods'</i>	2024 Amount (€000)
<u>Sale of goods Turnover as per the consolidated financial statements</u>	27,735
<u>Allocation of services in the Turnover KPI</u>	27,735
8.2 Data-driven solutions for GHG emissions reductions	1,986
Taxonomy non-eligible	25,749
<i>Detailed breakdown of 'Other services and sundry revenues'</i>	2024 Amount (€000)
<u>Other services and sundry revenues as per the consolidated financial statements</u>	7,488
<u>Allocation of services in the Turnover KPI</u>	
Taxonomy non-eligible	7,488

Unbundling of performance obligations

One of the Group's product offerings relates to the 'Homepack' which includes bundled services relating to fixed telephony, mobile, data/internet and TV broadcasting. In line with EC guidance issued in relation to the eligibility of telecommunication activities related to telephony and data/internet services, the Group has recognised that only part of the product included within the 'Homepack' should be considered as Taxonomy-eligible, being that related to television broadcasting.

In this respect, the Group has unbundled the revenue generated from the 'Homepack', with the portion of revenue relating to TV broadcasting being determined based on the additional cost incurred by the customer should the package selected by the customer be expanded to capture TV broadcasting (as opposed to just fixed telephony, mobile and internet services). In circumstances where the customer purchases solely television broadcasting services from the Group, no unbundling is deemed necessary with the full amount being allocated to activity 8.3.

The Group offers to its television customers GO Tokis, which relates to the production of Maltese dramas. GO Tokis services are offered both as a stand-alone service and also through the 'Homepack'. In the latter case, the Group does not charge customers for the additional service of GO Tokis, with this being provided as a free add-on in the bundled service. The Group unbundled the revenue earned from GO Tokis attributing it to activity 13.3 'Motion picture, video and television programme production, sound recording and music publishing activities' by assuming a stand-alone price for GO Tokis when offered under the 'Homepack'.

Directors' report - continued

CapEx KPI

Definition

The CapEx KPI is defined as Taxonomy-aligned CapEx (numerator) divided by the Group's total CapEx (denominator).

Total CapEx consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortisation, and any remeasurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38) and right-of-use assets (IFRS 16). Additions as a result of business combinations are also included. Acquisitions of investment properties (IAS 40) would also be captured, however, the Group had no such CapEx in the current year. For further details on the Group's accounting policies regarding Group CapEx, refer to disclosure notes 1.5 'Property plant and equipment', 1.6 'Intangible assets' and 1.18 'Right-of-use assets', in the Group's consolidated financial statements included within this annual report.

The Disclosures Delegated Act establishes three categories under which to classify CapEx:

(a) CapEx related to assets or processes that are associated with Taxonomy-aligned economic activities ('category a'). In this case, the Group considers that assets and processes are associated with Taxonomy-aligned economic activities where they are essential components necessary to execute an economic activity.

The Group follows the generation of external revenues as a guiding principle to identify economic activities that are associated with CapEx under this category (a).

Eligible CapEx under this category has been disclosed in the table named 'Taxonomy-eligible economic activity' in the 'Taxonomy-eligible and Taxonomy-aligned economic activities' section above.

(b) CapEx that is part of a plan to upgrade a Taxonomy-eligible economic activity to become Taxonomy-aligned or to expand a Taxonomy-aligned economic activity ('category b').

The Group has currently not developed such a plan, and therefore, no CapEx is considered to be eligible under this category.

(c) CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling certain target activities to become low-carbon or to lead to GHG reductions ('category c').

The Group distinguishes between the purchase of output and individual measures as follows:

- 'Purchase of output' relates to the Group's acquisition of the product or service that is mentioned in the activity description; and
- 'Individual measure' refers to the Group's acquisition of a product through an activity that is regularly performed by the supplier, but where the Group controls the content and design of the product in detail.

Eligible CapEx under this category has been disclosed in the table named 'Individually Taxonomy-eligible CapEx/OpEx and the corresponding economic activities' in the 'Taxonomy eligibility of investment activities not directly related to turnover generating activities' section above. The full amount of CapEx considered under this category relates purely to 'purchase of output'.

Directors' report - continued

Purchases of output qualify as Taxonomy-aligned CapEx in cases where it can be verified that the respective supplier performed a Taxonomy-aligned activity to produce the output that the Group acquired. Since Taxonomy-alignment also includes DNSH criteria and minimum safeguards, the Group is not able to assess the Taxonomy-alignment on its own. For the purchased output in 2024, the Group was not able to obtain any conclusive confirmation of Taxonomy-alignment.

In order to avoid double counting in the CapEx KPI, the Group ensured that CapEx captured as part of 'category a', which relates to Turnover-generating activities, was not also included with the activities identified within 'category c'. In particular, the Group ensured that repairs and maintenance costs incurred in relation to the building in which data servers are held (for which such repairs and maintenance directly related to the servers or other technical aspects of the building to allow the activity to be performed) were allocated solely to activity 8.1 and not considered again under activity 7.7.

Reconciliation

The 2024 Group's total CapEx captured in the denominator of the KPI can be reconciled to the consolidated financial statements of the Group included in this annual report, by reference to the respective disclosures capturing the additions for intangible assets, right-of-use assets and property, plant and equipment.

CapEx Reconciliation	2024 Amount (€000)
<u>CapEx as per EU Taxonomy KPI denominator</u>	75,589
<u>CapEx as per consolidated financial statements of which:</u>	75,589
- Property, plant and equipment	44,216 <i>Disclosure Note 5</i>
- Intangible assets	25,069 <i>Disclosure Note 7</i>
- Right-of-use assets	6,304 <i>Disclosure Note 6</i>

Directors' report - continued

The following is a detailed breakdown of the property, plant and equipment, intangible assets and right-of-use assets amongst the different activities disclosed in the Capex KPI.

<i>Detailed breakdown of property, plant and equipment additions</i>	2024 Amount (€000)
<u>PPE additions as per the consolidated financial statements (including assets taken over through acquisitions)</u>	44,216
<u>Allocation of PPE in the CapEx KPI</u>	44,216
4.1 Electricity generation using solar photovoltaic technology	-
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	176
7.2 Renovation of existing buildings	3,859
7.3 Installation, maintenance and repair of energy efficiency equipment	953
7.7 Acquisition and Ownership of buildings	-
8.1 Data processing, hosting and related activities	1,008
5.1 Repair, refurbishment and remanufacturing	48
Taxonomy non-eligible	38,172
 <i>Detailed breakdown of intangible assets additions</i>	 2024 Amount (€000)
<u>Intangible asset additions as per the consolidated financial statements (including assets taken over through acquisitions)</u>	25,069
<u>Allocation of Intangibles in the CapEx KPI</u>	25,069
8.3 Programming and broadcasting activities	16,322
13.3 Motion picture, video and television programme production, sound recording and music publishing activities	595
Taxonomy non-eligible	8,152

Directors' report - continued

<i>Detailed breakdown of right-of-use asset additions</i>	2024 Amount (€000)
Right-of-use asset additions as per the consolidated financial statements (including assets taken over through acquisitions)	4,065
Right-of-use asset impacts of reassessment of lease term, in respect of extensions as per the consolidated financial statements	2,239
<u>Total right-of-use asset additions</u>	6,304
<u>Allocation of ROU in the CapEx KPI</u>	6,304
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	177
7.7 Acquisition and Ownership of buildings	2,019
Taxonomy non-eligible	4,108

OpEx KPI**Definition**

The OpEx KPI is defined as Taxonomy-aligned OpEx (numerator) divided by the Group's total OpEx (denominator).

Total OpEx consists of direct non-capitalised costs that relate to building renovation measures, short-term leases as well as all forms of maintenance and repair. In general, this includes staff costs, costs for services and material costs for daily servicing and well as for regular and unplanned maintenance and repair measures. It does not include expenses relating to the day-to-day operation of PPE, such as raw materials, cost of employees operating any equipment and electricity or fluids that are necessary to operate the PPE. Amortisation and depreciation are also not included in the OpEx KPI.

In addition to the OpEx items captured in the current denominator of the OpEx KPI, the Group acknowledges that certain additional staff costs should also be captured, given that certain employee responsibilities relate to the servicing of PPE. Such costs have been excluded in the current year given that the Group is currently unable to allocate staff costs towards maintenance and repair activities. Once the Group develops an approach for allocating such staff costs, these will be captured as OpEx and as part of the KPI accordingly.

The Group also excludes direct costs for training and other human resources adaptation needs from the denominator and the numerator. This is because Annex I to the Disclosures Delegated Act lists these costs only for the numerator, which does not allow a mathematically meaningful calculation of the OpEx KPI.

Given that the Group has not identified any CapEx as being Taxonomy-aligned, naturally, no OpEx is able to be considered as Taxonomy-aligned.

Directors' report - continued

Reconciliation

The 2024 Group's total OpEx captured in the denominator of the KPI cannot be directly reconciled to the consolidated financial statements of the Group included in this annual report, since the notes to the financial statements comprise amounts which relate to both Taxonomy-eligible and Taxonomy non-eligible activities. Therefore, the portion of Taxonomy-eligible OpEx within each item in Note 23 to the financial statements is identified below.

OpEx reconciliation	Full amount as per Note 23 of consolidated financial statements (€000)	2024 Amount in scope of OpEx KPI denominator as per Note 23 of consolidated financial statements (€000)
<u>OpEx as per EU Taxonomy KPI denominator</u>		21,460
<u>OpEx as per consolidated financial statements of which:</u>	155,172	21,460
- Cost of goods sold	27,058	2,526
- Third party network charges, content costs and other direct costs	70,336	16,647
- Employee benefit expense	41,634	1,245
- Expense relating to short-term leases	761	742
- Other	15,385	300

The following is a detailed breakdown of the cost of goods sold, third party network charges, content cost and other direct costs, employee benefit expense, expenses relating to short term leases and other expenses amongst the different activities disclosed in the OpEx KPI.

Detailed breakdown of 'cost of goods sold'	2024 Amount (€000)
<u>Cost of goods sold as per the consolidated financial statements</u>	2,526
<u>Allocation of cost of goods sold in the OpEx KPI</u>	
Taxonomy non-eligible	2,526

Directors' report - continued

<i>Detailed breakdown of 'Third party network charges, content costs and other direct costs'</i>	2024 Amount (€000)
<u>Third party network charges, content costs and other direct costs as per the consolidated financial statements</u>	16,647
<u>Allocation of third-party network charges, content costs and other direct costs as per OpEx KPI</u>	
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	199
7.7 Acquisition and ownership of buildings	36
8.1 Data processing, hosting and related activities	361
8.3 Programming and broadcasting activities	5,926
13.3 Motion picture, video and television programme production, sound recording and music publishing activities	900
Taxonomy non-eligible	9,225
<i>Detailed breakdown of 'Employee benefit expense'</i>	2024 Amount (€000)
<u>Employee benefit expense as per the consolidated financial statements</u>	1,245
<u>Allocation of third-party network charges, content costs and other direct costs as per OpEx KPI</u>	1,245
8.3 Programming and broadcasting activities	807
Taxonomy non-eligible	438
<i>Detailed breakdown of 'Expense relating to short-term leases'</i>	2024 Amount (€000)
<u>Expense relating to short-term leases as per the consolidated financial statements</u>	742
<u>Allocation of expense relating to short term leases as per OpEx KPI</u>	
Taxonomy non-eligible	742

Directors' report - continued

<i>Detailed breakdown of 'Other Expenses'</i>	2024 Amount (€000)
<u>Other expense as per the consolidated financial statements</u>	300
<u>Allocation of expense relating to other expenses as per OpEx KPI</u>	300
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	38
7.3 Installation, maintenance and repair of energy efficiency equipment	188
7.7 Acquisition and ownership of buildings	21
Taxonomy non-eligible	53

One GO Team

Vision

GO's commitment to fostering an exceptional workplace and enhancing its employee value proposition remained paramount throughout the year under review. A bi-annual study, commissioned by GO and run by an independent market research agency, revealed a continued positive progression in GO's Net Promoter Score (NPS). This sustained improvement, building on the gains first observed in 2022, validates the effectiveness of our internal engagement strategies. Moreover, GO's consistent ranking amongst leading local employers reinforces our competitive edge in talent acquisition.

GO prioritises transparent communication and actively solicits feedback from team members through Employee Satisfaction Surveys and Pulse Surveys, amongst others, to facilitate continuous improvement of the work environment. A core tenet of our strategy is the cultivation of an inclusive and engaging culture, one that values diversity, encourages collaboration, and fosters innovation. We acknowledge the intrinsic value of our employees and are committed to enriching their professional and personal development, thereby driving high levels of job satisfaction. By promoting an environment that supports growth and fulfilment, we aim to attract and retain top talent, providing GO with a critical competitive advantage for sustained business success and strategic expansion.

Risks and Opportunities

Navigating the complex landscape of risk and opportunity is a continuous priority at GO. We implemented strategic initiatives to mitigate potential risks and capitalise on emerging opportunities. These included robust change management practices to ensure adaptability in a rapidly evolving business environment, comprehensive succession planning to facilitate seamless knowledge transfer as our workforce explores new horizons, and a focused commitment to staff retention, aimed at securing top talent and maximizing productivity. Our decision-making processes are intrinsically linked to key factors such as evolving recruitment challenges, including a competitive job market and local talent availability, alongside employee engagement and data management to ensure regulatory compliance. Furthermore, the rapid pace of technological advancement and shifting workforce demographics present both strategic opportunities and challenges, underscoring the importance of our proactive approach to achieving sustained success.

Directors' report - continued

Strategy and commitments

GO's strategic framework focuses on the holistic well-being and development of its employees, while consistently aligning with our core mission and objectives. As a purpose-driven organisation, we are guided by clearly defined values that inform all decision-making processes. A cornerstone of our strategy is the cultivation of a robust learning culture, exemplified by the establishment of the GO Academy. This initiative fosters continuous professional growth through targeted upskilling and reskilling programmes, cross-functional team exposure, and personalised coaching. We recognise that engaged and fulfilled employees drive enhanced productivity, innovation, and commitment to GO's mission, especially when their personal aspirations resonate with our organisational goals. By prioritising purpose, values, learning, and employee well-being within our strategic framework, GO is strategically positioned to achieve its organisational aspirations.

Driving purpose and values

GO's purpose and values serve as cornerstones, guiding our strategic decisions and operational actions. To foster a culture of alignment, we actively encourage employee engagement and participation in embodying these principles. The Special Thanks and Recognition (STAR) programme plays a pivotal role in acknowledging and rewarding employees who exemplify our core values and contribute to a positive and supportive work environment. This initiative provides a platform for colleagues to share stories of exceptional contributions, highlighting those who consistently exceed expectations in living our purpose and values. As in previous years, during the year under review, we witnessed a strong response, with a significant number of employees participating to express appreciation for their peers. Building upon these successes, we plan to refine the STAR programme further in 2025, incorporating insights gained from the past years and exploring opportunities to create synergistic rewards with one of our subsidiary companies.

Policies

A large part of the Company's internal rules and policies relate to human capital. The most important are the following:

- Human Rights Policy
- Anti-Harassment & Anti-Bullying Policy
- Anti-Bribery & Corruption Policy
- Whistle Blowing Policy
- Personal Data Processing Policy

These policies apply to all GO employees, directors, officers, as well as consultants, contractors, trainees, seconded staff, temporary workers, summer workers, volunteers, interns, agents, sponsors and any other person who performs services to, for, or on behalf of, or is otherwise associated with GO.

Labour relations and social dialogue

GO invests heavily in its people. During the past fiscal year, employees continued to benefit from the yearly salary increments that are enshrined in the Collective Agreement signed with the Technology, Electronics and Communications Section of the General Workers Union (GWU) in the second quarter of 2022. This Collective Agreement will expire in June 2025 and the groundwork in preparation for its renegotiation next year has already started.

Directors' report - continued

Attraction, retention and professional development

GO takes pride in being acknowledged by the National Commission for the Promotion of Equality as an Equal Opportunity Employer, providing equal employment opportunities regardless of race, gender, age, religion, disability, sexual orientation, or national origin.

In 2024, we took a significant step in our journey to create a workplace that celebrates everyone by signing the Malta Diversity & Inclusion Charter. Building a diverse workforce is a central pillar of our people strategy and reaffirms our commitment to building an environment where diversity is celebrated, inclusion is a foundational principle, and everyone can succeed.

To overcome the challenges of limited local talent availability, especially within the digital sector, our offshore resourcing initiative has been instrumental in expanding our talent acquisition capabilities. This initiative has also facilitated access to a wider talent pool for one of our subsidiary companies.

As a direct result of GO's strategic recruitment initiatives, today we are proud to be working alongside highly skilled professionals from around the globe, creating a diverse workforce spanning four continents. We maintain a commitment to providing a consistent and equitable employee experience for all.

GO prioritises employee wellbeing through a series of impactful initiatives. Notably, the comprehensive Financial Wellness programme, spread over several weeks, empowered employees with the knowledge and resources necessary for sound financial decision-making, both in their daily lives and for retirement planning. In addition to our quarterly Blood Donation Drives, we actively engaged in many corporate social responsibility (CSR) initiatives. These included volunteering at The Soup Kitchen in Valletta, where GO employees dedicated their time to support the Franciscan-run kitchen serving those in need, and assisting at RMJ Horse Rescue in Siġġiewi, where employees and their families contributed meaningfully to their cause. All CSR initiatives are fully funded through our employees' monthly donations under the GO Cares programme.

In the last quarter of 2024, we moved into our new headquarters in Zejtun, which was designed to accommodate the GO's current and future needs in terms of functionality and space requirements, considering hybrid work arrangements. Our Zejtun campus was built from the ground up to create a superior work environment with open co-working spaces, abundant natural light, improved air quality and a canteen area. It operates using technology for security features and energy efficiency, improving overall company operations and reducing costs. From an energy perspective, the plan is to make our Zejtun office campus completely self-sustainable.

Total employee benefit expense for the year amounted to €41.6 million (2023: €36.9 million). The average number of persons employed by the Group, including part-timers and students, during the year amounted to 1,206 (2023: 1,205). In 2024, 41% of new joiners at GO were female employees, up from 26% in 2023.

Directors' report - continued

Developing a learning culture

Our GO Academy, set up three years ago, continued to play a crucial role in equipping our workforce with the essential skills, mindsets, and behaviours for organisational advancement. GO's learning programmes are thoughtfully designed to address strategic competencies, technical and soft skill needs within departments, and individual self-directed goals, achieved through coaching, sponsorships for further studies, or our digital learning platform. Aligned with our strategic competencies, we have learning programmes centred on three pillars: Purposeful Leadership, Customer Centricity, and Digital Excellence. These pillars are pivotal in developing the necessary skills as we strive to evolve into a purpose-led organisation.

Nevertheless, the most ground-breaking aspect of the Academy lies in the segment devoted to self-directed learning, enabling the team to take charge of defining their own learning objectives and autonomously investing in programmes that enhance overall performance. During this financial year, the Company renewed its collaboration with an international digital learning platform, providing the team with access to a wealth of resources and tools that enhance the learning experience. Furthermore, opportunities for bite-sized learning sessions focused on self-development were extended, and coaching continues to be integrated into the developmental lifecycle.

This year, several company-wide learning programmes were run, including the GO Tech EXPO for all employees, which was designed to deepen the organisation's understanding of how GO's technology works. The EXPO, organised in collaboration with the Digital and Service Ops teams, showcased the investment and effort that goes into building GO's resilient network and gave our people the opportunity to engage, ask questions, and learn directly from their peers, reinforcing GO's commitment to continuous learning and innovation. To empower our leaders, the Leadership+ programme provided comprehensive training in mental health awareness and updated employment law knowledge, enabling them to provide optimal support to their teams. Additionally, in 2024, the GO Academy launched an Interviewing Skills programme for line managers involved in talent acquisition. This programme focused on developing competencies, effective questioning techniques, and the interpretation of non-verbal cues, ensuring the selection of high-calibre candidates.

There was also a substantial amount of technical and soft skill learning organised across the organisation, with team members achieving notable certifications such as VoLTE Roaming Training, Cisco Certified Network Associate (CCNA) certification, VAT Training for the Finance & Credit Control team and DORA training. In fact, 42% of training hours were dedicated to technical training. Additionally, when compared to 2023, the Company continued to increase learning hours across the organisation, by an additional 16% in 2024. The success of the learning investment can be seen in the high employee satisfaction rate of the Learning and Development umbrella, which, in the year under review, hit 80%.

Directors' report - continued

Employee surveys

At GO, we embrace a learning culture that emphasises the mastery of feedback as a fundamental skill for all employees. This skill is recognised as a key driver for personal and professional development, fostering enhanced collaboration and customer service excellence. In support of this feedback-driven approach, we continuously create platforms for the One GO Team to share their perspectives.

To gain data-driven insights into employee experiences, GO engaged an external agency to conduct an employee satisfaction survey in the third quarter of 2024. The survey, which achieved a healthy satisfaction score of 79.7%, provided valuable feedback across key areas including leadership effectiveness, corporate culture, performance management, employee wellbeing, training and development, communication, team cohesion, and reward and recognition

New ways of working

GO has continued to implement its flexible hybrid work policies, initially introduced to support remote work arrangements. Furthermore, the temporary 'work from abroad' policy underscores our commitment to inclusivity. This policy empowers eligible employees within our diverse workforce to work remotely, enhancing their work-life experience while maintaining seamless business operations.

Safety, health and wellbeing at work

Our health, safety and wellbeing strategy includes that every line of business is responsible for the safety of their employees and third parties which may be affected by their operations. Our people receive specific health and safety training and/or are provided with the necessary health and safety information whereas their line managers take responsibility for making sure their teams know how to comply with health and safety standards. Policies and programmes are in place to make sure we adhere to our own standards and that these standards meet or exceed minimum legal requirements. We will also work to make sure our products comply with safety regulations, including meeting industry standards. We provide direction to help teams understand and control health and safety risks and help everyone feel involved in health, safety and wellbeing issues.

Directors' report - continued

One GO team metrics	Group			Company		
	2024	2023	2022	2024	2023	2022
Number of employees						
Male	860	841	856	446	456	481
Females	360	344	342	198	199	205
Number of employees at top management						
Male	46	42	31	22	23	23
Females	14	15	15	10	12	15
Age distribution						
Less than 30 years	318	305	322	149	143	166
Between 30 - 50 years	699	688	670	333	357	369
Above 50 years	203	193	206	162	155	151
Family related leave						
% employees entitled to take family related leave	100%	100%	100%	100%	100%	100%
Number of entitled employees that took family-related leave						
Male	78	34	19	53	18	12
Female	34	28	19	21	21	17
% of employees with disabilities	1.8%	1.48%	0.9%	3%	2.7%	1.3%
Health & Safety measures						
% of employees covered by health & safety management systems	100%	100%	100%	100%	100%	100%
Average training hours per employees	32	37	40	47	46	44

Directors' report - continued

Human Rights

GO recognises certain fundamental rights also extend to the workplace and is committed to respecting the human rights of individuals in all aspects of its business. For this reason, the Company has adopted a Human Rights Policy to nurture an organisational culture that deeply respects human dignity, human rights and personal recognition. Furthermore, the Company is committed to take steps as may be necessary to identify and prevent interference with fundamental rights and provide for the respectful exercise of those rights by all persons, consistent with the safe, effective and efficient performance of work.

The Company respects all fundamental human rights and will be guided in the conduct of its business by the provisions of the United Nations Universal Declaration of Human Rights, the International Labour Organisation (ILO) core labour standards and Maltese law on the matter. In this area, telecommunication companies typically refer to such matters as:

- Human rights integration;
- Services used for defence, military, law enforcement, security or cybersecurity purposes and services provided in extreme or high-risk countries;
- Modern slavery;
- Big sporting events and the risks these events pose in relation to labour rights violations and community displacement.

Governance

Anti-corruption and bribery matters

One of GO's key objectives is to strive for ethical behaviour with regards to its interactions with all its stakeholders. Our Company's long-standing commitment to doing business with integrity means avoiding corruption in any form, including bribery, and complying with the local legislation in this respect. GO has set up a formal policy in respect of these matters.

This policy sets out the responsibilities of company officials and guidance on how to recognise and deal with bribery and corruption. GO prohibits bribery and corruption in all its forms. In all our dealings with public officials or private individuals or businesses, we must be open and transparent, conduct ourselves appropriately and strictly adhere to our business processes. This will ensure that no bribery or corruption takes place and avoid any appearance or suggestion of improper behaviour.

In order to ensure compliance to this policy, GO has in place a procurement process, in which all purchasing above a certain limit has to abide by rigorous procurement procedures and the authorisation levels of its officials. In line with environment commitments GO has invested in a paperless office and in this regard all transactions from the initial procurement stage up to approval is digitally stored, thus ensuring that GO has a full digital audit trail of the entire process.

Directors' report - continued

Our suppliers provide the products and services that are so important in executing GO's strategy. The Company wants to know who it is doing business with and who is acting on its behalf. So, suppliers are chosen using principles that ensure that they act ethically and responsibly, ensuring as much as is practicable that suppliers act in a socially and environmentally responsible way. GO carries out due diligence checks and also ongoing monitoring of the suppliers, agents, resellers and distributors base in order to detect at source any unusual behaviour and make sure that the organisation's zero tolerance policy is consistently portrayed both to the current supplier base and any potential newcomers to the scene, since it is crucial that we maintain high ethical standards. We do not tolerate fraud, bribery, any form of corruption or any illegal or unethical activity. The Company follows local and international law, including anti-corruption and bribery laws. The policy is that procurement contracts include anti-corruption and bribery clauses.

The Company also face the risks associated with inappropriate and unethical behaviour in the market by its people or associates, such as suppliers or agents, which can be difficult to detect. GO faces the risks that the controls designed to prevent, detect and correct such behaviour may be circumvented. Controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and there can be no assurance that any design will succeed in achieving its stated goals under all potential conditions, regardless of how remote.

If our people, or associates like suppliers or agents, breach anti-corruption, bribery, sanctions or other legislation there could be significant penalties, criminal prosecution and damage to our brand. This could have an impact on future revenue and cash flows depending on the nature of the breach, the legislation concerned and any penalties. Accusations of corruption, bribery, violating sanctions, regulations or other laws could lead to reputational damage with investors, regulators and customers. If fraud is committed, there is a risk of financial misstatement which if undetected can have a material financial impact and potential litigation together with regulatory consequences.

Financial and other controls play an important part in our ability to prevent and detect inappropriate and unethical behaviour. This behaviour includes fraud, deliberate financial misstatement and improper accounting practices, as well as breaches of anti-corruption, bribery, or sanctions legislation. If the design, operation or the assurance over these controls is ineffective or circumvented, there is a greater risk that the impacts described above may materialise.

GO has a controls and compliance programme to strengthen awareness of the standards it expects, the capabilities of our people, and to reinforce the importance of doing business in an ethical, disciplined and standardised way. As part of the implementation of the policy, all our people had to complete training to embrace our zero tolerance to bribery and corruption. There are also policies covering gifts, hospitality, charitable donations and sponsorship. Tailored training is run for people in higher-risk roles like procurement and sales.

Procedures are in place where employees can report in complete confidence to the designated Competent Person and that any retaliation against someone who reports a concern is strictly prohibited. Also, the internal audit team runs checks on our business to ensure that the policies are being adhered to.

The Group will monitor the application of the policy referred to with a view to determining, if considered applicable, objectives and KPIs in coming financial years to explain further progress in respect of these areas. However, the outcome of this process depends on the manner in which events unfold in future.

Directors' report - continued

Privacy Policy

GO is very conscious about the personal data it handles daily, especially when dealing with its customers. It has taken a number of steps to ensure compliance with all relevant legislation, including the GDPR and Data Protection Act, and to implement internal processes which safeguard our customers' privacy and personal data on a daily basis.

GO's Privacy Policy, which is published on its website and made readily available, gives both customers and non-customers a full picture on the type of personal data GO process as well as the manner and extent to which it does so. It also explains and outlines the process for customers to exercise their rights with respect to their personal data and how to take matters up with our Data Protection Officer.

Over the past year, our Data Protection Officer has handled very few complaints, requests for information or customer-related issues. Given the number of customers and data processes we have in place, we consider this to be a true testament to our commitment and success in this area. Our customers have faith in us and with good reason, and we want to ensure that we continue to build on that trust.

As with everything else, we are sure that this is, and will continue to be, down to our employees, who remain the cornerstone of our organisation. Apart from the Privacy Policy, our employees across all the Group are carefully implementing a number of other specially written internal policies and procedures which help guide and educate those strategies, decisions and interactions which may have an impact, big or small, on a customer's personal data. Such documentation is updated whenever necessary. We also hold regular training sessions for all staff to continually keep privacy and the protection of personal data at the forefront of our services. During the year under review employees have undertaken refresher training on the main principles governing privacy and the protection of personal data. New employees joining the Group and those sensitive areas of the Group were also required to attend specific training on the subject. In 2024, GO implemented a GDPR training programme for its employees, delivered on a 12-month rolling basis.

Internal audit function

In 2024 the Internal Audit function carried out work in terms of the audit plan for the year approved by the Audit Committee. Work consisted mainly of audits, follow-ups, and periodic exercises. The audits were mainly focused on migrations of systems as well as on ISO27001 related work. In its work the Internal Audit keeps regular communication with the auditee and practices are in place for audits to be discussed at Exit Meetings and to be signed off by the auditees and Chiefs concerned who provide feedback and timeframes on agreed upon recommendations, which are then followed up in due course.

Directors' report - continued

Information Security

Committed to safeguarding customers' data and ensuring business operations' continuity, GO prioritises infrastructure protection. In the year under review 2024, substantial investments were made in technology, processes and employee training to fortify information security measures and align with current regulations.

Following the attainment of ISO 27001 certification in 2022, reaffirmed in 2023 and 2024, efforts persist in implementing and maintaining an effective information security management system. This standard guides the management of sensitive data across three data centre locations and headquarters offices. Security policies have been updated to reflect evolving operational contexts, supported by dedicated committees.

In tandem with ISO 27001 certification, investments target new technologies and processes to mitigate cyber risks, such as enhanced security controls, regular employee security awareness training, audits, and refined incident response protocols. Collaboration with suppliers ensures supply chain security.

Anticipating increased compliance obligations with the recently enacted forthcoming European Union legislation, proactive measures were taken to prepare for changes. This encompasses ensuring compliance with the General Data Protection Regulation (GDPR), the Digital Operational Resilience Act (DORA) and other upcoming regulations, including the latest version of the Network and Information Security Directive (NIS 2). Investment in these measures instils confidence in maintaining customers' data protection, business operations continuity, and adherence to all legal and regulatory requirements.

Double materiality assessment

As part of its preparations for upcoming reporting obligations under the Corporate Sustainability Reporting Directive (CSRD), the Group is in the final stages of completing its double materiality assessment.

The concept of double materiality incorporates both impact materiality and financial materiality. Impact materiality (inside-out) considers how the Group's operations, including those within its value chain, affect the environment and society. Financial materiality (outside-in) evaluates how the Group may be impacted by sustainability-related risks and opportunities.

The objective of this assessment is to gain a comprehensive understanding of the Group's business activities and value chain, and to identify key impacts, risks, and opportunities (IROs) across a range of sustainability topics. Following the identification of relevant IROs, a scoring exercise is carried out to determine materiality—whether from an impact perspective, a financial perspective, or both. Only material IROs and their associated sustainability matters are subject to disclosure in the CSRD report.

This assessment is being conducted in line with the requirements set out in the European Sustainability Reporting Standards (ESRSs), as well as the supporting guidance issued by EFRAG.

To support the assessment, the Group undertook a thorough research and analysis exercise across its business model and value chain. This involved identifying sustainability matters and IROs commonly associated with the telecommunications sector, with reference to:

- Existing sustainability reporting frameworks;
- Peer benchmarking;
- Media analysis; and
- Academic and industry publications on sustainability trends.

Additionally, the Group held dedicated workshops with key internal stakeholders to validate and refine the identification of IROs most relevant to the Group's operations.

Directors' report - continued

Based on the research and assessment conducted to date, the Group anticipates the following sustainability matters, grouped by sustainability topic, will likely be considered as material:

Environment	Social	Governance
<p>Climate change</p> <p>Climate change adaptation</p> <p>Energy*</p> <p>Circular Economy</p> <p>Resource Inflows</p>	<p>Own workforce</p> <p>Secure employment</p> <p>Health and safety*</p> <p>Privacy</p> <p>Affected Communities</p> <p>Health and safety</p> <p>Consumers and end-users</p> <p>Data privacy & security*</p>	<p>Business conduct</p> <p>Anti-corruption and bribery*</p>

*Relate to sustainability matters already considered relevant by the Group and reported on. As part of the double materiality assessment, the Group will assess the continued relevance of such sustainability matters, ensuring appropriateness of the sustainability matters reported on under CSRD in accordance with the fundamental qualitative characteristics of information required to be applied by ESRS 1 (i.e., relevance of information).

Board of Directors

The Directors who served on the Board during the year under review or up to the date of this report are listed hereunder. None of the Directors in office during the year or at the balance sheet date held an executive appointment with the Company or its subsidiaries.

Lassâad Ben Dhiab
 Sofiane Antar
 Paul Fenech
 Faker Hnid
 Azmi Lahmar
 Mohsin Majid (elected on 30 May 2024)
 Deepak Padmanabhan
 Norbert Prihoda
 Paul Testaferrata Moroni Viani (resigned on 30 May 2024)

In terms of Article 58.2 of the Articles of Association, the term of appointment of the Directors still in office expires at the forthcoming Annual General Meeting.

Paul Fenech, Mohsin Majid, Deepak Padmanabhan and Paul Testaferrata Moroni Viani offered themselves for election at the twenty-sixth Annual General Meeting for the three seats on the Board of Directors. An election was held and Paul Fenech, Mohsin Majid and Deepak Padmanabhan were the three directors appointed to represent the Company's minority shareholders.

Directors' report - continued

Faker Hnid and Deepak Padmanabhan also acted as directors of BMITT. Faker Hnid acted as director on the boards of the following subsidiaries of BMITT, BMIT Limited, Bellnet Limited and BM Support Services Limited.

Lassâad Ben Dhiab, Faker Hnid and Norbert Prihoda were also acting as directors of Cablenet.

Paul Fenech, Faker Hnid and Mohsin Majid acted as directors of GO IP Holdings Limited.

None of the Directors have service contracts with either the Company or its subsidiaries.

The composition of Officers and Senior Management is further disclosed under section 'Company Information'. Further information is also given in the Corporate Governance - Statement of Compliance.

Remuneration committee and corporate governance

The activities of the remuneration committee and the Group's arrangements for corporate governance are reported on pages 66 - 71.

Directors' responsibilities

The Directors are required by the Companies Act (Cap. 386) to prepare financial statements in accordance with International Financial Reporting Standards as adopted by the EU which give a true and fair view of the state of affairs of the Company as at the end of each reporting period and of the profit and loss for that period.

In preparing the financial statements, the Directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying consistently suitable accounting policies;
- making accounting judgements and estimates that are reasonable; and
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern.

The Directors are also responsible for designing, implementing and maintaining such internal control as they deem necessary for the preparation of financial statements that are free from financial misstatements, whether due to fraud or error, and that comply with the Maltese Companies Act (Cap. 386). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements of GO p.l.c. for the year ended 31 December 2024 are included in the Annual Financial Report 2024, which is published in hard-copy printed form and will be made available on the Company's website. The Directors are responsible for the maintenance and integrity of the Annual Financial Report on the website in view of their responsibility for the controls over, and the security of, the website. Access to information published on the Company's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.

Information provided in accordance with Capital Markets Rule 5.70.1

There were no material contracts to which the Company, or any of its subsidiaries was a party, and in which anyone of the Company's Directors was directly or indirectly interested.

Directors' report - continued

Going concern

In accordance with Capital Markets Rule 5.62, the Directors have assessed the Group's and the Company's operating performance, the balance sheet as at year end, and business plan for the coming year. Based on this evaluation, they have a reasonable expectation that the Group has sufficient resources to continue operating for the foreseeable future. As a result, the financial statements have been prepared on a going concern basis, as further detailed in Note 1.1 – Basis of Preparation in the notes to these financial statements.

Auditors

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office. A resolution to re-appoint the auditors and to authorise the Directors to fix their remuneration will be proposed at the forthcoming Annual General Meeting.

Information provided in accordance with Capital Markets Rule 5.64

The authorised share capital of the Company is three hundred forty-nine million, four hundred and five thousand and eight hundred euro (€349,405,800) divided into six hundred million (600,000,000) shares of fifty eight point two three four three euro cent (58.2343 euro cent) each share.

The issued share capital of the Company is fifty-eight million, nine hundred and ninety seven thousand, four hundred and fifty three euro and fifty one euro cent (€58,997,453.51) divided into one hundred and one million three hundred and ten thousand four hundred and eighty eight (101,310,488) ordinary shares of fifty eight point two three four three euro cent (58.2343 euro cent) each share, which have been subscribed for and allotted fully paid up. The issued shares of the Company consist of one class of ordinary shares with equal voting rights attached.

The Company did not modify in any way the structure of its share capital during the year. No further issues were made and neither did the Company acquire ownership of or any rights over any portion of its issued share capital.

The Directors confirm that as at 31 December 2024, only TT ML Limited held a shareholding in excess of 5% of the total issued share capital.

Any shareholder holding in excess of 40% of the issued share capital of the Company having voting rights may appoint the Chairman. In the event that there is no one single shareholder having such a shareholding, the Chairman shall be elected by shareholders at the Annual General Meeting of the Company.

The rules governing the appointment of Board members are contained in Clause 57.2 of the Company's Articles of Association as follows:

The Directors shall be appointed as set out hereunder:

- (a) A Shareholder holding not less than 12% (twelve per centum) of the issued share capital of the Company having voting rights shall be entitled to appoint one Director for every such 12% holding by letter addressed to the Company. Provided that anyone Shareholder who, pursuant to the provisions of sub article 57.1 (a) is entitled to appoint the Chairman, shall for the purposes of the appointment of Directors in terms of this sub-article have 12% of his holdings deducted and may accordingly only appoint Directors with the residual balance of shares having voting rights after such deduction.

Directors' report - continued

- (b) Any Shareholder who does not qualify to appoint Directors, in terms of the provisions of paragraph (a) of this sub-article 57.2, and who has not aggregated his holdings with those of other Shareholders for the purposes of appointing a Director(s) pursuant thereto, shall be entitled to participate and vote in an election of Directors to take place once in every year at the Annual General Meeting of the Company.
- (c) Shareholders entitled to appoint Directors pursuant to the provisions of paragraph (a) sub-article 57.2 shall not be entitled to participate in the election of Directors in terms of paragraph (b) of this sub-article.
- (d) Members shall be entitled in lieu of voting at an election of Directors, to aggregate their shareholdings, and to appoint one Director for every twelve per cent (12%) shareholding having voting rights held between them, by letter addressed to the Company in accordance with the provisions of sub-article 57.2 (a); and for the purposes of this paragraph and voting rights of persons entitled to vote pursuant to the provisions of sub-article 57.2 (b) remaining after the exercise of such vote may aggregate such rights as aforesaid.

Any amendment to the Company's Memorandum and Articles of Association has to be made in accordance with the Companies Act (Cap. 386).

Without prejudice to any special rights previously conferred on the holders of any of the existing shares or class thereof, any share in the Company may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Board of Directors may from time to time determine, as provided for in Clauses 3.2 and 3.3 of the Articles of Association, as long as any such issue of equity securities falls within the authorised share capital of the Company.

The Company may, subject to the applicable restrictions, limitations and conditions contained in the Companies Act (Cap. 386), acquire its own shares and/or equity securities.

Pursuant to Capital Market Rules 5.64.2, 5.64.4, 5.64.5, 5.64.6, 5.64.7, 5.64.10 and 5.64.11 it is hereby declared that, as at 31 December 2024, none of the requirements apply to the Company.

Remuneration Policy and Remuneration Report

The Remuneration Committee of the Company will be submitting to the Shareholders for an advisory vote at the forthcoming Annual General Meeting the Remuneration Report for the financial year ending 31 December 2024. The Remuneration Report is drawn up in accordance with, and in fulfilment of the provisions of Chapter 12 of the Capital Markets Rules issued by the Malta Financial Services Authority relating to the Remuneration Report and Section 8A of the Code of Principles of Good Corporate Governance (Appendix 5.1 of the Capital Market Rules) regarding the Remuneration Statement.

The Remuneration Report provides a comprehensive overview of the nature and quantum of remuneration paid to Directors and the Chief Executive Officer during the reporting period and details how this complies with the Company's Remuneration Policy. The Remuneration Report is intended to provide increased corporate transparency, increased accountability and a better shareholder oversight over the remuneration paid by the Company. The contents of this Remuneration Report have been reviewed by the Company's Auditors to ensure that the information required in terms of Appendix 12.1 of the Capital Market Rules has been included.

Directors' report - continued

We, the undersigned, declare that to the best of our knowledge, the financial statements prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and its subsidiaries included in the consolidation taken as a whole, and that this report includes a fair review of the performance of the business and the position of the Company and its subsidiaries included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Signed on behalf of the Company's Board of Directors on 16 April 2025 by Mohsin Majid and Paul Fenech as per the Directors' Declaration on ESEF Annual Financial Report submitted in conjunction with the Annual Financial Report 2024.

Registered office
GO, Triq Hal Tarxien
Zejtun ZTN 3000
Malta

Company Secretary
Dr Francis Galea Salomone

16 April 2025

Corporate governance - Statement of compliance

A. Introduction

Pursuant to the Malta Financial Services Authority Capital Markets Rules, GO p.l.c. ('the Company' or GO) whose equity securities are listed on a regulated market should endeavour to adopt the Code of Principles of Good Corporate Governance ('the Code') as contained in Appendix 5.1 to Chapter 5 of the Capital Markets Rules. In terms of the Capital Markets Rules the Company is hereby reporting on the extent of its adoption of the Code.

The Company acknowledges that the Code does not prescribe mandatory rules but recommends principles so as to provide proper incentives for the Board of Directors ('the Board') and the Company's management to pursue objectives that are in the interests of the Company and its shareholders. Good corporate governance is the responsibility of the Board, and in this regard the Board has carried out a review of the Company's compliance with the Code during the period under review, and hereby provides its report thereon.

As demonstrated by the information set out in this statement, together with the information contained in the Remuneration report to the shareholders, the Company believes that it has, save as indicated herein the section entitled Non-compliance with the Code, throughout the period under review, applied the principles and complied with the provisions of the Code.

B. Compliance

Principle 1: The Board

The Board, the members of which are appointed by the shareholders, is primarily tasked with the administration of the Company's resources in such a way as to enhance the prosperity of the business over time, and therefore the value of the shareholders' investment. The Board is composed of eight Directors (one of whom is the Chairman) all of whom are non-executive Directors.

The Board is in regular contact with the Chief Executive Officer and is continuously informed of any decisions taken by the senior management in order to ensure an effective contribution to the decision-making process, whilst at the same time exercising prudent and effective controls. Directors, individually and collectively, are of appropriate calibre, with the necessary skill and experience to assist them in providing leadership, integrity and judgement in directing the Company towards the maximisation of shareholder value.

The Board delegates specific responsibilities to a number of committees, notably the Remuneration Committee and the Audit Committee, each of which operates under formal terms of reference approved by the Board.

Further detail in relation to the Committees and the responsibilities of the Board is found in paragraph 'Principles 4 and 5' of this statement.

Principle 2: Chairman and Chief Executive Officer

The roles of Chairman and Chief Executive Officer are filled by separate individuals, and the Chief Executive Officer is appointed by the Board for a definite period. During the period under review Lassâad Ben Dhiab was Chairman and Nikhil Patil was the Chief Executive Officer.

Corporate governance - Statement of compliance - continued

Principle 2: Chairman and Chief Executive Officer - continued

The responsibilities and roles of the Chairman and the Chief Executive Officer are clearly established and agreed to by the Board of Directors.

The Chairman is responsible to lead the Board and set its agenda. The Chairman ensures that the Board is in receipt of precise, timely and objective information and also encourages active engagement by all members of the Board for discussion of complex and contentious issues.

Principle 3: Composition of the Board

In accordance with the provisions of the Company's Articles of Association, the appointment of Directors to the Board is exclusively reserved to the Company's shareholders, except in so far as appointment is made to fill a casual vacancy on the Board, and which appointment would expire at the Company's Annual General Meeting following appointment. Any vacancy among the Directors may be filled by the co-option of another person to fill such vacancy. Such co-option shall be made by the Board of Directors.

The Board has the overall responsibility for the activities carried out within the Company and the Group and thus decides on the nature, direction, strategy and framework of the activities and sets the objectives for the activities.

The Board of Directors is currently comprised from eight (8) non-executive Directors. The following Directors served on the Board during the period under review:

Lassâad Ben Dhiab
Sofiane Antar
Paul Fenech
Faker Hnid
Azmi Lahmar
Mohsin Majid (elected on 30 May 2024)
Deepak Padmanabhan
Norbert Prihoda
Paul Testaferrata Moroni Viani (resigned on 30 May 2024)

For the purposes of the Code, the non-executive Directors are independent. The Company deems that, although Sofiane Antar, Faker Hnid, Lassâad Ben Dhiab, Azmi Lahmar and Norbert Prihoda have an employee and director relationship with the controlling shareholder, in terms of Supporting Principle 3 (vii) of the Code of Principles of Good Corporate Governance such relationship is not considered to create a conflict of interest such as to jeopardise exercise of their free judgement.

Corporate governance - Statement of compliance - continued

Principle 3: Composition of the Board - continued

Application of Diversity Policy in relation to the Board of Directors

The Company does not have in place a formal diversity policy which is applied in relation to the Board of Directors with regard to aspects such as age, gender or educational and professional backgrounds. The Board is actively looking into the matter and will be setting up a nomination committee. It is also considering a review of the Memorandum and Articles of Association (M&A) to potentially introduce clauses that would facilitate the implementation of this requirement in the future. Notwithstanding the absence of a diversity policy, the Company endeavours to have in place a Board composed of members who possess a diverse range of skills, characteristics and qualities. The objective of the Company is that the Board composition contributes to different views and opinions, enhancing the level and quality of challenge together with oversight exercised at Board level.

Principles 4 and 5: The Responsibilities of the Board and Board Meetings

The Board has a formal schedule of matters reserved to it for decisions, but also delegates specific responsibilities to various board committees and sub-committees, the most prominent being the Audit Committee and the Remuneration Committee. Directors receive board and committee papers in advance of meetings and have access to the advice and services of the Company Secretary. Directors may, in the course of their duties, take independent professional advice on any matter at the Company's expense. The Directors are fully aware of their responsibility to always act in the best interests of the Company and its shareholders as a whole, irrespective of whoever appointed or elected them to serve on the Board. As delegated and monitored by the Board, the Company Secretary keeps detailed records of all dealings by Directors and senior executives of the Company and its subsidiaries in the Company's shares and all minutes of meetings of the Board and its sub-committees.

During the year under review the Board met nine (9) times and attendance by Board members was as follows:

	Attended
Lassâad Ben Dhiab	9
Sofiane Antar	9
Paul Fenech	9
Faker Hnid	9
Azmi Lahmar	9
Mohsin Majid (elected on 30 May 2024)	5
Deepak Padmanabhan	9
Norbert Prihoda	9
Paul Testaferrata Moroni Viani (resigned on 30 May 2024)	3

On joining the Board, a Director is provided with a presentation by the departmental heads on the activities of their respective business unit in the Company and its subsidiaries. The Directors receive, on a regular basis, information on the Group financial performance and position. The Board has the responsibility to ensure that the activities are organised in such a way that the accounts, management of funds and financial conditions in all other respects are controlled in a satisfactory manner and that the risks inherent in the activities are identified, defined, measured, monitored and controlled in accordance with external and internal rules, including the Articles of Association of the Company. The Board of Directors continuously assesses and monitors the Company's operational and financial performance, assesses and controls risk, and monitors competitive forces in all areas of operation. It also ensures that both the Company and its employees maintain the highest standards of corporate conduct.

Corporate governance - Statement of compliance - continued

Principles 4 and 5: The Responsibilities of the Board and Board Meetings - continued

Board Committees

Audit Committee

The Audit Committee supports the work of the Board in terms of quality control of the Group's financial reports and internal controls. The Audit Committee is currently chaired by Faker Hnid, with the other members being Deepak Padmanabhan and Paul Fenech. The Audit Committee is independent and is constituted in accordance with the requirements of the Capital Markets Rules, with Faker Hnid being chosen as the member competent in accounting and/or auditing in view of his experience in the field. The Internal Auditor is present at Audit Committee meetings. The Chief Finance Officer and the external auditors of the Company attend the meetings of the Committee by invitation. Other executives are requested to attend when required. The Company Secretary also acts as Secretary to the Audit Committee.

The Committee scrutinises and monitors related party transactions. It considers the materiality, and the nature of the related party transactions carried out by the Company to ensure that the arm's length principle is adhered to at all times.

As part of its duties, the Committee receives and considers reports on the system of internal financial controls and the audited statutory financial statements of all companies comprising the Group. The Committee held six (6) meetings during the year. The external auditors attended three (3) of these meetings.

Remuneration Committee

The Committee is responsible for determining and agreeing with the Board the framework or broad policy for the Remuneration of the Company's chief officers, the Chairman of the Company, the Directors of the Board, and such other members as it is designated to consider. In determining such policy, the Committee takes into account all factors which it deems necessary, including the position of the Group companies relative to other companies in the marketplace. The objective of such policy shall be to ensure that Directors and chief officers are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group companies.

The Remuneration Committee was chaired by the Chairman of the Board of Directors, the other members being Paul Fenech, Mohsin Majid (as from 30 May 2024) and Paul Testaferrata Moroni Viani (resigned on 30 May 2024). The Company Secretary, Dr Francis Galea Salomone, acts as Secretary to the Remuneration Committee. The Remuneration Committee met one (1) time in 2024. The Remuneration Report is set out on pages 66 to 71.

Corporate governance - Statement of compliance - continued

Principle 6: Information and Professional Development

The Board is responsible for the appointment of the Chief Executive Officer. The Chief Executive Officer, although responsible for the recruitment and selection of senior management, consults with the Remuneration Committee and with the Board on the appointment of senior management.

On joining the Board, Board members are informed in writing by the Company Secretary of the Directors' duties and obligations, relevant legislation as well as rules and byelaws. In addition, Directors have access to the advice and services of the Company Secretary and the Board is also advised directly, as appropriate, by its legal advisors. Directors are also provided with a presentation by the departmental heads on the activities of their respective business unit in the Company and subsidiaries. On a regular basis, the Directors receive periodic information on the Group's financial performance and position. The Company Secretary ensures effective information flows within the Board, committees and between senior management and Directors, as well as facilitating professional development. The Company Secretary advises the Board through the Chairman on all governance matters.

Directors may, in the course of their duties, take independent professional advice on any matter at the Company's expense. The Company will provide for additional individual Directors' training on a requirements basis.

Principle 7: Evaluation of the Board's Performance

The Chairman of the Board informally evaluates the performance of the Board members, which assessment is followed by discussions within the Board. Through this process the activities and working methods of the Board and each committee member are evaluated. Amongst the things examined by the Chairman through his assessment are the following: how to improve the work of the Board further, whether or not each individual member takes an active part in the discussions of the Board and the committees; whether they contribute independent opinions and whether the meeting atmosphere facilitates open discussions. Under the present circumstances the Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role as the Board's performance is furthermore also under the scrutiny of the shareholders.

On the other hand, the performance of the Chairman is evaluated by the Board of Directors of the ultimate controlling party, taking into account the manner in which the Chairman is appointed. The self-evaluation of the Board has not led to any material changes in the Company's governance structures and organisations.

Principle 8: Committees

The function of the Remuneration Committee is dealt with under the Remuneration report, which also includes the Remuneration Statement in terms of Code Provisions 8.A.3 and 8.A.4.

The Company has opted not to set up a Nomination Committee. Further explanation is provided under the section entitled Non-Compliance with the Code of this Statement.

Corporate governance - Statement of compliance - continued

Principles 9 and 10: Relations with Shareholders and with the Market, and Institutional Shareholders

The Company recognises the importance of maintaining a dialogue with its shareholders and of keeping the market informed to ensure that its strategies and performance are well understood. During the period under review the Company has maintained an effective communication with the market through a number of Company announcements and press releases.

The Company also communicates with its shareholders through the Company's Annual General Meeting ('AGM'). The Chairman of the Board ensures that all Directors attend the AGM and that both himself and the Chairman of the Audit Committee are available to answer questions.

Both the Chairman and Chief Executive Officer also ensure that sufficient contact is maintained with major shareholders to understand issues and concerns.

Apart from the AGM, the Company communicates with its shareholders by way of the Annual Financial Report and Consolidated Financial Statements and also through the Company's website (www.go.com.mt) which also contains information about the Company and its business, including an Investor Relations section.

In addition, the Company holds meetings with major stockbrokers and financial intermediaries, which meetings usually coincide with the publication of financial statements.

The office of the Company Secretary maintains regular communication between the Company and its investors. Individual shareholders can raise matters relating to their shareholdings and the business of the Group at any time throughout the year and are given the opportunity to ask questions at the AGM or to submit written questions in advance.

As provided by the Companies Act (Cap. 386), minority shareholders may convene Extraordinary General Meetings.

Principle 11: Conflicts of Interest

The Directors are fully aware of their responsibility to always to act in the best interests of the Company and its shareholders as a whole irrespective of whoever appointed or elected them to serve on the Board.

On joining the Board and regularly thereafter, the Directors are informed of their obligations on dealing in securities of the Company within the parameters of law, including the Capital Markets Rules, and Directors follow the required notification procedures.

Directors' interest in the shareholding of the Company:

	Number of shares as at 31 December 2024
Lassâad Ben Dhiab	Nil
Sofiane Antar	Nil
Paul Fenech	130,995
Faker Hnid	Nil
Azmi Lahmar	Nil
Mohsin Majid (elected on 30 May 2024)	Nil
Deepak Srinivas Padmanabhan	Nil
Norbert Prihoda	Nil
Paul Testaferrata Moroni Viani (resigned on 30 May 2024)	78,394

Corporate governance - Statement of compliance - continued

Principle 11: Conflicts of Interest - continued

Paul Fenech has a beneficial interest in the Company of 130,995 shares through the shareholding of Classic Group Ltd. in GO.

Paul Testaferrata Moroni Viani (resigned on 30 May 2024) has a beneficial interest in the Company of 75,494 and 2,900 shares through the shareholding of other related parties including Testaferrata Moroni Viani (Holdings) Ltd. and Testaferrata Moroni Viani Ltd. respectively in GO.

None of the other Directors of the Company have any interest in the shares of the Company or the Company's subsidiaries or investees or any disclosable interest in any contracts or arrangements either subsisting at the end of the last financial year or entered into during this financial year.

There were no other changes in the Directors' interest in the shareholding of the Company between year-end and 11 April 2025.

Principle 12: Corporate Social Responsibility

As a major presence in the community, GO has always taken its corporate social responsibility very seriously. As in previous years, in 2024 the Group has maintained a steady programme of activities aimed at improving the quality of life of its work force and their families, as well as of the local community and society at large. *L-Istrina* was once again an event which was heavily supported by GO, not only in terms of a substantial donation but also in terms of equipment, communications infrastructure and hundreds of man-hours, freely given to ensure the success of this annual fundraiser. GO also continued to support various NGOs. During the year GO also continued to build on the 'GO for the Future' campaign supporting various educational initiatives which encourage reading and a passion for science.

The Company retained a careful eye on environmental considerations in all its activities, as well as ethical behaviour with regards to its interactions with all its stakeholders.

It is always particularly encouraging to note that while employee support for company-driven events is growing from year to year, so are the number of personal initiatives taken, as this is very much in line with the Company's belief in a holistic approach to their work-life balance as well as strengthening community team spirit.

C. Non-compliance with the Code

Principle 3: Executive and Non-Executive Directors on the Board

As explained in Principle 3 in Section B, the Board is composed entirely of non-executive Directors. Notwithstanding this, it is considered that the Board, as composed, provides for sufficiently balanced skills and experience to enable it to discharge its duties and responsibilities effectively. In addition, no cases of conflict of interest are foreseen.

Corporate governance - Statement of compliance - continued

Principle 4: Succession Policy for the Board (code provision 4.2.7)

This Code Provision recommends the development of a succession policy for the future composition of the Board of Directors and particularly the executive component thereof, for which the Chairman should hold key responsibility.

In the context of the appointment of Directors being a matter reserved exclusively to the Company's shareholders (except where the need arises to fill a casual vacancy) as explained under Principle 3 in Section B, considering that every Director retires from office at the AGM and on the basis of the Directors' non-executive role, the Company does not consider it feasible to have in place such a succession policy.

Principle 6: Succession Plan for Senior Management

Although the Chief Executive Officer is responsible for the recruitment and appointment of senior management, the Company has not established a formal succession plan. This is basically due to the fact that the appointment of senior management is always discussed at the Remuneration Committee and approved by the Board of Directors.

Principle 8 B: Nomination Committee

Pursuant to the Company's Articles of Association, the appointment of Directors to the Board is reserved exclusively to the Company's shareholders. Shareholders holding not less than 12% (twelve per centum) of the issued share capital of the Company having voting rights shall be entitled to appoint one Director for every such 12% holding by letter addressed to the Company. The other shareholders are entitled to appoint the remaining Board members at the AGM in accordance with the provisions of the Articles of Association. The nomination of a candidate by a shareholder is to be seconded by a shareholder or shareholders holding at least 15,000 shares.

Within this context, the Board is currently investigating the setting up of the Nomination Committee. The Company also considers that some of the functions of the Nomination Committee (particularly those relating to succession planning and the appointment of senior management) are already being dealt with by the Remuneration Committee.

Principle 9: Conflicts between Shareholders (code provision 9.3)

Currently there is no established mechanism disclosed in the Company's Memorandum and Articles of Association to trigger arbitration in the case of conflict between the minority shareholders and the controlling shareholders. In any such cases should a conflict arise, the matter is dealt with in the appropriate fora in the Board meetings, wherein the minority shareholders are represented. There is also an open channel of communication between the Company and the minority shareholders via the office of the Company Secretary.

Corporate governance - Statement of compliance - continued

D. Internal controls

The key features of the Group's system of internal controls are as follows:

Organisation

The Group operates through boards of directors of subsidiaries with clear reporting lines and delegation of powers.

Control environment

The Group is committed to the highest standards of business conduct and seeks to maintain these standards across all of its operations. Group policies and employee procedures are in place for the reporting and resolution of fraudulent activities.

The Group has an appropriate organisational structure for planning, executing, controlling and monitoring business operations in order to achieve Group objectives. Lines of responsibility and delegation of authority are documented.

The Group and the individual companies comprising it have implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the potential exposure to loss of assets or fraud. Measures taken include physical controls, segregation of duties and reviews by management, the internal audit team and the external auditors.

Risk identification

Group management is responsible together with each of the subsidiary companies' management, for the identification and evaluation of key risks applicable to their areas of business. These risks are assessed on a continual basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, competition, natural catastrophe and regulatory requirements.

Information and communication

Group companies participate in periodic strategic reviews which include consideration of long-term financial projections and the evaluation of business alternatives.

Monitoring and corrective action

There are clear and consistent procedures in place for monitoring the system of internal financial controls. The Audit Committee meets regularly during the year and, within its terms of reference as approved by the Malta Financial Services Authority, reviews the effectiveness of the Group's systems of internal financial controls. The Committee receives reports from management, internal audit and the external auditors.

Corporate governance - Statement of compliance - continued

E. General meetings

Shareholders' influence is exercised at the Annual General Meeting (AGM), which is the highest decision-making body of the Company. All shareholders, registered in the Shareholders' Register, have the right to participate in the Meeting and to vote for the full number of their respective shares. A shareholder who cannot participate in the Meeting can be represented by proxy.

Business at the Company's AGM will cover the Annual Financial Report and Consolidated Financial Statements, the declaration of dividends, election of Directors and the approval of their remuneration, the appointment of the auditors and the authorisation of the Directors to set the auditors' fees. Shareholders' meetings are called with sufficient notice to enable the use of proxies to attend, vote or abstain. The Company clearly recognises the importance of maintaining a regular dialogue with its shareholders in order to ensure that its strategies and performance are understood. It communicates with the shareholders through the AGM by way of the Annual Consolidated Financial Report and Financial Statements and by publishing its results on a regular basis during the year. This is done through the Investor Relations Section on the Company's internet site, the office of the Company Secretary, and Company announcements to the market in general. A free-phone service is reserved for communication by shareholders with the Company. Regular meetings are held with financial intermediaries and stockbrokers.

Remuneration report

The Remuneration Committee is responsible to draw up a Remuneration Policy and submit it for the Board's consideration. In determining such policy, the Committee takes into account all factors which it deems necessary, including the position of the Group companies relative to other companies in the marketplace. The objective of such policy shall be to ensure that Directors and Chief Officers are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group Companies. The remuneration policy is applicable for a maximum period of four years and has been approved by the shareholders at the Annual General Meeting held on 30 May 2024 with all shareholders except one voting in favour. This remuneration policy is in line with the policy applied for the remuneration paid to Directors and Chief Executive Officer in the preceding period. All remuneration for Directors was in conformity with this policy.

Role of the Remuneration Committee and Shareholder Involvement

The Committee is composed of three (3) non-executive Directors. During 2024, the Remuneration Committee was composed of Lassâad Ben Dhiab, Paul Fenech, Mohsin Majid (appointed on 30 May 2024) and Paul Testaferrata Moroni Viani (resigned on 30 May 2024, all of whom are non-executive Directors of the Company. The Chief Executive Officer (CEO) of the Company is invited to attend the meetings of the Committee. The Company Secretary, Dr. Francis Galea Salomone acts as Secretary to the Remuneration Committee.

During 2024, the Remuneration Committee (the 'Committee') has been tasked to draw up the Remuneration Policy and submit it for the Board's consideration. This Remuneration Policy sets out the elements underpinning GO's policy for the remuneration of its Board of Directors. This Policy is focused on delivering fair, responsible and transparent remuneration that would contribute to the achievement of the Company's long-term interests, sustainability and strategic objectives and that would support GO in maintaining its status as a leading player in the Maltese telecoms sector.

The Remuneration Policy has been prepared in accordance with the requirements of the EU Shareholder Rights Directive as reflected in Chapter 12 of the Capital Markets Rules issued by the Malta Financial Services Authority. This Policy has been considered and approved by the Company's Board of Directors and by the Company's shareholders at the last Annual General Meeting. The approved policy can be viewed on the Company's website.

The Remuneration Committee, shall, from time to time review the Policy to ensure its continued alignment with the Company's business strategy. The Board of Directors shall submit the Company's remuneration policy before the Company's General Meeting for its approval every four (4) years, or earlier, in the case material amendments are affected thereto.

It is the opinion of the Company's Board of Directors that there is no risk of a conflicting interest in the drawing up of this Policy as it is being submitted before the Company's General Meeting for its consideration and approval. Furthermore, the aggregate emoluments payable to the Board of Directors in any one financial year are also determined by the General Meeting of Shareholders.

Remuneration report - continued

Underlying Framework

The Policy is based on the principle of paying fair and reasonable remuneration to the most appropriate persons, based on criteria of responsibility, qualification and dedication, while ensuring that such payment is competitive and in the longer-term interest of the Company. GO believes that pursuant to this Policy, it can continue attracting and retaining professional and qualified persons to achieve its operational objectives and business strategies in an increasingly competitive environment. It is in the Company's interest, for its continued success, to ensure that such persons are provided with appropriate incentives that would motivate them and encourage their performance.

In drawing up this Policy, the Remuneration Committee considered local and international best market practices for entities of comparable size, activity and complexity as well as applicable statutory provisions.

Whilst decisions on remuneration of employees other than the Company's Senior Management remain the responsibility of Company management, the Committee has considered the Company's wider employee remuneration structure, practices and reward philosophy when establishing this Policy so as to ensure consistency of remuneration practices across the Company.

Directors

The Company's Board of Directors is composed entirely of Non-Executive Directors. The Chief Executive Officer ('CEO') is tasked with the Company's day-to-day management. In accordance with Capital Markets Rule 12.2A, this Remuneration Policy shall also apply to the Company's CEO. Whilst the principles underlying the Policy have equal application, a distinction is to be drawn between the remuneration payable to the Directors and that payable to the CEO.

Director's Remuneration

Directors are appointed to the Board in accordance with Article 57 of the Company's Articles of Association and will hold office until the next Annual General Meeting. The Chairman is appointed for a period as determined by the appointing shareholder. Directors appointed by Shareholders holding not less than twelve percent (12%) of the issued share capital of the Company shall hold the position for the period determined by the appointing Shareholders. The tenure of the remaining directors who are elected by the Shareholders in General Meeting, extends from one annual general meeting to the next. None of the Directors have a service contract with the Company but five of the Directors are employees of the ultimate parent, however there are no specific amounts of their remuneration allocated to their role at GO.

In accordance with Article 65 of the Articles of Association of the Company, the aggregate remuneration of all Directors in any one financial year shall be determined by the Shareholders in General Meeting. The Board of Directors shall be responsible to establish and allocate, from such amount, a fixed fee to each Director which shall be payable on a monthly basis. A benchmarking exercise was conducted and despite the fact that the AGM approved a total amount of €300,000, the Directors' fees as approved by the Board for 2024 were set at €35,000 per annum for each Director. This level was deemed consistent with market practice and conducive to the achievement of the Company's strategic and long-term objectives. The Board of Directors has agreed to review the current remuneration to ensure that it is commensurate with the duties and responsibilities of directors.

Remuneration report - continued

A Director may be invited to sit on a committee or working group of the Company or to perform other services related to the operations of the Company which fall outside the scope of his/her ordinary duties as a Director. In such a case, and in accordance with Article 66 of the Articles of Association, the Board shall have the discretion to remunerate such Director, in addition to or in substitution of his/her remuneration as Director. A Director may also hold such other office with the Company, in addition to the office of Director, and his/her remuneration therefore shall be determined by the Board from time to time. Directors may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of Board of Directors or of Board committees or General Meetings, or in connection with the business of the Company. Such expenses shall be reimbursable in accordance with the Company's expenses policy from time to time.

For the duration of their directorship, Directors shall be entitled to benefit from certain benefits such as a telecommunications services package and coverage under a professional indemnity insurance. The Remuneration Committee is tasked with the periodical review of non-cash benefits granted by the Company to Directors such as to ensure that this component of remuneration remains competitive with respect to market benchmarks. The Committee has the discretion to recommend the granting of reasonable additional benefits as may be deemed appropriate, but none were granted during the current year.

Non-Executive Directors are not entitled to any payments linked to termination of their directorships. Article 70.3 of the Articles of Association of the Company allows for the payment of a gratuity, pension or allowance to Executive Director on retirement., provided that a resolution to this effect has been approved by the members in a General Meeting. At present all Directors to the Board are Non-Executive.

Directors Emoluments

The total emoluments received by Directors from the Company for the financial year ended 31 December 2024, 2023 and 2022 amounted to €280,269 (net of tax: € 189,975), €272,865 (net of tax: €185,163), €245,000 (net of tax: €169,610) respectively. Directors' fees were paid to Mr Sofiane Antar amounting to €35,000 (net of tax: € 23,590) (2023: €35,000 or €23,590 net of tax, 2022: €35,000 or €23,590 net of tax), Mr Lassâad Ben Dhiab amounting to €35,000 (net of tax: € 23,590) (2023: €35,000 or €23,590 net of tax, 2022: €35,000 or €25,590 net of tax), Mr Paul Fenech amounting to €35,000 (net of tax: € 29,150) (2023: €35,000 or €29,150 net of tax, 2022: €35,000 or €29,750 net of tax), Mr Faker Hnid amounting to €35,000 (net of tax: € 23,590) (2023: €35,000 or €23,590 net of tax, 2022: €35,000 or €23,590 net of tax), Mr Deepak Srinivas Padmanabhan amounting to €35,000 (net of tax: € 21,350), (2023: €35,000 or €21,350 net of tax, 2022: €35,000 or €22,750 net of tax), Mr Norbert Prihoda amounting to € 35,000 (net of tax: € 23,590), (2023: €35,000 or €23,590 net of tax, 2022: €35,000 or €23,590 net of tax), Mr Paul Testaferrata Moroni Viani amounting to € 14,583 (net of tax: € 8,079), (2023: €35,000 or €21,350 net of tax, 2022: €35,000 or €22,750 net of tax), Mr Majid Mohsin amounting to €20,686 (net of tax: €13,446), and Mr Azmi Lahmar received directors' fees during the years ended 31 December 2024 amounting to € 35,000 (net of tax: € 23,590), (2023: €27,865 (net of tax €18,953).

Remuneration report - continued

Mr Padmanabhan also received gross directorship fees from one Group company amounting to €30,000 (2023: €20,000, 2022: €20,000) or €19,500 (2023: €13,000, 2022: €13,000) net of tax deducted at source. Mr Hnid also received gross directorship from two Group companies amounting to €60,000 (2023: €50,000, 2022: €50,000) or €39,000 (2023: €32,500, 2022: €32,500) net of tax deducted at source. Mr Ben Dhiab also received gross directorship fees remuneration from one Group company amounting to €20,000 or €13,000 net of tax (2023: €20,000 or €13,000 net of tax, 2022: €12,205 or €7,933 net of tax) during the year ended 31 December 2024. Mr Testaferrata Moroni Viani no longer received gross directorship fees from one Group company (2022: €14,946 or €9,650 net of tax deducted at source). Mr Norbert Prihoda also received gross directorship from one Group company amounting to €20,000 (2023: Nil) and €13,000 (2023: Nil) net of tax.

Other benefits to the Directors include reimbursement of mobile and internet services and health and insurance policies which are considered standard and uniformly granted within the sector.

CEO's Remuneration

The Remuneration Policy with respect to the Company's Chief Executive Officer is designed to attract and motivate a qualified and professional individual possessing the necessary know-how and experience to steer the Company's short and long-term business strategy in a highly competitive market and structured to provide a fair and appropriate balance between the fixed and variable components of the remuneration awarded.

In determining the policy, the Company has taken account of the CEO's role within the Company, his assigned functions and responsibilities. Relevant market data has been considered to ascertain that compensation awarded is in line with that granted by companies of comparable size for roles of similar scope and responsibility. Remuneration structure and practices applicable to other senior executives within the Company have also been taken into account.

The CEO's remuneration is made up of fixed and variable elements as described below.

The CEO shall receive a fixed salary which corresponds to a basic remuneration received for the performance of his executive functions. This component is designed to reflect the individual's professional profile and level of responsibility and shall not, in any way, be linked to variable parameters or results achieved. The fixed element, emanating from the contract of employment, is determined by reference to market practice amongst other factors, and is set at a level that motivates the CEO in striving to attain company long-term strategic and performance objectives. Furthermore, the Company does not have the possibility to reclaim any variable remuneration. The level of variable remuneration is deemed set at a level that contributes to striving towards attaining the Group's long-term performance goals. The level of variable remuneration is set in a manner which maintains an adequate proportion of fixed and variable remuneration.

The CEO shall also be entitled to benefit under an annual bonus scheme aimed at rewarding his performance. The incentive is measured according to the level of achievement of a set of targets as described below, and objectives as determined by the Remuneration Committee on an annual basis, and which are designed to contribute to the business interest and sustainability of the Company.

The nature of the performance targets may vary from year to year depending on the circumstances of the Company's business operations. For 2024, the performance targets were based on EBITDA and operating cashflow generation.

Remuneration report - continued

The degree of achievement of the said targets shall be determined by the Remuneration Committee. In the case of financial objectives, the Remuneration Committee shall compare the target objectives with realised outcomes. In the case of non-financial objectives, the evaluation would involve the Committee's subjective assessment of the CEO's performance which shall be exercised in a reasonable manner.

Save for the annual bonus incentive described above, the CEO shall not be entitled to benefit under any other incentive scheme having a variable nature and shall not be entitled to any share-based remuneration. With the aim of offering a market-competitive remuneration package, the CEO shall be entitled to a number of benefits as would typically be available to senior executives. These shall include professional indemnity insurance policy and health insurance policy cover, free telecommunication services, accommodation and flights, and a fully covered company car. The CEO shall also be entitled to claim reimbursement of expenses incurred up to a capped monthly amount of €3,500 in accordance with the Company's expenses policy.

The CEO is engaged on a three-year contract which was signed in 2023, which may be terminated by three (3) months' notice by either party. The contract does not provide for supplementary pension, early retirement schemes or payments linked to termination.

The total emoluments received by the CEO for this financial year were €435,200 (2023: €403,298, 2022: €379,822) as fixed remuneration and €723,937 (2023: €572,436, 2022: €504,558) as variable remuneration. Mr Patil was paid directors' fees from subsidiaries of the Company amounting to €90,000 (2023: €35,000, 2022: €49,242) and was reimbursed expenses amounting to €20,805 (2023: €23,755, 2022: €33,975).

Senior Management Remuneration

For the purposes of this Remuneration Statement, references to Senior Management shall mean the Chief Executive Officer and the Chief Officers.

The base salaries of all Senior Management are established in accordance with the Company's salary structure. The Remuneration Committee is satisfied that in all cases the base remuneration established is in line with the criteria described in the introduction to this report. In particular, in reaching this conclusion, the Committee has paid due regard to market conditions and remuneration rates offered by comparable organisations for comparable roles and to the established performance-related remuneration and evaluation system.

Members of the Senior Management are each entitled to a cash performance bonus. In addition, the Board of Directors may approve additional bonuses for outstanding performances and achievements. Performance is measured on the basis of appraisals drawn up or endorsed by the CEO. These bonuses constitute the variable remuneration disclosed in the table below.

The rate at which the bonus is paid depends on the Committee's evaluation of the CEO's assessment of the individual officer's performance. Bonuses are calculated on the basis of personal performance, and departmental and Company objectives. Total amounts are subject to the discretion of the Remuneration Committee and the Board of Directors.

The Company does not have a policy in place which regulates the terms and conditions of contracts of Senior Management with respect to contract duration, notice periods, termination payments and related matters.

Remuneration report - continued

As is the case with Directors, Senior Management are entitled to non-cash benefits in terms of a number of services offered by the Company and to health insurance. None of the Senior Management are entitled to profit sharing, share options or pension benefits.

In terms of the Code Provisions 8.A.5, total emoluments received by Senior Management during the year under review were €1,280,000 (2023: €1,345,000) as fixed remuneration and €1,444,000 (2023: €1,242,000) as variable remuneration. Senior Management received other payments from subsidiaries of the Company amounting to €22,000 (2023: €24,083).

F. Other information on remuneration in terms of Appendix 12.1 of the Capital Markets Rules

In terms of the requirements within Appendix 12.1 of the Capital Market Rules, the following table presents the annual change of remuneration, of the company's performance, and of average remuneration on a full-time equivalent basis of the company's employees (other than directors) over the two most recent financial years. The Company's Directors, which are all non-executive Directors, have been excluded from the table below since they have a fixed fee as described in Section B above.

	2024	2023	2022	2021	2020	Change	Change	Change	Change
	€'000	€'000	€'000	€'000	€'000	%	%	%	%
						24-23	23-22	22-21	21-20
CEO remuneration	1,180	999	918	764	650	18	9	20	18
Employee remuneration (excluding CEO)	25,165	23,917	23,929	23,797	23,982	5	-	1	(1)
Annual aggregate employee remuneration	26,345	24,916	24,847	24,561	24,632	6	-	1	0.3
Average employee remuneration (excluding CEO) – full-time equivalent	40	36	35	33	31	9	3	8	6
Average number of employees	630	655	700	748	792				
Company performance – EBITDA	55,400	60,337	54,199	47,883	45,212	(8)	11	13	6
Company operating cash flow generated	39,010	59,592	42,539	46,220	39,668	(35)	40	(8)	17
Group performance – EBITDA	90,573	88,426	81,353	73,212	72,129	2	9	11	2
Group operating cash flow generated	76,032	85,253	75,397	67,843	63,665	(11)	13	11	7

The Group and the Company's performance is measured using EBITDA and operating cashflow generated as management has determined that EBITDA is the best measure of direct performance.

Company information

Our purpose

GO is Malta's leading telecommunications services organisation, with over 500,000 customer connections. The first quadruple play operator in the market, GO is a converged and integrated telecommunications group, offering an unparalleled range of services: fixed line telephony, mobile telephony, broadband internet services and digital television. GO also provides business-related services, such as data networking solutions, business IP services, cloud services, IPLCs, managed and co-location facilities. Our purpose is 'to drive a digital Malta where no-one is left behind'.

Company registration number: C22334

Registered office:

GO, Triq Hal Tarxien
Zejtun ZTN 3000
Malta

T: (+356) 2594 2458/9, (+356) 8007 5702 (Freephone) | investor_relations@go.com.mt | www.go.com.mt

Registered shareholders with five percent (5%) or more of the Share Capital of the Company:

As at 31 December 2024, TT ML Limited held 65.42% of the total issued share capital.

Board of Directors

Lassâad Ben Dhiab
Sofiane Antar
Paul Fenech
Faker Hnid
Azmi Lahmar
Mohsin Majid (elected on 30 May 2024)
Deepak Srinivas Padmanabhan
Norbert Prihoda

Company Secretary

Dr Francis Galea Salomone

Chief Officers

Nikhil Patil	Chief Executive Officer
Reuben Attard	Chief People and Finance Officer
Arthur Azzopardi	Chief Officer – GO Business
Kelvin Camenzuli	Chief Digital Officer
Ayrton Caruana	Chief Service Operations Officer
Antonio Ivankovic	Chief Customer Experience Officer

Statements of financial position

	Notes	Group		Company	
		As at 31 December			
		2024 €000	2023 €000	2024 €000	2023 €000
ASSETS					
Non-current assets					
Property, plant and equipment	5	197,841	187,609	134,652	127,428
Right-of-use assets	6	51,678	53,189	32,014	33,984
Intangible assets	7	96,126	83,491	12,648	16,948
Investments in subsidiaries	8	-	-	65,342	59,304
Investments in associates	9	2,432	2,382	-	-
Loans receivable from subsidiaries and other associates	10	184	-	166,410	9,417
Other investments	11	3,714	5,190	-	-
Deferred tax assets	12	754	914	-	-
Trade and other receivables	14	5,667	5,665	6,819	5,576
Total non-current assets		358,396	338,440	417,885	252,657
Current assets					
Inventories	13	10,770	10,430	7,761	8,733
Loans receivable from subsidiaries	10	-	-	4,767	683
Trade and other receivables	14	45,698	60,029	37,722	45,696
Current tax assets		948	-	1,407	-
Cash and cash equivalents	15	14,776	49,180	4,283	41,405
Total current assets		72,192	119,639	55,940	96,517
Total assets		430,588	458,079	473,825	349,174

Statements of financial position - continued

	Notes	Group		Company	
		As at 31 December			
		2024 €000	2023 €000	2024 €000	2023 €000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	58,998	58,998	58,998	58,998
Reserves	17	1,021	3,499	3,452	4,767
Retained earnings		18,274	29,628	224,159	79,597
Total capital and reserves attributable to owners of the Company		78,293	92,125	286,609	143,362
Non-controlling interests		7,905	7,315	-	-
Total equity		86,198	99,440	286,609	143,362
LIABILITIES					
Non-current liabilities					
Borrowings	18	157,026	159,200	82,321	86,287
Lease liabilities	19	38,977	40,839	28,191	29,794
Other financial liabilities	8	1,315	-	1,315	-
Deferred tax liabilities	12	11,247	8,873	9,268	6,343
Provisions for pensions	20	367	414	367	414
Trade and other payables	21	21,198	12,844	295	-
Total non-current liabilities		230,130	222,170	121,757	122,838
Current liabilities					
Borrowings	18	15,972	10,272	11,954	8,017
Lease liabilities	19	7,831	8,365	4,477	5,496
Provisions for pensions	20	2,950	2,903	2,950	2,903
Current tax liabilities		-	3,812	-	4,093
Trade and other payables	21	87,507	111,117	46,078	62,465
Total current liabilities		114,260	136,469	65,459	82,974
Total liabilities		344,390	358,639	187,216	205,812
Total equity and liabilities		430,588	458,079	473,825	349,174

The accompanying notes are an integral part of these financial statements.

The financial statements on pages 73 to 202 were approved and authorised for issue by the Board of Directors on 16 April 2025. The financial statements were signed on behalf of the Company's Board of Directors by Mohsin Majid and Paul Fenech as per the Directors' Declaration on ESEF Annual Financial Report submitted in conjunction with the Annual Financial Report 2024.

Income statements

	Notes	Group		Company	
		Year ended 31 December			
		2024 €000	2023 €000	2024 €000	2023 €000
Revenue	22	244,875	235,893	139,605	139,404
Cost of sales	23	(154,088)	(148,685)	(86,075)	(83,148)
Gross profit		90,787	87,208	53,530	56,256
Administrative and other related expenses	23	(58,916)	(55,303)	(32,619)	(31,608)
Other income	26	3,457	3,296	2,732	4,470
Other expenses	27	(93)	(258)	(33)	(242)
Operating profit		35,235	34,943	23,610	28,876
Analysed as follows:					
EBITDA		90,573	88,426	55,400	60,337
Depreciation and amortisation	23	(55,338)	(53,483)	(31,790)	(31,461)
Operating profit		35,235	34,943	23,610	28,876
Gain on disposal of assets relating to IP	37	-	-	154,857	-
Finance income	28	428	329	5,362	33,380
Finance costs	29	(8,925)	(8,520)	(4,900)	(5,095)
Profit before tax		26,738	26,752	178,929	57,161
Tax expense	30	(11,050)	(11,266)	(9,038)	(9,345)
Profit for the year		15,688	15,486	169,891	47,816
Attributable to:					
Owners of the Company		14,485	14,417	169,891	47,816
Non-controlling interests		1,203	1,069	-	-
Profit for the year		15,688	15,486	169,891	47,816
Earnings per share	31	€0.143	€0.142		

The accompanying notes are an integral part of these financial statements.

Statements of comprehensive income

	Notes	Group		Company	
		Year ended 31 December			
		2024 €000	2023 €000	2024 €000	2023 €000
Comprehensive income					
Profit for the year		15,688	15,486	169,891	47,816
Other comprehensive income					
<i>Items that may be reclassified to profit or loss</i>					
Exchange differences on translation of foreign operations		(101)	117	-	-
<i>Items that will not be reclassified to profit or loss</i>					
Surplus arising on revaluation of land and Buildings	5	-	626	-	626
(Losses)/Gains from changes in fair value of equity investments at fair value through other comprehensive income (FVOCI)	11	(49)	3,976	-	-
Release of fair valuation of available for sale investment upon disposal	11	(1,658)	-	-	-
Realised gain on disposal of available for sale investment	11	1,658	-	-	-
Contingent liability to acquire further stake in subsidiary	8	-	-	(1,315)	-
<i>Income tax relating to components of other comprehensive income:</i>					
Surplus arising on revaluation of land and buildings	12	-	(46)	-	(46)
(Losses)/Gains from changes in fair value of equity investments at fair value through other comprehensive income (FVOCI)	12	35	(1,393)	-	-
Release of deferred tax on fair valuation of available for sale investment upon disposal	12	509	-	-	-
Income tax on disposal of available for sale investment	12	(509)	-	-	-
Total other comprehensive income for the year, net of tax		(115)	3,280	(1,315)	580
Total comprehensive income for the year		15,573	18,766	168,576	48,396
Attributable to:					
Owners of the Company		14,370	17,668	168,576	48,396
Non-controlling interests		1,203	1,098	-	-
Total comprehensive income for the year		15,573	18,766	168,576	48,396

The accompanying notes are an integral part of these financial statements.

Statements of changes in equity

Group	Attributable to owners of the Company						
	Notes	Share capital €000	Reserves €000	Retained earnings €000	Total €000	Non-controlling interests €000	Total Equity €000
Balance at 1 January 2023		58,998	336	31,333	90,667	8,318	98,985
Comprehensive income							
Profit for the year		-	-	14,417	14,417	1,069	15,486
Other comprehensive income:							
Surplus arising on revaluation of land and buildings, net of deferred tax	12, 20	-	580	-	580	-	580
Gains from changes in fair value of equity investments at fair value through other comprehensive income (FVOCI), net of deferred tax	11, 12	-	2,583	-	2,583	-	2,583
Exchange differences on translation of foreign operations		-	-	88	88	29	117
Total other comprehensive income		-	3,163	88	3,251	29	3,280
Total comprehensive income		-	3,163	14,505	17,668	1,098	18,766
Transactions with owners in their capacity as owners							
Distributions to owners:							
Dividends paid to equity holders relating to preceding financial year	32	-	-	(9,118)	(9,118)	(2,450)	(11,568)
Dividends paid to equity holders relating to current financial year	32	-	-	(7,092)	(7,092)	-	(7,092)
Changes in ownership interest in subsidiaries that do not result in loss of control:							
Non-controlling interest on acquisition of subsidiary	8	-	-	-	-	349	349
Total transactions with owners in their capacity as owners		-	-	(16,210)	(16,210)	(2,101)	(18,311)
Balance at 31 December 2023		58,998	3,499	29,628	92,125	7,315	99,440

Statements of changes in equity - continued

Group	Attributable to owners of the Company						
	Notes	Share capital €000	Reserves €000	Retained earnings €000	Total €000	Non-controlling interests €000	Total Equity €000
Balance at 1 January 2024		58,998	3,499	29,628	92,125	7,315	99,440
Comprehensive income							
Profit for the year		-	-	14,485	14,485	1,203	15,688
Other comprehensive income:							
Release of fair valuation of available for sale investments, net of deferred tax	12, 20	-	(1,149)	1,149	-	-	-
Losses from changes in fair value of equity investments at fair value through other comprehensive income (FVOCI), net of deferred tax	11, 12	-	(14)	-	(14)	-	(14)
Exchange differences on translation of foreign operations		-	-	(101)	(101)	-	(101)
Total other comprehensive income		-	(1,163)	1,048	(115)	-	(115)
Total comprehensive income		-	(1,163)	15,533	14,370	1,203	15,573
Transactions with owners in their capacity as owners							
Distributions to owners:							
Dividends paid to equity holders relating to preceding financial year	32	-	-	(20,263)	(20,263)	(2,450)	(22,713)
Dividends paid to equity holders relating to current financial year	32	-	-	(5,066)	(5,066)	-	(5,066)
Changes in ownership interest in subsidiaries that do not result in loss of control:							
Recognition of reserve arising on written put option available to minority shareholder	8	-	-	(1,558)	(1,558)	1,621	63
Non-controlling interest on acquisition of subsidiary	8	-	(1,315)	-	(1,315)	-	(1,315)
	8	-	-	-	-	216	216
Total transactions with owners in their capacity as owners		-	(1,315)	(26,887)	(28,202)	(613)	(28,815)
Balance at 31 December 2024		58,998	1,021	18,274	78,293	7,905	86,198

Statements of changes in equity - continued

Company

	Notes	Share capital €000	Reserves €000	Retained earnings €000	Total €000
Balance at 1 January 2023		58,998	4,187	47,991	111,176
Comprehensive income					
Profit for the year		-	-	47,816	47,816
Other comprehensive income:					
Surplus arising on revaluation of land and buildings, net of deferred tax	5, 12	-	580	-	580
Total other comprehensive income		-	580	-	580
Total comprehensive income		-	580	47,816	48,396
Transactions with owners in their capacity as owners					
Distributions to owners:					
Dividends paid to equity holders for the preceding financial year	32	-	-	(9,118)	(9,118)
Dividends paid to equity holders for the current financial year	32	-	-	(7,092)	(7,092)
Total transactions with owners in their capacity as owners		-	-	(16,210)	(16,210)
Balance at 31 December 2023		58,998	4,767	79,597	143,362

Statements of changes in equity - continued

Company - continued

	Notes	Share capital €000	Reserves €000	Retained earnings €000	Total €000
Balance at 1 January 2024		58,998	4,767	79,597	143,362
Comprehensive income					
Profit for the year		-	-	169,891	169,891
Other comprehensive income:					
Surplus arising on revaluation of land and buildings, net of deferred tax	5, 12	-	-	-	-
Recognition of equity reserve arising on written put option available to minority shareholder of a subsidiary	8	-	(1,315)	-	(1,315)
Total other comprehensive income		-	(1,315)	-	(1,315)
Total comprehensive income		-	(1,315)	169,891	168,576
Transactions with owners in their capacity as owners					
Distributions to owners:					
Dividends paid to equity holders for the preceding financial year	32	-	-	(20,263)	(20,263)
Dividends paid to equity holders for the current financial year	32	-	-	(5,066)	(5,066)
Total transactions with owners in their capacity as owners		-	-	(25,329)	(25,329)
Balance at 31 December 2024		58,998	3,452	224,159	286,609

The accompanying notes are an integral part of these financial statements.

Statements of cash flows

	Notes	Group		Company	
		Year ended 31 December			
		2024 €000	2023 €000	2024 €000	2023 €000
Cash flows from operating activities					
Cash generated from operations	33	93,403	97,987	49,984	69,835
Bank and other interest paid		(925)	(165)	(116)	(86)
Interest charges on lease liabilities		(1,483)	(1,591)	(1,073)	(1,150)
Tax paid		(13,237)	(9,701)	(8,059)	(7,730)
Payments under voluntary retirement scheme		(1,726)	(922)	(1,726)	(922)
Payments in relation to pension obligations		-	(355)	-	(355)
Net cash from operating activities		76,032	85,253	39,010	59,592
Cash flows from investing activities					
Payments to acquire property, plant and equipment and intangible assets		(64,832)	(61,259)	(34,731)	(38,907)
Payment for acquisition of stakes in subsidiaries (net of cash acquired)		(1,745)	(878)	(1,754)	(878)
Payment for acquisition of other investments		(205)	(352)	-	-
Proceeds from disposal of other investments		1,667	335	-	-
Loans advanced to subsidiary		-	-	(3,400)	(6,100)
Repayment of loans from subsidiary		-	-	923	-
Dividends received from subsidiary		-	-	-	31,298
Net cash used in investing activities		(65,115)	(62,154)	(38,962)	(14,587)
Cash flows from financing activities					
Proceeds from bank loans		7,976	53,000	7,000	23,000
Repayment of bank loans		(12,410)	(4,925)	(11,998)	(4,925)
Payments to acquire further stake in subsidiary		(1,587)	-	(1,587)	-
Principal element of lease payments		(10,114)	(8,765)	(6,632)	(5,522)
Dividends paid		(27,683)	(18,660)	(25,233)	(16,210)
Loan and bond interest paid		(6,382)	(6,685)	(3,571)	(3,674)
Net cash (used in)/generated from financing activities		(50,200)	13,965	(42,021)	(7,331)
Net movements in cash and cash equivalents		(39,283)	37,064	(41,973)	37,674
Cash and cash equivalents at beginning of year		43,666	6,200	40,806	3,133
Exchange differences on cash and cash equivalents		(1)	58	-	53
Movement in cash pledged as guarantees		177	344	(810)	(54)
Cash and cash equivalents at end of year	15	4,559	43,666	(1,977)	40,806

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements

1. Summary of material accounting policies

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

1.1 Basis of preparation

The consolidated financial statements include the financial statements of GO p.l.c. (GO) and its subsidiaries and are prepared in accordance with the requirements of International Financial Reporting Standards (IFRSs) as adopted by the EU and with the requirements of the Maltese Companies Act (Cap. 386). They have been prepared under the historical cost convention, except as modified by the fair valuation of certain financial instruments and the land and buildings class within property, plant and equipment. Unless otherwise stated, all financial information presented has been rounded to the nearest thousand.

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain accounting estimates. It also requires Directors to exercise their judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

Financial position of the Group and the Group's cash flow forecasting process

As at 31 December 2024, the Group's and the Company's current liabilities exceeded its current assets by €42.1 million and €9.5 million, respectively (Group 2023: €16.8 million, Company 2023: net current asset position of €13.5 million). Management of the Group and Company attribute part of this position due to the structuring of the cost base of the Group's and Company's operations, whereby a portion of expenses are committed to in advance, and hence are captured in the payables as at year-end. These liabilities include current lease liabilities amounting to €7.8m and €4.5m for Group and Company respectively (2023: €8.4m and €5.5m for Group and Company respectively), as well as payments relating to broadcasting rights classified as intangible assets amounting to €4.3 million for Group (2023: €4.4 million for Group). Furthermore, included in trade and other payables are amounts due relating to the significant capital investment relating to Fibre-to-the-Home ('FTTH') that the Company has undertaken during 2024. This investment is expected to contribute to further top line revenue growth, hence strengthening the Group and Company's cash generation.

As also explained in further detail in Note 22, the Group and Company have significant unfulfilled performance obligations to be recognised within the next 12 months amounting to €78.3 million for the Group and €38.2 million for the Company (2023: €66.7 million for the Group and €23.0 million for the Company).

Management envisages that a significant level of earnings will be generated throughout the forthcoming financial year, through its cash generating units, which will enable the Group and Company to manage effectively its forecasted cash flows and liquidity needs.

The above-mentioned factors have been reflected in detailed base case projections for profitability and cashflows prepared by Management extending beyond the 12 months from the date of reporting of these financial statements. Furthermore, as disclosed in Note 18, the Group and Company have unutilised banking facilities amounting to €14.3 million and €13.7 million respectively, which are considered in the context of the Group's liquidity management programme. These factors are embedded within the Group and Company's cash flow forecasts.

1. Summary of material accounting policies - continued

1.1 Basis of preparation - continued

The Group and Company's profitability and cashflow projections indicate that enough resources are available to cover their commitments, including the bond coupon for the next 12 months and to continue operating as a going-concern.

Standards, interpretations and amendments to published standards effective in 2024

In 2024, the Group and Company adopted amendments to existing standards that are mandatory for the Group and Company's accounting period beginning on 1 January 2024. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in changes to the Group and Company's accounting policies impacting the financial performance and position.

Furthermore, in July 2024, IFRIC issued a decision on Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8 Operating Segments). This decision clarifies the disclosure requirements in IFRS 8 regarding specified amounts included in profit or loss by reportable segments and, in particular, the interaction that this has with material items of income and expense as specifically required by the standard. Management is currently assessing the implications of the decision and will reflect any updates to the required disclosure in future publications.

Standards, interpretations and amendments to published standards that are not yet adopted

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are mandatory for the Group's accounting periods beginning after 1 January 2024.

The Group has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and the Directors are of the opinion that there are no requirements which will have a possible material impact on the Group's and Company's financial statements in the period of initial application, other than what is described below.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 (issued on 9 April 2024) is yet to be endorsed for use in the EU however it is set to replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance. IFRS 18 will also require the disclosure of management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's and Company's financial statements.

The new standard will be applicable from its mandatory effective date of 1 January 2027, subject to endorsement for use in the EU, with retrospective application.

1. Summary of material accounting policies - continued

1.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where, for instance the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations that fall within the scope of IFRS 3. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed (identifiable net assets) in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is initially measured as the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If this is less than the fair value of the identifiable net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Upon consolidation, inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiaries are accounted for by the cost method of accounting, i.e. at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of acquiring the investment. Provisions are recorded where, in the opinion of the Directors, there is an impairment in value. Where there has been an impairment in the value of an investment, it is recognised as an expense in the period in which the diminution is identified. The results of subsidiaries are reflected in the Company's separate financial statements only to the extent of dividends receivable. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests, where the acquisition or disposal of partial interests in a subsidiary has no impact on the Group's ability to control the subsidiary's financial and operating policies, as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the identifiable net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

1. Summary of material accounting policies - continued

1.2 Consolidation - continued

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting in the consolidated financial statements. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates' in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the income statement.

In the Company's separate financial statements, investments in associates are accounted for by the cost method of accounting, i.e. at cost less impairment. Provisions are recorded where, in the opinion of the Directors, there is impairment in value. Where there has been impairment in the value of an investment, it is recognised as an expense in the period in which the diminution is identified. The results of the associate are reflected in the Company's separate financial statements only to the extent of dividends receivable. 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. Summary of material accounting policies - continued

1.3 Segment reporting

The Group determines and presents operating segments based on the information that internally is provided to the Board of Directors, which is the Group's chief operating decision-maker in accordance with the requirements of IFRS 8, *Operating Segments*.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. An operating segment's operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance executing the function of the chief operating decision-maker.

1.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euro, which is the Company's functional and presentation currency.

1.5 Property, plant and equipment

All property, plant and equipment is initially recorded at historical cost. Land and buildings comprise various exchanges, offices and outlets around the Maltese islands. Land and buildings are shown at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are carried out on a regular basis such that the carrying amount of property does not differ materially from that which would be determined using fair values at the end of the reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, 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 accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Borrowing costs which are incurred for the purpose of acquiring or constructing a qualifying asset are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway. Capitalisation of borrowing costs is ceased once the asset is substantially complete, and is suspended if the development of the asset is suspended.

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 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 profit or loss during the financial period in which they are incurred.

1. Summary of material accounting policies - continued

1.5 Property, plant and equipment - continued

Costs related to customer premises equipment (set-top boxes and modems) and TV installations provided for free to subscribers are capitalised within property, plant and equipment.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same individual 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. Any subsequent increases are recognised in profit or loss up to the amount previously charged to profit or loss, and then reflected in other comprehensive income and shown as a revaluation reserve.

An external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's property portfolio at periodical intervals. The fair values are based on market values, being the estimated amount or price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risk inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation.

Land is not depreciated as it is deemed to have an indefinite life. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful life. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The rates of depreciation used for the current and comparative periods are as follows:

	%
<i>Land and buildings</i>	
Buildings	2 - 3
Improvements to leasehold premises	3 - 10
<i>Plant and equipment</i>	
Cable, wireless and mobile networks	4 - 33.33
Subscribers' equipment and line	8 - 20
Exchange and junction equipment	8.33 - 20
Radio plant and equipment	6 - 20
Other plant, machinery and equipment	7 - 30
Office furniture and equipment	10 - 25
Air conditioning equipment	10 - 20
Earth station	6.7 - 7
Computer equipment	20 - 33.33
DTTV platform	10 - 50
<i>Customer premises equipment and related assets</i>	25 - 50
<i>Motor vehicles</i>	10 - 35

1. Summary of material accounting policies - continued

1.5 Property, plant and equipment - continued

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 (Note 1.7). Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount and are recognised in profit or loss.

When revalued assets are sold, the amounts included in the revaluation reserve relating to the asset are transferred to retained earnings.

1.6 Intangible assets

(a) Indefeasible rights of use

Indefeasible rights of use (IRUs) and Droit de Passage (DDPs) correspond to the right to use a portion of the capacity of a terrestrial or submarine transmission cable granted for a fixed period. IRUs are recognised as an asset when the Group has the specific indefeasible right to use an identified portion of the underlying asset, generally optic fibres, or dedicated wavelength bandwidth, and the duration of the right is for the major part of the underlying asset's economic life. They are depreciated over the shorter of the expected period of use and the life of the contract.

(b) Computer software

The Group's computer software comprises software developed by Group entities and software acquired by Group entities. Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives.

1. Summary of material accounting policies - continued

1.6 Intangible assets - continued

(c) Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'.

Goodwill that is recognised separately within 'intangible assets' is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and also whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit. The recoverable amount is the higher of fair value less costs to sell and value in use. Impairment losses on goodwill are not reversed.

(d) Licences

Separately acquired licences are shown at historical cost. Licences acquired in a business combination are recognised at fair value at the acquisition date. 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. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives.

(e) Brand names

Brand names acquired in a business combination are recognised at fair value at the acquisition date. These assets have a finite useful life and are carried at cost less accumulated amortisation, which amortisation is calculated using the straight-line method over the expected life of the brand. The fair value of the brand names acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the trademark being owned.

(f) Customer relationships

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationship. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

1. Summary of material accounting policies - continued

1.6 Intangible assets - continued

(g) Broadcasting rights

Broadcasting rights represent the payments made in relation to acquiring rights to broadcast various television networks or events. Amortisation is calculated using the straight-line method to allocate the cost of these rights over their contractual life. Premium TV content such as film or sports broadcasting rights, are recognised in the statement of financial position when they are contracted and expensed when broadcast. The cost of premium TV content is recognised in profit or loss on the first broadcast, or where the rights are for a period, seasons or competitions, such rights are principally recognised on a straight-line basis across the period, seasons or competitions.

These intangible assets are initially recognised including the fair value of the future contingent payments at acquisition, and a financial liability is recognised at the same fair value, under the financial liability model. Subsequently, the financial liability is measured at amortised cost, under the requirements of IFRS 9. The Group adjusts the carrying amount of the financial liability to reflect actual and updated estimated cash flows whenever the cash flow estimates are revised. The Group recalculates the carrying amount of the liability by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate. Subsequent changes in the measurement of the liability are unrelated to the cost of the asset and accordingly, the adjustment is recognised in profit or loss.

(h) Technical knowledge

Technical knowledge acquired or developed to a plan or design for the production of new or substantially improved products and processes is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Capitalised expenditure on technical knowledge is stated at cost less accumulated amortisation and accumulated impairment losses.

(i) Other intangible assets

Other intangibles include the customer bases acquired by the Group. They have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses.

1. Summary of material accounting policies - continued

1.6 Intangible assets - continued

Amortisation

Amortisation is calculated using the straight-line method to allocate the cost of the intangible assets to their residual value over their estimated useful lives as follows:

	Years
Indefeasible rights of use (IRUs)	4.75 - 25
Computer software	3 - 10
Licences	2 - 15
Brand names	6 - 15
Customer relationships	5
Technical knowledge	2 - 15
Broadcasting rights	over the period of rights

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

1.7 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill or certain intangible assets, 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). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill that forms part of the carrying amount of an investment in a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in a joint venture may be impaired.

1.8 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and
- those to be measured at amortised cost.

1. Summary of material accounting policies - continued

1.8 Financial assets - continued

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 (OCI). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

The Group recognises a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the instrument.

Regular way purchases and sales of financial assets are recognised on settlement date, the date on which an asset is delivered to or by the Group. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership or has not retained control of the asset.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss, subject to materiality.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses).

1. Summary of material accounting policies - continued

1.8 Financial assets - continued

Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment losses are presented as a separate line item in the statement of profit or loss.

- FVPL: assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For all other financial assets that are subject to impairment under IFRS 9, the Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit impaired on initial recognition is classified in stage 1.

Financial assets in stage 1, have their expected credit loss measured at an amount equal to the portion of lifetime expected credit loss that results from default events possible within the next 12 months, or until contractual maturity if shorter. If the Group identifies a significant increase in credit risk since initial recognition, the asset is transferred to stage 2 and its expected credit loss is measured on a lifetime basis, that is up until contractual maturity. If the Group determines that a financial asset is credit impaired, the asset is transferred to stage 3 and the expected credit loss is measured on a lifetime credit loss basis.

1.8.1 Trade and other receivables

Trade receivables comprise amounts due from customers for services performed 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.

1. Summary of material accounting policies - continued

1.8 Financial assets - continued

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less expected credit loss allowances.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

1.8.2 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

1.9 Inventories

Goods held for resale and other inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average cost method, and comprises the invoiced value of goods, including transport and handling costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

1.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

1.11 Financial liabilities

The Group recognises a financial liability in its statement of financial position when it becomes a party to the contractual provisions of the instrument. The Group's financial liabilities, other than derivative contracts, are classified as financial liabilities measured at amortised cost, i.e. not at fair value through profit or loss under IFRS 9. Financial liabilities not at fair value through profit or loss are recognised initially at fair value, being the fair value of consideration received, net of transaction costs that are directly attributable to the acquisition or the issue of the financial liability. These liabilities are subsequently measured at amortised cost. The Group derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, is cancelled or expires.

1. Summary of material accounting policies - continued

1.11.1 Trade and other payables

Trade payables comprise obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the Group's expectations or events after the reporting date

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.11.2 Borrowings

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently carried 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. Borrowings are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the Group's expectations or events after the reporting date

1.12 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 set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

1.13 Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates 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 at the reporting date.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. 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.

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1. Summary of material accounting policies - continued

1.14 Provisions for legal and other claims

Provisions for legal and other claims are recognised when the Group has 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.

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.

1.15 Revenue recognition

Revenues include all revenues from the ordinary business activities of GO. Ordinary activities do not only refer to the core business but also to other recurring sales of goods or rendering of services. Revenues are recorded net of value added tax. GO's business includes mobile services, broadband access to the fixed network and the internet, television, connection, and roaming fees billed to other mobile operators (wholesale business), and sales of mobile handsets, other telecommunications equipment, and accessories.

(a) Sale of goods and services

Revenues are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

IFRS 15 requires that at contract inception the goods or services promised in a contract with a customer are assessed and each promise to transfer to the customer the good or service is identified as a performance obligation. Promises in a contract can be explicit or implicit if the promises create a valid expectation to provide a good or service based on the customary business practices, published policies, or specific statements.

A contract asset must be recognised if GO recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before – irrespective of when payment is due – the requirements for billing and thus the recognition of a receivable exist.

A contract liability must be recognised when the customer paid consideration or a receivable from the customer was due before GO fulfilled a contractual performance obligation and thus recognised revenue.

Multiple-element arrangements involving the delivery or provision of multiple products or services must be separated into distinct performance obligations, each with its own separate revenue contribution that is recognised as revenue on fulfillment of the obligation to the customer. This especially concerns the sale of a mobile handset or other telecommunications equipment combined with the conclusion of a mobile or fixed-network telecommunications contract. The total transaction price of the bundled contract is allocated among the individual performance obligations based on their relative – possibly estimated – stand-alone selling prices, i.e., based on a ratio of the stand-alone selling price of each separate element to the aggregated stand-alone selling prices of the contractual performance obligations. As a result, the revenue to be recognised for products (often delivered in advance) such as mobile handsets that are sold at a subsidised or nil price in combination with a long-term service contract is higher than the amount billed or collected.

1. Summary of material accounting policies - continued

1.15 Revenue recognition - continued

This leads to the recognition of a contract asset – a receivable arising from the customer contract that has not yet legally come into existence – in the statement of financial position. The contract asset is reversed and reduced over the remaining minimum contract period, lowering revenue from the other performance obligations (in this case mobile service revenues) compared with the amounts billed. In contrast to the amounts billed, this results in higher revenue from the sale of goods and lower revenue from the provision of services.

Customer activation fees and other advance one-time payments by the customer that do not constitute consideration for a separate performance obligation are classified as contract liabilities and are deferred and recognised as revenue over the minimum contract term or, in exceptional cases (e.g., in the case of contracts that can be terminated at any time) over the expected contract period. The same applies to fees for installation and set-up activities that do not have an independent value for the customer.

As distinct from promotional offers, options to purchase additional goods or services free of charge or at a discount are separate performance obligations (material rights) for which part of the revenue is deferred as a contract liability until the option is exercised or expires, providing the discount on future purchases is an implicit component of the consideration for the current contract and is also significant. The measure of significance is whether the decision by the (average) customer to enter into the current contract is likely to have been significantly influenced by their right to the future discount.

IFRS 15 provides more detailed guidance on how to account for contract modifications. Changes must be accounted for either as a retrospective change (creating either a catch-up or deferral of previously recorded revenues), prospectively with a reallocation of revenues amongst identified performance obligations, or prospectively as separate contracts which will not require any reallocation.

Service offers

GO proposes to customers a range of fixed and mobile telephone services, fixed and mobile internet access services and content offers (TV). Contracts are for a fixed term (generally 24 months). Revenue generated from the use of voice and data communications (comprising fixed and wireless traffic) as well as television is recognised upon rendering of the agreed service, based on use by customers (e.g. call minutes, minutes of traffic or bytes of data processed) or availability over time period (e.g. monthly service costs).

Revenue from calls and messaging is recognised at the time the call or message is effected over the Group's network. For prepaid traffic, the amount of unused traffic generates deferred revenue presented in 'Contract liabilities' on the statement of financial position. Revenue from the sale of prepaid credit is deferred until such time as the customer uses the credit or credit expires.

Revenues from traffic sales and services at a fixed rate over a specified period of time (flat rate) are recognised on a straight-line basis over the term covered by the rate paid by the customer. For service contracts with a continuous service provision, the contractually agreed total consideration is generally recognised as revenue on a straight-line basis over the minimum contract term, regardless of the payment pattern.

1. Summary of material accounting policies - continued

1.15 Revenue recognition - continued

Fees consisting primarily of monthly charges for access to broadband, other internet access and connected services, TV, and voice services, are recognised as revenue as the service is provided.

Contracts with customers generally do not include a material right, as the price invoiced for contracts and the services purchased and consumed by the customer beyond the specific scope (e.g. additional consumption and options) generally reflect their stand-alone selling prices. Service obligations transferred to the customer at the same pace are treated as a single obligation.

When contracts include contractual clauses covering commercial discounts (initial discount on signature of the contract) or free offers (e.g. three months of subscription free of charge), the Group defers these discounts or free offers over the enforceable period of the contract (period during which the Group and the customer have a firm commitment).

If the performance obligations are not classified as distinct, the offer revenue is recognised on a straight-line over the contract term.

Separate equipment sales

Equipment (primarily mobile phones) sales may be separate from, or bundled with, a service offer. When separate from a service offer, the amount invoiced is recognised in revenue on delivery and receivable immediately. Revenue and expenses associated with the sale of telecommunications equipment are recognised when the products are delivered, provided there are no unfulfilled Company obligations that affect the customer's final acceptance of the arrangement. When the equipment sale is combined with a service offer, the amount allocated to the equipment (bundled sale – see below) is recognised in revenue on delivery and received over the service contract.

Bundled equipment and service offers

GO proposes offers to its customers comprising equipment (e.g. a mobile handset) and services (e.g. a communication contract). Equipment revenue is recognised separately if the two components are distinct (i.e. if the customer can receive the service separately). Where one of the components in the offer is not at its separate selling price, revenue is allocated to each component in proportion to their individual selling prices. This is notably the case in offers combining the sales of a mobile phone at a reduced or nil price, where the individual selling price of the mobile phone is considered equal to its purchase cost and logistics expenses plus a commercial margin based on market practice.

Wholesale services offers

Where contract services are not covered by a firm volume commitment, revenue is recognised as the services are provided (which corresponds to transfer of control) over the contractual term. Where under contracts, the price, volume, and term are defined, related revenue is recognised progressively based on actual traffic during the period, to reflect transfer of control to the customer. Revenue arising from the interconnection of voice and data traffic between other telecommunications operators is recognised at the time of transit across the Group's network. Interconnection revenues are recognised in the period in which the calls are made or traffic used.

1. Summary of material accounting policies - continued

1.15 Revenue recognition - continued

Sale of Data centre services

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price service arrangements that require the Group to assume a stand-ready obligation to perform over a period of time, revenue is recognised on a straight-line basis over the contract period. For other fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

In relation to sale of services, the Group includes in the transaction price at contract inception, the amount of variable consideration to which it expects to be entitled. The Group includes some or all of an amount of variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

If contracts for services include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed, and the customer has accepted the hardware.

In the case of contracts that give rise to stand-ready obligations, payment terms are generally structured in a manner to coincide with the delivery of the service. When payments exceed the services rendered, a contract liability is recognised.

In the case of other fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Sale of licences

Revenue from sale of software licences is recognised upon activation. Sales are recognised as revenue when control of a software licence is transferred to the customer, upon activation, when the customer becomes able to direct the use of the software licence and obtains substantially all of the benefits from the licence.

The Group is the principal in a transaction with an end consumer if it obtains control of the specified good or service before it is transferred to the end consumer. When another party is involved in providing goods or services to the end consumer, the Group obtains control of one of the following:

- a good or another asset from the other party that it then transfers to the customers;
- a right to a service to be performed by the other party, which gives the Group the ability to direct that party to provide the service to the customer on the Group's behalf; or
- a good or service from the other party that it then combines with other goods or services in providing the specific good or service to the customer.

Payment of the transaction price is generally due immediately upon activation of the software licence. When the entire transaction price is not due immediately upon activation, a contract asset is recognised for that portion of the transaction price that has not yet been invoiced.

1. Summary of material accounting policies - continued

1.15 Revenue recognition - continued

Financing

The Group does not expect to have a significant number of contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(b) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

1.16 Contract costs

Contract costs comprise the incremental costs of obtaining a contract (mainly sales commission paid to employees and third-party resellers) and the costs to fulfill a contract. These must be capitalised if it can be assumed that the costs will be compensated by future revenue from the contract. Incremental costs of obtaining a contract are additional costs that would have not been incurred had the contract not been concluded. Costs to fulfill a contract are costs relating directly to a contract that are incurred after contract inception and serve the purpose of fulfilling the contract but are incurred prior to fulfillment and cannot be capitalised under any other standard. GO makes use of the option to immediately recognise contract costs as an expense if the amortisation period of the asset it would have recognised in respect of them, would not have exceeded a year.

The costs of obtaining service contracts are capitalised and released to profit or loss on a straight-line basis over the enforceable contract term or over the estimated period of the customer relationship, if shorter.

Costs to fulfil a contract, when they qualify as non-distinct from the performance obligation, are capitalised and costs incurred are recorded on a time-apportioned basis over the effective period of the contract. The assumptions underlying the period over which the costs of fulfilling a contract are expensed are periodically reviewed and adjusted in line with observations; termination of the contractual relationship with the customer results in the immediate expensing of the remaining deferred costs. Where the carrying amount of deferred costs exceeds the remaining consideration expected to be received for the transfer of the related goods and services, less expected costs relating directly to the transfer of these goods and services still to be incurred, the excess amount is similarly immediately expensed.

1. Summary of material accounting policies - continued

1.17 Customer contract assets and liabilities

The timing of revenue recognition may differ from customer invoicing. Trade receivables presented in the statement of financial position represent an unconditional right to receive consideration (primarily cash), i.e. the services and goods promised to the customer have been transferred.

By contrast, contract assets mainly refer to amounts allocated per IFRS 15 as compensation for goods or services provided to customers for which the right to collect payment is subject to providing other services or goods under that same contract. This is the case in a bundled offer combining the sale of a mobile phone and mobile communication services for a fixed-period, where the mobile phone is invoiced at a reduced or nil price leading to the reallocation of a portion of amounts invoiced for telephone communication services to the supply of the mobile phone. The excess of the amount allocated to the mobile phone over the price invoiced is recognised as a contract asset and transferred to trade receivables as the service is invoiced. Contract assets, like trade receivables, are subject to impairment for credit risk. The recoverability of contract assets is also verified, especially to cover the risk of impairment should the contract be interrupted.

Contract liabilities represent amounts paid by customers before receiving the goods and/or services promised in the contract. This is typically the case for advances received from customers or amounts invoiced and paid for goods or services not transferred yet, such as contracts payable in advance or prepaid packages (previously recognised in deferred income).

1.18 Leases

The Group is the lessee

At inception of a contract, an entity shall assess whether the 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.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

1. Summary of material accounting policies - continued

1.18 Leases - continued

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, where there is no third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to 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.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. 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).

For leases of properties, the following factors are normally the most relevant:

- if there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate);
- if any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate);
- otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

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

1. Summary of material accounting policies - continued

1.18 Leases - continued

The Group is the lessor

Operating leases

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position and are accounted for in accordance with Note 1.5. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the lease term.

Finance leases

When assets are leased out under finance leases, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income.

The method for allocating gross earnings to the accounting period is referred to as the 'actuarial method'. The actuarial method allocates rentals between finance income and repayment of capital in each accounting period in such a way that finance income will emerge as a constant rate of return on the lessor's net investment in the lease.

1.19 Employee benefits

(a) Provisions for pensions

As explained in Note 20, following a judgement by the Court of Appeal on 7 July 2008, the Group was required to set up a pension scheme in favour of its eligible employees and former employees within three months of the judgement on a basis similar to that prescribed by the Pensions Ordinance, 1937. Such a scheme is in the form of a defined benefit plan.

A defined benefit plan defines an amount of pension benefit that an employee will receive on retirement. In the Group's case, this amount is dependent on an employee's final compensation upon retirement, as well as completed months of service. Eligibility to the scheme is also dependent on a minimum of 10 years' service and vests only if at retirement date the employee is still in the employment of the Group.

The liability recognised in the statement of financial position in respect of a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period, together with adjustments for unrecognised past-service costs. A defined benefit obligation is calculated annually using the projected unit credit method. The present value of a defined benefit obligation is determined by discounting the estimated future cash outflows using interest rate yields of government or 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 liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in profit or loss.

1. Summary of material accounting policies - continued

1.19 Employee benefits - continued

(b) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(c) Share-based compensation

A subsidiary operates a share-based compensation plan under which the company receives services from its CEO as consideration for equity instruments (shares) of the company with the obligation to take them back upon exercise of the CEO's option. The share-based compensation plan is classified as a cash-settled plan in the company's financial statements. The fair value of the employee services received in exchange for the grant of the shares is recognised as an expense over the vesting period in the statement of comprehensive income based on the contractual terms at the grant date. The service and non-market vesting conditions are included in the estimate of the number of awards expected to vest and the fair value of the cash-settled share-based payment liability is remeasured at each reporting date and at the date of settlement. Any changes in fair value are recognised in profit or loss for the period.

1.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

The Company measures a liability to distribute non-cash assets as a dividend to its owners at the fair value of the assets to be distributed. Upon settlement of the dividend payable the Company recognises the difference between the carrying amount of the assets to be distributed and the carrying amount of the dividend payable in profit or loss.

1.21 Borrowing costs

Borrowing costs which are incurred for the purpose of acquiring or constructing qualifying property, plant and equipment or investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway, during the period of time that is required to complete and prepare the asset for its intended use. Capitalisation of borrowing costs is ceased once the asset is substantially complete and is suspended if the development of the asset is suspended. All other borrowing costs are expensed. Borrowing costs are recognised for all interest-bearing instruments on an accrual basis using the effective interest method. Interest costs include the effect of amortising any difference between initial net proceeds and redemption value in respect of the Group's interest-bearing borrowings.

2. Financial risk management

2.1 Financial risk factors

The Group's activities potentially expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk, and liquidity risk. The Group's overall risk management, covering risk exposures for all subsidiaries, focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the respective companies' financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Accordingly, the Company's Board of Directors provides principles for overall Group risk management, as well as risk management policies covering risks referred to above and specific areas such as investment of excess liquidity. The Group sometimes uses derivative financial instruments to hedge certain risk exposures. The Group's risk policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

(a) Market risk

(i) *Foreign exchange risk*

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the respective entity's functional currency, which would be considered a foreign currency. The Group's and the Company's revenues, purchases and operating expenditure, financial assets and liabilities, including financing, are mainly denominated in euro. However, a portion of the Group's revenues and purchases, including interconnect traffic, and certain capital expenditure are denominated in foreign currencies, including US Dollar ('USD') and Great Britain Pound ('GBP'). Accordingly, the Group is potentially exposed to foreign exchange risk arising from such transactions.

The Group's main risk exposures reflecting the carrying amount of receivables and payables denominated in foreign currencies at the end of the reporting periods were as follows:

Group	31 December 2024		31 December 2023	
	USD €000	GBP €000	USD €000	GBP €000
Trade receivables	71	-	49	-
Trade payables	(479)	(135)	(2,415)	(119)
Net recognised payables denominated in foreign currency	(408)	(135)	(2,366)	(119)
Available funds in foreign currency	78	644	54	236
Net exposure	(330)	509	(2,312)	117

2. Financial risk management

2.1 Financial risk factors - continued

(a) Market risk - continued

(i) Foreign exchange risk - continued

Company	31 December 2024		31 December 2023	
	USD €000	GBP €000	USD €000	GBP €000
Trade receivables	71	-	49	-
Trade payables	(337)	(135)	(772)	(119)
Net recognised payables denominated in foreign currency	(266)	(135)	(723)	(119)
Available funds in foreign Currency	78	644	54	236
Net exposure	(188)	509	(669)	117

Management does not consider foreign exchange risk attributable to recognised assets and liabilities arising from transactions denominated in foreign currencies, presented within the tables above, to be significant. Accordingly, the impact of any reasonable sensitivities to changes in these foreign currencies is not deemed to be material to the Group at the end of the reporting period.

(ii) Cash flow and fair value interest rate risk

The interest rate profile of the Group's and the Company's interest-bearing financial instruments at the end of the reporting periods is analysed below:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Financial assets measured at amortised cost				
<i>Subject to floating rates</i>				
Bank balances (Note 15)	14,776	49,180	4,283	41,405
	14,776	49,180	4,283	41,405
<i>Subject to fixed rates</i>				
Loans receivable from subsidiaries (Note 10)	-	-	171,177	10,100
Loans receivable from associates (Note 10)	184	-	-	-
Other receivables *	115	115	115	115
	299	115	171,292	10,215
Total	15,075	49,295	175,575	51,620

* The amounts attributable to other receivables disclosed above, are stated gross of provisions for impairment

2. Financial risk management - continued

2.1 Financial risk factors - continued

(a) Market risk - continued

(ii) Cash flow and fair value interest rate risk - continued

	Group		Company	
	2024	2023	2024	2023
	€000	€000	€000	€000
Financial liabilities measured at amortised cost				
<i>Subject to floating rates</i>				
Bank overdrafts	(7,145)	(2,264)	(4,860)	(9)
Bank loans	(61,682)	(64,901)	(29,982)	(34,949)
	(68,827)	(67,165)	(34,842)	(34,958)
<i>Subject to fixed rates</i>				
Bank loans	(3,170)	(3,422)	-	-
Private Borrowings	(406)	-	-	-
Bonds	(100,595)	(98,885)	(59,433)	(59,346)
	(104,171)	(102,307)	(59,433)	(59,346)
Total	(172,998)	(169,472)	(94,275)	(94,304)

The Group's significant instruments which are subject to fixed interest rates consist principally of bonds issued and bank loans. In this respect, the Group is potentially exposed to fair value interest rate risk in view of the fixed interest nature of these instruments, which are however measured at amortised cost.

The Group's interest rate risk principally arises from bank borrowings issued at variable rates that are partially offset by balances held with banks subject to floating interest rates, which expose the Group to cash flow interest rate risk. Floating interest rates on these financial instruments are linked to reference rates such as Euribor or the respective banker's base rate. Management monitors the impact of changes in market interest rates on amounts reported in profit or loss in respect of these instruments taking into consideration refinancing, renewal of existing positions, alternative financing, and hedging techniques.

Based on the analysis referred to above, management considers the potential impact on profit or loss of a defined interest rate shift that is reasonably possible at the end of the reporting period as a measure of cash flow interest rate risk. An increase/(decrease) of 250 basis points (2023: 250 basis points) would have (decreased)/increased the profit for the Group and Company by €1,592,000 and €752,000 respectively (2023: (decreased)/increased the profit by €933,000 and €877,000), which principally takes into account the impact of this shift on the interest amounts arising on variable interest borrowings as at 31 December 2024. Accordingly, the Group's financial results are substantially independent of changes in market interest rates and the level of interest risk to the Group is deemed to be quite contained.

2. Financial risk management - continued

2.1 Financial risk factors - continued

(a) Market risk - continued

(iii) Price risk

The Group is not materially exposed to equity securities price risk attributable to investments held by the Group taking into account the carrying amount of the investments held in the context of the Group's total assets.

(b) Credit risk

Credit risk principally arises from cash and cash equivalents comprising deposits with financial institutions, and loans to related parties, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. The Group's and the Company's principal exposures to credit risk as at the end of the reporting period are analysed as follows:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Carrying amount				
Financial assets measured at amortised cost:				
Loans receivables from subsidiaries (Note 10)	-	-	171,177	10,100
Trade and other receivables (Note 14)	35,886	42,236	34,194	41,746
Cash and cash equivalents (Note 15)	14,776	49,180	4,283	41,405
	50,662	91,416	209,654	93,251

The maximum exposure to credit risk at the end of the reporting period in respect of the financial assets mentioned above is equivalent to their carrying amount as disclosed in the respective notes to the financial statements. The Group does not hold any significant collateral as security in this respect. The figures disclosed in the table above in respect of trade and other receivables exclude prepayments.

Trade and other receivables (including contract assets)

The Group assesses the credit quality of its trade customers, the majority of which are unrated, taking into account financial position, past experience and other factors. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. It has policies in place to ensure that sales of services are affected to customers with an appropriate credit history. Standard credit terms are in place for individual clients, however, wherever possible, new corporate customers are analysed individually for creditworthiness before the Group's standard payment and service delivery terms and conditions are offered. The creditworthiness analysis for new customers includes a review through external creditworthiness databases when available. The Group monitors the performance of its trade and other receivables on a regular basis to identify incurred collection losses, which are inherent in the Group's debtors, taking into account historical experience in collection of accounts receivable.

2. Financial risk management - continued

2.1 Financial risk factors - continued

(b) Credit risk - continued

In view of the nature of the Group's activities and the market in which it operates, a limited number of customers account for a certain percentage of the Group's trade and other receivables. Whilst no individual customer or group of dependent customers is considered by management as a significant concentration of credit risk with respect to contractual debts, these material exposures are monitored and reported more frequently and rigorously. These customers trade frequently with the respective Group undertaking and are deemed by management to have positive credit standing, usually taking cognisance of the performance history without defaults.

The Group manages credit limits and exposures actively in a practicable manner such that past due amounts receivable from customers are within controlled parameters. The Group's trade and other receivables, which are not credit impaired financial assets, are principally debts in respect of transactions with customers for whom there is no recent history of default. Management does not expect any significant losses from non-performance by these customers.

Impairment of trade and other receivables (including contract assets)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

The expected loss rates are based on the payment profiles of sales over a period of time before the reporting date 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. The Group adjusts the historical loss rates based on expected changes in these factors. On that basis, the loss allowance as at 31 December 2024 and 31 December 2023 was determined as follows:

Group	Current	Up to 30 days past due	Up to 60 days past due	Up to 90 days past due	Up to 120 days past due	+ 120 days past due	Total
31 December 2024							
Weighted average expected loss rate	1%	6%	23%	14%	14%	90%	
Trade receivables at gross carrying amount (€000)	12,783	3,082	2,528	1,356	1,150	13,895	34,794
Contract assets (€000)	12,111	-	-	-	-	-	12,111
Loss allowance (€000)	271	189	574	189	161	12,439	13,823

2. Financial risk management - continued

2.1 Financial risk factors - continued

(b) Credit risk - continued

	Current	30 days past due	60 days past due	90 days past due	120 days past due	+ 120 days past due	Total
31 December 2023							
Weighted average expected loss rate	1%	5%	7%	14%	14%	94%	
Trade receivables at gross carrying amount (€000)	17,668	3,246	1,828	866	1,019	13,202	37,829
Contract assets (€000)	14,221	-	-	-	-	-	14,221
Loss allowance (€000)	202	175	122	119	140	12,442	13,200

Company	Current	30 days past due	60 days past due	90 days past due	120 days past due	+ 120 days past due	Total
31 December 2024							
Weighted average expected loss rate	1%	6%	29%	16%	13%	92%	
Trade receivables at gross carrying amount (€000)	3,291	2,278	1,902	1,002	1,131	9,902	19,506
Contract assets (€000)	10,295	-	-	-	-	-	10,295
Loss allowance (€000)	185	148	547	165	149	9,069	10,263

	Current	30 days past due	60 days past due	90 days past due	120 days past due	+ 120 days past due	Total
31 December 2023							
Weighted average expected loss rate	1%	4%	5%	11%	13%	82%	
Trade receivables at gross carrying amount (€000)	4,430	2,512	1,686	757	932	12,134	22,451
Contract assets (€000)	14,219	-	-	-	-	-	14,219
Loss allowance (€000)	141	110	79	83	119	9,953	10,485

Credit loss allowances include specific provisions against credit impaired individual exposures with the amount of the provisions being equivalent to the balances attributable to credit impaired receivables. The Group considers that there is evidence of impairment if any of the following indicators is present:

- significant financial difficulties of the debtor,
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or late payments (more than 90 days overdue).

2. Financial risk management - continued

2.1 Financial risk factors - continued

(b) Credit risk - continued

The closing loss allowances for trade and other receivables and contract assets as at 31 December reconcile to the opening loss allowances as follows:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
<i>Trade receivables and contract assets</i>				
Balance at 1 January	13,200	12,824	10,485	10,748
Change in loss allowances recognised in profit or loss during the year	623	376	(222)	(263)
Balance at 31 December	13,823	13,200	10,263	10,485
<i>Other receivables</i>				
Balance at 1 January	361	476	114	229
Change in loss allowances recognised in profit or loss during the year	34	(115)	-	(115)
Balance at 31 December	395	361	114	114

The Group established an allowance for impairment that represented its estimate of expected credit losses in respect of trade and other receivables. The individually credit impaired trade receivables mainly relate to a number of independent customers which are in unexpectedly difficult economic situations, and which are accordingly not meeting repayment obligations. Hence, provisions for impairment in respect of credit impaired balances with corporate trade customers relate to entities which are in adverse trading and operational circumstances. Reversals of provisions for impairment of credit impaired receivables arise in those situations where customers recover from unfavourable circumstances and accordingly start meeting repayment obligations. The Group and the Company do not hold any significant collateral as security in respect of the credit impaired assets.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period greater than that reflecting status as 180 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses in 'administrative and other related expenses' within operating profit. Subsequent recoveries of amounts written off are credited against the same line item.

Past due debtors mainly relate to a number of independent customers for whom there is no recent history of default. Whilst a limited number of customers account for a certain percentage of the Group's past due debts, management has not identified any major concerns with respect to concentration of credit risk as outlined above. Categorisation of receivables as past due is determined by the Group on the basis of the nature of the credit terms in place and credit arrangements actually utilised in managing exposures with customers.

2. Financial risk management - continued

2.1 Financial risk factors - continued

(b) Credit risk - continued

At 31 December 2024 and 2023, the carrying amount of trade receivables that would otherwise be past due or credit impaired and whose terms have been renegotiated is not deemed material in the context of the Group's trade receivables figures.

Cash and cash equivalents

The Group principally banks with local and European financial institutions with high-quality standing or rating.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss is insignificant.

Loans receivable from subsidiaries and amounts due from subsidiaries

The Company's receivables include loans receivable from subsidiaries and other amounts owed by subsidiaries (Notes 10 and 14). The Company monitors intra-group credit exposures at individual entity level on a regular basis and ensures timely performance of these assets in the context of overall Group liquidity management. The Company assesses the credit quality of these related parties taking into account financial position, performance and other factors. The Company takes cognisance of the related party relationship with these entities and management does not expect any significant losses from non-performance or default.

Loans receivable and non-current receivables from subsidiaries are categorised as Stage 1 for IFRS 9 purposes (i.e. performing) in view of the factors highlighted above. The expected credit loss allowances on such loans are based on the 12-month probability of default, capturing 12-month expected losses and hence are considered insignificant.

With respect to the loan of €158,600,000 granted to GO IP Holdings Limited (as further detailed in Note 37), the Company has determined that the 12-month probability of default on the amounts receivable as at 31 December 2024 is insignificant. The Company will continue to monitor the subsidiary's performance to the business plan so as to identify any indicators that might implicate an increase in credit risk on such exposure in future periods.

Since the current balances owed by subsidiaries are repayable on demand, expected credit losses are based on the assumption that repayment of the balance is demanded at the reporting date. Accordingly, the expected credit loss allowance attributable to such balances is insignificant.

2. Financial risk management - continued

2.1 Financial risk factors - continued

(c) Liquidity risk

The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise borrowings (Note 18), lease liabilities (Note 19) and trade and other payables (Note 21). Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Group's obligations.

Management monitors liquidity risk by reviewing expected cash flows through cash flow forecasts, and ensures that no additional financing facilities are expected to be required over the coming year. This is performed at a central treasury function, which controls the overall liquidity requirements of the Group within certain parameters.

The Group ensures that it has sufficient cash on demand, within pre-established benchmarks, to meet expected operational expenses and servicing of financial obligations over specific short-term periods, excluding the potential impact of extreme circumstances that cannot reasonably be predicted. The Group's liquidity risk is actively managed taking cognisance of the matching of cash inflows and outflows arising from expected maturities of financial instruments, together with the Group's committed bank borrowing facilities and other financing that it can access to meet liquidity needs. In this respect, management does not consider liquidity risk to the Group as significant taking into account the liquidity management process referred to above. The tables below analyse the Group's and the Company's financial liabilities, which expose the reporting entity to liquidity risk, into relevant maturity groupings based on the remaining term at the end of the reporting period to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of discounting is not significant.

2. Financial risk management - continued

2.1 Financial risk factors - continued

(c) Liquidity risk - continued

Group	Carrying amount €000	Contractual cash flows €000	Within 1 year €000	1 to 2 years €000	2 to 5 Years €000	After 5 years €000
Bank loans	64,852	80,504	11,460	10,000	25,324	33,720
Bonds	100,595	124,150	3,697	3,697	12,482	104,274
Other Borrowings	406	624	28	28	81	487
Bank overdrafts	7,145	7,145	7,145	-	-	-
Other financial liability	1,315	1,315	-	-	1,315	-
Lease liabilities	46,808	55,179	8,820	8,116	14,569	23,674
Trade and other payables	95,779	95,779	74,581	5,779	7,444	7,975
31 December 2024	316,900	364,696	105,731	27,620	61,215	170,130
Bank loans	68,323	88,956	12,245	13,593	25,552	37,566
Bonds	98,885	125,951	3,613	3,613	10,838	107,887
Bank overdrafts	2,264	2,264	2,264	-	-	-
Lease liabilities	49,204	54,058	9,560	7,423	13,601	23,474
Trade and other payables	81,958	82,555	68,355	8,277	5,923	-
31 December 2023	300,634	353,784	96,037	32,906	55,914	168,927
Company						
Bank loans	29,982	33,351	8,307	6,932	16,223	1,889
Bonds	59,433	73,083	2,013	2,013	6,038	63,019
Bank overdrafts	4,860	4,860	4,860	-	-	-
Lease liabilities	32,668	39,435	4,776	4,014	9,879	20,766
Other financial liability	1,315	1,315	-	-	1,315	-
Trade and other payables	38,437	38,437	38,142	295	-	-
31 December 2024	166,695	190,481	58,098	13,254	33,455	85,674
Bank loans	34,949	38,704	10,901	10,303	14,295	3,205
Bonds	59,346	75,096	2,013	2,013	6,038	65,032
Bank overdrafts	9	9	9	-	-	-
Lease liabilities	35,290	38,795	6,351	4,636	8,299	19,509
Trade and other payables	49,522	49,522	49,522	-	-	-
31 December 2023	179,116	202,126	68,796	16,952	28,632	87,746

2. Financial risk management - continued

2.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or adjust the amount of dividends paid to shareholders.

The Group monitors the level of capital on the basis of the ratio of aggregated net debt to total capital. Net debt is calculated as total borrowings (as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as equity, as shown in the respective statement of financial position, plus net debt.

The figures in respect of the Group's and the Company's equity and borrowings are reflected below

	Group		Company	
	2024	2023	2024	2023
	€000	€000	€000	€000
Borrowings (Note 18)	172,998	169,472	94,275	94,304
Lease liabilities (Note 19)	46,808	49,204	32,668	35,290
Less: Cash and cash equivalents (Note 15)	(14,776)	(49,180)	(4,283)	(41,405)
Net debt	205,030	169,496	122,660	88,189
Total equity	86,198	99,440	286,609	143,362
Total capital	291,228	268,936	409,269	231,551
Net debt ratio	70%	63%	30%	38%

The Group manages the relationship between equity injections and borrowings, being the constituent elements of capital as reflected above, with a view to managing the cost of capital. The level of capital, as reflected in the consolidated statement of financial position, is maintained by reference to the Group's respective financial obligations and commitments arising from operational requirements. In view of the nature of the Group's activities and the extent of borrowings or debt, the capital level at the end of the reporting period determined by reference to the consolidated financial statements is deemed adequate by the Directors.

2. Financial risk management - continued

2.3 Fair values of financial instruments and non-recurring fair value measurements

Fair value estimation in relation to financial instruments measured at fair value

The Group is required to disclose fair value measurements by level of a fair value measurement hierarchy for financial instruments that are measured in the statement of financial position at fair value (Level 1, 2 or 3). The different levels of the fair value hierarchy are defined as fair value measurements using:

- 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 i.e. as prices, or indirectly i.e. derived from prices (Level 2); and
- inputs for the asset or liability that are not based on observable market data i.e. unobservable inputs (Level 3).

The fair value of financial assets traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer or broker and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. The fair value of financial assets and other financial instruments (e.g. over-the-counter derivatives) that are not traded in an active market, is determined by using valuation techniques, principally discounted cash flow models. When the Group uses valuation techniques, it makes assumptions that are based on market conditions existing at the end of each reporting period. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The Group's financial instruments, which are carried at fair value, include the Group's other investments. The fair value measurements in this respect are considered to be Level 3. More information is disclosed in Note 11 to the financial statements.

2. Financial risk management - continued

2.3 Fair values of financial instruments and non-recurring fair value measurements - continued

Fair values of financial instruments not carried at fair value

At 31 December 2024 and 2023, the carrying amounts of certain financial instruments not carried at fair value comprising cash at bank, receivables, payables, accrued expenses and short-term borrowings reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation. The fair value of advances to related parties and other balances with related parties, which are short-term or repayable on demand, is equivalent to their carrying amount. The fair value of non-current financial instruments for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The carrying amount of the Company's non-current loans and other amounts receivable from subsidiaries fairly approximates the estimated fair value of these assets based on discounted cash flows. The fair value of the Group's non-current bank borrowings at the end of the reporting period is not significantly different from the carrying amounts. The current market interest rates utilised for discounting purposes, which were almost equivalent to the respective instruments' contractual interest rates, are deemed observable and accordingly these fair value estimates have been categorised as Level 2.

Information on the fair value of the bonds issued to the public is disclosed in the respective note to the financial statements. The fair value estimate in this respect is deemed Level 1 as it constitutes a quoted price in active market.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. These estimates and assumptions present a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group's management also makes judgements, apart from those involving estimations, in the process of applying the entity's accounting policies that may have a significant effect on the amounts recognised in the financial statements.

3.1 Impairment testing

IFRSs require management to undertake an annual test for impairment of goodwill and non-financial assets having an indefinite useful life, and require management to test for impairment if events or changes in circumstances indicate that the carrying amount of a non-financial asset having a finite useful life may not be recoverable. For the purposes of assessing impairment, non-financial assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The Group also assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

3. Critical accounting estimates and judgements - continued

3.1 Impairment testing - continued

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets or cash-generating units can be supported by the net present value of future cash flows derived from such assets or cash-generating units using cash flow projections, which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, in particular those derived from the Group's cash-generating units, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of growth in earnings before interest, taxation, depreciation and amortisation (EBITDA); developments in number of subscribers and average revenue per user (ARPU); long-term growth rates; and the selection of discount rates to reflect the risks involved. Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Group's impairment evaluation and hence results.

3.2 Business combinations

The definition of control encompasses three distinct principles, which, if present, identify the existence of control by the Group over an investee, hence forming a parent-subsidary relationship: power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. When the Group assesses whether it has power over an investee, it needs to assess whether any rights it has are protective (rather than substantive), whether rights held by other investors are protective, or whether other parties have substantive rights that can prevent the Group from directing the relevant investee's activities (for example, veto rights). Protective rights are different to substantive rights. Protective rights are considered as rights designed to protect the interest of the party holding those rights without giving that party power over the entity to which those rights relate. Given that power is required to control an investee, if the Group only has protective rights it will not control the investee.

The recognition of business combinations requires the excess of the purchase price of acquisitions over the net book value of assets acquired to be allocated to the assets and liabilities of the acquired entity. The Group makes judgements and estimates in relation to the fair value allocation of the purchase price. The amount of goodwill initially recognised as a result of a business combination is dependent on the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent, on management's judgement. Allocation of the purchase price affects the results of the Group as intangible assets with a finite life are amortised, whereas intangible assets with an indefinite life and goodwill are not amortised. Identifiable intangible assets may include customer bases and brands. The fair value of these assets is determined by discounting estimated future net cash flows generated by the asset where no active market for the assets exist. The use of different assumptions for the expectations of future cash flows and the discount rate would change the valuation of the intangible assets.

These acquisition agreements typically include:

- (i) variable payments payable in a future period based on certain targets being met in the predetermined period. Management applies judgement in determining whether such payments are deemed to constitute contingent payment for the consideration of the acquisition of the controlling stake or whether such payment relates to compensation to management based on future performance.
- (ii) Furthermore, acquisition agreements where the Group does not obtain a 100% controlling stake, might include put options to the minority shareholders giving them the right to oblige the Group to acquire the remaining non-controlling stake at a predetermined price subject to the achievement of preset targets within a predetermined period.

3. Critical accounting estimates and judgements - continued

3.2 Business combinations - continued

The Group makes judgements and estimates in relation to the probability of targets being met which typically takes in consideration future performance and cashflows of the acquired entity. The fair value of these liabilities is determined by discounting estimated future net cash outflows which is based on Management's estimate of the discount rate to be used.

3.3 Provisions for pension obligations

The Group exercises judgement in measuring and recognising provisions for its pension obligations because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision. The present value of the pension 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 cost for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations. In the Company's case, the specific judgements involved are more subjective, taking cognisance of the nature of the Company's obligations and the ongoing developments in this respect

3.4 Determination of extension for right-of-use assets and liabilities

The Group leases various properties, motor vehicles and IT equipment. Rental contracts may have extension options to renew the lease after the original period. Determination of the lease term considered is deemed to be a critical accounting estimate in view of the magnitude of lease payments considered in the extension periods. Details surrounding critical judgements and assumptions are further disclosed in Note 6 and Note 19.

3.5 Estimation of useful life

The useful life used to amortise intangible assets relates to the future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset. The useful lives and residual values of the Group's property, plant and equipment are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

3.6 Recoverability of loan receivable by GO p.l.c. from GO IP Holdings Limited

The recoverability of the loan of €158,600,000 by the Company from GO IP Holdings Limited (as further detailed in Note 2.1 (b)) and related expected credit loss assessment is heavily dependent on the reasonableness of the assumptions and judgements underlying the valuation of IP transaction from which this receivable originated in late December 2024 as detailed in Note 37.

4. Segment information

4.1 Operating segments

The Group has three reportable segments, which are effectively the Group's key and distinct strategic business units and cash-generating units, as they represent the lowest level at which separately identifiable cash flows can be identified. The strategic business units are managed separately with their own separate management structure and board of directors.

The following summary describes the operations in each of the Group's reportable segments:

Malta Telecommunication Services (Malta Telecommunications CGU) comprises the Group's fixed-line and mobile telephony services, digital television, broadband and internet services, business communication solutions, electronic retail outlets, and IoT services delivered in Malta. Through the acquisition of AQS, this segment now also encompasses solar energy products, leveraging synergies in customer targeting and expanding GO's product portfolio

Data Centre Services (Data Centre CGU) comprise the Group's operations of BMITT, which provides data centre facilities and ICT solutions in Malta.

Cyprus Telecommunication Services (Cyprus Telecommunications CGU) comprise the Group's operations of the Cypriot subsidiary, Cablenet. The company provides broadband, cable television and telephony services. The operations of the Cypriot subsidiary constitute a reportable segment in view of the specific nature and characteristics of the Cypriot telecommunications sector, giving rise to a varied degree of business risks and returns.

The Group's internal reporting to the Board of Directors and Senior Management is analysed according to these three segments. For each of these three strategic business units, the Board of Directors reviews internal management reports at least on a monthly basis.

4. Segment information - continued

4.1 Operating segments - continued

Information about reportable segments

	Malta operations				Cyprus operations		Total	
	Telecommunications		Data Centre		Telecommunications		2024 €000	2023 €000
	2024 €000	2023 €000	2024 €000	2023 €000	2024 €000	2023 €000		
Total revenue	147,064	142,075	29,620	28,666	71,996	74,421	248,680	245,162
Inter-segment revenue	(2,901)	(7,567)	(904)	(1,702)	-	-	(3,805)	(9,269)
Revenue from external customers	144,163	134,508	28,716	26,964	71,996	74,421	244,875	235,893
Reportable segment profit before tax	18,863	21,971	8,807	7,875	(932)	(3,094)	26,738	26,752
Tax	(8,164)	(8,257)	(2,664)	(2,930)	(222)	(79)	(11,050)	(11,266)
Results for reportable segments	10,699	13,714	6,143	4,945	(1,154)	(3,173)	15,688	15,486
<i>Information about profit or loss:</i>								
Finance income	428	329	-	-	-	-	428	329
Finance costs	(5,918)	(5,022)	(208)	(204)	(2,799)	(3,294)	(8,925)	(8,520)
Depreciation and amortisation	(33,344)	(31,476)	(2,071)	(1,912)	(19,923)	(20,095)	(55,338)	(53,483)
Other non-cash items								
Change in credit loss allowances in respect of trade receivables	(205)	263	11	-	817	(639)	623	(376)

4. Segment information - continued

4.1 Operating segments - continued

Information about reportable segments

	Malta operations				Cyprus operations		Total	
	Telecommunications		Data Centre		Telecommunications		2024 €000	2023 €000
	2024 €000	2023 €000	2024 €000	2023 €000	2024 €000	2023 €000		
Reportable segment assets	354,714	327,280	25,092	31,307	161,437	150,041	541,243	508,628
Capital expenditure	39,013	34,834	2,279	810	34,297	29,218	75,589	64,862
Reportable segment liabilities	244,756	264,302	13,996	24,238	126,973	120,648	385,725	409,188

4. Segment information - continued

4.1 Operating segments - continued

A reconciliation of reportable segment results, assets and liabilities and other material items, to the amounts presented in the consolidated financial statements, is as follows:

	2024	2023
	€000	€000
Profit		
Total profit for reportable segments and consolidated profit after tax	15,688	15,486
Assets		
Total assets for reportable segments	541,243	508,628
Inter-segment eliminations	(110,655)	(50,549)
Consolidated total assets	430,588	458,079
Liabilities		
Total liabilities for reportable segments	385,725	409,188
Inter-segment eliminations	(41,335)	(50,549)
Consolidated total liabilities	344,390	358,639

4.2 Information about geographical segments

The Group's revenues are derived from operations carried out principally in Malta and in Cyprus. The Telecommunications segments for both Malta and Cyprus also derive revenue from incoming interconnect traffic and inbound roaming from foreign administrators worldwide. Considering the nature of the Group's activities, its non-current assets are predominantly located in Malta and Cyprus.

4.3 Information about major customers

The Group does not have any particular major customer, as it largely derives revenue from a significant number of customers availing of its services. Accordingly, the Group does not deem necessary any relevant disclosures in respect of reliance on major customers.

5. Property, plant and equipment

Group

	Land and buildings €000	Plant and equipment €000	Customer premises and related assets €000	Motor vehicles €000	Payments on account and assets in course of construction €000	Total €000
At 31 December 2023						
Cost or valuation	12,745	396,056	37,080	1,011	-	446,892
Accumulated depreciation and impairment charges	(2,216)	(247,092)	(24,816)	(614)	-	(274,738)
Net book amount	10,529	148,964	12,264	397	-	172,154
Year ended 31 December 2023						
Opening net book amount	10,529	148,964	12,264	397	-	172,154
Additions	369	33,933	8,254	69	5,584	48,209
Acquisition of subsidiary (Note 8)	-	8	-	-	-	8
Revaluation surplus on land and buildings						
- effect on cost or valuation	428	-	-	-	-	428
- effect on depreciation	217	-	-	-	-	217
Disposals and write-offs	-	(8,074)	(1,436)	(40)	-	(9,550)
Transfers	455	2,725	-	-	(3,180)	-
Reclassification to intangible assets:						
- cost	-	(1,543)	-	-	-	(1,543)
- accumulated depreciation	-	1,294	-	-	-	1,294
Depreciation charge	(384)	(25,364)	(7,010)	(185)	-	(32,943)
Depreciation/impairment released on disposals and write-offs	-	7,871	1,436	28	-	9,335
Closing net book amount	11,614	159,814	13,508	269	2,404	187,609
At 31 December 2022						
Cost or valuation	13,997	423,105	43,898	1,040	2,404	484,444
Accumulated depreciation and impairment charges	(2,383)	(263,291)	(30,390)	(771)	-	(296,835)
Net book amount	11,614	159,814	13,508	269	2,404	187,609

5. Property, plant and equipment - continued

Group - continued

	Land and buildings €000	Plant and equipment €000	Customer premises equipment and related assets €000	Motor vehicles €000	Payments on account and assets in course of construction €000	Total €000
Year ended 31 December 2024						
Opening net book amount	11,614	159,814	13,508	269	2,404	187,609
Additions	50	35,744	6,108	616	679	43,197
Acquisition of subsidiaries (Note 8)	-	1,009	-	10	-	1,019
Disposals and write-offs	-	(51,357)	(66)	-	(135)	(51,558)
Transfers	54	2,302	-	-	(2,356)	-
Reclassification to intangible assets:						
- cost	-	-	-	-	(84)	(84)
- accumulated depreciation	-	-	-	-	-	-
Depreciation charge	(371)	(26,554)	(6,681)	(132)	-	(33,738)
Depreciation/impairment released on disposals and write-offs	-	51,350	46	-	-	51,396
Closing net book amount	11,347	172,308	12,915	763	508	197,841
At 31 December 2024						
Cost or valuation	14,101	410,803	49,940	1,666	508	477,018
Accumulated depreciation and impairment charges	(2,754)	(238,495)	(37,025)	(903)	-	(279,177)
Net book amount	11,347	172,308	12,915	763	508	197,841

The Group's land and buildings are secured as collateral for the Group's banking facilities.

During the current financial year, a subsidiary reclassified the carrying amount of €84,000 (2023: €249,000) attributable to a specific asset category from Plant and equipment, as reflected in the table above, to Computer software within Intangible assets to reflect fairly the nature of such assets.

5. Property, plant and equipment - continued

Company

	Land and buildings €000	Plant and equipment €000	Customer premises equipment and related assets €000	Motor vehicles €000	Total €000
At 1 January 2023					
Cost or valuation	4,432	311,103	20,720	381	336,636
Accumulated depreciation	(194)	(208,181)	(10,626)	(278)	(219,279)
Net book amount	4,238	102,922	10,094	103	117,357
Year ended 31 December 2023					
Opening net book amount	4,238	102,922	10,094	103	117,357
Additions	-	28,354	3,887	58	32,299
Revaluation surplus on land and buildings effect on cost or valuation	428	-	-	-	428
Revaluation surplus on land and buildings effect on depreciation	217	-	-	-	217
Disposals and write-offs	-	(13,469)	(1,436)	(12)	(14,917)
Depreciation charge	(23)	(17,239)	(4,889)	(27)	(22,178)
Depreciation released on disposals and write-offs	-	12,786	1,436	-	14,222
Closing net book amount	4,860	113,354	9,092	122	127,428
At 31 December 2023					
Cost or valuation	4,860	325,988	23,171	427	354,446
Accumulated depreciation	-	(212,634)	(14,079)	(305)	(227,018)
Net book amount	4,860	113,354	9,092	122	127,428
Year ended 31 December 2024					
Opening net book amount	4,860	113,354	9,092	122	127,428
Additions	-	25,687	4,451	619	30,757
Disposals and write-offs	-	(51,106)	(66)	-	(51,172)
Depreciation charge	(12)	(17,589)	(4,657)	(53)	(22,311)
Depreciation released on disposals and write-offs	-	49,904	46	-	49,950
Closing net book amount	4,848	120,250	8,866	688	134,652
At 31 December 2024					
Cost or valuation	4,860	300,569	27,556	1,046	334,031
Accumulated depreciation	(12)	(180,319)	(18,690)	(358)	(199,379)
Net book amount	4,848	120,250	8,866	688	134,652

During the current financial year, the Company transferred plant and equipment at €1,201,000 to GO IP Holdings Limited as part of the intrinsic part of the transaction referred to in Note 37(i).

During the preceding financial year, the Company transferred plant and equipment at proceeds equivalent to their carrying amount of €517,000 to BMITT as an intrinsic part of the transaction referred to in Note 37(ii).

5. Property, plant and equipment - continued

Fair valuation of land and buildings

The Company's land and buildings within property, plant and equipment, were revalued on 31 December 2023 by an independent firm of property valuers having appropriate recognised professional qualifications and experience in the location and category of the property being valued, and the carrying amounts were adjusted to reflect these valuations. Management have reviewed the carrying amounts of the properties as at 31 December 2024, on the basis of the assessments by the independent property valuers and no adjustment to the carrying amount was required.

Valuations were made on the basis of open market value taking cognisance of the specific location of the properties, the size of the sites together with their development potential, the availability of similar properties in the area, and whenever possible, having regard to recent market transactions for similar properties in the same location.

Adjustments to the carrying amounts of the Company's land and buildings as at 31 December 2023 reflecting an increase of €645,000, were deemed necessary to reflect the properties' estimated open market value on an individual asset level. Increases amounting to €19,000 were recognised in profit or loss, whereas other movements amounting to €626,000 have been recognised in other comprehensive income as an adjustment to the revaluation reserve within shareholders' equity.

A subsidiary's leasehold property, with a carrying amount of €1,958,000 (2023: €1,958,000) at the end of the reporting period, was revalued in prior years by an independent firm of property valuers having appropriate professional qualifications and experience in the category of the property being valued. Management has reviewed the carrying amount of the property as at 31 December 2024 and no adjustments to the carrying amounts were deemed necessary as at that date.

BMITT's property comprises a property acquired during the financial year ended 31 December 2020 for a consideration of €4,000,000, currently being used to host one of its data centres. In the opinion of the company's directors, as at 31 December 2024, no significant changes or developments have been experienced since the acquisition that impacted the property's fair value by giving rise to a material shift in its estimated market value. The current carrying value is also supported by an independent valuation carried out by an independent firm of architects during 2023, commissioned by the company to carry out an assessment of the fair value of the property, by considering the aggregate of the estimated cash flows expected to be received from renting out the property over a defined period.

The Group is required to analyse non-financial assets carried at fair value by level of the fair value hierarchy within which the recurring fair value measurements are categorised in their entirety (Level 1, 2 or 3). The different levels of the fair value hierarchy have been defined as fair value measurements using:

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

5. Property, plant and equipment - continued

Fair valuation of land and buildings - continued

The Group's land and buildings, within property, plant and equipment, comprise exchanges, data centres, warehouses, offices and retail outlets. All the recurring property fair value measurements at 31 December 2024 and 2023 use significant unobservable inputs and are accordingly categorised within Level 3 of the fair valuation hierarchy.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the beginning of the reporting period. There were no transfers between different levels of the fair value hierarchy during the years ended 31 December 2024 and 2023.

A reconciliation from the opening balance to the closing balance of land and buildings for recurring fair value measurements categorised within Level 3 of the value hierarchy, is reflected in the table above. The changes during the year are mainly attributable to additions, revaluation surplus and depreciation charge.

Valuation processes

The valuations of the properties are performed regularly on the basis of valuation reports prepared by independent and qualified valuers. These reports are based on both:

- information provided by the respective company which is derived from the company's financial systems and is subject to the company's overall control environment; and
- assumptions and valuation models used by the valuers – the assumptions are typically market-related. These are based on professional judgement and market observation.

The information provided to the valuers, together with the assumptions and the valuation models used by the valuers, are reviewed by the Chief Finance Officer (CFO). This includes a review of fair value movements over the period. When the CFO considers that the valuation report is appropriate, the valuation report is recommended to the Audit Committee. The Audit Committee considers the valuation report as part of its overall responsibilities.

At the end of every reporting period, the CFO assesses whether any significant changes or developments have been experienced since the last external valuation. This is supported by an assessment performed by the independent firm of property valuers. The CFO reports to the Audit Committee on the outcome of this assessment.

Valuation techniques

The external valuations of the Company's Level 3 property have been performed using an adjusted sales comparison approach or a discounted rental streams approach. In view of a limited number of similar sales or rentals in the local market, the valuations have been performed using unobservable inputs. The significant input to the adjusted sales comparison approach is generally a sales price per square metre related to transactions in comparable properties located in proximity to the Group's property, with significant adjustments for differences in the size, age, exact location and condition of the property. The significant inputs to the discounted rental streams approach comprise annual rental values per square metre (also related to comparable properties or transactions and adjusted as described above) and the discount rate.

5. Property, plant and equipment - continued

Information about fair value measurements using significant unobservable inputs (Level 3)

Group

At 31 December 2024 and 2023

Description by class based on highest and best use	Valuation technique	Significant unobservable input	Range of unobservable inputs (weighted average) €	Fair value €000
Current use as office premises and telephone exchanges*	Adjusted sales comparison approach	Sales price per square metre	1,000 – 2,650 (1,500)*	4,860 (2023: 4,860)
Current use as data centre	Discounted cash flows - rental streams approach	Rental streams	Rental value p.a. of €135/sqm - €160/sqm; discount rate of 5.75%	4,200 (2023: 4,200)

*The category of land and buildings with current use as office premises and telephone exchanges consists of a number of properties owned by the Company.

Due to the low carrying value per property, Management is of the opinion that a reasonable change in the key assumptions considered in the valuation will not have a material impact in the carrying value. The highest and best use of the properties referred to above is equivalent to their current use

If the land and buildings were stated on the historical cost basis, the carrying amounts would be as follows:

	Group		Company	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Cost	13,585	13,481	3,722	3,722
Accumulated depreciation	(3,876)	(3,497)	(774)	(730)
Net book amount	9,709	9,984	2,948	2,992

5. Property, plant and equipment - continued

Depreciation and impairment charge

The depreciation charge for the year is recognised in profit or loss as follows:

	Group		Company	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Cost of sales	33,093	32,428	22,311	22,178
Administrative and other related expenses	645	515	-	-
	33,738	32,943	22,311	22,178

During the year ended 31 December 2023, a subsidiary revised the remaining useful life of specific asset categories within Plant and equipment to align their depreciation rates to GO's policy and practice. This revision has given rise to a lower depreciation charge for the financial year ended 31 December by €627,000, which amount is considered insignificant and accordingly further disclosures in terms of the requirements of IAS 8 are not deemed necessary.

Recoverability of the telecommunications and data centre infrastructure

At 31 December 2024, the Group's telecommunications infrastructure and licences together with related tangible, intangible and other assets, attributable to the Malta Telecommunications, Data Centre and Cyprus Telecommunications CGUs, were carried at an aggregate amount of €163,121,000 (2023: €159,262,000), €10,713,000 (2023: €10,362,000) and €74,534,000 (2023: €72,534,000) respectively. No impairment indicators were identified by management in respect of these CGUs as at the end of the reporting period (Note 7).

6. Right-of-use assets

The Group's leasing activities

The Group leases various properties, motor vehicles and IT equipment. Rental contracts are typically made for periods of up to 25 years but may have extension options to renew the lease after the original period as described below. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants. Leased assets may not be used as security for borrowing purposes.

Spectrum licences are also treated as right-of-use assets taking into account prevailing market accounting practice and guidance in this respect in the context of the interpretation of IFRS 16 principles.

Extension and termination options are included in property and certain motor vehicles leases. These terms are used to maximise operational flexibility in respect of managing contracts. The extension and termination options held are exercisable only by the Group and not by the respective lessor. In respect of specific property lease arrangements, the extension periods have been included in determining lease term for the respective arrangement.

6. Right-of-use assets - continued

Group		As at 31 December 2024					
Right-of-use assets	No of ROU assets leased	Range of remaining lease term (years)	Average remaining lease term (years)	Average extension option considered (years)	No of leases with extension options	No of leases with option to purchase	No of leases with termination options
Properties	44	1-20	5	7	28	5	16
Equipment and motor vehicles	147	1-5	2	1	4	-	-
Spectrum licences	6	2-13	5	-	-	-	-
As at 31 December 2023							
Properties	44	1 – 20	5	10	29	5	14
Equipment and motor vehicles	154	1 – 5	2	1	4	-	-
Spectrum licences	6	2 – 13	6	-	-	-	-
Company		As at 31 December 2024					
Properties	16	1-20	8	11	13	5	-
Equipment and motor vehicles	14	1-2	1	1	4	-	-
Spectrum licences	6	2-13	5	-	-	-	-
As at 31 December 2023							
Properties	14	1 – 20	9	12	13	5	-
Equipment and motor vehicles	12	1 – 2	1	1	4	-	-
Spectrum licences	6	2 – 13	6	-	-	-	-

The statement of financial position reflects the following assets relating to leases:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Properties	27,797	26,460	22,424	22,040
Equipment and motor vehicles	1,641	1,779	840	864
Spectrum licences	22,240	24,950	8,750	11,080
Total right-of-use assets	51,678	53,189	32,014	33,984

6. Right-of-use assets - continued

The movement in the carrying amount of these assets is analysed in the following table:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
At 1 January	53,189	59,180	33,984	37,782
Additions	3,617	1,462	425	395
Additions through acquisition of subsidiary	448	-	-	-
Impacts of reassessment of lease term, reflecting inclusion of extension period	2,239	681	1,423	681
Impacts of termination of lease arrangements	(73)	(875)	-	(764)
Impacts of reassessment of lease payments, determined on the basis of an index	1,423	1,465	2,162	1,465
Depreciation	(9,165)	(8,724)	(5,980)	(5,575)
At 31 December	51,678	53,189	32,014	33,984

Additions are analysed as follows:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Property	2,169	614	425	338
Equipment and motor vehicles	248	848	-	57
Spectrum licences	1,200	-	-	-
	3,617	1,462	425	395

6. Right-of-use assets - continued

The income statement includes the following amounts relating to leases:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
<i>Depreciation charge of right-of-use assets</i>				
Properties	4,308	3,973	3,002	2,686
Equipment and motor vehicles	946	901	649	558
Spectrum licences	3,911	3,850	2,329	2,331
	9,165	8,724	5,980	5,575
<i>Interest expense (included in finance costs)</i>	1,483	1,591	1,073	1,150
<i>Gain recognised on reassessment of lease term (included in Other income)</i>	-	23	-	23
<i>Expenses relating to short-term leases</i>	761	774	400	356

7. Intangible assets

Group

	IRUs and DDPs €000	Computer software €000	Brand names, customer relationships and related assets €000	Broad- casting rights €000	Payments on account and assets in the course of construction €000	Goodwill €000	Total €000
At 1 January 2023							
Cost	36,901	12,444	28,495	29,485	-	28,266	135,591
Accumulated amortisation and impairment charges	(11,059)	(5,515)	(21,458)	(19,139)	-	(349)	(57,520)
Net book amount	25,842	6,929	7,037	10,346	-	27,917	78,071
Year ended 31 December 2023							
Opening net book amount	25,842	6,929	7,037	10,346	-	27,917	78,071
Additions	-	1,297	233	12,493	1,168	-	15,191
Development	-	1,646	-	-	-	-	1,646
Acquisition of subsidiary (Note 8)	-	-	-	-	-	436	436
Transfers	-	813	-	-	(813)	-	-
Reclassification from property, plant and equipment (Note 5)							
- cost	-	-	1,543	-	-	-	1,543
- amortisation	-	-	(1,294)	-	-	-	(1,294)
Disposals/write- offs/expiration of rights	(136)	(1,473)	-	(150)	-	-	(1,759)
Amortisation charge	(1,781)	(2,832)	(685)	(6,518)	-	-	(11,816)
Amortisation released on expiration of rights	-	1,473	-	-	-	-	1,473
Closing net book amount	23,925	7,853	6,834	16,171	355	28,353	83,491
At 31 December 2023							
Cost	36,765	14,727	30,271	41,828	355	28,702	152,648
Accumulated amortisation and impairment charges	(12,840)	(6,874)	(23,437)	(25,657)	-	(349)	(69,157)
Net book amount	23,925	7,853	6,834	16,171	355	28,353	83,491

7. Intangible assets - continued

Group - continued

	IRUs And DDPs €000	Computer software €000	Brand names, customer relationships and related assets €000	Broad- casting rights €000	Payments on account and assets in the course of construction €000	Goodwill €000	Total €000
Year ended							
31 December 2024							
Opening net book amount	23,925	7,853	6,834	16,171	355	28,353	83,491
Additions	591	-	119	16,583	2,391	-	19,684
Development	-	2,035	-	-	-	-	2,035
Acquisition of subsidiary (Note 8)	-	151	1,399	-	-	1,800	3,350
Transfers	-	355	-	-	(355)	-	-
Amortisation charge	(1,763)	(3,539)	(690)	(6,442)	-	-	(12,434)
Close net book amount	22,753	6,855	7,662	26,312	2,391	30,153	96,126
At 31 December 2024							
Cost	37,356	17,268	31,789	58,391	2,391	30,502	177,697
Accumulated amortisation and impairment charges	(14,603)	(10,413)	(24,127)	(32,079)	-	(349)	(81,571)
Net book amount	22,753	6,855	7,662	26,312	2,391	30,153	96,126

7. Intangible assets – continued

Company

	IRUs and DDPs €000	Computer software €000	Broadcasting rights €000	Total €000
At 1 January 2023				
Cost	12,469	9,088	3,861	25,418
Accumulated amortisation	(909)	(5,658)	(510)	(7,077)
Net book amount	11,560	3,430	3,351	18,341
Year ended 31 December 2023				
Opening net book amount	11,560	3,430	3,351	18,341
Additions	-	-	803	803
Development	-	1,646	-	1,646
Disposals/write-offs/ expiration of rights	(134)	(1,473)	-	(1,607)
Amortisation charge	(559)	(1,748)	(1,401)	(3,708)
Amortisation released on expiration of rights	-	1,473	-	1,473
Closing net book amount	10,867	3,328	2,753	16,948
At 31 December 2023				
Cost	12,335	9,261	4,664	26,260
Accumulated amortisation	(1,468)	(5,933)	(1,911)	(9,312)
Net book amount	10,867	3,328	2,753	16,948
Year ended 31 December 2024				
Opening net book amount	10,867	3,328	2,753	16,948
Additions	-	-	595	595
Development	-	1,145	-	1,145
Disposals/write-offs/ expiration of rights	-	(7,964)	-	(7,964)
Amortisation charge	(505)	(1,434)	(1,559)	(3,498)
Amortisation released on expiration of rights	-	5,422	-	5,422
Closing net book amount	10,362	497	1,789	12,648
At 31 December 2024				
Cost	12,335	2,442	5,259	20,036
Accumulated amortisation	(1,973)	(1,945)	(3,470)	(7,388)
Net book amount	10,362	497	1,789	12,648

7. Intangible assets - continued

Amortisation charge

The amortisation charge for the year is recognised in profit or loss within 'cost of sales'.

During the preceding year ended 31 December 2023, a subsidiary revised the remaining useful life of specific asset categories within Brand names, customer relationships and other related assets to align their amortisation rates to GO's policy and practice. This revision has given rise to a lower amortisation charge for the current financial year by €123,000, which amount is considered insignificant and accordingly further disclosures in terms of the requirements of IAS 8 are not deemed necessary.

Goodwill

Goodwill arising on business combinations is allocated to the different CGUs as follows:

	2024	2023
	€000	€000
Cyprus Telecommunications	23,563	23,563
Malta Telecommunications	3,387	1,587
Malta Data Centre	3,203	3,203

Goodwill arising on the acquisition of Cablenet amounting to €23,563,000 has been allocated to the Cyprus Telecommunications CGU, whereas other goodwill arising on business combinations effected in the current and previous financial years has been allocated principally to the Data Centre and Malta Telecommunications CGU. The goodwill is attributable to the workforce and synergies available to the Group to cross-sell its products across a shared customer base, coupled with cost synergy opportunities.

The recoverable amount of the cash-generating units has been estimated by management on the basis of value in use (VIU) reflecting the net present value of future cash flows derived from such cash-generating units. The net present value of the future cash flows is based on the five-year cash flow forecast within the operational plan approved by the Board of Directors and the extrapolation of the cash flow forecast beyond the five-year period through the estimation of terminal values.

The key assumptions in the determination of the recoverable amount of the CGUs are the levels of forecast EBITDA, the terminal value growth rates applied to the estimated cash flows beyond the explicit forecast period and the discount rate.

Goodwill arising on the acquisition of Cybersift Holdings Limited, effected during the previous financial year, amounting to €436,000 has been allocated to the Malta Telecommunications CGUs. Goodwill arising on the acquisition of AQS Med Limited amounting to €1,002,000 and Klikk Finance p.l.c. amounting to €799,000 were also allocated to the Malta Telecommunications CGU (see Note 8).

7. Intangible assets - continued

Goodwill – continued

Forecasted ARPU and EBITDA levels for the Cyprus Telecommunications CGU are mainly based on past experience modified for market developments and industry trends, taking cognisance of the following key factors throughout the forecast explicit period:

- forecasted overall growth in subscribers and revenue primarily driven by a strategy to focus on mobile driven revenue after Cablenet’s investment in its own spectrum licence for 4G and 5G and the continued expansion of the fibre optic network; and
- projected higher gross profit margins as a result of economies of scale and due to the fact that mobile operations will have a fixed cost of sale, with limited operating expenses, creating a potentially significant operating leverage impact.

Forecasted EBITDA levels for the Malta Data Centre CGU are based on past experience, adjusted for market developments and industry trends, in particular the following factors over a five-year period:

- forecasted overall steady turnover and profit margins over the five-year period, through the diversification of the portfolio offering by focusing on providing a full-suite technology advisor role to customers; and
- stable EBITDA margins mainly due to the fixed nature of certain key elements in the cost base of the CGU.

The estimated ARPU, EBITDA and terminal growth rates and post-tax discount rates for CGUs, applied as at 31 December 2024 and 2023, are disclosed in the table below:

	Cyprus Telecommunications CGU		Malta Data Centre CGU	
	%	%	%	%
	2024	2023	2024	2023
ARPU growth rate	(2.0)	(2.0)	N/A	N/A
EBITDA growth rate	4.0	4.0	1.0	3.0
Terminal growth rate	3.0	2.0	1.0	1.8
Post-tax discount rate	9.2	10.8	12.5	12.4

These parameters have been principally based on market observable data.

Management considers the timing of the future tax cash flows to have an immaterial impact on the impairment assessment performed. Accordingly, the pre-tax discount rate utilised can be derived from the post-tax discount rate utilised.

The two components of the discount rate are the cost of equity and the cost of debt. The cost of equity has been calculated by management by applying the Capital Asset Pricing Model ('CAPM') formula ($K_e = R_f + \beta(R_m - R_f)$ where R_f is the risk-free rate of return and R_m is the market return). The cost of debt is the cost of raising debt finance through a financial intermediary.

7. Intangible assets - continued

Management's estimation of the VIU indicates that there is significant headroom between the estimated recoverable amount and the carrying amount of the CGUs. Accordingly, management performed sensitivity analysis and it appears that there are no reasonable possible changes in key assumptions on which it has based its determination of the CGUs' recoverable amount that would cause the carrying amount to exceed VIU.

Following acquisitions undertaken during the year under review, additions to goodwill amounting to €1,800,000 were reflected in the Malta Telecommunications CGU. Management performed an impairment assessment in respect of the remaining goodwill attributable to this CGU, amounting to €1,974,000. No impairments were identified, and in view of the immateriality of these balances, disclosures surrounding the impairment assessment were not deemed necessary. Management will continue to monitor this position on an annual basis.

Brand names and customer relationships acquired in business combinations, and related assets

Brand names and customer relationships acquired in business combinations are allocated to CGUs as follows:

	Brand names			Customer relationships		
	Acquisition date fair value	Year-end carrying amount 2024	Year-end carrying amount 2023	Acquisition date fair value	Year-end carrying amount 2024	Year-end carrying amount 2023
	€000	€000	€000	€000	€000	€000
Cyprus Telecommunications	4,295	4,295	4,295	12,480	645	1,292
Malta Data Centre	1,649	-	-	9,828	-	10
Malta Telecommunications	1,418	1,418	228	209	209	-

The intangibles acquired through the Cablenet acquisition have been allocated to the Cyprus Telecommunications CGU, constituting the aggregate of the assets allocated to this CGU, whereas other intangible assets arising on business combinations effected in previous financial years relating to acquisition of entities now forming part of the BMITT Group have been allocated to the Data Centre CGU. Intangible assets acquired from other business combinations, including current year acquisitions have been allocated to the Malta Telecommunications CGU.

Brands acquired through business combinations incorporate trade names, trademarks, service marks, trade dress, branding and internet domain names. These have been generally valued using the Relief From Royalty method ('RFR').

Customer bases comprise customer contracts (renewable), customer relationships and customer lists. These have been generally valued using the Multi-Period Excess Earnings method ('MEEM').

7. Intangible assets - continued

The RFR method was used to value Cablenet's brand. The RFR method assumes that the intangible asset has a fair value based on royalty income attributable to it. The royalty rate represents hypothetical savings enjoyed by the entity that owns the intangible asset, because that entity is relieved from having to license that intangible asset from another owner and pay royalties to use the intangible asset. In the valuation of the Cablenet brand, the cash flows were derived from the projected total revenues in conjunction with a royalty rate of 1.5%. A discount rate of 13.9% was used for the valuation of the brand and as at the end of 2024, the residual value was based on a terminal growth rate of 1.5%. As of 31 December 2024, the carrying amount of the Cablenet brand, recognised as an indefinite-lived intangible asset, is €4,295,000.

The assessment of the brand's indefinite useful life is based on several key factors. These include:

- i. **Market Position and Recognition:** The brand holds a strong position in the market and enjoys high consumer recognition and loyalty. It is expected to continue contributing to revenue generation for the foreseeable future without foreseeable limits.
- ii. **Legal and Regulatory Environment:** There are no legal, regulatory, or contractual factors that impose a finite limit on the brand's useful life. The trademark is registered and is renewable indefinitely at minimal cost.
- iii. **Economic and Industry Considerations:** The industry in which the brand operates shows stable growth prospects, and there are no technological or market changes projected that would adversely affect the brand's value or sustainability.
- iv. **Historical Performance:** Historically, the brand has demonstrated consistent financial performance and has been integral to the Group's strategy, indicating its resilience and ongoing relevance in the context of different changing economic environments.

Management will continue to monitor these factors and the brand is subject to regular impairment testing to ensure its carrying amount does not exceed its recoverable amount

The MEEM method was used to value Cablenet's customer relationships. In valuing the customer relationships, the total cash flows for the acquired customers were based on an estimate of historical customer retention rates and the projected revenues and operating margins going forward. The MEEM is used as a basis for the fair value of an intangible asset based on a residual notion. The principle behind the MEEM is that the fair value of an intangible asset can be determined by estimating the cash flows that are expected to be generated by several assets in combination and deducting the cash flows attributable to all of the other assets that contribute to the cash flows (contributory charges). The 'excess' cash flows are ascribed to the intangible assets and the fair values based on the present value of those cash flows attributable only to the intangible assets. It is presumed that the contributory assets are leased from a third party. All considerations refer to the attributable fair value of the relevant asset. The applied contributory asset charges (CACs – sometimes referred to as 'economic rents') consider the return of the asset and the return on the asset with the latter comprising a reasonable interest on the capital invested.

7. Intangible assets - continued

In respect of the valuation of customer relationships, total projected revenue attributable to existing customer relationships was estimated on the basis of:

- existing number of subscribers by service line;
- projected revenue growth (before churn) for existing customer relationships;
- projected ARPU by service line; and
- projected churn rate by service line for existing customer relationships.

EBIT margins were assumed to be equal to the EBIT margin of the overall business operations of Cablenet, adjusted for the royalty of Cablenet's brand amounting to 1.5% of the revenue attributable to existing relationships. CACs as a percentage of revenue have been applied including principally a 'return-of' and a 'return-on' contributory asset charge for depreciable assets. The 'return-on' contributory asset charge reflects the required rate of return on depreciable assets.

A discount rate for the valuation of the customer relationships intangible asset of 12.9% was utilised after considering the relatively higher level of risk for the customer relationships as compared to the overall business operations of Cablenet. The residual reflects excess earnings attributable to beyond the explicit period, extrapolated assuming an ARPU growth rate and churn rate which are held constant at end of explicit period levels. The useful life of the retail customer relationships intangible asset was estimated at ten years, whilst the useful life of the business customer relationships intangible asset was established at five years.

Other related intangible assets primarily comprise customer bases and IP addresses acquired by the Group.

The intangibles acquired through the acquisition of the AQS which specialises renewable energy equipment and solar farm company have been allocated to the Malta Telecommunications CGU, constituting the aggregate of the assets allocated to this CGU.

Brands acquired through business combinations incorporate trade names, trademarks, service marks, trade dress, branding, and internet domain names. These have been generally valued using the Relief From Royalty method (RFR).

Customer bases comprise long term customer contracts. These have been generally valued using the Multi-Period Excess Earnings method (MEEM).

The RFR method was used to value the acquired brand. The RFR method assumes that the intangible asset has a fair value based on the royalty income attributable to it. The royalty rate represents hypothetical savings enjoyed by the entity that owns the intangible asset, as it is relieved from having to license the intangible asset from another owner and pay royalties for its use. In the valuation of the acquired brand, the cash flows were derived from projected total revenues in conjunction with a royalty rate of 1%. A discount rate of 12.7% was applied for the valuation of the brand, and as at the end of 2024, the residual value was based on a terminal growth rate reflecting the long-term market outlook for renewable energy. An indefinite useful life was deemed appropriate for the acquired brand, considering the sustained demand for renewable energy solutions and established market presence.

7. Intangible assets - continued

The intangibles acquired through the acquisition of Klikk have been allocated to the Malta Telecommunications CGU, constituting the aggregate of the assets allocated to this CGU.

In valuing the acquired brand, cash flows were derived from the projected total revenues of the business, applying a royalty rate of 1%. A discount rate of 14% was utilised in the valuation, reflecting the risk profile of the business within the consumer electronics retail sector. The valuation also considered the cost of debt at 5.3% in assessing the overall capital structure assumptions. As at the end of 2024, the residual value was based on a terminal growth rate in line with the long-term outlook for the electronics retail industry. Given the established market presence and brand recognition, an indefinite useful life was deemed appropriate for the acquired brand.

8. Investments in subsidiaries

	Company	
	2024 €000	2023 €000
Cost and carrying amount at beginning of year	59,304	58,426
Additions/acquisitions	6,038	878
Cost and carrying amount at end of year	65,342	59,304

The carrying amount of the investments at 31 December 2024 and 2023 is equivalent to the cost of the investments. The subsidiaries at 31 December 2024 and 2023 are shown below:

Subsidiary	Registered office	Percentage of shares held		Nature of business
		2024 %	2023 %	
BMIT Technologies p.l.c. (with listed ordinary share capital)	Building SCM02 Level 2 SmartCity Ricasoli, Kalkara, SCM1001, Malta	52.5	51.0	Investment holding
Cablenet Communications Systems p.l.c. (with listed debt securities)	41 – 49 Agiou Nicolaou Street Block A, Nimeli Court 3 rd Floor 2408, Egkomi Nicosia Cyprus	70.6	70.2	Provision of broadband, cable television and telephony services

8. Investments in subsidiaries - continued

Subsidiary	Registered office	Percentage of shares held		Nature of business
		2024 %	2023 %	
Connectedcare Limited	GO, Triq Hal-Tarxien Zejtun, ZTN 3000 Malta	51.0	51.0	Electronic and mobile care solutions
GO Ventures Limited	GO, Triq Hal-Tarxien Zejtun, ZTN 3000 Malta	100.0	100.0	Investment holding
Sens Innovation Group Limited	115, Gardenia Vjal Il-Qalbiena Mostin, Mosta, MST2354, Malta	76.0	76.0	Energy management IoT solutions
Cybersift Holdings Limited	15, Sali, Triq iz-Zebbuga, Iklin, IKL 1960, Malta	51.0	51.0	Cybersecurity services
GO Infrastructure Services Limited	GO, Triq Hal-Tarxien Zejtun, ZTN 3000 Malta	100.0	100.0	Provision of passive network infrastructure services
AQS Med Limited	9, Triq FS Caruana Birkirkara, BKR1231, Malta	51.0	-	Renewable energy products and generation
Klikk Finance p.l.c.	GO, Triq Hal-Tarxien Zejtun, ZTN 3000 Malta	100.0	-	Electronic equipment retailer
GO IP Holdings Limited	GO, Triq Hal-Tarxien Zejtun, ZTN 3000 Malta	100.0	-	Intellectual property holding company

BMITT holds 99.9% (2023: 99.9%) in Bellnet Limited, BM IT Limited and BM Support Services Limited. The companies provide co-location and internet services, technical assistance and IT solutions. The registered office of all the companies is Building SCM 02, Level 2 SmartCity, Ricasoli, Kalkara, SCM1001, Malta.

GO Ventures Limited was incorporated in 2019, to invest in start-up companies offering digital solutions.

8. Investments in subsidiaries - continued

SENS Innovation Group Limited (SENS) holds 100% in Llobeno Limited and ESDL – UK Limited. The companies provide energy management IoT solutions. The registered office of Llobeno Limited is 115, Gardenia, Vjal il-Qalbiena Mostin, Mosta, MST2354, Malta and that of ESDL – UK Limited is Wellesley House, 204, London Road, Waterlooville, Hampshire, England PO77AN.

Cybersift Holdings Limited holds 100% in Cybersift Limited. The companies provide cybersecurity services to customers. The registered address of Cybersift Limited is 15, Sali, Triq iz-Zebbuga, Iklin, IKL 1960, Malta.

GO Infrastructure Services Limited was incorporated during the year ended 31 December 2023, to act as a vehicle for the transfer of the assets attributable to the mobile network towers operation to BMITT (see Note 37(ii)). The impacts of this addition on GO's consolidated and stand-alone financial statements is considered immaterial for disclosure purposes, also taking cognisance of the entity's business purpose.

AQS holds 100% in AQS Solar Capital Limited and Malta Solar Parks Limited. The companies provide solar energy solutions and jointly own solar farm with third parties. The registered office of all companies is 9, F.S. Caruana Street, Birkirkara, BKR1230, Malta. AQS owns 33% shareholding in BA2 Limited and through its subsidiary AQS Solar Capital, it owns 33% shareholding in Xewkija Solar Farm and 50% shareholding in Bubaqra Solar Farm. All these companies own and operate solar farms.

Klikk Finance p.l.c. holds 100% in Klikk Limited. The companies operate two outlets that sell electronic goods both to the retail and corporate segments.

GO IP Holdings limited was incorporated during the year ended 31 December 2024 to strategically acquire, safeguard, and commercialise intellectual property assets (see Note 37(i)). The impacts of this addition on GO's consolidated and stand-alone financial statements is considered immaterial for disclosure purposes, also taking cognisance of the entity's business purpose.

Further investment in Cablenet Communications Systems p.l.c.

In 2022, GO increased its stake in Cablenet from 63.38% to 70.22% through a share purchase agreement dated 19 July 2022, acquiring 230,000 shares for €5,750,000. The excess purchase consideration over the non-controlling interest acquired (€5,037,000) was recognized directly in equity.

8. Investments in subsidiaries - continued

The agreement also grants the Company an option to acquire the remaining equity in Cablenet at any time during a three (3) year period as from the date of the agreement, at different pre-established prices per share for specific time periods. The positive fair value of this derivative contract was estimated at an amount of €2,691,000 as at the date of the agreement. This contract was deemed to give rise to a derivative financial instrument within the Company's separate financial statements, but since its fair valuation is based on a valuation technique that uses mainly data which is not sourced from observable markets, the resultant day 1 gain has been deferred. For the purposes of the consolidated financial statements, the contract meets the definition of an equity instrument as a call option in respect of the entity's own equity shares (non-controlling interests) which will be settled through the exchange of a fixed amount of cash for a fixed number of the entity's own equity instruments. Accordingly, the fair value of this contract has been intrinsically reflected directly within equity as highlighted above. No material shifts in fair value of this contract have been identified between the date of the agreement and 31 December 2024.

During the year ended 31 December 2024, Cablenet issued 45,058 new shares which were given to Mr. Yiannos Michaelides as management compensation for reaching the established targets. In December 2024, Mr. Michaelides sold these shares to GO p.l.c. at €1,587,000. As at the date of this transaction, the carrying amount attributable to the non-controlling interest stake in this subsidiary which had been acquired, was €66,000. The excess purchase consideration over the non-controlling interest acquired (€1,521,000) was recognised directly in equity.

Further investment in BMIT Technologies p.l.c.

In March 2024, BMITT declared a dividend of €0.025 per share for the year ending 31 December 2023. The directors of BMITT offered all shareholders the option to receive this dividend either in cash or as new ordinary shares at an attribution price of €0.351 per share. GO converted its dividend of €2,550,000 into ordinary shares, acquiring 7,264,957 additional shares in BMITT whilst the minority shareholders acquired 741,625 additional shares. As a result, GO's shareholding in BMITT increased by 1.5%, bringing the total ownership to 52.5%.

Acquisition of AQS Med Limited

On 27 March 2024, the Company announced that it had signed a share purchase agreement that will result in GO purchasing 51% shareholding in AQS Med Limited (C50569) ('AQS'). On 28 June 2024, the agreement was agreed upon and 51% of the shares in AQS were transferred to GO.

AQS was established in 2010 when the renewable energy market in Malta was still an emerging one. It has since established itself as a market leader having been entrusted with some of the largest installations on the island. This strategic acquisition underlines the Company's commitment to renewable energy. Furthermore, the Company believes that through this acquisition it can help support the achievement of Malta's environmental targets which, at the same time, present an opportunity to grow in the energy vertical.

8. Investments in subsidiaries - continued

AQS holds 100% in AQS Solar Capital Limited (C54873) and Malta Solar Parks Limited (C96862). The companies provide solar energy solutions and jointly own solar farm with third parties. The registered office of both companies is 9, F.S. Caruana Street, Birkirkara, BKR1230, Malta. AQS owns 33% shareholding in BA2 Limited and through its subsidiary AQS Solar Capital, it owns 33% shareholding in Xewkija Solar Farm and 50% shareholding in Bubaqra Solar Farm. All these companies own and operate solar farms.

The total consideration paid for the acquisition of the shares was €1,203,000 with the possibility of a management earnout capped at €1,984,000, based on actual and forecasted performance of AQS over a four-year period, from 2023 up till 2027. Given that the awarding of this earnout is intrinsically linked on the continued employment of key management personnel for the above-mentioned period, this eventual payment is treated as management remuneration and will be accrued for at its fair value on an annual basis. Movement in the fair value of this liability will be taken to profit and loss as employee benefit expense.

Purchase consideration – net cash outflow

	€000
Outflow of cash to acquire subsidiaries, net of cash acquired:	
Cash consideration	1,203
Less cash acquired	(60)
	1,143
Net outflow of cash – investing activities	1,143

	€000
Fair value of initial 51% equity holding in AQS as at acquisition date	1,203

The estimated fair values of identifiable assets and liabilities of AQS as at date of acquisition were as follows:

	€000
Non-current assets (principally Property, plant and equipment)	876
Intangible assets (principally Brands and Customer Lists)	757
Investment in associates	50
Current assets (principally inventory and trade and other receivables)	772
Trade and other payables	(652)
Net deferred tax liability	(237)
Non-current liabilities	(1,149)
	417
Net identifiable assets acquired	417
Attributable to non-controlling interests	(216)
Goodwill	1,002
	1,203

Non-controlling interests have been measured at the related proportion of the net identifiable assets at acquisition.

8. Investments in subsidiaries - continued

GO and the minority shareholders have also entered into a shareholder's agreement. Through this agreement the minority shareholders and GO have mutual call and put options regarding the minority interest's shares in AQS, exercisable upon the achievement of an agreed performance threshold. These rights remain valid for one year from the approval of the AQS Group's consolidated financial statements for the financial year 2027:

- Minority Shareholders Option: They may require GO to acquire its shares, with the Company valued at 6x the average EBITDA (2023-2027), net of non-current liabilities. Other AQS Group entities will be valued using a market-based net present value approach with a 5% discount rate, adjusted for net debt as at 31 December 2027.
- GO's Option: GO may require the minority shareholders to sell its shares, with the Company valued at 7x the average EBITDA (2023-2027), net of non-current liabilities. Other AQS Group entities will be valued similarly using a market-based net present value approach with a 5% discount rate, adjusted for net debt as at 31 December 2027.

The combination of this written put option with a strike price that is variable depending on future performance of AQS was not deemed to expose the Group to risks and rewards associated with a present ownership interest of the underlying shares. Consequently, the fair value of the estimated strike price of €1,315,000 has been recognised as a financial liability at the time of the business combination. Given that the ownership interest associated with these shares has been attributed to non-controlling interests, upon initial recognition the Group and Company recognised a negative reserve in its equity for the same amount.

No further disclosures in respect of this acquisition were deemed necessary, in view of the fact that the acquired subsidiary is not deemed material to GO, as a reporting entity in terms of the requirements of IFRS 3 Business Combinations.

Acquisition of Klikk Finance p.l.c.

On 11 November 2024, the Company announced that it had acquired 100% of the shares in Klikk Finance p.l.c. ('Klikk'). Klikk holds 100% in Klikk Limited (C30425). The companies operate electronic retail outlets. The registered office of both companies is GO, Triq Hal-Tarxien, Zejtun, ZTN 3000, Malta.

Klikk was incorporated as a private limited company on 12 May 2011 as HMRD limited and on 2 January 2016 resolved to change its name to BOE Finance Limited. Subsequently on 14 June 2017, the Company resolved to convert to a public limited liability company and renamed Klikk Finance p.l.c. The Klikk group principal activity is to operate two electronic retail outlets servicing both retail and corporate clients. The Directors believe that this acquisition will create synergies between the two companies.

8. Investments in subsidiaries - continued

The total consideration paid for the acquisition of the shares was €600,000 with the possibility of a further maximum earnout of €300,000 depending on the performance of Klikk over a three-year period. The fair value of the equity is reflective of the discounted future cashflows under the purchase agreement.

	€000
Fair value of 100% equity holding in Klikk as at acquisition date	600

The estimated fair values of identifiable assets and liabilities of Klikk as at date of acquisition were as follows:

	€000
Non-current assets (principally Property plant and equipment and right of use assets)	591
Intangible assets (principally Brands and software)	659
Deferred tax asset	311
Current assets (principally inventory and trade and other receivables)	1,326
Trade and other payables	(703)
Lease Liability	(536)
Deferred tax liability	(225)
Non-current Liabilities	(1,622)
Net identifiable assets acquired	(199)
Goodwill	799
	600

No further disclosures in respect of this acquisition were deemed necessary, in view of the fact that the acquired subsidiary is not deemed material to GO, as a reporting entity in terms of the requirements of IFRS 3 Business Combinations.

8. Investments in subsidiaries - continued

Acquisition of Cybersift Holdings Limited

On 16 March 2023, the Company announced that it had concluded a transaction that will result in subscription by GO, of newly issued ordinary shares in Cybersift Holdings Limited (C103948) ('Cybersift') with the intention of owning 51% shareholding in this company.

Cybersift provides cyber security services to business clients. Its objective is to enhance cyber security by employing machine learning to equip organisations with advanced, self-learning tools for threat detection. This software is interoperable with any existing security tools the client possesses and does not necessitate any modifications to their infrastructure. It also facilitates the automation of alert investigation, reducing time and increasing cost efficiency for the client. Cybersift's current customer base is distributed across Malta, Italy and the US. In addition to this strategic acquisition that reinforces its investment in security through the deployment of AI as part of its mission to drive a digital Malta, the Company anticipates that new opportunities will emerge as it offers this service to its extensive base of business customers.

The total consideration payable for the subscription of the shares was €800,000, with the possibility of a further €300,000 earn out depending on the performance of Cybersift over a period of three years. The fair value of the equity is reflective of the discounted future cashflows under the purchase agreement.

	€000
Fair value of initial 51% equity holding in Cybersift as at acquisition date	800

The estimated fair values of identifiable assets and liabilities of Cybersift as at date of acquisition were as follows:

	€000
Current assets (principally inventory and trade and other receivables)	1,283
Trade and other payables	(570)
Net identifiable assets acquired	713
Attributable to non-controlling interests	(349)
Goodwill	436
	800

Non-controlling interests have been measured at the related proportion of the net identifiable assets at acquisition.

8. Investments in subsidiaries - continued

No further disclosures in respect of this acquisition were deemed necessary, in view of the fact that the acquired subsidiary is not deemed material to GO, as a reporting entity in terms of the requirements of IFRS 3 Business Combinations.

Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests which are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Cablenet		BMITT	
	2024 €000	2023 €000	2024 €000	2023 €000
Current assets	12,295	14,932	11,359	15,910
Current liabilities	45,631	45,102	11,230	17,060
Net current (liabilities)/assets	(33,336)	(30,170)	129	(1,150)
Non-current assets	115,097	105,645	63,511	64,741
Non-current liabilities	81,342	75,830	50,884	52,813
Net non-current assets	33,755	29,815	12,627	11,928
Net assets	419	(355)	12,756	10,778
Accumulated NCI	1,424	1,355	6,108	5,282
Summarised statement of comprehensive income				
Revenue	72,069	74,272	33,604	28,666
(Loss)/profit for the period	(588)	(3,494)	4,168	4,720
(Loss)/profit allocated to NCI	(175)	(1,040)	1,982	2,313
Dividends paid to NCI	-	-	2,450	2,450
Summarised cash flows				
Cash flows from operating activities	23,087	19,952	7,591	5,317
Cash flows from investing activities	(18,570)	(21,644)	(2,279)	(32,107)
Cash flows from financing activities	(4,622)	3,566	(3,038)	24,291
Net increase/(decrease) in cash and cash equivalents	(105)	1,874	2,274	(2,499)

9. Investments in associates

	Group	
	2024	2023
	€000	€000
Year ended 31 December		
Opening carrying amount	2,382	2,292
Additions	-	90
Additions through acquisitions	50	-
Closing carrying amount	2,432	2,382
At 31 December		
Cost	2,547	2,497
Accumulated impairment losses	(115)	(115)
Carrying amount	2,432	2,382

Set out below are the associates of the Group as at 31 December 2024. The entities listed below have share capital consisting principally of unlisted ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and unless otherwise stated, the proportion of ownership interest is the same as the proportion of voting rights held.

Investment in EBO Ltd

On 2 December 2020, BMITT entered into an agreement to acquire a 15% shareholding in EBO Ltd (EBO) for a consideration of €1,542,000. Further costs amounting to €25,000 which are directly attributable to this acquisition were incurred by the Company and were capitalised as part of the cost of the investment. A further amount of €15,000 was injected by BMITT during 2023, as a result of which the Group retained its 15% shareholding in EBO Ltd.

EBO is a technology company, incorporated in Malta, whose shares are not listed on the Malta Stock Exchange. It is focused on the provision of Artificial Intelligence solutions in the Healthcare, iGaming and Financial Services sectors. EBO delivers its solutions through AI driven Virtual Agents in an omni-channel environment that allow more-personalised customer conversations, improving self-service, and offering predictive models to augment existing business processes. The investment in EBO is expected to accelerate EBO's growth trajectory, as well as enable the opening of new business verticals and territories in which Group has a key interest.

The Group and Company are classifying this interest as an investment in associate, despite holding an effective shareholding and voting rights of 15%. BMITT has a right to appoint one director out of a maximum of seven directors. As at 31 December 2024 and 31 December 2023, BMITT had appointed one director out of a total of three acting directors and this was deemed to constitute significant influence in terms of voting rights at Board level.

9. Investments in associates - continued

The Group's share of results of this associate, registered post-acquisition date, is immaterial in the context of the Group's financial results and financial position and accordingly has not been reflected within these financial statements.

The tables below provide limited financial information for the associate that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the associate and not the Group's share of those amounts.

	2024 €000	2023 €000
Summarised statement of financial position		
Non-current assets		
Intangible assets	3,539	2,635
Other non-current assets	1,137	1,038
Total non-current assets	4,676	3,673
Current assets		
Trade receivables	975	1,480
Cash and cash equivalents	103	266
Total current assets	1,078	1,746
Non-current liabilities	(2,077)	(2,017)
Current liabilities	(1,234)	(1,074)
Net assets	2,443	2,328
Reconciliation to carrying amounts:		
Net assets of investee at beginning of year	2,328	1,526
Results for the period	72	844
Other comprehensive income	43	(42)
Net assets of investee at end of year	2,443	2,328
Group's share in %	15%	15%
Group's share of net assets	366	349
Group's share of closing net assets reflected in the financial statements	263	263
Notional goodwill	1,319	1,319
Carrying amount at end of year	1,582	1,582

9. Investments in associates - continued

	2024 €000	2023 €000
Summarised statement of comprehensive income		
Revenue	1,554	2,401
Profit from continued operations	91	1,272
<hr/>		
Profit for the period	72	844
Other comprehensive income	43	(42)
<hr/>		
Total comprehensive income	115	802
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Investment in Mindbeat Ltd through Mindbeat Global Limited

Mindbeat Ltd is a company registered in Malta, with its registered address at 9B, Midland Warehousing Park, Triq Il-Burmarrad, Naxxar, NXR6345. The company's principal activity is to provide coaching services to corporate clients and individuals and to operate a software as a service platform for mobile coaching and e-learning. A 30% stake giving rise to an equivalent shareholding in this entity was acquired for an amount of €500,000. GO's subsidiary (GO Ventures) invested in convertible loans issued by the investee which would have been converted to equity shares, either on the latest conversion date, or an earlier date if certain equity transactions happened involving Mindbeat prior to the mandatory conversion. Upon conversion, GO's subsidiary would receive as many shares as are necessary to retain 30% of Mindbeat's share capital. This arrangement is intrinsically deemed to constitute the Group's equity investment taking into account the consequential financial reporting effects. Since key decisions were reserved for the Board and the investor already had appointed one out of two directors, then GO was deemed to have attained significant influence at the stage of investment acquisition, with the implied level of voting rights. During the year ended 31 December 2023, GO invested an additional €200,000 bringing up its deemed shareholding in Mindbeat to 34%.

On 15 March 2023, Mindbeat Global Limited, a UK registered company (with company registration number 14340560) acquired Mindbeat Ltd and Mindbeat Ltd became a wholly owned subsidiary of Mindbeat Global Limited. As part of the transaction, shares in Mindbeat Global Limited were issued as consideration. Additionally, GO Ventures received shares in Mindbeat Global Limited equivalent to its previous shareholding in Mindbeat Ltd. Also, GO Ventures' convertible loan, including accrued interest, to Mindbeat Ltd was converted into shares of Mindbeat Global Limited at a specific conversion rate. Simultaneously, Mindbeat Global Limited concluded a funding round. Subsequent to the conversion of the loan and the dilution resulting from the injection of new funding, GO Ventures' stake in Mindbeat Global Limited is equivalent to 15%. The investment in Mindbeat Global Limited, that in substance is deemed to be essentially the same financial asset held as at 31 December 2022, is considered an investment in an associate in view of the significant influence through Board representation and voting rights as referred to previously.

In view of the immateriality of this investment to GO as a reporting entity in terms of the requirements of IFRS 12 *Disclosure of interest in other entities*, the disclosure of the summarised financial information and other matters in accordance with the requirements of IFRS 12 is not deemed necessary.

9. Investments in associates - continued

Investment in BA2 Limited through AQS Med Limited

BA2 Limited is a company registered in Malta, with its registered address at The Watercourse, Zone 2, Central Business District, Mdina Road, Birkirkara, CBD 2010. The principal activity of the company is to operate a solar farm. AQS Med Limited owns 33.33% of the company.

In view of the immateriality of this investment to GO as a reporting entity in terms of the requirements of IFRS 12 *Disclosure of interest in other entities*, the disclosure of the summarised financial information and other matters in accordance with the requirements of IFRS 12 is not deemed necessary.

Investment in Bubaqra Solar Farm Limited

Bubaqra Solar Farm Limited is a company registered in Malta, with its registered address at The Watercourse, Zone 2, Central Business District, Mdina Road, Birkirkara, CBD 2010. The principal activity of the company is to operate a solar farm. AQS Solar Capital Limited, a fully owned subsidiary of AQS Med Limited owns 50% of the company.

In view of the immateriality of this investment to GO as a reporting entity in terms of the requirements of IFRS 12 *Disclosure of interest in other entities*, the disclosure of the summarised financial information and other matters in accordance with the requirements of IFRS 12 is not deemed necessary.

Investment in Xewkija Solar Farm Limited

Xewkija Solar Farm Limited is a company registered in Malta, with its registered address at The Watercourse, Zone 2, Central Business District, Mdina Road, Birkirkara, CBD 2010. The principal activity of the company is to operate a solar farm. AQS Solar Capital Limited, a fully owned subsidiary of AQS Med Limited owns 33.33% of the company.

In view of the immateriality of this investment to GO as a reporting entity in terms of the requirements of IFRS 12 *Disclosure of interest in other entities*, the disclosure of the summarised financial information and other matters in accordance with the requirements of IFRS 12 is not deemed necessary.

10. Loans receivable from subsidiaries and associates

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Loans receivable from subsidiaries	-	-	171,177	10,100
Loans receivable from associates	184	-	-	-
Carrying amount at end of year	184	-	171,177	10,100

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Carrying amount at beginning of year	-	-	10,100	4,000
Advances effected during the year	-	-	162,000	6,100
Acquired through acquisition of subsidiary	184	-	-	-
Loan repayments	-	-	(923)	-
Carrying amount at end of year	184	-	171,177	10,100
Non-current	184	-	166,410	9,417
Current	-	-	4,767	683

Pursuant to a loan agreement dated 2 June 2022, a loan facility amounting to €3,500,000 was made available to Cablenet, the full amount was utilised by Cablenet by 31 December 2023. The loan amount has to be repaid by June 2027 and is subject to a two-year moratorium as from 2 June 2022, during which Cablenet shall pay only the interest portion of the loan. Interest is paid quarterly in arrears and is calculated based on the average daily outstanding amounts during the quarter. Following the moratorium period, capital and interest payments are to be effected in quarterly instalments. Throughout the loan term, interest accrues on a day-to-day basis at the rate of 4% per annum. As at December 2024, loan amount is €2,916,000.

During April 2022, GO granted a revolving credit facility amounting €6,000,000 to Cablenet for up to three years from first drawdown. The full amount was drawn down by Cablenet by 31 December 2024. The credit facility is subject to a 6% per annum interest rate with effect from the first drawdown. Interest is paid quarterly in arrears and is calculated based on the average daily outstanding amounts during the quarter. The facility does not contemplate a set repayment schedule but the maturity date is three years after the first drawdown, 20 April 2026.

10. Loans receivable from subsidiaries and associates - continued

In May 2024, GO provided Cablenet with an additional facility of up to €2,900,000. The loan accrues interest at a rate of 6% from the date of the initial drawdown for the first year, after which the interest rate increases to 8% for the remainder of the loan term. Interest shall be payable quarterly in arrears and will be calculated based on the average daily outstanding amounts during the quarterly. The facility does not contemplate a set repayment schedule, but the maturity date is three years after the first drawdown, 13 May 2027.

As part of the acquisition of SENS, GO granted a loan facility amounting to €500,000 to SENS, which amount had been drawn down by SENS by 31 December 2021. The loan is subject to a 4% interest rate with effect from first drawdown date. The interest is paid bi-annually with the first interest being due on the lapse of the first six-month period after the first drawdown. The loan does not have a repayment date and if the amount due is not paid until 1 April 2027, the loan will be converted into ordinary shares.

On 25 June 2023, GO granted a further loan facility amounting to €100,000 to SENS which amount has been drawn down by SENS by 31 December 2023. The loan is subject to a 6% interest rate with effect from the first drawdown date. Interest shall be payable quarterly in arrears and will be calculated based on the average daily outstanding amount. The loan shall be fully repaid by 31 May 2023.

On 28 November 2024, GO granted a further loan facility amounting to €600,000 to SENS for a maximum period of five years. As at December 2024, €300,000 were drawn down. The loan facility is subject to a 6% per annum interest rate for the first two years and for the remainder term at a rate of 8% per annum, with effect from the first drawdown. Interest is paid quarterly in arrears. The facility does not contemplate a set repayment schedule but the maturity date is five years after the first drawdown, 27 November 2029.

As further detailed in Note 37, the receivable from GO IP Holdings Limited of €158,600,000 arising upon sale was converted into a loan, bearing annual interest of 4%, which loan is to be repaid in full by December 2039, through annual minimum instalments of €3,500,000.

On 7 August 2020, AQS Med Ltd through its subsidiary AQS Solar Capital Ltd, granted a loan facility amounting to €191,600 to related company BA2 Limited. The loan has a 17-year term and will be repaid by 31 December 2037. The loan is subject to a 8% interest rate with effect from the first drawdown date. Capital will be repaid in full as a lump sum on maturity and interest payments are to be affected annually. As at December 2024, loan amount is €85,734.

On 11 December 2020, AQS Med Ltd through its subsidiary AQS Solar Capital Ltd, granted a loan facility amounting to €197,907 to related company Bubaqra Solar Farm Limited. The loan has a 10 year term and will be repaid by 31 December 2030. The loan is subject to a 8% interest rate with effect from the first drawdown date. Capital will be repaid in full as a lump sum on maturity and interest payments are to be affected annually. As at December 2024, loan amount is €97,907.

11. Other investments

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
<i>Financial assets at fair value through other comprehensive income</i>				
Cost	3,126	2,984	1,770	1,770
Gains from changes in fair value	2,826	3,976	-	-
Accumulated impairment losses	(2,238)	(1,770)	(1,770)	(1,770)
	3,714	5,190	-	-
	2024 €000	2023 €000	2024 €000	2023 €000
Carrying amount at beginning of year	5,190	874	-	-
Acquisitions	205	369	-	-
Gains from changes in fair value	(14)	3,976	-	-
Disposals	(1,667)	(29)	-	-
Carrying amount at end of year	3,714	5,190	-	-

The above investments classified as financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which are not held for trading, and which the Group has irrevocably elected for classification within this category at initial recognition. These are strategic investments and the Group considers this classification to be more relevant.

At 31 December 2024 and 2023, the Company's FVOCI financial assets included:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
<i>Listed securities</i>				
Loqus Holdings p.l.c. (fully impaired)	1,770	1,770	1,770	1,770
<i>Unlisted securities</i>				
Leading Edge Only Ltd	115	229	-	-
Service Lee Technologies Private Limited	1,244	1,177	-	-
AirGSM Holdings Inc	1,732	3,037	-	-
Enternships Ltd	150	300	-	-
Raylo Group Ltd	263	233	-	-
Ikue Limited	98	95	-	-
VR Entertainment Ltd	62	119	-	-
Toum AI	50	-	-	-
	3,714	5,190	-	-

11. Other investments - continued

The equity investment in Loqus Holdings p.l.c. is deemed to be impaired and accordingly its carrying amount had been written down to €Nil. The carrying amount of loans receivable from this investee, included in other receivables, had been written down to nil in preceding financial years. The loans were partly settled during 2023, and accordingly the credit loss allowance as at 31 December 2023 was partially reversed to cover the unpaid residual of €115,000 which remained unchanged as at year end 31 December 2024 (Note 14).

During 2023, the Group revised the carrying value of its investment in AirGSM Holdings Inc at its fair value based on equity transactions that the Group had undertaken during the year. The movement in the investment for the year-ended 31 December 2024 reflects a further disposal of the Group's equity stake in the company. The fair value as at 31 December 2024 reflects the fair value of the remaining shares, based on the most recent equity transaction value.

Gains from changes in fair value primarily relate to investments in Service Lee Technologies Private Limited and Raylo, which were measured based on recent transaction prices of the investees' equity instruments. For the Group's other investments, management lacks sufficient access to information due to the small shareholding size, making an accurate fair value assessment with undue cost and effort. Instead, management assessed fair value based on funding rounds, and where no further funding rounds are expected in the near future, an impairment was recognized. Given the immaterial impact of these gains and losses, the disclosures required under IFRS 13 were not deemed necessary.

12. Deferred tax assets and liabilities

Deferred taxes are calculated on all temporary differences under the liability method and are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been substantively enacted by the end of the reporting period. The principal tax rate used in respect of Malta based Group companies is 35% (2023: 35%), with the exception of deferred taxation on the fair valuation of non-depreciable property, which is computed on the basis applicable to disposals of immovable property i.e. principally tax effect of 10% (2023: 10%) of the transfer value. The tax rate applied in Cyprus in respect of the taxable profits attributable to Cablenet is 12.5% (2023: 12.5%).

12. Deferred tax assets and liabilities - continued

The balance at 31 December represents temporary differences attributable to:

Group	Assets		Liabilities		Net	
	2024 €000	2023 €000	2024 €000	2023 €000	2024 €000	2023 €000
Depreciation of property, plant and equipment	-	-	(14,128)	(11,579)	(14,128)	(11,579)
Fair valuation of land and buildings	-	-	(421)	(421)	(421)	(421)
Intangible assets	-	-	(1,807)	(689)	(1,807)	(689)
Provisions for pensions and other liabilities	1,161	1,161	-	-	1,161	1,161
Credit loss allowances on trade receivables and other assets	3,656	3,750	-	-	3,656	3,750
Right-of-use assets	-	-	(17,293)	(14,608)	(17,293)	(14,608)
Lease liabilities	16,915	14,471	-	-	16,915	14,471
Fair value on other investments	-	-	(849)	(1,393)	(849)	(1,393)
Others	2,273	1,349	-	-	2,273	1,349
Tax assets/(liabilities)	24,005	20,731	(34,498)	(28,690)	10,493	(7,959)
Offsetting	(23,251)	(19,817)	23,251	19,817	-	-
Net tax assets/(liabilities)	754	914	11,247	(8,873)	10,493	(7,959)

Company	Assets		Liabilities		Net	
	2024 €000	2023 €000	2024 €000	2023 €000	2024 €000	2023 €000
Depreciation of property, plant and equipment	-	-	(13,203)	(10,886)	(13,203)	(10,886)
Fair valuation of land and buildings	-	-	(421)	(421)	(421)	(421)
Intangible assets	-	-	(626)	(325)	(626)	(325)
Provisions for pensions and other liabilities	1,161	1,161	-	-	1,161	1,161
Credit loss allowances on trade receivables and other assets	3,592	3,670	-	-	3,592	3,670
Right-of-use assets	-	-	(11,205)	(11,894)	(11,205)	(11,894)
Lease liabilities	11,434	12,352	-	-	11,434	12,352
Tax assets/(liabilities)	16,187	17,183	(25,455)	(23,526)	(9,268)	(6,343)
Offsetting	(16,187)	(17,183)	16,187	17,183	-	-
Net tax liabilities	-	-	(9,268)	(6,343)	(9,268)	(6,343)

12. Deferred tax assets and liabilities - continued

The recognised deferred tax assets and liabilities are expected to be recovered or settled principally after more than twelve months from the end of the reporting period. The deferred tax assets and liabilities reflected in other comprehensive income relate to fair valuation of property, plant and equipment, to fair valuation of investments at FVOCI and to movements in provisions for pensions attributable to actuarial assumptions.

The movement in the Group's deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances, is as follows:

Group

	Balance 1 January 2023 €000	Recognised in profit or loss €000	Recognised in other comprehensive income €000	Balance 31 December 2023 €000	Acquired on acquisition €000	Recognised in profit or loss €000	Recognised in other comprehensive income €000	Balance 31 December 2024 €000
Property, plant and equipment	(10,378)	(1,201)	-	(11,579)	-	(2,549)	-	(14,128)
Intangible assets	(752)	63	-	(689)	(490)	(628)	-	(1,807)
Provisions for pensions and other liabilities	1,463	(302)	-	1,161	-	-	-	1,161
Expected credit losses on trade receivables and other assets	3,788	(38)	-	3,750	-	(94)	-	3,656
Rights-of-use asset	(16,383)	1,775	-	(14,608)	(154)	(2,531)	-	(17,293)
Lease liabilities	16,042	(1,571)	-	14,471	181	2,263	-	16,915
Fair value on other investments	-	-	(1,393)	(1,393)	-	-	544	(849)
Others	2,051	(702)	-	1,349	312	612	-	2,273
	(4,169)	(1,976)	(1,393)	(7,538)	(151)	(2,927)	544	(10,072)
Revaluation of land and buildings	(362)	(13)	(46)	(421)	-	-	-	(421)
	(4,531)	(1,989)	(1,439)	(7,959)	(151)	(2,927)	544	(10,493)

At 31 December 2024, the Group and the Company had unrecognised deferred tax assets amounting to €100,273,000 and €46,073,000 respectively (2023: €46,073,000 for both Group and Company) created through temporary differences arising from unutilised capital allowances in respect of Intellectual Property Rights (Note 37), impairment and other losses on investments and unabsorbed capital losses. Capital losses are only available for offset against future capital gains. The increase is primarily attributed to unutilised capital allowances claimed by GO IP Holdings Limited, which will be recognised as they are utilised over time.

12. Deferred tax assets and liabilities - continued

The movement in the Company's deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances, is as follows:

Company

	Balance 1 January 2023 €000	Recognised in profit or loss €000	Recognised in other comprehensive income €000	Balance 31 December 2023 €000	Recognised in profit or loss €000	Recognised in other comprehensive income €000	Balance 31 December 2024 €000
Property, plant and equipment	(9,708)	(1,178)	-	(10,886)	(2,317)	-	(13,203)
Intangible assets	(271)	(54)	-	(325)	(301)	-	(626)
Provisions for pensions and other liabilities	1,463	(302)	-	1,161	-	-	1,161
Expected credit losses on trade receivables and other assets	3,761	(91)	-	3,670	(78)	-	3,592
Right-of-use assets	(13,224)	1,330	-	(11,894)	689	-	(11,205)
Lease liabilities	13,670	(1,318)	-	12,352	(918)	-	11,434
Others	306	(306)	-	-	-	-	-
	(4,003)	(1,919)	-	(5,922)	(2,925)	-	(8,847)
Revaluation of land and buildings	(362)	(13)	(46)	(421)	-	-	(421)
	(4,365)	(1,932)	(46)	6,343	(2,925)	-	(9,268)

13. Inventories

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Operating spares	7,632	8,444	6,921	8,246
Goods held for resale	3,138	1,986	840	487
	10,770	10,430	7,761	8,733

The cost of inventories recognised as expense is disclosed in Note 23. During the current financial year, an increase in provisions for obsolescence of inventories amounting to €95,000 (2023: €64,000) for the Group and an increase of €78,000 (2023: €42,000) for the Company, have been reflected in these financial statements. Inventory write-downs during the year amounted to €3,000 (2023: €12,000) and €3,000 (2023: €12,000) for the Group and Company respectively.

Provisions for obsolescence of inventories are as follows:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
At end of year	808	713	654	576

14. Trade and other receivables

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Non-current				
Trade receivables – net of provisions	468	2,288	-	-
Amounts owed by subsidiaries	-	-	2,848	2,848
Contract assets	3,502	2,542	3,488	2,364
Costs incurred in obtaining contracts	329	296	329	296
Costs incurred to fulfil contracts	263	261	-	-
Prepayments	951	210	-	-
Other assets	154	68	154	68
	5,667	5,665	6,819	5,576

14. Trade and other receivables - continued

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Current				
Trade receivables – net of provisions	20,552	22,341	9,244	12,641
Amounts owed by subsidiaries	-	-	8,887	9,967
Other receivables – net of provisions	876	750	664	673
Indirect taxation	-	8,315	-	-
Contract assets	9,600	13,644	8,734	13,145
Costs incurred in obtaining contracts	1,054	1,011	1,054	1,011
Costs incurred to fulfil contracts	405	302	113	-
Prepayments	13,145	13,626	8,964	8,219
Other assets	66	40	62	40
	45,698	60,029	37,722	45,696

The Cypriot subsidiary had entered into a number of agreements with two other telecom operators in Cyprus holding Cypriot and international football rights for Cyprus. The agreements provide for the three operators to make payments for each other's exclusive content. Some of these payments are equal and are set off against each other, where the underlying content is deemed of equal value. Other payments are one-sided because the underlying content is provided from one operator to the other. Exclusive marketing and advertising revenue collection rights have been agreed and allocated to certain of the three operators in exchange for payments to those ceding the rights. These agreements expired during 2024. As at end December 2024 there are no balances relating to these agreements (2023: €2,359,000). As a result of these agreements, the consolidated financial statements include revenue and costs amounting to €5,224,000 (2023: €5,994,000) and €4,415,000 (2023: €5,424,000) respectively, some of equal reciprocal nature, with an overall net income benefit, while corresponding prepayments and contract liabilities have been recognised in the statement of financial position.

Current amounts owed by subsidiaries as at 31 December 2024 and 2023 are unsecured, interest-free and repayable on demand. Non-current amounts owed by subsidiaries as at 31 December 2024 and 2023 relate to dividends receivable and are unsecured, interest-free and not repayable within the forthcoming 12-month period.

14. Trade and other receivables - continued

Receivables, disclosed in the table above, are stated net of credit loss allowances as follows:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Trade receivables	13,823	13,200	10,263	10,485
Other receivables	395	361	114	114
Total credit loss allowances	14,218	13,561	10,377	10,599

The following tables analyse the changes in contract assets, costs incurred in obtaining contracts and costs incurred to fulfil contracts during the year ended 31 December 2024 and 2023:

Group	As at 1 January 2023	Business related variations		As at 31 December 2023
	€000	€000		€000
<i>Contract assets</i>				
Accrued income	4,651	4,598		9,249
		Originations	Amortisation/ recognition in profit or loss	
		€000	€000	
Revenue allocated to subsidised handsets	4,342	2,609	(2,963)	3,988
Revenue allocated to discounted part of contract term	535	1,906	(1,458)	983
Free credits under subscriber agreements	1,826	1,801	(1,661)	1,966
Total contract assets	11,354			16,186
<i>Costs incurred in obtaining contracts</i>	1,387	1,386	(1,466)	1,307
<i>Costs incurred to fulfil contracts</i>	1,079	292	(808)	563

14. Trade and other receivables - continued

	As at 1 January 2024	Business related variations		As at 31 December 2024
	€000	€000		€000
<i>Contract assets</i>				
Accrued income	9,249	(4,516)		4,733
		Originations	Amortisation/ recognition in profit or loss	
		€000	€000	
Revenue allocated to subsidised handsets	3,988	3,623	(2,802)	4,809
Revenue allocated to discounted part of contract term	983	2,538	(1,888)	1,633
Free credits under subscriber agreements	1,966	1,529	(1,568)	1,927
Total contract assets	16,186			13,102
<i>Costs incurred in obtaining contracts</i>	1,307	1,500	(1,424)	1,383
<i>Costs incurred to fulfil contracts</i>	563	399	(294)	668

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14. Trade and other receivables - continued

Company	As at 1 January 2023	Business related variations		As at 31 December 2023
	€000	€000	€000	€000
<i>Contract assets</i>				
Accrued income	4,444	4,128		8,572
		Originations	Amortisation/ recognition in profit or loss	
		€000	€000	
Revenue allocated to subsidised handsets	4,342	2,609	(2,963)	3,988
Revenue allocated to discounted part of contract term	535	1,906	(1,458)	983
Free credits under subscriber agreements	1,826	1,801	(1,661)	1,966
Total contract assets	11,147			15,509
<i>Costs incurred in obtaining contracts</i>	1,387	1,386	(1,466)	1,307
	As at 1 January 2024	Business related variations		As at 31 December 2024
	€000	€000	€000	€000
<i>Contract assets</i>				
Accrued income	8,572	(4,719)		3,853
		Originations	Amortisation/ recognition in profit or loss	
		€000	€000	
Revenue allocated to subsidised handsets	3,988	3,623	(2,802)	4,809
Revenue allocated to discounted part of contract term	983	2,538	(1,888)	1,633
Free credits under subscriber agreements	1,966	1,529	(1,568)	1,927
Total contract assets	15,509			12,222
<i>Costs incurred in obtaining contracts</i>	1,307	1,500	(1,424)	1,383
<i>Costs incurred to fulfil contracts</i>	-	113	-	113

15. Cash and cash equivalents

For the purposes of the statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Cash at bank and in hand	14,776	49,180	4,283	41,405
Bank overdrafts (Note 18)	(7,145)	(2,264)	(4,860)	(9)
Cash pledged as guarantees	(3,073)	(3,250)	(1,400)	(590)
	4,558	43,666	(1,977)	40,806

Cash pledged as guarantees includes:

- €640,000 (2023: €974,000) cash collateral in respect of Good Payment Letters of Guarantee expiring on 15 June 2025, in favour of Cypriot regulatory authorities, relating to 4G radio spectrum frequencies.
- €683,000 (2023: €683,000) cash collateral in respect of Good Payment Letters of Guarantee expiring on 20 July 2026, in favour of Cypriot regulatory authorities, relating to 5G radio spectrum frequencies.
- €350,000 (2023: €387,000) representing cash collateral in respect of a Letter of Guarantee in favour of a third party expiring on 15 June 2025, relating to the RAN Sharing agreement signed with this third party.

16. Share capital

	Company	
	2024 €000	2023 €000
Authorised 600,000,000 ordinary shares of €0.582343 each	349,406	349,406
Issued and fully paid 101,310,488 ordinary shares of €0.582343 each	58,998	58,998

17. Reserves

Group

	Property revaluation reserve €000	FVOCI investments fair valuation reserve €000	Equity reserve for minority put option €000	Other reserve €000	Total €000
At 1 January 2023	1,676	-	-	(1,340)	336
Revaluation of land and buildings:					
- surplus arising during the year	626	-	-	-	626
- movement in deferred tax liability determined on the basis applicable to property disposals	(46)	-	-	-	(46)
Investments at FVOCI:					
- gains from changes in fair value	-	3,976	-	-	3,976
- deferred taxes thereon	-	(1,393)	-	-	(1,393)
At 31 December 2023	2,256	2,583	-	(1,340)	3,499
At 1 January 2024	2,256	2,583	-	(1,340)	3,499
Investments at FVOCI:					
- losses from changes in fair value	-	(49)	-	-	(49)
- deferred taxes thereon	-	35	-	-	35
- release of fair valuation of available for sale investments	-	(1,658)	-	-	(1,658)
- deferred taxes thereon	-	509	-	-	509
Contingent liability to acquire further shares in subsidiary	-	-	(1,315)	-	(1,315)
At 31 December 2024	2,256	1,420	(1,315)	(1,340)	1,021

17. Reserves - continued

Company	Merger reserve €000	Property revaluation reserve €000	Equity reserve for minority put option €000	Other reserve €000	Total €000
At 1 January 2023	3,851	1,676	-	(1,340)	4,187
Revaluation of land and buildings:					
- surplus arising during the year	-	626	-	-	626
- movement in deferred tax liability determined on the basis applicable to property disposals	-	(46)	-	-	(46)
Balance at 31 December 2023	3,851	2,256	-	(1,340)	4,767
At 1 January 2024	3,851	2,256	-	(1,340)	4,767
Contingent liability to acquire additional shares in subsidiary	-	-	(1,315)	-	(1,315)
Balance at 31 December 2024	3,851	2,256	(1,315)	(1,340)	3,452

These reserves are non-distributable.

Property revaluation reserve

The revaluation reserve relates to fair valuation of the land and buildings component of property, plant and equipment, and the balance represents the cumulative net increase in fair value of such property, net of related deferred tax.

FVOCI investments fair valuation reserve

The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI investments fair valuation reserve within equity, net of related deferred tax. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised (Note 11).

Merger reserve

The merger reserve represents amounts arising on the merger of a subsidiary with the Company.

Other reserves

The other reserve reflects the impact of actuarial gains and losses recognised in other comprehensive income in respect of provisions for pensions (Note 20) in accordance with the Group's accounting policy.

Equity reserve arising on written put option available to minority shareholder

This reserve includes €1,315,000 in relating to the recognition of the liability arising on the AQS Med Limited minority option as further detailed in Note 8.

18. Borrowings

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Non-current liabilities				
Bonds (i)	100,595	98,885	59,433	59,346
Secured bank loans (ii)	56,025	60,315	22,888	26,941
Other private borrowings	406	-	-	-
	157,026	159,200	82,321	86,287
Current liabilities				
Secured bank loans (ii)	8,827	8,008	7,094	8,008
Bank overdrafts (iii)	7,145	2,264	4,860	9
	15,972	10,272	11,954	8,017
Total borrowings	172,998	169,472	94,275	94,304

18. Borrowings - continued

Group	Currency	Year of maturity	2024		2023	
			Face Value €000	Carrying amount €000	Face value €000	Carrying Amount €000
5.25% Bond	euro	2027	1,622	1,595	-	-
4% Bond	euro	2030	40,000	39,567	40,000	39,539
3.5% Bond	euro	2031	60,000	59,433	60,000	59,346
			101,622	100,595	100,000	98,885
<i>Bank loans</i>						
Loan 1	euro	2024	-	-	6,750	6,745
Loan 2	euro	2025	3,189	3,189	5,313	5,310
Loan 3	euro	2030	13,125	13,087	15,000	14,946
Loan 4	euro	2030	13,750	13,707	8,000	7,948
Loan 5	euro	2030	3,187	3,148	3,600	3,553
Loan 6	stg	2026	22	22	30	30
Loan 7	euro	2043	30,000	29,795	30,000	29,791
Loan 8	euro	2033	366	367	-	-
Loan 9	euro	2034	23	23	-	-
Loan 10	euro	2031	57	57	-	-
Loan 11	euro	2030	31	31	-	-
Loan 12	euro	2029	41	41	-	-
Loan 13	euro	2032	85	85	-	-
Loan 14	euro	2026	38	38	-	-
Loan 15	euro	2033	92	92	-	-
Loan 16	euro	2032	17	17	-	-
Loan 17	euro	2027	16	16	-	-
Loan 18	euro	2025	1,020	1,020	-	-
Loan 19	euro	2025	117	117	-	-
			65,176	64,852	68,693	68,323

18. Borrowings - continued

Company	Currency	Year of maturity	2024		2023	
			Face value €000	Carrying amount €000	Face value €000	Carrying Amount €000
3.5% Bond	euro	2031	60,000	59,433	60,000	59,346
<i>Bank loans</i>						
Loan 1	euro	2024	-	-	6,750	6,745
Loan 2	euro	2025	3,189	3,189	5,313	5,310
Loan 3	euro	2030	13,125	13,087	15,000	14,946
Loan 4	euro	2030	13,750	13,706	8,000	7,948
			30,064	29,982	35,063	34,949

The grossed-up effects of proceeds from bank loans and repayments of bank loans are reflected on the face of the statements of cash flows.

(i) Bonds

The €40,000,000 bonds issued by the Group's Cypriot subsidiary Cablenet, in terms of the Prospectus dated 21 July 2020, comprise 40,000 bonds with a nominal value of €1,000 each. The carrying amount as at 31 December 2024 is net of unamortised issue costs amounting to €490,000, with the gross amount of issue costs of €700,000. These bonds are unsecured, subject to a fixed interest rate of 4% and are repayable on 19 August 2030. On 21 August 2020 the bonds have been admitted to listing on the official list of the Malta Stock Exchange and trading commenced as from 24 August 2020. The quoted market price of the bonds as at 31 December 2024 was €98 (2023: €95).

On 25 May 2021, GO secured the approval by the Malta Financial Services Authority of the prospectus relating to the Bond Issue to the public in Malta, of 3.5% unsecured bonds with an aggregate principal amount of €60 million which comprise 60,000 bonds with a nominal value of €1,000 each, and of the admissibility to listing of the Bonds pursuant to the Capital Market Rules. The carrying amount as at 31 December 2024 is net of unamortised issue costs amounting to €567,000, with the gross amount of issue costs of €872,000. The bond is repayable on 25 June 2031. On 25 June 2021 the bonds have been admitted to listing on the official list of the Malta Stock Exchange and trading commenced on 6 July 2021. The quoted market price of the bonds as at 31 December 2024 was €98 (2023: €93).

18. Borrowings – continued

On 3 July 2017, Klikk Finance p.l.c. issued a €2,000,000 unsecured bond with a 5.25% interest rate and a nominal value of €100 per bond. The bond is set to mature on 31 July 2027. As part of its treasury management policy, the company conducts bond buy-backs and, as of December 2024, has repurchased €336,900 in bonds from its bondholders in line with this policy. The carrying amount as at 31 December 2024 is net of unamortised issue costs amounting to €27,000, with the gross amount of issue costs of €85,000.

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Gross proceeds				
40,000 4% bonds 2030	40,000	40,000	-	-
60,000 3.5% bonds 2031	60,000	60,000	60,000	60,000
2,000 5.25% bonds 2027	1,622	-	-	-
Balance at 31 December	101,622	100,000	60,000	60,000
Issue costs: gross amounts	1,657	1,572	872	872
Accumulated amortisation				
Balance at 1 January	457	184	218	131
Amortisation for the year	173	273	87	87
Balance at 31 December	630	457	305	218
Unamortised issue costs	1,027	1,115	567	654
Carrying amount as at 31 December	100,595	98,885	59,433	59,346

(ii) Secured bank loans

All the Group's bank loans are term loans with scheduled repayments. The Company's bank loans are subject to financial covenants and are secured by hypothecs over the present and future assets of the Company.

Loans 1, 2, 3 and 4 are subject to a floating interest rate computed using 3-month Euribor. Loan 7 to Loan 19 bear an interest at a variable rate which comprises a fixed margin over the bank's base rate.

Loans 5 and 6 are subject to fixed rates of interest.

Loans 5 and 7 attributable to a subsidiary, that are subject to financial covenants, are secured by the current and future assets (including the owned property) of the subsidiary and other group entities and by guarantees by these entities, whereas Loan 6 is unsecured.

18. Borrowings - continued

As at 31 December 2024, the Group and the Company had an unutilised bank loan facility amounting to €Nil (2023: €7,000,000).

The weighted average effective interest rates of the bank loans as at the end of the reporting period are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Bank loans	4.18	4.94	4.5	6.14

(iii) Private borrowings

A subsidiary has private unsecured borrowings totalling €406,000 as of year-end, with fixed interest rates ranging from 6% to 8%. These borrowings are held with different private lenders, each having its own repayment terms. The earliest borrowing matures in 2029, while the latest is set to expire in 2037.

(iv) Bank overdrafts

Bank overdrafts also include factoring facilities of a subsidiary. The Group's and Company's overdraft banking facilities at 31 December 2024 amounted to €24,530,000 (2023: €15,530,000) and €20,000,000 (2023: €11,000,000) respectively. The Company's facilities are secured by hypothecs over the present and future assets of the Company. The subsidiary's facilities are secured by guarantees and mortgages on the immovable property rights pertaining to the subsidiary.

As at 31 December 2024 and 2023, the Group's and Company's facilities were mainly subject to a floating interest rate linked to the bank's base rate.

The weighted average effective interest rates as at 31 December are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Bank overdrafts	5.36	6.36	4.76	6.38

19. Lease liabilities

The lease liabilities associated with the recognised right-of-use assets are analysed below:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Non-current				
Properties	25,621	23,662	21,822	20,310
Equipment and motor vehicles	1,269	970	336	386
Spectrum licences	12,087	16,207	6,033	9,098
	38,977	40,839	28,191	29,794
Current				
Properties	2,801	3,556	1,618	2,586
Equipment and motor vehicles	686	725	477	486
Spectrum licences	4,344	4,084	2,382	2,424
	7,831	8,365	4,477	5,496
Total lease liabilities	46,808	49,204	32,668	35,290

Specific extension options in property and motor vehicle leases have been included in the lease liability as the lease term reflects the exercise of such options. As at 31 December 2024, potential future cash outflows of €4,849,000 (2023: €4,536,000) (undiscounted) have not been included in the lease liability because it is not reasonably certain that the leases will be extended.

The total cash outflows for leases in 2024 was €11,595,000 and €7,705,000 (2023: €10,356,000 and €6,672,000) for the Group and the Company respectively. The contractual undiscounted cash flows attributable to lease liabilities as at 31 December 2024 and 2023 are analysed in Note 2.1.c.

Included in lease liabilities for properties are amounts of €22,773,000 (2023: €22,431,000) and €21,692,000 (2023: €21,183,000) for the Group and Company respectively, which are attributable to arrangements with related parties.

19. Lease liabilities - continued

The movement in the carrying amount of these liabilities is analysed in the following table:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
At 1 January	49,204	55,259	35,290	39,058
Additions (see Note 6)	3,617	1,462	425	395
Additions from acquisitions	516	-	-	-
Payments	(11,597)	(10,356)	(7,705)	(6,672)
Impacts of reassessment of lease term, reflecting inclusion of extension period (see Note 6)	2,239	681	2,162	681
Impacts of termination of lease arrangements	(77)	(898)	-	(787)
Impacts of reassessment of lease payments based on an index	1,423	1,465	1,423	1,465
Interest charge	1,483	1,591	1,073	1,150
At 31 December	46,808	49,204	32,668	35,290

20. Provisions for pensions

The provision of telephone, telex, radio and cable services in Malta was nationalised in 1975 through the enactment of the Telemalta Corporation Act. The Company (in the form of Telemalta Corporation, its predecessor in title) committed itself to take over the employees of Cable and Wireless as part of this nationalisation process. As a result, the Company also committed itself to set up a pension scheme in favour of these employees. Additionally, this commitment was extended to some employees where a pension obligation was expressly agreed as part of their terms of employment.

Following a judgement by the Court of Appeal on 7 July 2008, the Company was required to set up the pension scheme in favour of ex-Cable and Wireless employees, with an effective date of 1 January 1975 and set up in a manner similar to that prescribed by the Pensions Ordinance, 1937. A pension scheme set up in accordance with this Ordinance falls under the category of a defined benefit plan within the scope of IAS 19, 'Employee Benefits'.

GO submitted an application to the Malta Financial Services Authority (MFSA) as the pensions' regulator detailing the measures planned by the Company to implement the scheme. Following the issue of the Special Funds (Regulation) Act (Retirement Schemes Exemption) Regulations, 2009 by the MFSA on 5 June 2009, the Company established the scheme on 1 July 2009 with effect from 1 January 1975.

20. Provisions for pensions - continued

Subsequent to the setting up of the scheme, the Company offered a number of beneficiaries a one-time lump sum settlement in lieu of joining the scheme. Until 31 December 2024, a significant number of beneficiaries have taken up this offer and a reversal of their corresponding was affected. As at 31 December 2024, the Company estimated that its obligations towards the remaining potential beneficiaries amounted to €3,317,000 (2023: €3,317,000). In view of the extent of the remaining potential beneficiaries, the Company has not considered it necessary to engage actuaries. The Company has measured its retirement benefit obligations using the accounting rules applicable to defined benefit plans.

A defined benefit plan defines an amount of pension benefit that an employee will receive on retirement. In GO's case, as originally provided for in the terms of employment, this amount is dependent on an employee's final compensation upon retirement, as well as completed months of service. Furthermore, qualifying employees must have worked for the Company for a minimum of 10 years, and must have remained in service with the Company until retirement (the vesting period), in order to be unconditionally eligible to receive a pension under the scheme.

As at 31 December, the Company estimates the present value of the benefit obligation as follows:

	Group and Company	
	2024	2023
	€000	€000
Carrying amount of pension obligations	3,317	3,317

The Company's scheme is unfunded and the amounts in the statement of financial position reflect essentially the present value of the unfunded obligations. The movement in the defined benefit obligations throughout the year is analysed as follows:

	Group and Company	
	2024	2023
	€000	€000
At 1 January	3,317	4,180
Settlements paid	-	(355)
Reversal of provisions no longer required	-	(508)
At 31 December	3,317	3,317

The provision is analysed in the statement of financial position as follows:

	Group and Company	
	2024	2023
	€000	€000
Non-current	367	414
Current	2,950	2,903
	3,317	3,317

20. Provisions for pensions - continued

The amounts recognised in profit or loss are as follows:

	Group and Company	
	2024	2023
	€000	€000
Reversal of provisions no longer required	-	508

No amounts relating to actuarial gains were recognised in other comprehensive income in the years ended 31 December 2024 and 31 December 2023.

The key assumptions used were as follows:

Discount rates

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rate yields of Malta Government Stocks that have terms to maturity approximating to the terms of the related pension liability. As at 31 December 2024, the weighted average discount rate used was 3.17% (2023: 3.35%).

Mortality assumptions

Assumptions regarding future mortality experience are based on published mortality tables in the UK and in Malta, which translate into an average life expectancy ranging between 84 and 98 years depending on age and gender of the beneficiaries.

20. Provisions for pensions - continued

The sensitivity of the pension obligation to changes in the key assumptions is disclosed below:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
2024			
Discount rate	1.0%	decrease of 0.47%	increase of 0.52%
		Increase by 1 year in assumption	Decrease by 1 year in assumption
Life expectancy		increase of 0.69%	decrease of 0.72%
2023			
Discount rate	1.0%	decrease of 0.48%	increase of 0.51%
		Increase by 1 year in assumption	Decrease by 1 year in assumption
Life expectancy		increase of 0.69%	decrease of 0.72%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumption used in preparing the sensitivity analysis did not change compared to the prior period.

21. Trade and other payables

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Non-current				
Trade payables	20,903	12,844	-	-
Contract liabilities	295	-	295	-
	21,198	12,844	295	-
Current				
Trade payables	33,418	34,708	12,414	17,242
Amounts owed to related party	2,453	2,486	-	-
Other payables	3,514	3,314	3,065	3,044
Indirect tax payable	9,412	18,402	4,576	5,783
Contract liabilities	14,804	24,393	6,710	12,955
Accruals	23,906	27,814	19,313	23,441
	87,507	111,117	46,078	62,465

Included within non-current and current trade payables are amounts of €20,859,000 and €4,264,000 (2023: €10,003,000 and €4,386,000) respectively in relation to broadcasting rights for sports activities pertaining to Cablenet. These liabilities represent the present value of the estimated future contractual payments to football clubs in Cyprus for the provision of their home football matches recognised as a financial liability at amortised cost. On initial recognition the weighted average incremental borrowing rate applied to football broadcasting rights liability was 2.32%. Subsequent additions (see Note 7) until 31 December 2023 have been recognised using a weighted average incremental borrowing rate of 4.25%. The 2024 additions have been recognised using a weighted average incremental borrowing rate of 5.86%.

The Group contract liabilities as at 31 December 2023 comprise amounts of €2,359,000 and €4,044,000 within non-current and current prepaid and deferred income, respectively, in relation to the agreements entered into by the Cypriot subsidiary with two other telecom operators in Cyprus holding Cypriot and international football rights for Cyprus, as referred to in Note 14. There were €Nil Group contract liabilities relating to these agreements as at 31 December 2024 under current prepaid and deferred income since contracts expired in 2024. Also, income from the other operators in relation to public viewing due to Cablenet up to 31 July 2024 amounting to €Nil (2023: €1,138,000) is included within the Group's current prepaid and deferred income.

21. Trade and other payables - continued

The following tables analyse the changes in contract liabilities during the years ended 31 December 2024 and 31 December 2023:

Group	As at	Business related variations		As at 31
	1 January 2023			December 2023
	€000	€000		€000
<i>Contract liabilities</i>				
Prepaid and deferred income	21,566	(5,829)		15,737
Revenue allocated to wholesale traffic in view of discounting arrangements	1,238	(24)		1,214
Others	863	(520)		343
		Originations	Utilisation	
		€000	€000	
Attributable to free credits under subscriber agreements	2,542	1,675	(2,010)	2,207
Deposits received in advance from customers	4,724	1,045	(877)	4,892
Total contract liabilities	30,933			24,393
	As at	Business related variations		As at 31
	1 January 2024			December 2024
	€000	€000		€000
<i>Contract liabilities</i>				
Prepaid and deferred income	15,737	(9,868)		5,869
Revenue allocated to wholesale traffic in view of discounting arrangements	1,214	115		1,329
Others	343	(49)		294
		Originations	Utilisation	
		€000	€000	
Attributable to free credits under subscriber agreements	2,207	1,789	(1,407)	2,589
Deposits received in advance from customers	4,892	339	(213)	5,018
Total contract liabilities	24,393	2,128	(1,620)	15,099

21. Trade and other payables - continued

Company	As at	Business related variations		As at 31
	1 January 2023			December 2023
	€000	€000		€000
<i>Contract liabilities</i>				
Prepaid and deferred income	10,516	(1,325)		9,191
Revenue allocated to wholesale traffic in view of discounting arrangements	1,238	(24)		1,214
Others	863	(520)		343
		Originations	Utilisation	
		€000	€000	
Attributable to free credits under subscriber agreements	2,542	1,675	(2,010)	2,207
Total contract liabilities	15,159			12,955
	As at	Business related variations		As at 31
	1 January 2024			December 2024
	€000	€000		€000
<i>Contract liabilities</i>				
Prepaid and deferred income	9,191	(6,398)		2,793
Revenue allocated to wholesale traffic in view of discounting arrangements	1,214	115		1,329
Others	343	(49)		294
		Originations	Utilisation	
		€000	€000	
Attributable to free credits under subscriber agreements	2,207	1,789	(1,407)	2,589
Total contract liabilities	12,955			7,005

Contract liabilities recognised in revenue during 2024

Revenue recognised in profit or loss during the financial year ended 31 December 2024 that was included in the balances of contract liabilities (prepaid and deferred income) as at 31 December 2023 amounted to €15,737,000 (2023: €13,116,000) and €9,191,000 (2023: €9,983,000) for the Group and the Company respectively.

22. Revenue

The Group's turnover is generated in Malta and Cyprus and further information on the activities within the different markets is reflected in Note 4 'Segment information'. The Group's turnover is analysed as follows:

Category of activity	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Telecommunication and data centre services	209,652	204,937	115,135	113,885
Sale of goods	27,735	24,104	19,759	20,409
Other services and sundry revenues	7,488	6,852	4,711	5,110
	244,875	235,893	139,605	139,404

The Group's revenue reflected in the table above consists predominantly of revenue from contracts with customers.

Timing of revenue recognition	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
At a point in time	59,251	54,975	40,162	41,555
Over time	185,624	180,918	99,443	97,849
	244,875	235,893	139,605	139,404

Unfulfilled performance obligations

The following table presents the transaction price assigned to unfulfilled performance obligations as at 31 December. Unfulfilled performance obligations are the services that the Group is obliged to provide to customers during the remaining fixed term of the contract. As allowed by the simplification procedure in IFRS 15, these disclosures are only related to performance obligations with an initial term greater than one year.

On the allocation of the total contract transaction price to identified performance obligations, a portion of the total transaction price can be allocated to performance obligations that are unsatisfied or partially satisfied at the end of the reporting period. As outlined previously, GO has elected to apply certain available practical expedients when disclosing unfulfilled performance obligations, including the option to exclude expected revenues from unsatisfied obligations of contracts with an original expected duration of one year or less.

22. Revenue - continued

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Less than 1 year	78,284	66,716	38,191	23,069
Between 1 and 2 years	33,501	28,827	15,155	8,627
Between 2 and 5 years	820	-	820	-
	112,605	95,543	54,166	31,696

Accordingly, during the year ended 31 December 2024, the Group and the Company recognised revenue amounting to €66,716,000 and €23,069,000 (2023: €63,104,000 and €25,019,000) respectively, relating to performance obligations that were unsatisfied or partially satisfied at the end of the previous reporting period as reflected within the table above.

23. Expenses by nature

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Cost of goods sold	27,058	30,906	18,347	19,794
Third party network charges, content costs and other direct costs	70,336	67,932	33,708	31,342
Employee benefit expense (Note 24 and Note below)	41,634	36,942	25,219	21,310
Depreciation of property, plant and equipment (Note 5)	33,738	32,943	22,311	22,178
Depreciation of right-of-use assets (Note 6)	9,165	8,724	5,980	5,575
Amortisation of intangible assets (Note 7)	12,434	11,816	3,498	3,708
Movement in provisions and write-offs relating to inventories (Note 13)	95	64	78	42
Movement in credit loss allowances in respect of trade and other receivables (Note 14)	657	376	(222)	(263)
Bad debts written off	1,741	1,731	751	1,085
Expense relating to short-term leases	761	774	400	356
Royalty fee	-	-	808	-
Other	15,385	11,780	7,816	9,629
Total cost of sales, administrative and other related expenses	213,004	203,988	118,694	114,756

23. Expenses by nature - continued

23.1 Items of an unusual nature, size or incidence reflected within profit or loss

The following items of an unusual nature, size or incidence have been reflected within profit or loss during the current year:

	Group		Company	
	2024	2023	2024	2023
	€000	€000	€000	€000
<i>Non-recurring items within:</i>				
Administrative and other related expenses				
Voluntary retirement costs (Note 24)	2,286	1,174	2,286	1,174
Movement in provisions for pensions (Note 20)	-	(508)	-	(508)

The Company continued with its right-sizing programme by offering voluntary retirement schemes to its employees.

23.1.1 Share-based compensation of €1,264,000 (Note 8 and Note 24)

On 24 May 2023, the Board of Directors of a subsidiary approved the award/allotment of 1.34% of the issued share capital of the subsidiary to the company's CEO. This term was included in the CEO's employment contract which was signed in May 2020 and was effective from 15 June 2020. According to the contract, the CEO would be eligible for up to the award/allotment of 1.5% of the issued share capital of the company should certain targets for the year ended 31 December 2022 be achieved. As a result, in 2024, 45,058 shares of €1.71 each were awarded/allotted to the CEO for free. Furthermore, the contract provides an option to the CEO to exit the plan if he chooses to, by selling the shares awarded/allotted to him back to the company. In view of the terms under which the CEO can opt to sell the entirety of the shares back to the company, the transaction has been classified as a cash-settled transaction. The price at which the CEO can sell the shares back to the company is based on a predetermined formula as depicted in the contract and which uses information from the audited financial statements for the year ended 31 December 2023.

In December 2024, the subsidiary allotted 45,058 shares of €1.17 each to the subsidiaries ex-CEO. The ex-CEO did not take the option to sell the entirety of the shares back to the subsidiary but instead the allotted shares were acquired by GO, which as further detailed in Note 8, increased its stake in the subsidiary.

Auditor's fees

Fees charged by the parent company auditor for services rendered during the financial years ended 31 December 2024 and 2023 relate to the following:

	Group		Company	
	2024	2023	2024	2023
	€000	€000	€000	€000
Annual statutory audit	273	249	207	200
Other assurance services	80	80	80	80
Other non-audit services	1	1	1	1
	354	330	288	281

No non-audit fees have been provided by the auditor to the Company.

23. Expenses by nature - continued

During the current year fees in relation to statutory audit/assurance and non-assurance services amounting to €71,000 and €14,000 (2023: €55,000 and €14,500) respectively have been charged by another member firm belonging to the same network of the Company's auditor to two subsidiaries, and fees amounting to €188,000 and €150,000 (2023: €113,000 and €100,000) respectively have been charged by connected undertakings of the Company's auditor to the Group and the Company respectively, in respect of advisory services attributable to capital markets transactions and tax advisory and compliance services.

Audit fees attributable to subsidiaries charged by other auditors during the year ended 31 December 2024 amounted to €18,000 (2023: €6,400).

24. Employee benefit expense

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Wages and salaries	45,359	41,898	26,344	24,916
Share-based compensation (Note 23.1)	99	1,264	-	-
Social security costs	3,222	2,922	1,509	1,466
Capitalised labour costs	(9,332)	(9,808)	(4,920)	(5,738)
	39,348	36,276	22,933	20,644
Voluntary retirement costs	2,286	1,174	2,286	1,174
Movement in provisions for pensions	-	(508)	-	(508)
Total employee benefit expense	41,634	36,942	25,219	21,310

24. Employee benefit expense - continued

Wages, salaries and social security costs, other than those relating to capital projects, are allocated between operational expenses (included within 'cost of sales') and 'administrative expenses' as follows:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Operational expenses	8,134	6,587	3,276	1,927
Administrative and other related expenses	33,500	30,355	21,943	19,383
	41,634	36,942	25,219	21,310

The average number of persons employed by the Group and the Company during the year, including part-timers and students, amounted to 1,206 (2023: 1,205) and 630 (2023: 653) respectively. The number of persons employed by the Group and the Company, including part-timers and students, at the end of the year was as follows:

	Group		Company	
	2024	2023	2024	2023
Operational	285	223	179	181
Management and administration	935	963	465	474
	1,220	1,186	644	655

25. Directors' emoluments

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Fees	280	273	280	273

During the current year, subsidiary companies paid remuneration to their directors who do not form part of the Company's Board of Directors amounting to €430,000 (2023: €558,000), whereas amounts paid by such entities to directors who are also Directors of GO amounted to €130,000 (2023: €93,500).

Directors' emoluments are included within 'administrative and other related expenses'.

26. Other income

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Rent receivable	299	307	299	307
Unrealised and realised operating exchange Gains	51	202	45	195
Late payment charges	463	278	463	278
Gain on disposal of assets related to mobile network towers operations (see Note 37(ii))	-	-	-	1,653
Others	2,644	2,509	1,925	2,037
	3,457	3,296	2,732	4,470

27. Other expenses

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Unrealised and realised operating exchange Losses	71	59	14	56
Others	22	199	19	186
	93	258	33	242

28. Finance income

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Dividend income from subsidiaries	-	-	3,923	32,671
Interest receivable from subsidiaries	-	-	1,071	380
Late payment interest receivable	246	301	246	301
Other interest receivable	182	28	122	28
	428	329	5,362	33,380

29. Finance costs

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Bank loan interest	2,613	1,850	1,496	1,609
Other bank interest and charges	330	306	87	119
Bond interest	3,776	3,762	2,100	2,100
Interest charges on lease liabilities	1,483	1,591	1,073	1,150
Other	723	1,011	144	117
	8,925	8,520	4,900	5,095

30. Tax expense

The Group's and the Company's tax expense recognised in profit or loss is analysed below:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Current tax				
Current tax expense	8,123	9,277	6,113	7,413
Deferred tax				
Deferred tax expense	2,927	1,643	2,925	1,586
Adjustments for deferred tax of prior periods	-	346	-	346
Tax expense	11,050	11,266	9,038	9,345

The tax impacts, which are entirely attributable to deferred taxation, relating to components of other comprehensive income and accordingly presented directly in equity are as follows:

30. Tax expense - continued

The tax recognised in profit or loss on the Group's and the Company's profit before tax differs from the theoretical amount that would arise by applying the basic tax rate in Malta to the results of the consolidated entities as follows:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Profit before tax	26,738	26,752	178,929	57,161
Tax on profit at 35% applicable to taxable profits in Malta	9,358	9,363	62,625	20,006
Tax effect of:				
Expenses and losses disallowed for tax Purposes	874	121	103	31
Different tax rate applied to taxable income attributable to subsidiary (see below)	64	1,710	-	-
Income taxed at different rate	24	(32)	(10)	(32)
Income not subject to tax	(222)	(454)	(53,725)	(11,101)
Under provision in prior periods	45	346	42	346
Others	907	212	3	95
Tax expense	11,050	11,266	9,038	9,345

The tax rate applied to taxable profits attributable to a subsidiary registered in Cyprus, Cablenet, is 12.5%.

31. Earnings per share

Earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Group	
	2024	2023
Profit attributable to equity holders of the Company (€000)	14,485	14,417
Weighted average number of shares in issue (thousands) (Note 16)	101,310	101,310
Earnings per share (euro cent)	14c3	14c2

The Company has no instruments or arrangements which give rise to potential ordinary shares and accordingly diluted earnings per share is equivalent to basic earnings per share.

32. Dividends

	Company	
	2024 €000	2023 €000
Net dividends paid on ordinary shares for the preceding financial year	20,263	9,118
Net dividends paid on ordinary shares for the current financial year	5,066	7,092
	25,329	16,210
Dividends per share (euro cent)	25c	16c

A net dividend in respect of the year ended 31 December 2024 of €0.08 (2023: €0.05) per share, amounting to €8,104,000 (2023: €5,066,000), is to be proposed by the Board of Directors at the forthcoming Annual General Meeting. These financial statements do not reflect the above-mentioned dividends, which, subject to the approval by the shareholders, will be accounted for within shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2025.

33. Cash generated from operations

Reconciliation of operating profit to cash generated from operations:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Operating profit	35,235	34,943	23,610	28,876
<i>Adjustments for:</i>				
Depreciation and amortisation	55,337	53,483	31,642	31,461
Net movement in provisions and write-downs in relation to receivables and inventories	1,592	2,171	727	864
Voluntary retirement costs	2,286	1,174	2,286	1,174
Movement in provisions for pensions	-	(508)	-	(508)
Gain on disposal of assets related to mobile network towers operations	-	-	-	(1,653)
<i>Changes in working capital:</i>				
Inventories	1,232	(764)	856	(244)
Trade and other receivables	13,340	(11,105)	5,060	(1,548)
Trade and other payables	(15,619)	18,593	(15,277)	16,868
Group undertakings' balances	-	-	1,080	(5,455)
Cash generated from operations	93,403	97,987	49,984	69,835

34. Commitments with respect to leases to which the short-term exemption under IFRS 16 was applied and other related commitments

(a) Short-term leases – where the Group/the Company is the lessee

The Group and the Company lease various premises and other assets under short-term operating leases.

During the current year, operating lease payments amounting to €761,000 (2023: €774,000) for the Group and €400,000 (2023: €356,000) for the Company, were recognised as an operating expense in profit or loss in respect of such short-term contracts.

(b) Leases – where the Group/the Company is the lessor

The Group and the Company lease out certain assets under operating leases. As at 31 December 2024 and 2023, the Group and the Company were party to a non-cancellable operating lease agreement for an indefinite period with an annual lease amount receivable of €235,000 (2023: €235,000). During the current year, amounts of €299,000 (2023: €307,000) for the Group and Company, were recognised as rental income in profit or loss within other operating income.

(c) Other related commitments

As at the end of the reporting period, the Company has a non-cancellable commitment in respect of the transferred passive network infrastructure sites attributable to the mobile network towers operation with BMITT (see Note 37(ii)). The transaction price attributable to each site in operation amounts to €14,168 per annum, with an annual inflationary adjustment up to a maximum of 1.5%, taking into account the first period of operations commencing in December 2023. BMITT has a contractual non-cancellable commitment to provide the services for an uninterrupted initial term of 30 years. Thus, the non-cancellable initial period terminates in November 2053. As at 31 December 2024, GO had 286 (2023: 278) sites in operation. Moreover, as outlined in Note 37(ii), as at end December 2024 GO shall be required to deliver approximately 22 new 'Built-to-Suit' passive network infrastructure sites and transfer them to BMITT by the end of 2030. All transferred sites will be managed by BMITT in terms of the master service agreement and in respect of which GO shall be obliged to pay an annual service fee.

Additionally, as at 31 December 2024 the Company had commitments in relation to operating and maintenance fees from 2025 to 2044 amounting to €32,943,000 (2023: €26,466,000), which amounts include an aggregate annual maintenance costs related to the PEACE submarine cable of €9,663,000 (2023: €10,429,000) over a period of 20 years, back-to-back maintenance agreements for resale €13,117,000 (2023: €801,000) and €2,761,000 (2023: €3,093,000) relating to the 5G network over a period of 4 years. Commitments as at 31 December 2024 in respect of TV content fees from 2025 to 2028 amount to €2,319,000 (2023: €2,808,000).

A subsidiary had commitments in relation to the payment of operating and maintenance fees from 2025 to 2046 amounting to €94,409,000 (2023: €65,358,000), software maintenance fees and annual support costs from 2025 to 2028 amounting to €2,873,000 (2023: €2,977,000), TV content fees from 2025 to 2025 of €6,489,000 (2023: €3,694,000), cost of sports and production expenses from 2025 to 2025 of €312,000 (2023: €1,506,000), sponsorships to sports clubs from 2025 of €57,000 (2023: €193,000) and consumables, maintenance, support and other expenses from 2025 to 2028 of €3,852,000 (2023: €1,986,000).

35. Capital and other related commitments

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Contracted for:				
Property, plant and equipment	5,990	8,967	4,953	6,326
Intangible assets	355	511	-	-
Authorised but not contracted for:				
Property, plant and equipment	16,806	14,458	16,806	14,458
Intangible assets	752	800	752	800
	23,903	24,736	22,511	21,584

36. Contingencies

The contingencies of the Group and the Company are listed below:

- (a) Contingent liabilities arising in the ordinary course of business
- (i) As a result of its operations and activities in the ordinary course of the Group's business, the Group has, as at 31 December 2024, contingent liabilities arising from:
- guarantees in favour of third parties and performance bonds given amounting to €5,716,000 (2023: €6,457,000);
 - actual or potential claims and litigation arising from provision of services, acquisition of goods and services by the Group and other legal issues;
 - a case requesting the Commission of Fair Trading to investigate alleged abusive prices for the provision of IP Transit and ADSL services; and
 - claims by a restricted number of employees;

in respect of which no losses which are deemed material, individually or in aggregate, in the context of understanding the Group's financial results and financial position, are expected.

- (ii) At the end of the reporting period, the Group had a contingent liability arising from an overseas court judgement requiring that a Group company implements measures to prevent a specific client from providing certain services. The company was ordered to pay for the costs of the court proceedings and to pay a fine of €100,000 per day subsequent to service of the said judgement, unless and until the company complies with it. On the basis of legal advice obtained by the Group, the company has not yet been correctly served with the judgement and, additionally, the judgement can be enforced in Malta only in the event that it is declared enforceable by the Courts in Malta. This legal advice obtained by the Group highlights serious doubts on the enforceability of the overseas court judgement in Malta and accordingly no provision has been recognised as the Directors are of the opinion that a cash outflow is not probable.

Another overseas court proceeding had been instituted against the same Group company with respect to similar claims in relation to services provided to another client. Until the date of authorisation for issue of these financial statements, no judgement has been delivered by the court. No provision for expected losses was deemed necessary by the Directors as at the end of the reporting period taking cognisance of legal advice received.

36. Contingencies - continued

(iii) During the year ended 31 December 2022, the Office for Consumer Affairs ('OCA') within the Malta Competition and Consumer Affairs Authority ('MCCAA') commenced an investigation in connection with certain changes to billing and payment collection processes and policies adopted by three main telecommunication operators in Malta, to ensure full compliance with the requirements mandated by the revised European Payments Services Directive 2015/2366 (also known as PSD 2). GO has cooperated with the Authority and provided all information requested throughout the investigation.

During the year ended 31 December 2023, the OCA had issued a provisional decision highlighting its provisional findings and requested the operators to make submissions on such provisional findings within a prescribed timeframe. GO made robust submissions on the provisional decision rebutting all claims made and findings presented by the OCA, utilising compelling legal and economic arguments on the basis of advice from independent legal and economic advisors.

No further developments in this respect have occurred until the date of authorisation for issue of these financial statements. Based on legal advice obtained, the OCA is expected to review the said submissions and to determine whether to drop the case, or issue a final report (whether with the same conclusions or amended conclusions) and present it in Court with a sworn application. The latter route would trigger a lawsuit whereby the Civil Court (Commercial Jurisdiction) would determine whether the operators breached competition rules, and if so, what fine to impose.

No provision for expected losses was deemed necessary by the Directors as at the end of the reporting period taking cognisance of legal advice received in this respect, in view of the robustness of the Company's submissions on the provisional decision and the substantive nature of the remaining steps required in the process for court proceedings against the Company, if any, to commence and for such proceedings to determine the eventual outcome. Based on legal advice obtained, the Directors are confident that it is more likely that GO would prevail in Court, should there be any court proceedings, and that accordingly a material cash outflow in this respect is not probable.

(iv) On 28 August 2023, the Company was informed that the Office for Competition had initiated an investigation against the Company for alleged abuse of dominance in the markets for (i) the national wholesale unbundled copper and fibre infrastructure access services and (ii) the access to passive infrastructure for the rolling-out of fixed broadband networks following a complaint lodged by a third party. The Office for Competition also requested specific and detailed information from the Company on the same date. The Company responded to the request for information, contesting the allegations made by the third party, on 30 and 31 October 2023. On 1 March 2024, the Office for Competition informed GO that it has rejected the third-party request to file an application in Court requesting the imposition of urgent interim measures. As at the date of authorisation for issue of these financial statements, the investigation by the Office for Competition is still ongoing.

If, as a result of its investigation, the Office for Competition determines that in its view the Company has abused of its dominance, the Office would file a sworn application before the Civil Court (Commercial Section) against the Company. In the event of an unfavourable judgment, the Civil Court (Commercial Section) may impose a penalty on the Company. Based on legal advice obtained, the Directors' view is that the Company's position and arguments in rebutting the claims is robust, that the investigation and process are in their early stages and that the remaining steps preceding the filing of a sworn application, if any, are very substantive. Hence no provision for expected losses was deemed necessary by the Directors as at the end of the reporting period as a material cash outflow in this respect is not deemed probable.

36. Contingencies - continued

(b) Contingencies relating to pension liabilities

As disclosed in Note 20, GO was required to set up a pension scheme in favour of its eligible employees and former employees. Further claims in respect of pension payment obligations had been made by a number of former and current employees of the Company. However, the Directors have considered legal advice obtained and are of the opinion that an outflow of resources, beyond provisions already accounted for by the Company, is not probable.

In this respect the Group has not disclosed additional information related to this contingent liability in accordance with IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets' on the grounds that disclosure may be seriously prejudicial to the Group's interests.

(c) Guarantees to secure banking facilities

A subsidiary of the Company has given guarantees to bankers in favour of another party so as to secure the party's banking facilities. The maximum exposure arising from these guarantees amounts to €1,207,000 (2023: €1,207,000). The Directors do not expect any losses to occur in this respect.

37. Related party transactions

The Company and its subsidiaries have a related party relationship with Société Nationale des Télécommunications, the Company's ultimate parent (Note 38), related entities ultimately controlled by Société Nationale des Télécommunications, together with the Company's Directors (key management personnel). Dubai Holding LLC (GO's former ultimate parent) and all entities ultimately controlled by it are still considered to be related parties, in view of Dubai Holding LLC's interest in, and significant influence on, GO's current ultimate parent.

Malta Properties Company p.l.c. was considered a related party during the years ended 31 December 2024 and 2023, since its ultimate parent is Dubai Holding LLC, which exerts significant influence on GO's ultimate parent, as referred to above.

(i) *Transaction in respect of transfer of Intellectual Property rights to GO IP Holdings Limited*

Taking cognisance of the Group's growth, both through external acquisitions and internal organic growth, during 2024, the management of the Group underwent an exercise to restructure and deploy more extensively the Group's Intellectual Property ('IP'), predominantly arising from GO. The success of the synergies that the Group can attain from its business acquisitions is also very much dependant on the effective deployment of the Group's IP. Thus, given the strategic importance of the Group's IP and its impact on the Group's current and future operations, management believes that the most efficient deployment of the IP was to legally and operationally ring-fence the IP in a separate wholly owned subsidiary.

This separation of IP from the operating entities serves multiple strategic objectives. Primarily, it provides enhanced protection to GO's valuable IP assets by insulating them from potential operational risks, such as financial downturns, legal disputes, or market volatility, thereby safeguarding long-term value.

37. Related party transactions - continued

Moreover, this restructuring facilitates more effective management and commercialisation of IP, allowing GO IP Holdings Ltd to centrally manage licensing agreements, ensuring clarity, consistency, and optimal IP monetisation opportunities. Clearly segregating IP assets simplifies their valuation, enabling GO p.l.c. to better attract strategic partnerships and investors specifically interested in IP-driven opportunities.

Segregating IP management into a dedicated entity, allows GO p.l.c. to remain focused on its core operations. This strategic move positions GO Group to effectively exploit future growth opportunities, diversify its revenue streams, and enhance overall corporate resilience and flexibility.

As a result, in December 2024, GO entered into an assignment agreement with GO IP Holdings Limited ('GOIP' - a subsidiary of GO), for the transfer of IP and Relevant Assets (as further detailed below), for a consideration of €158,600,000. The portion of the consideration allocated to the distinct intangible assets identified below has been determined on the basis of an independent expert valuation report. As further detailed below, the valuation of the distinct assets, consisting of the IP and Relevant Assets (which constitute amongst others, Trademarks, Domains, Copyright Works, Trade secrets and Software), considers a combination of valuation methodologies including the Market Approach based on a Multiple of Revenue, Relief from Royalty ('RFR') method, Multi-period Excess Earnings Method ('MEEM') and asset depreciated replacement cost method.

The following table summarises the IP and Relevant assets transferred, the valuation methodology applied for each asset and the key inputs considered:

Transferred asset(s)	Fair Value (€'000)	Valuation methodology	Key inputs and assumptions
GO Brand	67,090	Multiple of Revenue and Relief from Royalty (RFR) as a cross-check	<ul style="list-style-type: none"> - Branded revenue generated by GO in the last 12 months - Multiple of Revenue based on an analysis of Brand value to revenue multiples for comparable companies - Implied royalty rate - Tax adjustment - Discount rate, including a risk premium over basic WACC - Terminal value growth rate - Tax amortisation benefit ('TAB')
Software	5,100	Depreciated replacement cost	<ul style="list-style-type: none"> - Capitalised development costs of development employees and apportionment of the relevant overheads, reflecting increases in salaries and wages of software developers over the respective years
All other IP	86,410	Multi-period excess earnings method (MEEM)	<ul style="list-style-type: none"> - Future cashflows to be generated by GO p.l.c. - Contribution factor of IP - Contributory asset charges (mainly for net working capital, PPE, GO brand and workforce) - Tax adjustment - Discount rate, including a risk premium over basic WACC - Tax amortisation benefit ('TAB')
Total (including TAB)	158,600		

37. Related party transactions - continued

The receivable of €158,600,000 arising upon sale was converted into a loan, bearing annual interest of 4%, which loan is to be repaid in full by December 2039, through annual minimum instalments of €3,500,000.

Simultaneously, GOIP entered into a licencing agreement with GO, whereby GOIP grants GO (as the Licensee) a non-exclusive, sub-licensable, licence and a right of use over the IP and Relevant Assets for a market-based royalty fee based on the Licensee's annual gross revenue for an initial term of 5 years, automatically renewable for a further 5 years unless the agreement is terminated with the mutual consent of both parties.

The following table summarises the transactions that were impacted:

	Notes	Company €'000
Contractual consideration		158,600
Less: Property Plant and Equipment disposal	5	(1,201)
Less: Intangible assets disposal	7	(2,542)
		<hr/>
Gain on disposal of Intellectual Property rights and relevant assets		154,857
		<hr/>
<u>Other impacts:</u>		
Loan receivable from subsidiary	10	158,600
Royalty fee	23	808
Interest income	28	399

The licencing agreement includes a clause that, to the extent permissible by any applicable law, GO shall offer GOIP the option to acquire any future IP in Content and Material created and/or developed by GO at its fair market value.

Furthermore, in line with the strategy outlined above, GOIP plans to enter into similar licencing agreements in 2025 with other subsidiaries of the Group and potentially other external parties to execute its strategy for the acquired assets.

(ii) *Transaction in respect of assets attributable to the mobile network towers operation*

In 2023 the Company entered into an Asset Purchase Agreement with BMITT for the transfer of:

- i. certain site access rights and obligations owned by GO p.l.c. and
- ii. the passive infrastructure thereon used for the hosting of telecommunications equipment.

In essence GO sold the following key assets (collectively, the 'Transaction Assets'):

- Passive Telecoms Assets in respect of 278 sites ('Transferred sites');
- the corresponding maintenance functions and all related agreements (including the Master Service Agreement), and
- approximately 30 new 'Built-to-Suit' Passive Network Infrastructure sites ('BTS Sites') by the end of 2030.

37. Related party transactions - continued

GO owned a portfolio of cellular towers comprising of approximately 280 sites used as part of its core operations in the provision of mobile telephony services. A number of access agreements between GO and the respective site owners governed the conditions for the placement of the Active Cellular Equipment (cellular equipment necessary for the provision of mobile telephony services) and the Passive Network Infrastructure (comprising of the poles and related rooftops onto which the Active Cellular Equipment is installed) on the abovementioned properties and provided GO with rights to install and maintain the required infrastructure and equipment within the third-party properties, in return for payments being made in favour of the respective third parties. Cumulatively these agreements comprise and are being defined as the 'Passive Tower Rights Portfolio' (and, together with the Passive Network Infrastructure, the 'Passive Telecoms Assets').

The above-mentioned transaction involves the acquisition of the Passive Telecoms Assets together with the corresponding maintenance functions and all related agreements, including the MSA, as described below (collectively, the 'Transaction Assets'), by BMITT from GO Infrastructure Services Ltd ('GISL'), a fully owned subsidiary of GO.

As a result of this transaction, BMITT became the new tenant of the underlying sites (comprising the Passive Tower Rights Portfolio), whilst providing the passive infrastructure services to GO as its anchor client on the sites (in terms of the MSA). BMITT will maintain and operate the Passive Telecoms Assets in terms of the MSA.

The key transaction documents governing the abovementioned transaction entered into by BMITT, GO and GISL comprise:

- An Asset Purchase Agreement ('Asset Purchase Agreement'), financed from external debt and a GISL Loan to the company (reflected in further detail below); GO providing an undertaking to take up any scrip dividend option offered by the BMITT in the year that the Proposed Transaction is concluded and in the subsequent four financial years, and up to a maximum of €15,000,000 (whichever occurs earlier);
- A thirty-year Master Service Agreement ('MSA'), regulating the provision of hosting, co-location and maintenance services to GO to enable it to operate its Active Cellular Equipment. Moreover, in terms of this agreement, GO shall be required to deliver to BMITT approximately 30 new BTS Sites and transfer the BTS Sites to BMITT by the end of 2030. A further 8 sites were delivered to BMITT by 31 December 2024.
- A Loan Agreement between BMITT and GISL, pursuant to which GISL provided a €15,000,000 loan to BMITT (the 'GIS Loan') subject to specific terms and conditions.

The consideration paid for the acquisition of the Transaction Assets referred to above was €46,563,000, whilst the fair value of the contingent consideration attributable to the BTS sites amounts to €3,007,000.

37. Related party transactions - continued

The following table summarises the allocation of the consideration to the different transaction assets acquired by BMITT:

	Transferred sites €'000	BTS sites €'000	Aggregate €'000
Master Service Agreement	43,976	2,695	46,671
Passive Tower Rights Portfolio	1,653	102	1,755
Property, plant and equipment – passive network infrastructure	517	210	727
Prepayments	417	-	417
Aggregate consideration	46,563	3,007	49,570

The initial fair value of the contingent consideration attributable to the BTS sites is predominantly determined on the basis of a mechanism established within the agreement.

(iii) The following other principal transactions, which were carried out with related parties, have a material effect on the operating results and financial position of the Group and Company:

	Group		Company	
	2024 €000	2023 €000	2024 €000	2023 €000
Current ultimate parent and related entities				
Dividends paid to	16,564	10,601	16,564	10,601
Former ultimate parent and related entities				
Payments relating to leases treated in accordance with IFRS 16 requirements	3,584	3,184	3,703	2,995

37. Related party transactions - continued

In view of the requirements of IFRS 16, the Group recognised lease liabilities in respect of lease arrangements with related parties (refer to Note 19).

	Company	
	2024	2023
	€000	€000
Subsidiaries		
Loans advanced to (excluding the loan to GO IP Holdings)*	3,400	6,100
Services provided to	2,218	1,747
Services provided by	4,981	1,255
Goods for resale sold to	1,415	6,822
Cash dividends received from		32,671
Scrip dividends received from	3,923	-
Interest received from	625	380

*The loan given to GO IP holdings following the transfer of Intellectual Property rights is being captured further up in Note 37 (i)

The Company had indicated its intention to continue providing financial support to Cablenet, its subsidiary, to enable it to continue to grow its operations. At the end of the year, no losses are deemed probable or expected under this arrangement. During the year ended 31 December 2024, GO acquired an additional stake in the subsidiary, subsequent to which the Group holds 70.6% of the issued share capital of Cablenet (refer to Note 8 for further disclosures on the transactions effected).

In the opinion of the Directors, disclosure of related party transactions, which are generally carried out on commercial terms and conditions, is only necessary when the transactions effected have a material impact on the operating results and financial position of the Group. The aggregate invoiced amounts in respect of a number of transaction types carried out with related parties are not considered material and accordingly they do not have a significant effect on these financial statements.

Except for remuneration payable (Note 25), the Group has not entered into material transactions with key management personnel which would warrant disclosure thereof for the purpose of understanding the Group's financial results or its financial position. Also, the Group has not entered into material transactions with entities in which the Group's key management personnel directly or indirectly have an interest or over which they have direct or indirect influence. Any such transactions would constitute normal operating transactions under normal market and commercial terms relating to provision of operational services by the Group, and would not comprise financing transactions.

Year-end balances with related parties, arising principally from the above transactions, are disclosed in Notes 10, 14, 19 and 21 to these financial statements.

38. Statutory information

GO p.l.c. is a public limited liability company, with its ordinary shares listed on the Malta Stock Exchange, domiciled and incorporated in Malta. The Company's ultimate parent is Société Nationale des Télécommunications (Tunisie Telecom), the registered office of which is situated at Tunisie Telecom Building, 1053 Jardins du Lac II, Tunis, Tunisia which owns 65.4% of the Company's shares. The Company's immediate parent is TT ML Limited, a fully owned subsidiary of Tunisie Telecom, established as a special purpose vehicle for the purpose of holding GO's shares. The Tunisian Government holds a 65% shareholding in Tunisie Telecom, and Emirates International Telecommunications (EIT), a subsidiary of Dubai Holding LLC which is GO's former ultimate parent, owns the other 35%.

Five-year record

	2024	2023	2022	2021	2020
	€M	€M	€M	€M	€M
Revenue	244.9	235.9	214.6	193.7	185.2
Results from operating activities	35.2	34.9	28.4	23.5	21.3
Profit before income tax	26.7	26.7	22.1	17.9	20.9
Profit for the year	15.7	15.5	12.2	10.4	14.1
Total assets	430.6	458.1	396.2	368.6	357.4
Total liabilities	344.4	358.6	297.2	258.7	231.0
Total equity	86.2	99.4	99.0	109.9	126.4
Operating cash flow	76.0	85.3	75.4	67.9	63.7
Investing cash flow	(65.1)	(62.2)	(61.4)	(50.5)	(57.7)
Financing cash flow	(50.2)	14.0	(43.3)	(6.3)	17.2
Earnings per share	€0.14	€0.14	€0.11	€0.10	€0.13
Dividends per share	€0.25	€0.16	€0.15	€0.16	€0.10



Independent auditor's report

To the Shareholders of GO p.l.c.

Report on the audit of the financial statements

Our opinion

In our opinion:

- The Group financial statements and the Parent Company financial statements (the “financial statements”) of GO p.l.c. give a true and fair view of the Group and the Parent Company’s financial position as at 31 December 2024, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (‘IFRSs’) as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

Our opinion is consistent with our additional report to the Audit Committee.

What we have audited

GO p.l.c.’s financial statements comprise:

- the Consolidated and Parent Company statements of financial position as at 31 December 2024;
- the Consolidated and Parent Company income statements and statements of comprehensive income for the year then ended;
- the Consolidated and Parent Company statements of changes in equity for the year then ended;
- the Consolidated and Parent Company statements of cash flows for the year then ended; and
- 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 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

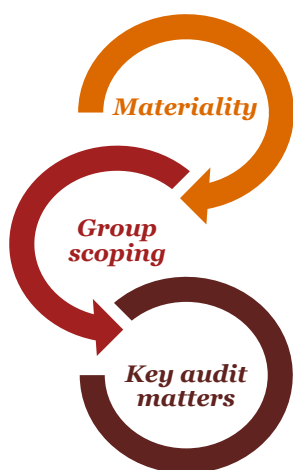
We are independent of the Group and the Parent Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the parent company and its subsidiaries are in accordance with the applicable law and regulations in Malta and that we have not provided non-audit services that are prohibited under Article 18A of the Accountancy Profession Act (Cap. 281).

The non-audit services that we have provided to the parent company and its subsidiaries, in the period from 1 January 2024 to 31 December 2024, are disclosed in the Note 23 to the financial statements.

Our audit approach

Overview



Overall group materiality: €1,350,000, which represents approximately 5% of profit before tax.

The financial statements of the Parent Company and of seven of the subsidiaries which are based in Malta have been audited by the group auditor.

The group auditor performed a full scope audit on all components other than Cablenet Communications Systems p.l.c., Connectedcare Limited, Cybersift Holdings Limited and its subsidiary, Sens Innovation Group Limited and its subsidiaries, AQS Med Limited and its subsidiaries, and Klikk Finance p.l.c. and its subsidiary, which were audited by other auditors.

The group auditor performed oversight procedures on the work of the component auditor.

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- Assessment of carrying amount of goodwill and intangible assets attributable to the Group.
 - Accuracy of the Company's revenue due to complex billing systems and revenue recognition.
 - Valuation of Intellectual Property (IP) transferred from the Company to its subsidiary.
-

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	€1,350,000
How we determined it	Approximately 5% of profit before tax
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark. We chose 5% which is within the range of quantitative materiality thresholds that we consider acceptable.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €135,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
<i>Assessment of carrying amount of goodwill and intangible assets attributable to the Group</i>	
Goodwill with a carrying amount of €28.4 million and intangible assets having a carrying amount of €5.7 million as at 31 December 2024, have arisen from a number of acquisitions effected during the preceding financial years. An assessment is	We evaluated the suitability and appropriateness of the impairment methodology applied and the discounted cash flow model as prepared by management.

required annually to establish whether goodwill and intangible assets that have an indefinite useful life should continue to be recognised, or if any impairment is required. The assessment was performed at the lowest level at which the Group could allocate and assess goodwill, which is referred to as a cash generating unit (CGU). Goodwill and intangible assets arising from acquisitions have been allocated to the Group CGUs.

The impairment assessment relied on the calculation of a value in use for each of the CGUs. This calculation was based on estimated future cash flows for each CGU, including assumptions around revenue growth, margins and EBITDA levels, discounted at an appropriate weighted average cost of capital. The Group used its business plan as the basis for the first 5 years of cash flows and then extrapolated returns into perpetuity using a terminal growth factor.

The assumptions supporting the underlying forecast cash flows reflect significant judgements as these are affected by unexpected future market or economic conditions. The estimation of future cash flows and the level to which they are discounted is inherently uncertain and requires judgement. The extent of judgement and the size of the goodwill and intangible assets resulted in this matter being identified as an area of audit focus.

Relevant references in the Annual Financial Report and Consolidated Financial Statements:

- Summary of material accounting policies: Note 1.6 and 1.7
- Critical accounting estimates and judgements: Note 3.1
- Note on intangible assets: Note 7

We assessed the methodology and assumptions used in the model prepared by management. The calculations used in the model were re-performed to check accuracy and the key inputs in the model were agreed to approved sources.

Management's cash flow forecasts used in the model were assessed by:

- testing that the forecasts agreed to the most recent business plan which had been approved by the Board of Directors;
- considering current year performance against plan and the reasons for any deviation also through discussion with management for each CGU; and
- assessing historical forecasting accuracy through back-testing by reviewing the historical achievement of the business plan given the uncertainties in forecasting, comparing the actual historical cash flow results with previous forecasts, including forecast profit margins to historical margins.

We also focused on understanding and challenging management's future plans for the CGUs and understanding the manner in which the related cash flow forecasts were drawn up. We benchmarked key assumptions in management's forecasts in respect of revenue growth to relevant economic and industry indicators.

Our valuation experts critically assessed the discount rate and terminal growth rate used in the discounted cash flow models.

The challenge of our valuation experts was focused on the methodology used to determine the discount rate utilised by each CGU by reference to the overall calculated cost of capital for the Group, and on which benchmarks were the most appropriate in determining the terminal growth rate of cash flows for each CGU. We independently calculated a weighted average cost of capital by making reference to market data and benchmarked the long-term growth rates to market data. We concluded that the parameters utilised by the Group were reasonable, given historic results, economic outlook, industry forecasts and other market data.

Our discussions with the Audit Committee in respect of this key audit matter focused on the key assumptions, both individually and when combined together. During these discussions, management confirmed their view

that the forecast for each CGU remained appropriate and that the key assumptions were subject to oversight.

We also performed independent sensitivity analysis, making adjustments to a number of modelled assumptions simultaneously to identify any CGUs which were most sensitive to a change in value in use. We critically assessed whether or not a reasonably possible change to the assumptions could result in an impairment considering the sensitivity of the valuations to these assumptions. The deterioration in performance or long-term growth rate which would need to occur, or the increase in discount rate which would need to be applied to the model, that may lead to impairment in one or more CGUs is significant in view of the comfortable levels of headroom with respect to CGU carrying values. We determined that a movement in those key assumptions of this extent is unlikely. The value in use of the CGUs remains in excess of the carrying amounts by a comfortable headroom.

The appropriateness of disclosures made in relation to goodwill and intangible assets was also reviewed.

Accuracy of the Company's revenue due to complex billing systems and revenue recognition

The accuracy of revenue amounts recorded is an inherent industry risk. This is because telecoms billing systems are complex and process large volumes of data with a combination of different products sold and tariff changes during the year, through a number of different systems.

The Company retails subscription packages to customers which include multiple elements and may include discounts and offers, such as services sold for a single package price. The allocation of revenue to each element of a bundled transaction is complex and requires judgement, as described in the Company's accounting policy in Note 1.15. There is a risk that inappropriate allocations could lead to non-compliance with accounting standards and inaccurate acceleration or deferral of revenue.

Relevant references in the Annual Financial Report and Consolidated Financial Statements:

- Summary of material accounting policies: Note 1.15

We evaluated the relevant systems and the design of controls, and tested the operating effectiveness of automated and non-automated controls over the:

- capture and recording of revenue transactions comprising services supplied to customers;
- authorisation of tariff changes and the input of this information to the billing systems; and
- calculation of amounts billed to customers.

We also tested the accuracy of a sample of customer bills.

We evaluated the Company's revenue recognition policy and management's current year assessment in respect of accounting for bundled transactions against relevant accounting standards and guidance taking cognisance of IFRS 15 'Revenue from contracts with customers'.

We tested the policy's application by:

- performing tests to confirm our understanding of the process by which revenue is calculated by the relevant billing systems as reflected above;
-

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- performing an assessment of the different product bundles and offers made available to customers during the year and confirming the fair value of the different elements of these packages to appropriate evidence of fair value;
 - assessing whether revenue should be accelerated or deferred based on the relative fair value of elements delivered at different points during the contract, when compared to the revenue calculated by the relevant billing system; and
 - where differences arose between the revenue calculated by the billing system and the revenue recognition profile calculated in accordance with the Company's revenue recognition policy, we assessed the accuracy of those adjustments recognised to align revenue recognised with the Company's accounting policy.

In respect of this key audit matter we found no significant exceptions in our controls testing and no material misstatements were identified in our substantive testing.

Valuation of Intellectual Property (IP) transferred from the Company to its subsidiary

In December 2024, GO p.l.c. ("GO") entered into an assignment agreement with GO IP Holdings Limited ("GOIP" - a subsidiary of GO p.l.c.), for the transfer of IP and Relevant Assets (as further detailed in Note 37), for a consideration of €158.6 million. The receivable arising upon sale was converted into an interest-bearing loan, with an annual interest of 4%, which loan is to be repaid in full by 2039. Upon the transfer of the IP and relevant assets, GO recognised a gain within its profit and loss of €154.9 million.

Prior to the conclusion of the above-mentioned agreement management and the board of directors undertook significant judgements in relation to the valuation methodologies, assumptions and execution risk that impact the valuation supporting the consideration for the transfer of IP assets considered as part of this asset transfer. Given the complexity and uncertainty that such an exercise entails, management engaged an independent valuation expert to assist with the valuation exercise.

The magnitude of the receivable arising on the transfer of the above-mentioned IP and the

Our procedures in relation to the recoverability of the loan from GOIP Holdings Limited were focused on understanding and challenging the key assumptions and judgements underlying the valuation of the transferred IP. The main procedures performed are being highlighted below.

We have assessed the competence of the independent valuation experts engaged by management to carry out an independent valuation of the distinct intangible assets to be transferred. Furthermore, for the valuation of each distinct intangible asset, we engaged our internal valuation experts to:

- evaluate the suitability and appropriateness of the valuation methodology applied;
 - assess the reasonableness of the key inputs and assumptions considered for each model. To the extent possible, we assessed whether the parameters utilised by management's valuation experts such as brand valuation revenue multiple, implied brand royalty rate, contribution factor for existing IP, contributory asset charges, and tax amortisation benefits were reasonable by considering historic results,
-

period over which the loan is to be repaid exposes the Company to significant credit risk. The recoverability of the loan is heavily dependent on the reasonableness of the above-mentioned judgements underlying this IP transaction and the related valuation which resulted in this matter being identified as a significant area of audit focus.

Relevant references in the Annual Financial Report and Consolidated Financial Statements:

- Financial risk factors – credit risk: Note 2.1(b)
- Critical accounting estimates and judgements: Note 3.6
- Loans receivable from subsidiaries and associates: Note 10
- Related party transactions: Note 37

economic outlook, industry forecasts and other market data;

- reperform the calculations used in the valuation report to check accuracy, and the key inputs in the valuation report were agreed to approved sources;
- consider management’s cash flow forecasts used in the valuation report by assessing the reasonableness of the forecasts in the context of the most recent business plan which had been approved by the Board of Directors;
- critically assess the discount rate and terminal growth rate used in the discounted cash flow models; and
- review management’s expert’s reasonableness checks which consist of a reconciliation of the Group’s enterprise value implied by the summation of value of the Group’s operating assets and liabilities to the enterprise value determined by reference to the Group’s last traded share price on the Malta Stock Exchange. A further reasonableness check was performed using a Weight Average Return on Assets.

Our valuation experts performed an independent sensitivity analysis, adjusting for the financial projections in the intangible asset valuation to be in line with the latest Group business plan approved by the Board of Directors, sensitizing the contribution factor for all other IP, and increasing the discount rate to reflect a higher execution risk. The outcome from the sensitized model did not result in material deviations from the independent management’s experts valuation for each distinct intangible asset identified.

Our discussions with the Audit Committee in respect of this key audit matter focused on the key assumptions and judgements made. During these discussions, management confirmed their view that the valuation methodologies were appropriate, and that the key assumptions were subject to oversight.

Based on the above procedures performed, we found the assumptions and judgements underlying the valuation of the IP transferred, and therefore the recoverability of the loan, to be reasonable.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group's accounting process is structured around a group finance function at its head office. Supporting finance functions exist for each of the key business operating areas (Malta and Cyprus), and these report to the Group finance team as appropriate.

The group auditor in Malta carried out a full scope audit on the Parent Company and seven of the subsidiaries located in Malta. The financial statements of Cablenet Communications Systems p.l.c., Connectedcare Limited, Cybersift Holdings Limited and its subsidiary, Sens Innovation Group Limited and its subsidiaries, AQS Med Limited and its subsidiaries, and Klikk Finance p.l.c. and its subsidiary (the remaining subsidiaries within the Group), predominantly based in Cyprus and Malta respectively, were audited by other auditors. We issued instructions to the component auditor auditing Cablenet Communications Systems p.l.c. The figures of Connectedcare Limited, Cybersift Holdings Limited, Sens Innovation Group Limited, AQS Med Limited and Klikk Finance p.l.c. are deemed to be inconsequential in the context of the Group results.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in their audit work to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial statements as a whole. We have reviewed the subsidiary's accounting policies. We have assessed the audit memorandum document prepared by the component auditors and submitted to us, the group reporting package and the audited financial statements, including all relevant financial disclosures. We have reviewed the component auditor's audit working papers utilising a risk-based approach.

The group auditor performed all of this work by applying the overall Group materiality, together with additional procedures performed on the consolidation. This gave us sufficient appropriate audit evidence for our opinion on the Group financial statements as a whole.

Other information

The directors are responsible for the other information. The other information comprises all of the information in the Annual Financial Report and Consolidated Financial Statements 2024 (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except as explicitly stated within the *Report on other legal and regulatory requirements*.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the directors and those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent 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 or the Parent Company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 the Parent 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 or the Parent 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 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 or the Parent Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

Report on compliance with the requirements of the European Single Electronic Format Regulatory Technical Standard (the "ESEF RTS"), by reference to Capital Markets Rule 5.55.6

We have undertaken a reasonable assurance engagement in accordance with the requirements of Directive 6 issued by the Accountancy Board in terms of the Accountancy Profession Act (Cap. 281) - the Accountancy Profession (European Single Electronic Format) Assurance Directive (the "ESEF Directive 6") on the Annual Financial Report of GO p.l.c. for the year ended 31 December 2024, entirely prepared in a single electronic reporting format.

Responsibilities of the directors

The directors are responsible for the preparation of the Annual Financial Report, including the consolidated financial statements and the relevant mark-up requirements therein, by reference to Capital Markets Rule 5.56A, in accordance with the requirements of the ESEF RTS.

Our responsibilities

Our responsibility is to obtain reasonable assurance about whether the Annual Financial Report, including the consolidated financial statements and the relevant electronic tagging therein, complies in all material respects with the ESEF RTS based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the requirements of ESEF Directive 6.

Our procedures included:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the Annual Financial Report, in accordance with the requirements of the ESEF RTS.
- Obtaining the Annual Financial Report and performing validations to determine whether the Annual Financial Report has been prepared in accordance with the requirements of the technical specifications of the ESEF RTS.
- Examining the information in the Annual Financial Report to determine whether all the required taggings therein have been applied and whether, in all material respects, they are in accordance with the requirements of the ESEF RTS.

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

Opinion

In our opinion, the Annual Financial Report for the year ended 31 December 2024 has been prepared, in all material respects, in accordance with the requirements of the ESEF RTS.

Other reporting requirements

The *Annual Financial Report and Consolidated Financial Statements 2024* contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the Annual Financial Report, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the *Other information* section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

Area of the <i>Annual Financial Report and Consolidated Financial Statements 2024</i> and the related Directors' responsibilities	Our responsibilities	Our reporting
<p>Directors' report</p> <p>The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.</p>	<p>We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.</p> <p>We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements.</p> <p>In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements.</p> <p>With respect to the information required by paragraphs 8 and 11 of the Sixth Schedule to the Act, our responsibility is limited to ensuring that such information has been provided.</p>	<p>In our opinion:</p> <ul style="list-style-type: none"> the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386). <p>We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the <i>Other information</i> section.</p>
<p>Corporate governance - Statement of compliance</p> <p>The Capital Markets Rules issued by the Malta Financial Services Authority require the</p>	<p>We are required to report on the Statement of Compliance by expressing an opinion as to whether, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have</p>	<p>In our opinion, the Statement of Compliance has been properly prepared in accordance with the requirements of the Capital Markets Rules issued by the</p>

directors to prepare and include in the Annual Financial Report a Statement of Compliance with the Code of Principles of Good Corporate Governance within Appendix 5.1 to Chapter 5 of the Capital Markets Rules. The Statement's required minimum contents are determined by reference to Capital Markets Rule 5.97. The Statement provides explanations as to how the Company has complied with the provisions of the Code, presenting the extent to which the Company has adopted the Code and the effective measures that the Board has taken to ensure compliance throughout the accounting period with those Principles.

identified any material misstatements with respect to the information referred to in Capital Markets Rules 5.97.4 and 5.97.5, giving an indication of the nature of any such misstatements.

We are also required to assess whether the Statement of Compliance includes all the other information required to be presented as per Capital Markets Rule 5.97.

We are not required to, and we do not, consider whether the Board's statements on internal control included in the Statement of Compliance cover all risks and controls, or form an opinion on the effectiveness of the Company's corporate governance procedures or its risk and control procedures.

Malta Financial Services Authority.

We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the *Other information* section.

Remuneration report

The Capital Markets Rules issued by the Malta Financial Services Authority require the directors to prepare a Remuneration report, including the contents listed in Appendix 12.1 to Chapter 12 of the Capital Markets Rules.

We are required to consider whether the information that should be provided within the Remuneration report, as required in terms of Appendix 12.1 to Chapter 12 of the Capital Markets Rules, has been included.

In our opinion, the Remuneration report has been properly prepared in accordance with the requirements of the Capital Markets Rules issued by the Malta Financial Services Authority.

Other matters on which we are required to report by exception

We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
- the financial statements are not in agreement with the accounting records and returns.
- we have not received all the information and explanations which, to the best of our

We have nothing to report to you in respect of these responsibilities.

knowledge and belief, we require for our audit.

We also have responsibilities under the Capital Markets Rules to review the statement made by the directors that the business is a going concern together with supporting assumptions or qualifications as necessary.

Other matter – use of this report

Our report, including the opinions, has been prepared for and only for the Parent Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, 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 written consent.

Appointment

We were first appointed as auditors of the Company on 17 May 2010. Our appointment has been renewed annually by shareholder resolution representing a total period of uninterrupted engagement appointment of 15 years.

Stefan Bonello
Principal

For and on behalf of
PricewaterhouseCoopers
78, Mill Street
Zone 5, Central Business District
Qormi
Malta

16 April 2025