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UPGRADE YOUR WORLD

ANNUAL REPORT 2023

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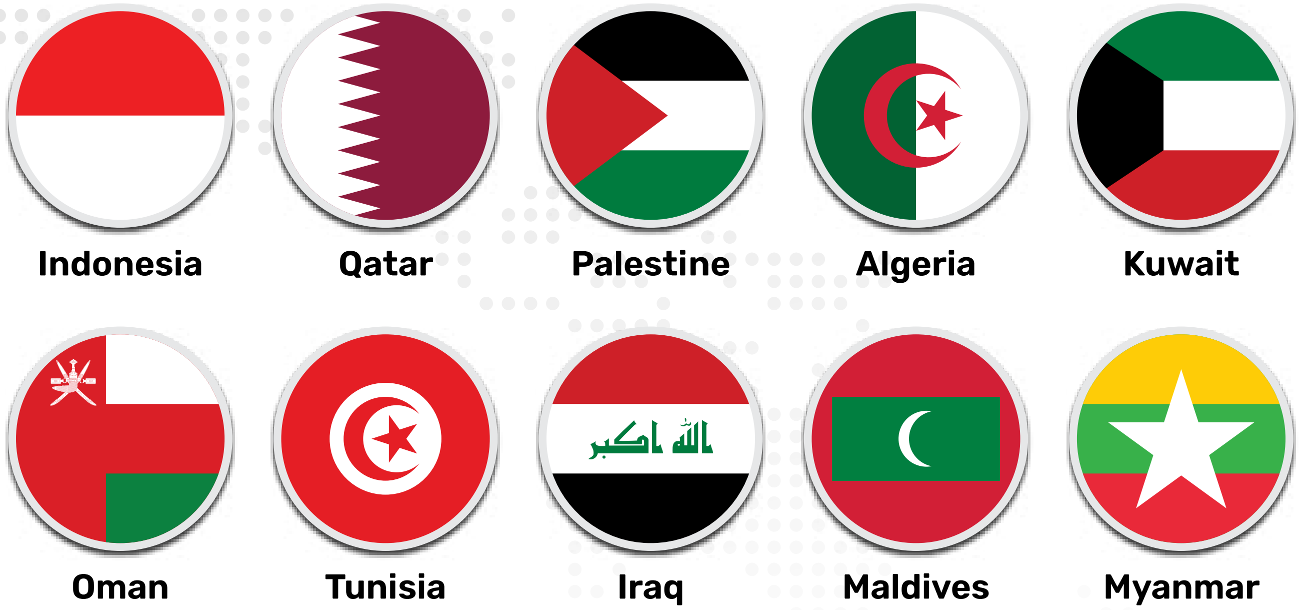
The digital version of this report can be accessed through the company's website in the investor relations section.

Date of the report; February 2024

OOREDOO GLOBAL GROUP

We are a leading group of companies that provide mobile and land telecommunications services, broadband Internet, and corporate-managed services, tailored to meet the optimal needs and requirements of individuals and businesses in each market, catering to their specificities. The Group has a customer base exceeding 56 million customers across the Middle East, North Africa, and Southeast Asia markets, operating in several markets including Qatar, Kuwait, Oman, Algeria, Tunisia, Iraq, Palestine, Maldives, and Indonesia.



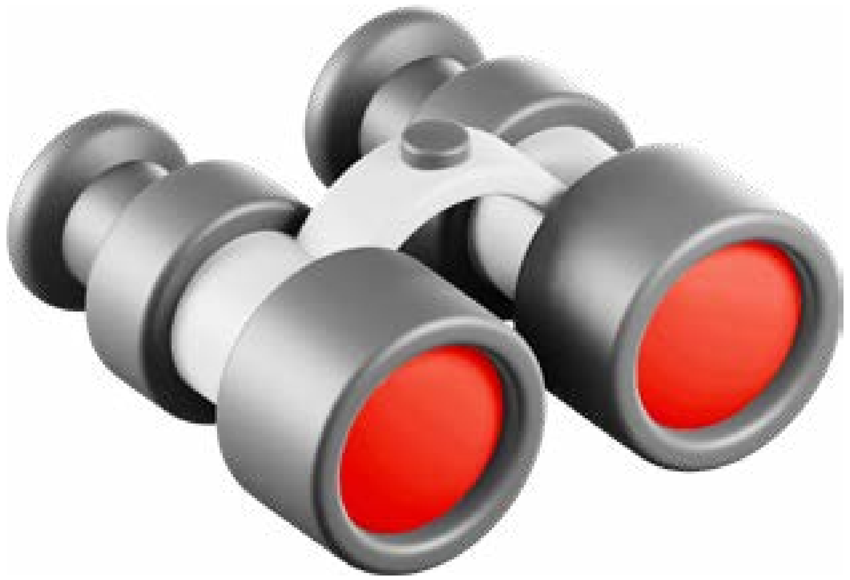
OUR VISION

Enriching our customers’ digital lives

We are on a mission to empower our customers to access and enjoy the best of the Internet in a way that is personal and unique to them.

We continue to invest in our networks to ensure seamless connectivity that caters to our customers’ growing digital needs.

We are working as a real digital enabler across our markets, and we aspire to help people simplify their lives and enjoy exciting and rewarding digital experiences.



OUR VALUES

Through our various services, we aspire to meet the needs of our customers. We are keen to provide them with a unique experience.

This stems from our values, where the identity of Ooredoo Palestine is reflected through three basic values:

CHALLENGING

We dare the difficult conditions imposed on Palestine and challenge ourselves to provide the best services to our society and customers who have faith in us.

CARING

We care about our approach to providing services to our Palestinian customers. We aim to meet their needs in the best available ways and various means with ease and transparency.

CONNECTING

Through the best network in Palestine, we keep people connected and provide them with creative solutions to facilitate their business and personal needs.

UPGRADE YOUR WORLD

HIGHLIGHTS OF 2023

109.0
Million

Revenue

42.6
Million

The Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

16.1
Million

Annual Net Profits

1.44
Million Customer

Customer Base

Community Responsibility

We work for our community

2023: A YEAR OF CONFRONTING CHANGE AND CREATING NEW OPPORTUNITIES

"It is no secret that 2023 was not an easy year, presented by significant challenges for the Palestinian market, marked by multitude of changes and a series of diverse challenges. The needs and priorities of the society varied considerably. Nevertheless, resilience is not an option for Palestinians. Therefore, we spared effort in maintaining positive performance and ensuring full readiness to implement vital upcoming initiatives."

Mohammad Abu Ramadan

Chairman

CHAIRMAN’S MESSAGE

Dear Shareholders

The year 2023 was undoubtedly a challenging year for Palestine as a whole. The Palestinian national economy faced challenges and hardships; encountered circumstances that led to setbacks across various economic sectors. The repercussions were profound, halting businesses and income sources for diverse groups of people. Yet, amidst all of this, our greatest loss remains the lives taken as a result of the occupation forces’ aggression against our people in Gaza and the West Bank.

Unfortunately, and as a result of the aggression that struck Gaza in the last quarter of 2023, Ooredoo Palestine suffered severe losses and this aggression had a devastating and widespread impact on all aspects of people’s lives and infrastructure, with the telecommunications sector being no exception. We lost a number of our company employees, which we consider our greatest and most painful loss. We pray for their souls to find peace and for their families to find solace and patience.

Our infrastructure, equipment, and headquarters suffered significant damage as well, resulting in the disruption of numerous services and a negative impact on the communication quality. Despite working in unsafe conditions, our teams made every effort to maintain the services they could, driven by a sense of national duty and responsibility towards our community to keep Gaza connected to the world.

Yet, optimism and resilience remain our driving forces in confronting these significant challenges. Therefore, this difficult year and its challenging conditions will not prevent us from clearing the rubble and continuing to work with full force and determination to rebuild and restore our infrastructure. Our aim is to provide our services better and stronger than ever before.

Returning to what Ooredoo achieved before the aggression on Gaza, the company demonstrated a strong determination to enhance its infrastructure and improve its services. We made significant investments in network development and system updates to align with the latest global technology standards. Our efforts concentrated on enhancing the network performance and adopting the latest technological advancements globally, ensuring excellent experience for our customers and enhanced quality and efficiency of our services.

Today, and as soon as the necessary approvals are obtained, we are fully prepared to launch the fourth-generation services in the West Bank. This upgrade will enhance the customer experience and enable individuals and businesses to fully benefit from modern communication technology. This network upgrade reflects our steadfast commitment to meeting the aspirations of both our investors and subscribers, in addition to keeping pace with the rapid technological advancements in the telecommunications world.

Alongside this investment, the company’s performance thrived and excelled despite the economic and political challenges in the Palestinian market during 2023. The company achieved on a net profit of $16.1 million, an increase of 35% compared to the previous year, after excluding the currency exchange fluctuations.

Ooredoo is regarded as a model of ethical and social commitment in Palestine, actively engaging in initiatives to promote sustainable development and uplift the communities we serve. With a deep-seated pride in our services, we recognize the importance of engaging in endeavors that contribute to the quality of life for individuals and various sectors. Therefore, we allocate a portion of our resources to support social and charitable initiatives.

Through our social programs and projects, we strive to enhance education, support youth, and extend care for the most vulnerable groups in our communities. We are committed to promoting health and well-being, as well as providing support for digital initiatives. Our company takes immense pride in its role in improving the surrounding conditions and will extend such commitment to making contributions and donations as part of the company’s strategy to achieve sustainable development and make a positive difference in people’s lives and futures.

In conclusion, in a year marked by significant challenges and exceptional circumstances, we express our optimism and strong desire for a new year free from wars and tensions. We wish for peace and stability, not only for Palestine but for the global community as a whole. Anticipating a year characterized by robust and enduring economic growth, we eagerly look forward to opportunities for innovation and advancement, hoping to create a society marked by prosperity and progress. We are committed to actively contributing to this bright future, and we will continue to work diligently to support development and enhance communication and cooperation with our investors, the Palestinian Investment Fund and the global Ooredoo Group. We will continue to raise our banner “Upgrade Your World” so that we can develop all aspects of life around us through efficient telecommunication services that meet the diverse needs of our subscribers.

AMIDST ADVERSITY... FORGING A NEW PATH TOWARDS A PROMISING TOMORROW

"Despite the challenges of a heavy year with many variables, the hope for tomorrow and faith in our capabilities will inevitably lead us to achieve our aspirations. We confront obstacles with team spirit, a will to build and invest in the future, so that we can upgrade Palestine and provide it with what it truly deserves."

Dr. Samer Fares
CEO

CEO'S MESSAGE

Dear Investors

We turn the page on a year heavy with the sacrifices of our resilient people. We bid farewell to a challenging year marked by both humanitarian and economic difficulties. While we may consider naming it the "Year of Sorrows", we refuse to give in to pain and instead hold onto hope; and "we love life if we find a away to it" as Mahmoud Darwich said. In light of such extraordinary situations, we are driven to embrace unconventional approaches in our social, humanitarian, and economic endeavors. Our loss in Gaza was profound; we mourn the individuals who had their own paths to navigate, whether with hardship or with ease, yet they persisted. We mourn the loss of our colleagues within the Ooredoo family. In our grief, we find solace knowing that their presence will forever remain in our hearts and within the halls of their workplaces. Just as Gaza endures, so too shall their memory live on within us.

The aggression on Gaza in the last quarter of 2023 had far-reaching impacts on various aspects of life, with the telecommunications sector particularly affected due to its increased significance during the aggression. Our responsibility to provide communication to our people in Gaza was significantly amplified, as maintaining connectivity was crucial for preserving lives. In the midst of immense psychological pressure and hazardous working conditions, our teams risked their lives, manually carrying fuel gallons to power our towers' generators or walking long distances on foot to repair damages sustained by our infrastructure. They utilized simple handheld tools in the absence of heavy equipment, all to ensure the continuity of this vital service and strengthen the resilience of our community.

Furthermore, the company took it upon itself to open its showrooms during temporary ceasefires in Gaza, despite the lack of internet connectivity. This exemplified unity within the Ooredoo family, as showroom staff in Gaza welcomed customers to provide urgent services, while their colleagues in the West Bank, working remotely and tirelessly, provided the needed support and addressed the urgent needs of the people of Gaza, which accumulated during the aggression. These efforts were complemented by numerous free campaigns launched by the company throughout the aggression as well as providing international organizations and institutions with communication lines for use in areas where other telecommunications networks have stopped, ensuring Gaza remained connected to the world despite significant network damage, disruptions, and outages.

Before I delve into the pre-aggression period, I must extend my utmost respect and appreciation to the Ooredoo family in Gaza, to every employee, who endured harsh and unprecedented conditions of bombardment, resource and equipment shortages, food scarcity, fear, psychological pressure, loss of loved ones and homes, and damage to their surroundings. Yet, they remained resilient, endeavoring despite all odds to fulfil their mission and continue their work to maintain Ooredoo's services in Gaza, keeping Gaza connected to the world.

Prior to the aggression on Gaza in the last quarter of 2023, Ooredoo Palestine was able to achieve progress and growth in various critical business indicators, including commercial, financial, and technological realms. The company continued progressing towards higher stability in terms of profit growth, despite the negative currency exchange fluctuations. The company's Revenues amounted to $109 million, reflecting a 2% growth compared to 2022, when excluding the currency exchange fluctuations. EBITDA reached $42.6 million, marking a 14% increase from the previous year, when excluding the impact of foreign exchange fluctuations. Although net profits slightly decreased due to losses resulting from declines in financial and non-financial assets, primarily resulting from the aggression on Gaza. When adjusting for the currency exchange rate fluctuations, the company's net profit growth rate would reach 35% compared to the previous year. Our customer base expanded to approximately 1.44 million customers.

In 2023, Ooredoo embarked on a new mission to strengthen and upgrade its network, initially equipping it to operate 4G services in the West Bank. This investment aimed at upgrading telecommunications infrastructure to enhance service quality and provide an advanced communication experience for customers. The company focused on network upgrade, capacity expansion, and enhancing network security, aiming to meet diverse Palestinian customer needs. Moreover, the company prioritized boosting internet speeds locally and during roaming, to keep pace with modern technological advancements and prepare for advanced 4G-enabled services. These investments underscore the company's commitment to technological advancement and innovation, supporting Palestine's technological sector and fortifying its telecommunications leadership. A significant milestone in the network upgrade was the launch of roaming services via fourth and fifth-generation services, enabling Palestinian customers to enjoy the latest internet and communication experiences while traveling.

Commercially, Ooredoo witnessed significant growth, with its market share expanding substantially. Driven by an effective strategy, the company fortified its market presence by broadening its commercial and marketing operations, achieving sustainable growth.

Ooredoo's focus on digital sales operations played a significant role in enhancing the company's performance, leveraging cutting-edge technologies and digital platforms. This enabled the provision of effective and flexible sales channels, including online sales services and smartphone applications, attracting a diverse customer base and contributing to increased sales volume. Alongside its focus on digital operations, Ooredoo strategically invested in the most profitable channels. The company dedicated considerable time and effort to analyzing the market and understanding the needs of the Palestinian customers, enabling effective direction of investments, thus strengthening profit generation and financial sustainability. This was evident in heightened customer satisfaction with services provided at the company's showrooms.

Throughout 2023, Ooredoo Palestine remained committed to actively contributing to society development and sponsoring critical social issues. The company organized and supported a diverse array of events and initiatives targeting multiple segments, particularly focusing on youth, sports, education, digitalization, and charitable sponsorships.

In the realm of youth development, the company supported programs and events aimed at enhancing the capabilities and skills of young people, including innovative projects support and providing learning and professional development opportunities. Similarly, Ooredoo sponsored sports events and promotional activities to promote a healthy lifestyle and sporting activity in society, notably sponsoring the Professional League in the West Bank, the Premier League in Gaza, Abu Ammar Cup, and Palestine women's national football team.

In the educational sphere, the company organized educational and training initiatives, as well as participated in various activities within the Palestinian universities, such as the participation in recruitment days. The company also provided support to educational institutions and students to promote science and learning in the Palestinian community.

Furthermore, Ooredoo focused on enhancing digitization and information technologies, supporting technological projects and educational events to facilitate digital interaction and drive digital transformation. In this regard, Ooredoo participated in sponsoring the digital transformation conference in Palestine.

Sponsorships also included organizing and participating in humanitarian initiatives and charitable works, particularly during the holy month of Ramadan.

These community contributions underscore Ooredoo's commitment to promoting sustainable development and advancing various aspects of life in Palestine.

In conclusion, I express my deep gratitude to all investors for their patience, persistence, and belief in the company. I also extend thanks to all Ooredoo employees, who were instrumental in our success and progress over the past year. Despite the challenging economic, social, and political circumstances, we confronted them head-on, thanks to the dedication and positive engagement of our exceptional team.

Looking ahead to 2024, we do so with optimism and confidence, hoping it will be a positive year for our people in Palestine. Our priorities include rebuilding what the aggression destroyed in our network, headquarters, and infrastructure in Gaza, ensuring our services once again meet the needs of our people in Gaza. Additionally, we see 2024 as an opportunity for further innovation and success, as we aim to enhance the financial sustainability of our company, develop our services to meet diverse investor and customer expectations, and drive the adoption of modern technologies, including the provision of fourth and fifth-generation services in the West Bank and Gaza Strip. This endeavor will contribute to advancing telecommunications and technological development in Palestine.

The company extends sincere wishes to the Palestinian people for peace and stability, hoping that 2024 will be a year of improvement and prosperity. We pray for peace and safety in Palestine, and we wish mercy for the martyrs and a speedy recovery for the wounded.

Finally, we thank everyone who contributed to our success, reaffirming our commitment to achieving a better future for all. As we look forward to 2024, we anticipate further successes and positive developments.

OOREDOO PALESTINE IN A GLANCE

Ooredoo Palestine – formerly known as Wataniya Mobile Company – stands as a prominent model of leading companies in the telecommunications and information technology sectors in Palestine. The company started its journey in 2007 through a strategic partnership with Wataniya International Free Zone, a wholly owned subsidiary of the Wataniya Mobile Telecommunications Company (NMTC), the majority of which is owned by Ooredoo International Group, and the Palestine Investment Fund, with an initial capital of $5 million.

In 2010, the company transitioned from a private limited company to a public limited company, raising its capital to $258 million. On November 9, 2010, Ooredoo Palestine was listed on the Palestine Stock Exchange, offering 15% of the Company's shares for public subscription. In 2018, the Company again increased its capital by $35 million, maintaining its status as the largest listed company on the Palestine Exchange, with a total capital of $293 million. These strategic maneuvers have played a pivotal role in solidifying the company's position and fostering continued success in the local telecommunications market.

Commencing operations in 2009, Ooredoo Palestine introduced competition to the Palestinian telecom market in the West Bank. After a decade-long of denying it the chance to launch its commercial services in the Gaza Strip, Ooredoo achieved a significant breakthrough at the end of 2017, extending its footprint to Gaza and fostering a competition in the telecom market there. This expansion brought in positive developments in the telecommunications sector, benefiting Palestinian citizens through enhanced service quality and competitive prices. Since its inception, Ooredoo has been remarkable as Palestine's foremost modern telecommunications operator.

In January 2018, the Company launched its third-generation services within the West Bank, demonstrating excellence in delivering the services. Subsequently, in November of the same year, the Company achieved a significant milestone by consolidating its brand with its parent company, the global Ooredoo Group. This strategic move further solidified its position as a leader in the forefront of the Palestinian telecommunications sector, proudly standing as an integral part of the international Ooredoo Group.

Ooredoo Palestine is recognized as a pioneer in the field of third-generation services in the West Bank. It provides remarkable telecommunications and internet services within the second-generation technologies in the Gaza Strip. It provides the top-tier programs, offers, and marketing campaigns tailored to enrich the experience of the Palestinian customers.

Gaza

OUR STRATEGY

Providing the Best Customer Experience

We aim to deliver a unique customer experience in Palestine by simplifying and digitalizing communication channels, products, and procedures.

Continuity in Growth

Ooredoo Palestine is committed to enhancing the Company's financial, commercial, technical, and administrative performance. The company's focus lies on operational efficiencies and managing capital expenditure.

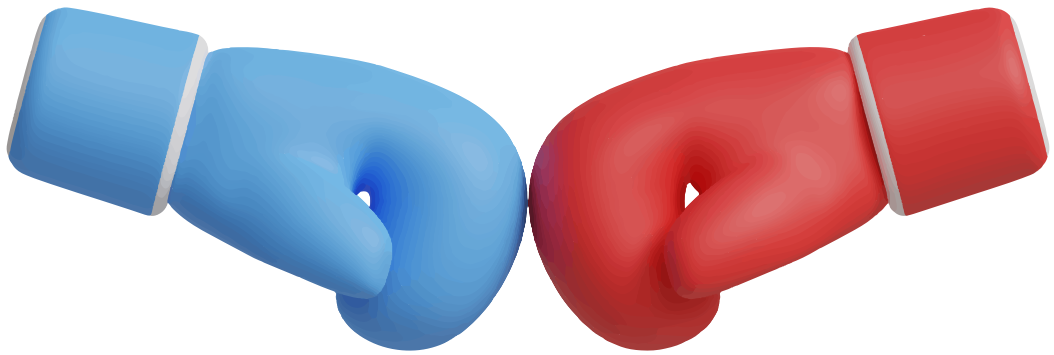
Investing in the Ooredoo Family

The Company persists in maintaining the best work environment in Palestine and fostering personal responsibility among every member of the Ooredoo family. Further, the Company employs new approaches in work methods, training, and guidance, which contributes to the better growth of the Company.

DIGITILIZATION IN THE FACE OF AGRESSION

The digital transformation journey undertaken by Ooredoo, coupled with the company's significant focus on digitizing its services to enhance customer experience, played a crucial role in avoiding service disruptions. This effort made the services smoother and more user-friendly, particularly in the Gaza Strip, amidst challenging circumstances such as bombing, destruction of point of sales and dealers stores, and the closure of the company's showrooms. The services remained active through our digital channels, either on the website or the "my account" application. As a result, customers in Gaza Strip could manage their services conveniently without the need for physical relocation. Further, the introduction of the electronic SIM (eSIM) facilitated service provision to new customers in areas affected by telecommunication network damage, ensuring their connectivity with the world.

Furthermore, the company was keen to update its information security systems to uphold robust data protection standards, providing the Palestinian customers access to the finest network and top-notch security measures. Moreover, enhancements to the billing systems were implemented to align with market demands and customer expectations.

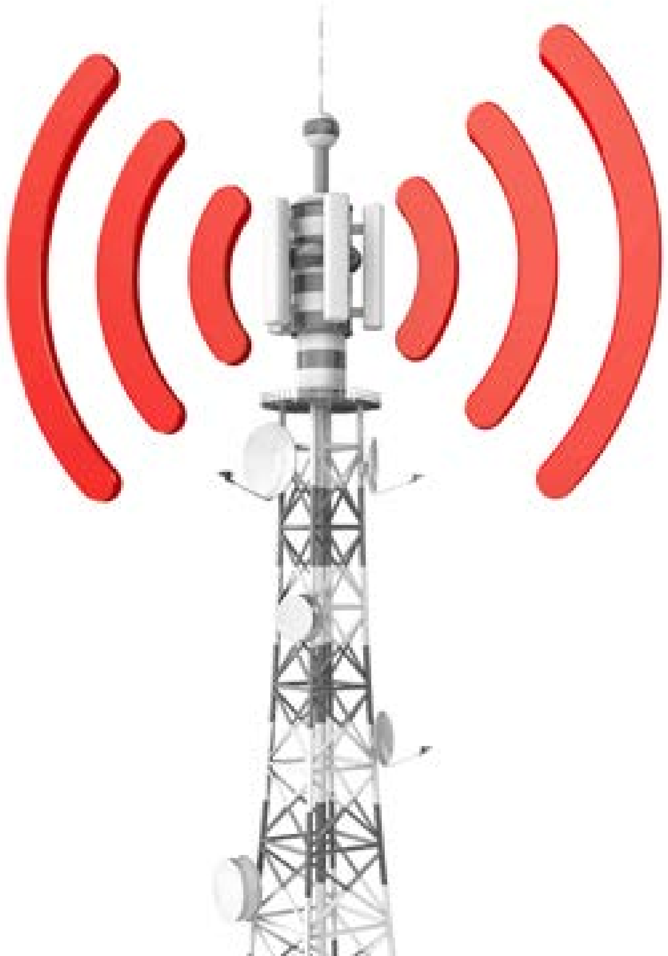


ROBUST AND CUTTING-EDGE NETWORK

Ooredoo takes pride in its modern network, boasting high specifications that enable the delivery of exceptional telecommunications and internet services. These services match the quality of Fourth Generation (4G) services offered by Israeli telecommunication companies operating illegally within the West Bank.

Throughout 2023, Ooredoo embarked on expanding its network coverage in the West Bank, reaching larger areas. The company also implemented new updates to prepare the network for the activation of the 4G services. Ooredoo has successfully introduced 4G and fifth-generation services during international roaming.

In its forward-looking strategy, Ooredoo has initiated the development of programs and plans aimed to leveraging "big data" capabilities. These initiatives are meant to enhance the customer experience and align services more closely with their evolving needs.



DISTINCTION IN THE MARKET: SALES AND PRESENCE

Throughout 2023, Ooredoo Palestine implemented more effective sales strategies and strategically increased its presence across various activities and events, hosting its own sales events. Such strategies were meant to bolster its reach in the Palestinian market and enhance proximity to customers, resulting in a positive impact on its market share. The company expanded its showroom network and enhanced their overall appearance to align with Ooredoo's stature in the Palestinian market, reflecting the company's modernity and adherence to global service standards, as well as its commitment to providing top-notch customer service.

Moreover, Ooredoo has made a great difference in the sales operations management in the market, expanding bill payment options, introducing new electronic payment mechanisms, and joining the national electronic payment "Esadad" platform. In this regard, the Company entered into a Cooperation Agreement with PalPay to facilitate the exchange of sales services.

ADMINISTRATIVE AND OPERATIONAL REPORT

In accordance with the International Financial Reporting Standards (IFRS), we present to our esteemed audience this information regarding Ooredoo Palestine's activities carried out during the year ending December 31, 2023. We advise reading this section of the annual report in conjunction with the portion concerning the company's audited financial statements and accompanying notes.

COMPETITIVE ADVANTAGE

Throughout 2023, Ooredoo Palestine succeeded in fortifying its competitive stance through continuous development strategies and ongoing modernization initiatives. The company maintained its investment momentum in its network infrastructure, aiming to elevate service quality and bolster its competitive edge.

Ooredoo Palestine remains at the forefront as Palestine's premier telecommunications operator, renowned for delivering the most advanced and fastest 3G service in the region. Despite facing illegal competition from Israeli telecommunications companies, the company succeeded by adopting various digitalization solutions, ensuring service continuity and diversity. The company's ability to provide seamless services was further enhanced by its digital self-service channels and round-the-clock support, empowering customers unparalleled convenience.

Additionally, Ooredoo Palestine's commitment to innovation was evident in the continuous enhancements made to its "My Account" and "Fawri Express" applications, along with crucial updates to various automated response systems. These improvements not only elevated customer experience but also facilitated easy access to a wide range of services, anytime and anywhere.

A testament to its success, the company witnessed a notable 2% increase in its customer base by the end of 2023, catering to diverse segments of the Palestinian market. Moreover, the Palestinian telecommunications sector played a pivotal role in driving digital transformation across critical local sectors, most notably the banking sector, while supporting numerous pioneering companies offering third-generation services.

As a member of the global Ooredoo Group, Ooredoo Palestine benefits from the experience in the telecommunications sector, operating across 10 countries in the Middle East, North Africa, and Southeast Asia. This affiliation ensures access to the highest standards of mobile services and international agreements, translating into tangible benefits for Ooredoo Palestine's customers, including competitive local and international prices, superior service quality, and a robust network infrastructure.

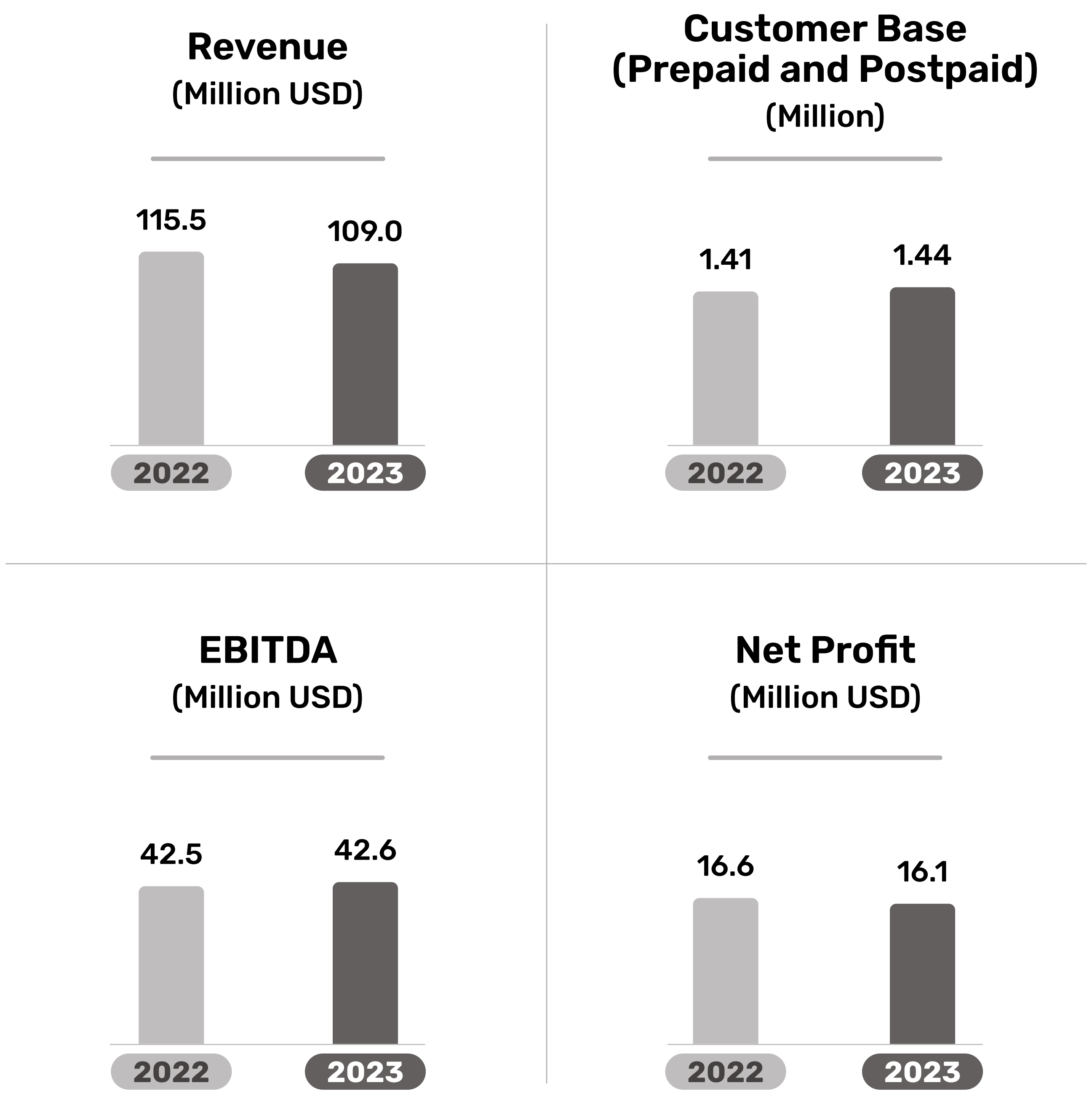
MOST SIGNIFICANT FINANCIAL AND OPERATIONAL METRICS FOR 2023

Ooredoo Palestine's Net Profit: $16.1 million

Despite the ongoing operational challenges in the Palestinian market, intensified by the deteriorating political climate, especially in the last quarter of 2023, Ooredoo Palestine managed to sustain growth across key performance indicators. After adjusting for currency exchange fluctuations, the company saw growth in various performance indicators, achieving net profits for the year totaled $16.1 million, which reflects a slight decline attributed to losses incurred from the decline in financial and non-financial assets due to the aggression on Gaza. When Excluding the negative foreign exchange (FX) impact, the company's net profit shows a substantial 35% increase compared to last year. Moreover, Ooredoo Palestine's revenues reached $109 million, marking a 2% rise over 2022 figures when the exchange rate fluctuations are accounted for.

The company's earnings before interest, taxes, depreciation, and amortization (EBTIDA) stood at $42.6 million in 2023, a slight increase from $42.5 million in 2022. After adjusting for currency exchange fluctuations, this represents a notable 14% growth over the past year 2022.

The following charts show the company's performance growth for the years (2022-2023).



* After adjusting for currency exchange rate fluctuations, revenue growth reached 2% compared to 2022.
* After adjusting for currency exchange fluctuations, EBITDA saw a growth of 14% compared to 2022.
* After adjusting for currency exchange fluctuations, net profit growth rate reached 35% compared to 2022.

MAIN SALES CHANNELS

Ooredoo Palestine aims to ensure the provision of its services to all segments of citizens across the country's governorates. The company considers the customer as the real and most crucial asset that contributes to its development. Therefore, Ooredoo strives to provide all necessary facilities through its network of distributors, dealers, and points of sales. The company's network offers various services such as the electronic recharge for customers. Ooredoo also works to provide most authorized dealers the service of selling and activating SIM cards, as well as bill payments.

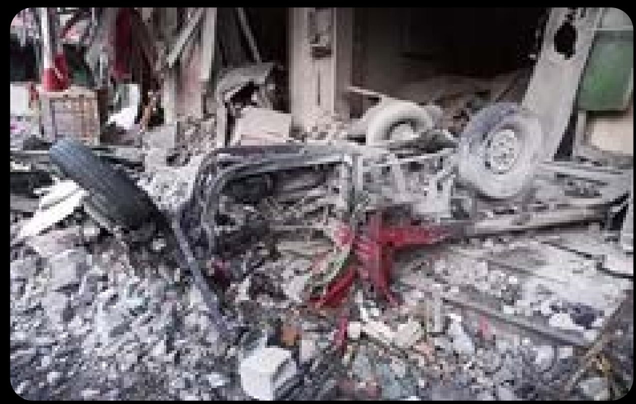
This effort is part of the commitment to providing the best service to customers, which correlates with the increase in the company's sales. Additionally, it includes the digital and electronic channels developed by the company to streamline processes for employees, reduce distribution costs, and ensure sales continuity even in challenging circumstances.

The table below illustrates Ooredoo's network of distributors, dealers, and showrooms:

Ooredoo showrooms	Distributors	Network of authorized dealers	Network of Points of Sales	Network of charging points
17	4	165	1921	6900

Our network of showrooms and dealers suffered damages and disruptions during the last quarter of 2023 due to the aggression on the Gaza Strip.

As of the preparation of this report, the extent of the damages incurred by our network of dealers and distributors in the Gaza Strip due to the ongoing aggression has not been quantified.



MAIN CAMPAIGNS

Ooredoo Palestine strives to deliver distinctive and competitive services that adhere to the highest global standards. The company's aim is to offer customers the best experience through an extensive network of showrooms, a distinctive mobile application catering to diverse needs, a website facilitating package and device purchases, and an integrated customer service center that operating round the clock.

During the aggression against our beloved people in the Gaza Strip, Ooredoo played a special role by providing free telecommunication and internet packages to all customers to keep Gaza connected to the world.

BEST WORKING ENVIRONMENT IN PALESTINE

Ooredoo Palestine reaffirms its commitment to achieving the highest standards, adhering to the best systems within a vibrant and effective work environment in the Palestinian market. This environment is enriched by the selection of distinguished teams of male and female employees with extensive experience and high scientific and practical capabilities, enabling them to keep abreast of the latest trends in human resources management.

The company consistently implements multiple training and motivational programs to build the capabilities and develop the skills of its employees. It also sets development plans for qualified employees, along with promotions that enhance their abilities to excel in their new roles.

Embracing a vision as a company filled with youthful spirit, Ooredoo Palestine has allocated a program to cultivate young leadership, investing in its young teams and preparing them to lead future stages of the company's journey. Ooredoo regards its employee as part of its family, growing alongside them. The company annually awards financial prizes for projects and creative ideas proposed by its employees, fostering creative thinking and recognizing pioneering initiatives.

The effectiveness of these programs is regularly evaluated through several indicators, with employee engagement surveys being the most significant. Detailed questionnaires are also conducted to understand different aspects of work and identify areas requiring development. The political openness demonstrated by company leaders in direct communication with employees contributes to fostering a healthy environment and effective communication.

In 2023, Ooredoo Palestine lost three of its employees during the devastating events that took place in the beloved Gaza Strip amid the recent occupation aggression. These employees were Jamal Khalil Badr Abdel-Al, who served as a collection's representative, Hussam El-Din Ismail Abd Rabbo, the supply chain supervisor, and Rajab Zuhair Rajab, a store representative.

Currently, the Ooredoo Palestine family comprises 517 male and female employees, in addition to 113 trainees in the West Bank and Gaza Strip.

SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY

SPONSORSHIPS AND ACTIVITIES

Committed to Creating a Prosperous Society

The past years have witnessed continuous efforts by Ooredoo Palestine to enhance direct interaction with the society and achieve a positive impact in different sectors. In 2023, these community contributions comprised a range of initiatives that reflect the company's strong commitment to nurturing and developing the Palestinian community to which we belong.

Sports Sponsorship: Continuous Support for Palestinian Football

In line with our commitment to supporting youth and fostering talent, Ooredoo Palestine concluded its annual sponsorship of Palestinian football for the eighth consecutive year. This sponsorship included the Professional League in the West Bank, the Premier League in the Gaza Strip, and Abu Ammar Cup, in addition to Palestine women's national football team.

The company continued to provide necessary support and resources to enhance the development of football in Palestine. This effort contributed to nurturing distinguished players who compete both locally and internationally, proudly representing Palestine in various sporting events.

Directing Sponsorships towards the Future: Youth and Digitalization

In line with our focus on supporting youth and empowering to effect positive change, Ooredoo Palestine sponsored a series of events aimed at developing the capabilities of young people and empowering them. The company also extended its sponsorship to various activities in the digitalization sector, supporting digital transformations and enhancing electronic interaction.

Charitable Aid: Providing Support in Times of Need

Ooredoo Palestine solidifies its role as an effective partner in the charitable sector by providing aid in times of need. The company directs its efforts towards providing support to diverse social categories in need, across different places in the West Bank and Gaza Strip.

Gaza in Our Hearts

In 2023, the Gaza Strip played a vital role in hosting various activities, events, and sponsorships, facilitated by Ooredoo. Despite the challenges posed by occupation aggression, the company aimed with all available resources to maintain connectivity to the world. Employees and technicians risked their lives trying to repair what can be repaired from the extensively damaged network because of the continuous bombing. Furthermore, Ooredoo provided free call and internet packages to all customers to facilitate communication amid the difficult circumstances. The year concluded with the company illuminating the nativity square with the hope that 2024 would bring light and peace to the people of Gaza. Our thoughts and prayers are with the safety and well-being of the people of Gaza.

Easter

Israa & Miraj

Donating winter uniforms to Jabalia Municipality employees

Donating winter uniforms to Rafah Municipality employees

Sponsoring the graduation of the American school students

Distributing dates and water to fasting individuals

Sponsorship of the Digital Transformation Conference

Handing over the big prize in Ramadan campaign

Welcoming new students at the University of Nablus

Signing a partnership agreement with Ramallah Municipality

Participation in the Palestinian Heritage Week

Providing sponsorship to Dura Municipality

Recruitment day at Al Quds University

Participation in the Pride Annual Exhibition

Participation in the food industry exhibition

Al Quds Open University graduation – Hebron

Participation in Nablus shopping Festival

Sponsorship of Universities Competition for Programming

Al Haraja market activities

Sponsorship of Champions Summer Festival

Kadoorie University graduation

Sponsorship of Palestine Economic Forum

Cafe's activities in Gaza

Woman's day activities

Pal Beauty Exhibition

Programming competition at Hebron University

Various students' activities – Al Tireh College

Recruitment day at Bethlehem University

Participation in life of Betlehem Festival

Abu Ammar Final Cup

World Telecommunication Day

Sponsorship of Wein a Ramallah Festival

Premier League

Professional League

THE COMPANY GOVERNANCE REPORT

Ooredoo Palestine's Board of Directors affirms the company's consistent commitment to exemplary corporate governance practices. This commitment is demonstrated through continuous review and improvement of governance practices, as well as a dedication to balancing the interest of the investors with those of all relevant stakeholders, including employees, suppliers, and the local community. One of the primary responsibilities of the Board is to enhance operational performance, profitability, and sustainable development by adhering to principles of good governance. These principles aim to steer the company strategically, establish regulations and mechanisms, monitor and regulate performance, and manage and mitigate risks to achieve desired objectives. In line with the company's adherence to required standards for publicly traded companies and corporate governance systems, Ooredoo Palestine adopted its governance guide in 2010. This guide aligns with the provisions of the corporate governance rules issued by the Palestinian Capital Market Authority.

Disclosure Commitment

Ooredoo takes pride in its commitment to adhering to all requirements outlines in the disclosure system in Palestine. This commitment encompasses various aspects, including the timely announcement of the annual, semi-annual, and quarterly financial results, as well as the scheduling of board meetings and significant decisions. Additionally, the company recognizes the importance of disclosing material information that could impact the share prices, whether financial, administrative, or future expectations. Such discourses are made through announcements on the authority's website, the stock exchange, and the company's website.

Ooredoo Palestine is committed to implementing the most accurate administrative procedures to ensure that disclosure processes are carried out promptly and accurately. This is evidenced by the fact that since its listing on January 09, 2011, the Palestinian Capital Market Authority has not requested the company provide any clarifications of obscure information, or disclosure of incomplete information. Furthermore, the authority has not imposed any penalties on the company for non-compliance.

Composition of the Board of Directors

The company's board of directors consists of seven members elected by the company's general assembly, with each member serving a four-year term. The board's duties and responsibilities are governed by the corporate law and the company's by-laws. The primary role of the board is to lead the company in a pioneering manner, involving the establishment of operational regulations, adoption of internal policies, and oversight and regulation of performance. Furthermore, the board is entrusted with managing and identifying risks to ensure the realization of the company's desired objectives.

Composition of the Board of Directors

The company's board of directors is keen to hold its meetings regularly and periodically, ensuring that there are no fewer than six (6) meetings per fiscal year, in line with the company's bylaw and the Jordanian Companies Law No. 12 of 1964 applicable in the West Bank. Accordingly, the board held six meetings in 2023, the dates and minutes of which were disclosed in accordance with the requirements of the applicable disclosure regulation. During these meetings, the board discussed and approved several significant matters related to the company's performance and ongoing achievements. Additionally, the board approved the annual strategic plans and addressed other matters requiring its approval.

Ordinary General Assembly Meeting

The ordinary general assembly meeting was held on March 06, 2023. During the meeting, shareholders voted on several agenda items, included:

- Endorsing the Board of Directors report, the auditors' report and the financial statements for the fiscal year ending December 31, 2022.
- Discharging the members of the Board of Directors from liability for the fiscal year ending December 31, 2022.
- Electing the company's auditor for the fiscal year 2023. PricewaterhouseCoopers – Palestine Limited was elected to undertake the auditing of the company's accounts for the fiscal year 2023.

Board Committees

Ooredoo's Board of Directors has established two permanent committees to support it in carrying out its duties. The following table shows the composition of the Board committees:

Executive Committee

Committee members		Committee tasks
Mr. Mohammed Abu Ramadan	Chairman	The Executive Committee, affiliated with Ooredoo Palestine's Board of Directors, is responsible for reviewing the executive regulations, drafting new company policies, and presenting recommendations to the Board of Directors. Additionally, the committee oversees the job evaluation process, develop the company's compensation structure, and approves the employee performance evaluation process and any amendments thereto. Moreover, the committee provides strategic guidance to the Board on the priorities and risks associated with financial and strategic investments.
Mr. Ahmed Al-Neama	Member	
Mr. Najib Khan	Member	
Mr. Rami Al-Barghouthi	Committee Secretary	

Audit Committee

Committee members		Committee tasks
Mr. Eyas Assaf	Chairman	The Audit Committee of the board of directors plays a major role in reviewing the audited annual financial statements and interim (quarterly) financial statements. Moreover, the committee examines related reports and accounting matters, ensuring that the Executive Management carry out necessary procedures before presenting them to the Board for approval. Additionally, the committee is responsible for establishing objectives, policies and scope of internal audit activities. It also selects the company's external and internal auditors and recommends their appointment. Furthermore, the committee evaluates the performance of both internal and external audit annually, based on predetermined performance indicators.
Mr. Faisal Al-Shawwa	Member	
Mrs. Munira Al-Dosari	Member	
Ms. Amna Al-Mejali	Committee Secretary	

Internal Control and Monitoring Regulation

Ooredoo Palestine's Executive Management has implemented a comprehensive and effective internal control system that ensures the accuracy and transparency of financial disclosures. This system aligns with international and professional standards and incorporates the latest global practices. It serves to efficiently realize the company's vision and meet its operational and strategic objectives. Key initiatives undertaken by the Executive Management include:

- Establishment and development of financial policies and detailed operational procedures to comply with the International Financial Reporting Standards (IFRS), the financial market disclosure standards, and the Palestinian laws and regulations.
- Adoption of a computerized global financial system to guarantee the accuracy of financial statements and compliance with international standards and requirements.
- Continuous scrutiny and review of financial statements, internal control systems, governance system, and risk and operations management systems by independent external auditors and company's internal auditors. Both auditors report to an independent audit committee of the Board of Directors in adherence to good governance principles. Regular meetings between the audit committee, auditors, and the Executive Management ensure thorough review of audit reports and validate the accuracy of the company's annual financial statements, along with the implementation of any corrective procedures recommended by auditors.
- Regular updates to the internal audit system and the audit and risk committee regulations to stay abreast of new developments and global best practices in the functions of the audit and internal audit committees.

MEMBERS OF THE BOARD OF DIRECTORS

Mr. Muhammad Abu Ramadan

Chairman of Board of Directors, Representative of Palestine Investment Fund

Mr. Mohammed Abu Ramadan joined the Board of Directors of Ooredoo Palestine in December 2014. Previously, Mr. Abu Ramadan served as the Palestinian Minister of Planning and Administrative Development in two successive Palestinian governments in the period of 2012-2014. He has also served as a board member of the Palestine Investment Fund since 2006. Over the course of his career, Mr. Abu Ramadan served in a number of public positions, including being a member of the board of directors of the Palestine Monetary Authority and vice-chairman of the board of directors of the Palestinian Trade Center (PalTrade). He is also a board member of many companies and economic institutions, as well as other leading community organizations.

Mr. Abu Ramadan is a prominent Palestinian businessman and currently serves as the Chairman of the Board of the Palestinian Water Sector Regulatory Council (WSRC) and the Chairman of the Board of the Gaza Buses Company. Mr. Abu Ramadan holds a Bachelor's degree in Business Administration from Syracuse University, USA.

Mr. Ahmed Al-Neama

Vice Chairman, Representative of the Wataniya International Company

Mr. Ahmad Al Neama joined the Board of Directors of Ooredoo Palestine in May 2022. Al Neama is Ooredoo Group Regional Chief Executive Officer since January 2022. He oversees the strategic evolution of six Operating Companies: Ooredoo Algeria, Ooredoo Tunisia, Ooredoo Palestine, Ooredoo Maldives, Ooredoo Myanmar and Indosat Ooredoo Hutchison. His focus is to create synergies around digitalization, business consolidation and partnerships to grow core business areas, and to drive top-line growth to maximize cost-efficiencies.

Ahmad is Chairman of the Board of Directors of Ooredoo Algeria, Ooredoo Tunisia, Ooredoo Myanmar, and Vice-Chairman of the board of Ooredoo Palestine, as well as Commissioner at Indosat Ooredoo Hutchison

Previous key roles include President Director & Chief Executive Officer at Indosat Ooredoo from May 2019 to December 2021, Group Chief Technology Officer at Ooredoo Group from July 2017 to May 2019, and Chief Sales & Services Officer at Ooredoo Qatar from June 2015 to July 2017.

Ahmad joined Ooredoo Qatar in 2004 and built his career taking on several roles and functions including Director of Demand and Project Management, and Senior Director of Radio Networks. He brought extensive experiences in telecoms and network engineering, as well as B2C and B2B/ICT sales and operations.

Al Neama is a BSc holder in Electrical Engineering from the University of Colorado at Denver. He has received further qualifications from the HEC Leadership Academy, Qatar Leadership Center, Arab Leadership Academy, and Cranfield University & IMD. He also received additional specializations in Digital Signal Processing, Advanced Electromagnetic Fields Control, and Methods of Engineering among others from leading institutions.

Mr. Najeeb Khan

Representative Member of the Wataniya International Company

Mr. Najib Khan joined the Board of Directors of Ooredoo Palestine in October 2020. He is Ooredoo Group Chief Business Services Officer. Mr. Khan previously served as the CEO of Ooredoo Maldives. Additionally, he joined Ooredoo Group in November 2014.

Mr. Khan has over 26 years of expertise in the telecommunications sector. Since joining Ooredoo Maldives, he has played an important role in growing its revenues and accelerating the digitization of its marketing services.

Mr. Khan holds a Bachelor's degree in Finance and Marketing from the University of London, as well as a BSc in Industrial Electronics Engineering from Mumbai University.

Mr. Faisal Shawwa

Representative Member of Palestine Investment Fund

Mr. Faisal Al-Shawwa joined the Board of Directors of Ooredoo Palestine in January 2011. He was the General Manager of Al-Shawwa General Trading and Contracting Company. Additionally, he is the Chairman of Al-Shawwa General Trading. Mr. Al-Shawwa is also the Vice Chairman of the Board of Directors of the Middle East Pharmaceutical Company and the Vice Chairman of the Board of Directors of Al-Amal Asphalt Company. He is also a Board member of the Bank of Palestine, a Board member of the Palestine Electric Company (PEC), and the Vice Chairman of the Board of the Palestinian Trade Center (PalTrade). Mr. Faisal is a member of the American Engineering Association, the Palestinian Contractors Union, the Palestine Engineers Association, and the Palestinian Businessmen Association.

Mr. Al-Shawwa holds a Master's degree in Business Administration from North Virginia University and a Bachelor's degree in Civil Engineering from Memphis State University, USA.

MEMBERS OF THE BOARD OF DIRECTORS

Dr. Hussein Al-Araj
Representative Member of Palestine Investment Fund

Dr. Hussein Al-Araj joined the Board of Directors of Ooredoo Palestine in November 2020. He previously served as the Minister of Local Government, and held several governmental positions, such as the President's Office Chief of Staff, Head of the General Personnel Council, Hebron Governor, and a local government affairs and decentralization advisor in the CHF International.

Dr. Al-Araj also worked as an academic instructor in many Palestinian universities and is a member of several boards of trustees and boards of directors of a number of Palestinian universities, funds, unions and companies. He is the author of several studies in public administration, local government, decentralization, and development. Dr. Al-Araj participated in many conferences and seminars at the local, regional, and international levels.

Dr. Al Araj holds a Ph.D. in Management from the University of Glasgow, UK, and a Master's degree in Public Administration from Roosevelt University, USA, and a Bachelor's degree in Public Administration from the University of Jordan, Amman.

Mrs. Munira Al-Dosari
Representative Member of Wataniya International Company

Mrs. Munera AL Dosari has joined the Board of Directors of Ooredoo Palestine in May 2022. She currently serves as Chief Executive Officer of Starlink. Previously, Mrs. Al Dosari was Chief Strategy Officer at Ooredoo Qatar. AL Dosari is a serial entrepreneur who co-founded several startups. She is a thriving professional and technology enthusiast, who has won the Talent of the Year Award at the Arab Women Awards in 2014 and was ranked 12th among the most influential women in Qatar in 2016.

Munera holds BENG in Electronics Engineering from Portsmouth and a Master's degree in Strategic Business Unit Management from HEC Paris. In addition, she also completed a National Leadership Program at the Qatar Leadership Centre.

Mr. Eyas Assaf
Representative Member of Wataniya International Company

Mr. Eyas Assaf has joined the Board of Directors of Ooredoo Palestine in May 2022. He currently serves as Deputy Group CFO of Ooredoo Group. He previously occupied the position of Chief Financial Officer for Ooredoo Indosat Ooredoo, Algeria, and Asiacell. Mr. Assaf holds a Bachelor of Science Degree in Accounting from Jordan and a Certified Public Accountant in the USA.

MEMBERS OF THE EXECUTIVE MANAGEMENT

Dr. Samer Fares

CEO

Dr. Samer Fares is the Chief Executive Officer of Ooredoo Palestine. He assumed the role of CEO in May 2023. Dr. Fares first joined the Ooredoo family in 2007, bringing with him a wealth of experience and expertise to his new role. Dr. Fares worked at Ooredoo Palestine as a General Counsel, successfully overseeing the launch of the company in 2009.

In 2012, Dr. Fares joined Ooredoo Group as Director of Legal and Regulatory Affairs, where he was instrumental in managing legal and regulatory risks, providing strategic advice, and fostering strong relationships with regulatory bodies.

Dr. Fares has also served as Chief Legal and Regulatory Officer at Ooredoo Algeria, further bolstering his telecommunications portfolio and legal acumen in mitigating risks, driving team performance, and demonstrating exceptional leadership competence.

Before joining Ooredoo, Dr. Fares held the position of Director of the Institute of Law and Head of the Legal Department at the Faculty of Law and Public Administration at Birzeit University.

Dr. Samer Fares holds a Ph.D. in Law from Ghent University, Belgium.

Mr. Ahmad Khalil

Procurement and Supply Chain Director

Mr. Ahmed Khalil is the Procurement and Supply Chain Director at Ooredoo Palestine. He assumed the role in May 2019. Mr. Khalil first joined the Ooredoo family in 2010 and held the position of the Head of the Procurement Department. As the Procurement and Supply Chain Director, Mr. Khalil has a well-established career, where prior to joining Ooredoo, he worked for more than five years in the implementation of construction projects funded by the Emirates Red Crescent, plus three years as a procurement specialist in the World Bank Projects Division at the Ministry of Education. Mr. Ahmad Khalil is considered one of the top specialists in training on procurement and supply chains in Palestine. Mr. Khalil holds a bachelor's degree in civil engineering from Birzeit University. He also achieved a certificate from the Leadership Development Program from Harvard University, which was designed in collaboration with the Ooredoo Group.

Mr. Osama Qawasma

Chief Regulatory Officer

Mr. Osama Qawasma is the Chief Regulatory Officer at Ooredoo Palestine. He assumed the role in October 2019. Mr. Qawasma joined the Ooredoo family in 2008 and served in several senior positions in government and institutional relations management before assuming his current position. Mr. Qawasma has wide experience in the telecommunications sector and is an expert in the regulatory aspects of the telecom industry. Prior to joining Ooredoo Palestine as Government Relations Manager, Mr. Qawasma served as a Director in the Ministry of Telecommunications for more than 11 years and participated in numerous international conferences on related issues.

Mr. Qawasma holds a bachelor's and master's degrees in electronic engineering, Telecommunications, from Stettin University, Poland.

MEMBERS OF THE EXECUTIVE MANAGEMENT

Mr. Rami Barghouthi

General Counsel

Mr. Rami Barghouthi is the General Counsel at Ooredoo Palestine. He assumed the role in April 2021. Mr. Barghouthi first joined the Ooredoo family in 2013 as a Legal Counsel. He was appointed as the Secretary of the Board at the beginning of 2014. Prior to joining Ooredoo Palestine, Mr. Barghouthi worked as a lecturer at Birzeit University. Through his legal practice, he provided local and international legal consultations. Mr. Barghouthi has an outstanding experience in the areas of telecommunications and corporate laws, labor laws, and business management, in addition to a broad experience in corporate governance. Mr. Barghouthi holds a bachelor's degree in law from Birzeit University, a master's degree in Commercial Law from the University of Central Lancashire in the UK, and an Executive MBA from Northwestern University-Kellogg School of Management in the USA.

Mr. Shadi Qawasmi

Chief Commercial Officer

Mr. Shadi Qawasmi is the Chief Commercial Officer at Ooredoo Palestine. He assumed his role as CCO at Ooredoo Palestine in November 2022. Mr. Qawasmi first joined the Ooredoo family in February 2015 and served in various management positions, notably the position of Marketing Communications and Public Relations Director. Prior to Mr. Qawasmi's current position, he was appointed as Sales Director at Ooredoo Palestine in October 2018. Mr. Qawasmi has extensive experience in developing brands, building marketing and sales strategies to achieve better commercial performance, and managing digital transformation operations.

Mr. Qawasmi holds a bachelor's degree in marketing communications from "BYU" University in the United States of America, and a master's degree in marketing and Brand Management from "EDHEC" University in France. He also holds a certificate from the Leadership Development Program from Harvard University, which was designed in collaboration with the Ooredoo Group.

Mr. Tareq Tamimi

Director and Acting CHRO

Mr. Tareq Tamimi is the Director and Acting Chief of Human Resources and Administration Officer at Ooredoo Palestine. He assumed his role in November 2023. Mr. Tamimi first joined the Ooredoo family in 2010. Prior to Mr. Tamimi current position, he held the position of Talent Development Sr. Manager before this. Mr. Tamimi has contributed significantly to improving human resources operations and launching several strategic initiatives to create a distinctive work environment.

Mr. Tamimi has extensive experience in Human Resources and Talent management for nearly 13 years, in addition to extensive experience in the field of management and information technology, where he had some academic and managerial positions in several sectors before joining the company. Mr. Tamimi holds a bachelor's degree in management information systems from Palestine Polytechnic University and a master's degree in information systems and technology from CGU University in the United States of America. He also achieved the certificate of the Leadership Development Program from Harvard University, designed in collaboration with the Ooredoo group.

Mr. Fadi Ashayer

Corporate Services Director

Mr. Fadi Ashayer is the Corporate Services Director at Ooredoo Palestine. Mr. Ashayer assumed his role in November 2023. Mr. Ashayer first joined the Ooredoo family in 2007 and served in various positions within the Network Department, Human Resources Department, and Corporate Services Department. He has extensive experience in the fields of telecommunications, information technology, project planning and management, business development, and civil engineering. Mr. Ashayer holds a bachelor's degree in mechanical engineering from Birzeit University.

MEMBERS OF THE EXECUTIVE MANAGEMENT

Ms. Nancy Shamieh

Finance Director

Ms. Nancy Shamieh is the Finance Director at Ooredoo Palestine. She assumed her role at Ooredoo Palestine in December 2019. Ms. Shamieh first joined the Ooredoo family in 2007 and held several positions in the Finance Department, the last of which was the Senior Manager of Accounting and Treasury.

Ms. Shamieh has vast experience in financial and administrative management in general, in addition to extensive experience in accounting, management of investment projects, and management of financial portfolios in local banks and companies.

Ms. Shamieh holds a bachelor's degree in management and accounting and a master's degree in business administration from Birzeit University, as well as an accredited certificate in financial control from the IABFM Institute in Dubai. Ms. Shamieh also participated in an accredited Business Leaders Program delivered by the Swiss IMD Business School in 2015.

Mr. Naim Nazzal

Chief Technical Officer

Mr. Naim Nazzal is the Chief Technical Officer at Ooredoo Palestine. He assumed his role in May 2019. Mr. Nazzal first joined the Ooredoo family in 2007 and was responsible for network administration. He has deep experience in telecommunications and information technology, frequency management, project planning and management, and business development. He accumulated extensive expertise working for several local and international companies in the field of telecommunications and information technology.

Mr. Nazzal holds a bachelor's degree in Telecommunications Engineering from Birzeit University, and an MBA in Entrepreneurship from the same university, in addition to several international certifications in the areas of planning, operating, and managing information and telecommunications systems. Mr. Nazzal also participated in an accredited Business Leaders Program delivered by the Swiss IMD Business School.

INVESTORS RELATIONS

Ooredoo Palestine is committed to enhancing communication with its shareholders.
The company strives to apply the highest standards of transparency by disclosing administrative and financial performance information. Moreover, the company ensures that shareholders are well-informed about all significant matters and developments within the company. All important information is made available for shareholders through various disclosure channels, including periodic reports, the annual report, the company's website, and the Palestine Stock Exchange website.

The Investor Relations Department actively engages with shareholders through diverse communication channels. It is committed to promptly addressing any questions and inquiries from shareholders. Communication channels include Ooredoo Palestine's website, which features a comprehensive section dedicated to investor relations. Through this section, shareholders can access financial, administrative, and operational data. Additionally, the company regularly updates this section with periodic disclosures, annual reports, information on stock movements, press releases, and frequently asked questions to ensure shareholders remain well-informed.

To contact the Investor Relations Department

+970 (0) 56 800 3000
+970 (0) 56 800 2999
ir@ooredoo.ps
www.ooredoo.ps

OOREDOO PALESTINE STOCK

Ooredoo Palestine's stock was listed on the Palestine Securities Exchange in 2011, with an initial capital of $258 million. In 2018, the company increased its capital to $293 million, making Ooredoo Palestine the largest company listed on the Palestine Exchange (PEX) in terms of paid-up capital. This indirectly contributed to raising the market value of PEX at the end of 2023 by approximately 5.83%. Ooredoo also contributed 81.56% of the total trading sessions on PEX in 2023.

Disclosure Obligation

Total shareholders of Ooredoo Palestine reached 9,129 at the end of 2023. The following are the shareholders owning 5% or more as at 31/12/2023:

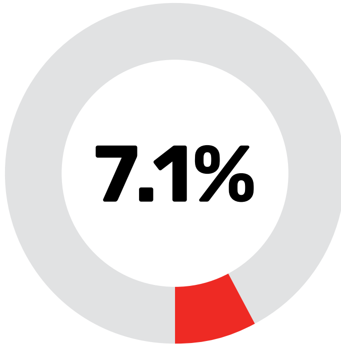
Shareholders' Name	Owned Percentage of Shares Owned	Number of Shares
Wataniya International FZ LLC	144,339,191	49.26%
Palestine Investment Fund (PIF)	92,872,124	31.70%
Aswaq Investments	17,067,797	5.83%

STOCK PERFORMANCE INDICATORS

Ooredoo Palestine stock performance in accordance with PEX during 2023

Number of traded shares

11,351,825 shares



PEX overall
159,778,308 shares

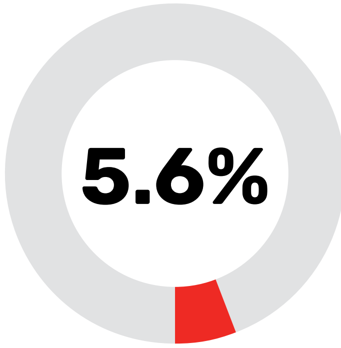
Value of shares

9,815,557 (USD)

PEX overall
330,900,956 (USD)

Number of executed deals

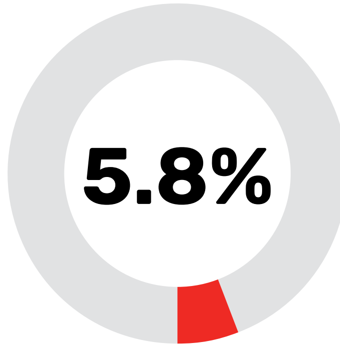
1,513 deals



PEX overall
27,185 deals

Market value

269,560,000 (USD)



PEX overall
4,625,052,877 (USD)

SUMMARY OF OOREDOO'S SHARE
Trading activity and ranking on PEX in 2023

#5

The market value of the company at year-end (USD)

#5

Number of traded shares

#7

Number of trading sessions in which the Company's share was traded

#11

Value of traded shares

#7

Number of executed deals

#3

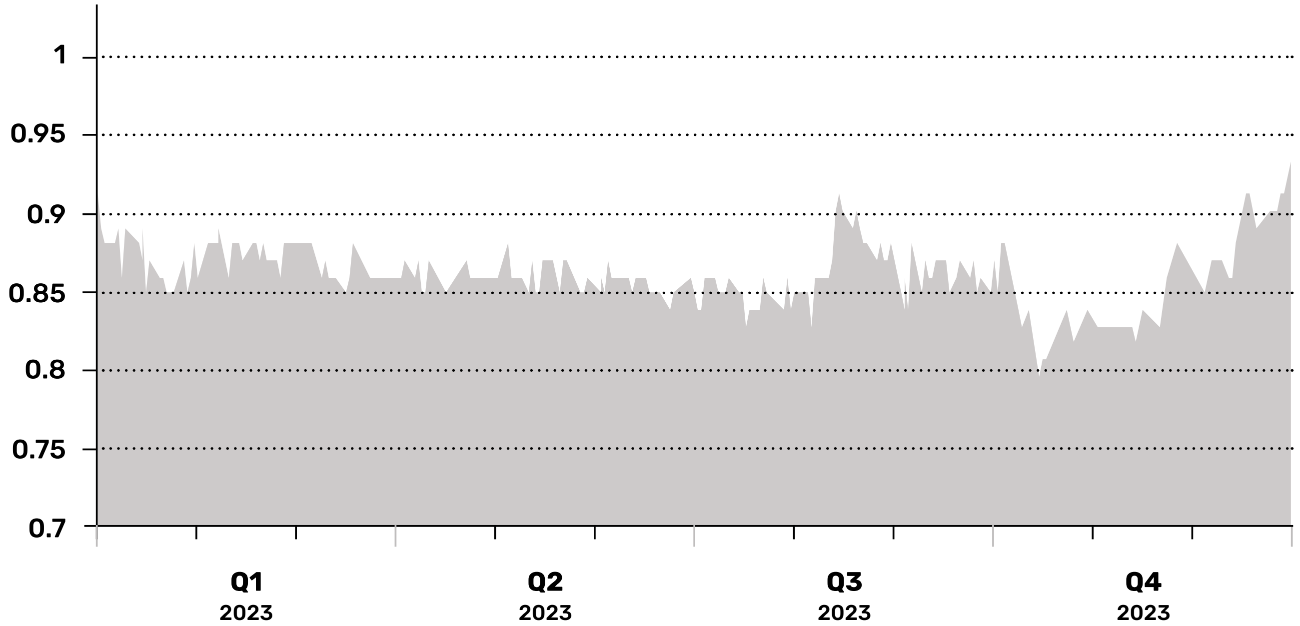
Number of shareholders

HIGHEST AND LOWEST PRICES OF
Ooredoo's share per quarter in 2023 and 2022

2023 (USD)	Q1	Q2	Q3	Q4
Highest price	0.90	0.87	0.90	0.92
Lowest price	0.83	0.82	0.81	0.76
Closing price	0.85	0.84	0.85	0.92

2023 (USD)	Q1	Q2	Q3	Q4
Highest price	1.00	0.93	0.90	0.95
Lowest price	0.90	0.86	0.84	0.83
Closing price	0.92	0.90	0.84	0.94

The following is Ooredoo's share trading movement in 2023



LEGAL DISCLOSURES

Legal Proceedings and Lawsuits Brought against Ooredoo

As of the date of this report, there are no major lawsuits or legal proceedings against Ooredoo that could significantly impact the company's financial position.

External Auditors

Price waterhouse Coopers Palestine was appointed as the company's external auditor for the year 2023. For the year 2023, the fees for audit services amounted to $52,000, while the fees for tax services totaled $30,421. In contrast, the total fees for the company in 2022 for audit services were $52,000, and the fees for tax services were $33,394.

External Legal Counsel

Andersen in Palestine for Legal and Investment Consulting Services in the West Bank and the Legal Advisory Office in the Gaza Strip were both appointed as the external legal counsels for the Company in 2023.

Relations of Kinship or Affinity among Board Members and Executives

In Ooredoo, there are no relations of kinship or affinity among members of the Board of Directors and the Executive Management. In addition, none of them has any business relationship with the company.

Major Deals with Related Parties

Ooredoo Palestine executed a deal to purchase a land located in Al-Bireh city from Arduna Real Estate Development Company for the construction of its new headquarters.

There are no outstanding debts owed to the company, and no individual has benefited from any guarantees exceeding five thousand Jordanian Dinars or its equivalent in legally circulated currency provided by the company since the beginning of the financial year 2023.

Declaration of Bankruptcy

No member of the Board of Directors or any of the Executive Management was declared bankrupt, nor were they subject to any lawsuits, convictions, or decisions prohibiting them from engaging in any managerial activities or certain operations within the past five years.

Board Members' Remunerations

Ooredoo's Board of Directors did not receive any remunerations or fees in 2023. Ooredoo, however, covers all expenses incurred by Board members for attending Board meetings.

Executive Management Contracts

Executive Management contracts are permanent and are no different from those of other employees in the company. They fully comply with the Palestinian Labor Law.

Intellectual Property, Franchises and Patents

Ooredoo owns several trademarks, which are part of its intellectual property, covering the majority of its activities. It is worth noting the company's main trademark logos:

Investment Policy and Risks

Ooredoo has not engaged in any major investments beyond the scope of its business over the past two fiscal years, and at the time of this report, it has not been exposed to any investment risks.

Sponsorships and Donations

Ooredoo attaches great importance and care to all segments of the Palestinian society. Serving local community is an integral part of the Company's strategy of staying ahead and assuming greater social responsibilities towards the Palestinian people. The total contribution of Ooredoo to community programs, in terms of grants and sponsorships, amounted to USD 634,204 in 2023.

Other Disclosures

Disclosure Regulation – Article 18-2:
Ooredoo submitted its unaudited final financial statements for 2023 to its Board of Directors for approval. There were no discrepancies between the initial financial statements and the audited final financial statements.

Disclosure Regulation - Article 20-1-A:
In general, there was no change in Ooredoo's business in the past two fiscal years, such as declaration of bankruptcy, merger, or disposal of any of its core assets. It is noteworthy that Ooredoo continued to offer new services throughout the year.

Disclosure Regulation - Article 20-4:
Most of Ooredoo's services are permanent and nonseasonal, except for some value-added services related to the provision of specific seasonal information content.

Disclosure Regulation - Article 20-8:
There was no interruption in Ooredoo's business during the previous period that materially affected its financial position.

Disclosure Regulation - Article 21-3:
Ooredoo does not invest or hold equity in any other company, inside or outside Palestine.

Disclosure Regulation - Article 21-4:
Ooredoo Palestine does not carry out any operational activities outside of Palestine.

Disclosure Regulation - Article 24:
With respect to properties, the following table shows the location, size, and characteristics of each major asset of Ooredoo:

Disclosure Regulation - Article 24: With respect to properties, the following table shows the location, size, and characteristics of each major asset of Ooredoo :

Property and tools	site	Characteristics
communication Network	Throughout the West Bank and Gaza Strip	Switches, coverage towers, messaging network, Grid electricity supply devices
Network infrastructure	Throughout the West Bank and Gaza Strip	Civil and infrastructure works for building networks, in addition to towers and fences
IT systems & computers	Ooredoo's headquarters, branches, and showrooms	Information systems and accessories
Office equipment	Ooredoo's headquarters, branches, and showrooms	Office supplies and accessories in the headquarters and showrooms
Furniture and Fixtures	Ooredoo's headquarters, branches, and showrooms	Furnishings at headquarters and showrooms
Leasehold improvements	Ooredoo's headquarters, branches, and showrooms	Civil, electrical & mechanical works in the headquarters and showrooms
Others	Ooredoo's headquarters, branches, and showrooms	Fire extinguishers and water tanks

Disclosure Regulation - Article 30-2:

The Company's earnings per share were stated in Note (24) of the audited financial statements for 2023.

Disclosure Regulation - Article 31-2:
Financial transactions processed during 2023 in currencies other than the US dollar were converted to US dollar according to the exchange rates prevailing on the transaction date. Monetary assets and liabilities were revaluated at the end of 2023 to the US dollar according to the Israeli Shekel US dollar exchange rate of 3.61. The Bank of Palestine was the source of the exchange rates.

Disclosure Regulation - Article 31-3-A + B:

1. The abundance of working capital, its internal sources, and unused cash, as well as the factors that led to its increase were referred to in the cash flow statement in the audited financial statements of 2023.
2. Sources of capital were referred to in Notes (1) and (12) of the audited financial statements of 2023. Projected changes in capital structure were also noted under the Item "Change in Control".

FINANCIAL STATEMENTS

Ooredoo Palestine seeks to ensure the stability, security, and sustainability of the company by applying the highest standards of corporate governance, principles, and best practices of transparency.

Wataniya Palestine Mobile Telecommunication - Public Shareholding Company (Ooredoo Palestine)

Financial statements for the year ended December 31, 2023

and independent auditor's report

CONTENTS **PAGES**

Independent auditor's report to the shareholders of Wataniya Palestine Mobile Telecommunication - Public Shareholding Company (Ooredoo Palestine)

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Wataniya Palestine Mobile Telecommunication - Public Shareholding Company (Ooredoo Palestine) (hereinafter the "Company") as at December 31, 2023 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- The statement of financial position as at December 31, 2023;
- The statement of profit or loss for the year then ended;
- The statement of comprehensive income for the year then ended;
- The statement of changes in equity for the year then ended;
- The statement of cash flows for the year then ended; and
- The notes to the financial statements, which include 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 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). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Overview

Key Audit Matter	• Impairment of property and equipment • Revenue recognition *and related complex IT systems*

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 management 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.

PricewaterhouseCoopers, Amaar Tower, Level 7, Al-Irsal, Ramallah, Palestine
T: +970 (02) 242 0230, F: +970 (02) 242 0231, P.O Box 1317 (Ramallah), www.pwc.com/middle-east

Our audit approach (Continued)

Overview (continued)

We tailored the scope of our audit 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 Company, the accounting processes and controls, and the industry in which the Company operates.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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
<u>**Impairment of property and equipment:**</u> As disclosed in note (22) to the accompanying financial statements, The Company has assessed the damages to the Network and infrastructure of the Company included in property and equipment as a result of the ongoing conflict in Gaza. The Company has performed an assessment of the impairment in Network and infrastructure and recorded an impairment loss of USD 4,620,769. We considered the Company's impairment assessment of Network and infrastructure to be a matter of most significance to the current year audit due to the significant judgements and assumptions made by management in performing the impairment assessments and determining the impairment loss in light of available data. Refer to the following notes to the financial statements for detail: Notes 2.3 Significant accounting judgements and estimates Note 3.1 Impairment of PPE Note 3 property and equipment Notes 22 Impairment loss	We performed audit procedures over this significant risk area, which included a combination of tests of controls and substantive procedures as described below: • We obtained an understanding of the business process for the impairment assessment, identifying the relevant internal controls; • We obtained and considered the traffic reports to assess the overall reduction in traffic and to develop expectation as to the level of damage; • We obtained and inspected the site visit reports provided by the management; • We reviewed publicly available data that provided information about the level of damage in Gaza; • We reviewed the reasonableness of the methodology and tested the arithmetical accuracy of the model used by management to estimate the impairment loss at the individual assets level or at the cash generating unit (CGU) level; • We developed an expectation of the impairment loss at individual assets level and compared it to the impairment recorded by the management; and • We utilized internal valuation specialist to support us in assessing the assumptions and methodology used by management in developing the impairment loss at the cash generating unit (CGU) level. We also assessed the adequacy of the related disclosures provided in the financial statements.

Independent auditor's report to the shareholders of Wataniya Palestine Mobile Telecommunication - Public Shareholding Company (Ooredoo Palestine) (Continued)

Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition and related complex IT systems: As disclosed in note (17) to the accompanying financial statements, the Company's total revenue for the year ended December 31, 2023 amounted to USD 109,001,985. Telecommunication services are the largest contributor to this amount with revenue of USD 99,245,086. We considered this area to be a matter of most significance, as there is an inherent risk around the recognition of revenue in telecommunication services given that revenue is processed by complex IT systems involving large volumes of data with a combination of different products, services, and related prices. This resulted in a significant portion of our audit effort directed towards revenue and related IT systems. Refer to the following notes to the financial statements for detail: Notes 2.3 Significant accounting judgements and estimates Notes 2.4 Revenue recognition Note 17 Revenue Note 30 Segment Reporting	We audited the telecommunications services revenues significant risk area through a combination of controls testing, risk analytics and other substantive audit procedures, as stated below: ● We understood and evaluated the significant revenue processes and identified the relevant controls (including IT systems, interconnection, and reporting systems); ● We tested IT general controls, which address pervasive IT risks around access security, change management, data center, network operations and price changing authorities and inputs on relevant billing and supporting systems; ● We involved our internal Information Technology specialists to assist us with testing the IT general controls and application controls of IT systems connected with the processing of transactions associated with significant revenue; ● We performed automated and manual controls testing and substantive procedures, to verify accuracy and occurrence of revenue. This included testing the end-to-end reconciliations from data records extracted from source systems to the billing systems and to the general ledger; ● We tested calls using various parameters to ascertain the instances will accurately be processed through the network elements and until recognition; ● We performed risk analytics and analytical review of significant revenue sources after developing an expectation of revenues based upon non-financial data principally derived from subscriber numbers, which are the main driver of these revenues; ● We examined the reconciliations of revenue prepared by management between the billing systems and the accounting system; and ● We also assessed the adequacy and presentation of disclosures relating to IFRS (15) in the accompanying financial statements.

Independent auditor's report to the shareholders of Wataniya Palestine Mobile Telecommunication - Public Shareholding Company (Ooredoo Palestine) (Continued)

Other information

Management is responsible for the other information. The other information comprises all the information included in the Annual Report of the Company for 2023 (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.

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 management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and the applicable laws and regulations of Palestine, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 judgment and maintain professional skepticism 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.

(All amounts are expressed in US Dollar unless otherwise stated)

Independent auditor's report to the shareholders of Wataniya Palestine Mobile Telecommunication - Public Shareholding Company (Ooredoo Palestine) (Continued)

Auditor's responsibilities for the audit of the financial statements(continued)

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 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.

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial 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.

For and on behalf of PricewaterhouseCoopers Palestine Limited
License number 207/2012

Hazem Sababa
License number 115/2003

February 15, 2024
Place: Ramallah, Palestine

STATEMENT OF FINANCIAL POSITION

As at 31 December

	Note	2023	2022*
ASSETS			
Non-current assets			
Property and equipment	(3)	48,824,404	58,530,676
Right-of-use assets	(4)	8,880,802	11,134,783
Intangible assets	(5)	40,337,066	45,920,864
Other non-current assets	(6)	342,833	1,177,849
Deferred tax asset	(7)	840,300	795,623
Total non-current assets		**99,225,405**	**117,559,795**
Current assets			
Inventories	(8)	827,796	1,931,080
Other current assets	(9)	2,714,737	2,307,368
Trade and other receivables	(10)	22,486,011	16,933,887
Other bank balances	(11)	33,238,098	13,757,281
Cash and cash equivalents	(11)	61,717,269	59,368,485
Total current assets		**120,983,911**	**94,298,101**
Total assets		**220,209,316**	**211,857,896**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	(1, 12)	293,000,000	293,000,000
Share premium	(1)	11,610,000	11,610,000
Accumulated losses		(154,825,754)	(170,964,781)
Total equity		**149,784,246**	**133,645,219**
LIABILITIES			
Non-Current liabilities			
Lease liabilities	(13)	3,643,132	6,245,612
Employees' benefit	(14)	8,403,003	7,956,233
Total non-current liabilities		**12,046,135**	**14,201,845**
Current liabilities			
Trade and other payables	(15)	48,714,496	51,850,729
Deferred income	(16)	3,695,485	4,384,683
Income tax payable	(7)	1,751,401	3,863,202
Lease liabilities	(13)	4,217,553	3,912,218
Total current liabilities		**58,378,935**	**64,010,832**
Total liabilities		**70,425,070**	**78,212,677**
Total equity and liabilities		**220,209,316**	**211,857,896**

*Restated – Please refer to note 32 "Comparative figures".

- The accompanying notes from page 11 to 46 form an integral part of these financial statements.
- The financial statements on pages 6 to 46 were approved and authorized for issuance by the Board of Directors on February 4, 2024.

Dr. Samer Fares	Mr. Mohammed AbuRamadan
Chief Executive Officer	**Board Chairman**

STATEMENT OF PROFIT OR LOSS

For the years ended December 31

	Note	2023	2022
Revenue	(17)	**109,001,985**	115,520,016
Network, interconnect, and other operating expenses	(18)	**(46,739,194)**	(52,176,309)
Employees' salaries and associated costs	(19)	**(18,012,689)**	(21,900,049)
Depreciation and amortization	(3,4,5)	**(23,266,659)**	(23,341,992)
Finance cost	(20)	**(616,762)**	(681,443)
Finance income	(21)	**2,574,921**	1,444,983
Impairment of trade and other receivables	(10,22)	**(375,160)**	-
Impairment loss	(22)	**(4,987,801)**	-
Other gains\(losses) - net	(23)	**237,209**	(402,726)
Profit before income tax		**17,815,850**	**18,462,480**
Income tax expense	(7)	**(1,676,823)**	(1,826,182)
Profit for the year		**16,139,027**	**16,636,298**
Basic and diluted earnings per share	(24)	**0.0551**	**0.0568**

- The accompanying notes from page 11 to 46 form an integral part of these financial statements.

Wataniya Palestine Mobile Telecommunication - Public Shareholding Company *(Ooredoo Palestine)*
Financial statements for the year ended 31 December 2023
(All amounts are expressed in US Dollar unless otherwise stated)

STATEMENT OF COMPREHENSIVE INCOME

For the years ended December 31

	2023	2022
Profit for the year	**16,139,027**	**16,636,298**
Other comprehensive income items	-	-
Total comprehensive income for the year	**16,139,027**	**16,636,298**

- The accompanying notes from page 11 to 46 form an integral part of these financial statements.

Wataniya Palestine Mobile Telecommunication - Public Shareholding Company *(Ooredoo Palestine)*

Financial statements for the year ended 31 December 2023

(All amounts are expressed in US Dollar unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Accumulated losses	Total equity
Balance at 1 January 2022	293,000,000	11,610,000	(187,601,079)	**117,008,921**
Profit for the year	-	-	16,636,298	**16,636,298**
Balance at December 31 2022	**293,000,000**	**11,610,000**	**(170,964,781)**	**133,645,219**
Balance at 1 January 2023	**293,000,000**	**11,610,000**	**(170,964,781)**	**133,645,219**
Profit for the year	**-**	**-**	**16,139,027**	**16,139,027**
Balance at December 31 2023	**293,000,000**	**11,610,000**	**(154,825,754)**	**149,784,246**

-The accompanying notes from page 11 to 46 form an integral part of these financial statements.

Wataniya Palestine Mobile Telecommunication - Public Shareholding Company *(Ooredoo Palestine)*

Financial statements for the year ended 31 December 2023

(All amounts are expressed in US Dollar unless otherwise stated)

STATEMENT OF CASH FLOWS

For the years ended December 31

	Note	2023	2022*
Cash flow from operating activities			
Profit before income tax		**17,815,850**	18,462,480
Adjustments for:			
Depreciation of property and equipment	(3)	**11,216,220**	12,174,240
Depreciation of right of use assets	(4)	**4,612,475**	3,679,173
Amortizations	(5)	**7,437,964**	7,488,579
Impairment of trade and other receivables	(10)	**375,160**	-
Impairment loss	(22)	**4,987,801**	-
Provision for employees' benefits	(14)	**1,436,466**	1,424,618
Interest expense	(20)	**-**	19,101
Interest on lease liability	(20)	**556,762**	602,821
Finance income	(21)	**(2,574,921)**	(1,444,983)
Currency variance on cash and cash equivalents		**317,014**	1,611,791
Loss from termination of lease contracts	(4,13)	**18,518**	-
(Gain) Loss of assets classified as held for disposal	(3)	**(98,957)**	237,138
(Gain) on disposal of property and equipment	(23)	**(256,977)**	(10,306)
		45,843,375	**44,244,652**
Change in working capital:			
Inventories	(8)	**783,284**	67,136
Other current assets	(9)	**(407,369)**	533,325
Trade and other receivables	(10)	**(2,092,021)**	(1,732,406)
Trade and other payables	(15)	**(7,252,718)**	4,657,045
Deferred income	(16)	**(689,198)**	(2,196,626)
Net cash inflow from operating activities before payments of employees' benefits and income tax payments		**36,185,353**	**45,573,126**
Payments of employees' benefits	(14)	**(989,696)**	(1,206,207)
Income tax payments	(7)	**(3,833,301)**	-
Net cash inflow from operating activities		**31,362,356**	**44,366,919**
Cash flow from investing activities			
Payments for property and equipment	(3,6)	**(5,028,261)**	(7,454,637)
Payments for intangible assets	(5)	**(1,784,126)**	(1,120,242)
Proceeds from sale of property and equipment	(3)	**408,381**	28,433
Cash (outflow)/inflow for restricted cash	(11)	**(122,601)**	451,748
Cash outflow for deposit with maturity of more than three months	(11)	**(19,358,216)**	(7,736,165)
Finance income received		**2,419,184**	828,573
Net cash (outflow) from investing activities		**(23,465,639)**	**(15,002,290)**
Cash flows from financing activities			
Principal elements of lease payments	(13)	**(4,674,157)**	(5,621,063)
Payments of interest on lease liability	(20)	**(556,762)**	(602,821)
Net cash (outflow) from financing activities		**(5,230,919)**	**(6,223,884)**
Net increase in cash and cash equivalents		**2,665,798**	**23,140,745**
Currency variance on cash and cash equivalents		**(317,014)**	(1,611,791)
Cash and cash equivalents, beginning of the year	(11)	**59,368,485**	37,839,531
Cash and cash equivalents, end of the year	(11)	**61,717,269**	**59,368,485**

*Reclassified – Please refer to note 32 "Comparative figures".

- The accompanying notes from page 11 to 46 form an integral part of these financial statements.

1. GENERAL

Wataniya Palestine Mobile Telecommunication Company (hereinafter "the Company"), located in Ramallah, was registered, and incorporated in Palestine on January 27, 2007 as a Private Limited Shareholding Company under registration No. 562499541. On October 25, 2010, the legal form of the Company was changed to a Public Shareholding Company under registration No. 562601328.

The Company was formed with an authorized share capital of 5,000,000 shares with USD 1 par value each. During 2008, the Company's authorized and paid-in share capital was increased to 170,000,000 shares with USD 1 par value each. The Company's General Assembly in its extraordinary meeting held on October 25, 2010 resolved to increase the Company's authorized share capital to 258,000,000 shares with USD 1 par value each. The existing shareholders Wataniya International FZ - LLC (WIL) and Palestine Investment Fund, PLC (PIF) subscribed for 49,300,000 shares through capitalizing a portion of the shareholders' loans and the related accrued interest. The remaining 38,700,000 shares were offered to the public at an offer price of USD 1.3 per share, resulting in a share premium of USD 11,610,000. The public offering took place during the period from November 7, 2010 to December 2, 2010. On January 23, 2018 and during the extraordinary meeting of the General Assembly of the Company, the shareholders approved increasing the capital of Wataniya Palestine Mobile Telecommunication Limited Company through offering 35,000,000 more shares for public subscription to increase the capital from USD 258,000,000 to USD 293,000,000 with USD 1 par value each.

On March 14, 2007, the Company entered into a license agreement (the License) with the Ministry of Telecommunications and Information Technology (the MTIT) to provide 2G and 3G mobile services in the West Bank and Gaza. The term of the License is for fifteen years from the effective date being the date on which the MTIT makes the frequencies available to the Company. The effective date was originally set on August 6, 2008. On December 16, 2009, the MTIT approved the Company's request to determine September 10, 2009 as the effective date, instead of August 6, 2008, since it represents the date on which only 2G frequencies were allocated. On March 16, 2015, the MTIT approved to extend the terms of the license useful life for an additional five years.

The Company started its operations on November 1, 2009.

The Company is a subsidiary of National Mobile Telecommunications Company K.S.C.P. ("the Parent Company"), which in turn is a subsidiary of Ooredoo Q.P.S.C. ("the Ultimate Parent Company"), a Qatari Shareholding Company whose shares are listed on the Qatar Exchange.

On November 27, 2018, the Company has officially rebranded as Ooredoo Palestine. The rebrand of Wataniya Mobile is part of Ooredoo Group's strategy.

The Company's main activities are offering, managing, and selling wireless telecommunication services, as well as constructing and operating wireless telecommunication stations and telephone networks.

The financial statements of the Company as of December 31, 2023 were authorized for issue in accordance with the Board of Directors resolution on February 4, 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied by the Company in the preparation of these financial statements are set below.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation

2.1 (a) Compliance with IFRS Accounting Standards

The financial statements for the year then ended December 31, 2023 have been prepared in accordance with the IFRS Accounting Standards and interpretations issued by the IFRS Accounting Standards Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS Accounting Standards. The financial statements comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

2.1 (b) Historical cost convention

The financial statements have been prepared under the historical cost basis.

2.1 (c) Functional and presentation currency

The financial statements are presented in US Dollar, that represents the functional currency of the Company.

2.2 Changes in accounting policies

The accounting policies used in the preparation of the financial statements of the Company are consistent with those followed in the preparation of the financial statements for the year ended December 31, 2022 except for the adoption of new standards and amendments to existing standards as mentioned below:

New and amended standards adopted by the Company:

The Company has applied the following Standards, amendments and interpretations for the first time for their annual reporting period commencing 1 January 2023:

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

The above standards, amendments and interpretation to accounting standards did not have any material impact on the Company's financial statements and did not require retrospective adjustments and there are no other standards, amendments or interpretations that became effective for the first time for the annual reporting period commencing 1 January 2023 and have a material impact on the Company.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies (Continued)

Impact of new standards (issued but not yet adopted by the Company)

New amendments and interpretations not effective for the financial year beginning 1 January 2023 and not early adopted by the Company.

- Non-current liabilities with covenants – Amendments to IAS 1;
- Lease liability in sale and leaseback – amendments to IFRS 16 and;
- Supplier financing arrangements – Amendments to IAS 7 and IFRS 7
- Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28
- Classification of Liabilities as Current or Non-current Amendments to IAS 1

These new standards and amendments are not expected to have a material impact on the Company.

2.3 Significant accounting judgments and estimates

The preparation of the financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.
Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments
In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Going concern
The Company has considered the impact of the conflict in Gaza on the ability for the Company to continue as a going concern. The Company still runs the majority of its operations in the West Bank and accordingly derives the vast majority of the revenue, profit and cash flows from the West Bank. Also, as outlined in the liquidity risk disclosures (Note 28.4), the Company's unleveraged position means that management expects to be able weather any downturn in revenues and fund the rebuilding of assets when circumstances permit. Even if the conflict in Gaza persists into the future, the Company expects to be able to generate positive cash flows from its operations in the West Bank alone. Furthermore, the Company has an insurance policy that includes coverage against damage to assets caused by war and expects to be able to make a claim under this policy to aid in funding reconstruction in the future. The Company continues to monitor the situation closely, including potential impacts on its operations. Any further escalation in the conflict impacting the business in Gaza may result in additional material impacts on the Company's future results and operations, but management does not expect that the conflict in Gaza will significantly endanger the Company's ability to continue as a going concern.

Impairment
In light of the situation in Gaza the company has had a number of its cell phone towers destroyed in the course of the conflict. The Company has taken the view that any towers substantively destroyed in their entirety can be assessed for impairment at the asset level and have no recoverable amount. These assets have been impaired in full. Other towers that have been damaged but not destroyed still form part of the single overall CGU and cannot be tested separately. It would not be appropriate to make a provision for the future repair costs of fixed assets so these damaged towers were tested for impairment as part of the single CGU. This impairment test included budgeted cash outflows for reconstruction.
The Company believes that there is only a single CGU because in normal times subscribers can move between Gaza and the West Bank and therefore the towers in Gaza do not generate cash inflows that are separate from towers in the West Bank. The results of the impairment test performed at the CGU level are set out in note 3.1.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Significant accounting judgments and estimates (continued)

Revenue recognition
Revenue recognition under IFRS 15 necessitates the collation and processing of very large amounts of data, use of management judgements and estimates to produce financial information. The most significant accounting judgements and source of estimation uncertainty are disclosed below.

Judgments in determining the timing of satisfaction of performance obligations
Per note 17, the Company generally recognizes revenue over time as it performs continuous transfer of control of these services to the customers. Because customers simultaneously receive and consume the benefits provided by these services and the control transfer takes place over time, revenue is also recognized based on the extent of service transfer/completion of transfer of each performance obligation. In determining the method for measuring progress for these POs, we have considered the nature of these services as well as the nature of its performance.
For performance obligations satisfied at a point in time, the Company considers the general requirements of control (i.e., direct the use of asset and obtain substantially all benefits) and the following non-exhaustive list of indicators of transfer of control:

- Entity has present right to payment
- Customer has legal title
- Entity has transferred legal possession
- Customer has significant risk and rewards
- Customer has accepted the asset

In making their judgment, management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Company had transferred control of the goods to the customer. Following the detailed quantification of the Company's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work or to require replacement of the goods, management are satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate warranty provision for the rectification costs. However, the determination of obligations is, for the primary goods and services sold by the Company, not considered to be a critical accounting judgment.

Principal versus agent

Significant judgments are made by management when concluding whether the Company is transacting as an agent or a principal. The assessment is performed for each separate revenue stream in the Company. The assessment requires an analysis of key indicators, specifically whether the Company:

- carries any inventory risk;
- has the primary responsibility for providing the goods or services to the customer;
- has the latitude to establish pricing; and
- bears the customer's credit risk.

Whether the Company is considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the agreement between the Company and its business partners. Scenarios requiring judgment to determine whether the Company is a principal or an agent include, for example, those where the Company delivers third-party branded services (such as value added services) to customers.

2. Summary of Material accounting policies (continued)

2.3 Significant accounting judgments and estimates (continued)

Determining the lease term

Extension and termination options are included in a number of asset leases across the Company. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension and termination options are included in several leases across various classes of right-of-use assets across the Company.
For leases of the assets, the following factors are normally the most relevant:
- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).

Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

In addition to the judgment disclosed above in respect of the application of IAS 36 "Impairment of assets" to damaged and destroyed cell phone towers in Gaza, significant estimates were also made in determining the numerical amounts of the impairment loss recorded. Full details of these estimates are disclosed in note 3.1.

Useful lives of property, plant and equipment

The Company's management determines the estimated useful lives of its property, and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned above. but it is not considered to be a significant risk of material adjustment to the carrying values of property, plant and equipment in the year to December 31, 2023, if these estimates were revised.

2. Summary of Material accounting policies (continued)

2.3 Significant accounting judgments and estimates (continued)

Intangible assets (license)

As set out in notes (5 & 25), the Company's telecommunications license was agreed for a fixed sum of USD 140,000,000 plus additional contingent payments of USD 214,000,000 based on growth in subscriber numbers. Certain other capping mechanisms were also included within the contract. However, the Company is of the opinion that the Ministry of Telecommunications and Information Technology (MTIT) did not comply with the license terms and as such the Company cannot be required to pay the full license fee of USD 354,000,000. In light of the fact that MTIT did not provide the relevant 2G and 3G frequencies on a timely basis and was not able to secure import permits for the necessary equipment, the Company does not believe that it is bound by the original contractual payment terms. The Company is in negotiations with MTIT in respect of the license and in light of the circumstances believes that this arrangement represents a potential liability of uncertain timing or amount within the scope of IAS 37. Furthermore, the Company is of the opinion that the significant underperformance on the part of MTIT, taken together with other capping mechanisms in the original contract, means that no additional amounts will be paid in respect of this license above and beyond the original USD 140,000,000 payment.

Calculation of loss allowance

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 28.3 "credit risk". The forward looking estimates are Oil prices, unemployment rate, and inflation.

Functional currency determination

The Company is based and has its operations in Palestine. Palestine does not have any domestic currency. The majority of the Company's sales are denominated in Israeli Shekels while cost is denominated in US Dollars. Thereby there are mixed primary indicators. However, the Company obtains funding for its operations in US Dollars and also retains the earnings largely in US Dollars. Therefore, the Company has concluded the US Dollar to be the functional currency of the Company.

2. Summary of Material accounting policies (continued)

2.4 Revenue recognition

Revenue is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties. Revenue is adjusted for expected discounts and volume discounts, which are estimated based on the historical data or forecast and projections. The Company recognizes revenue when it transfers control over goods or services to its customers.

Revenue from telecommunication services mainly consists of access charges, airtime usage, messaging, interconnect fees, data and connectivity services, connection fees and other related services. Services are offered separately or as bundled packages along with other services and/ or devices.
For bundle packages, the Company accounts for individual products and services separately if they are distinct. The consideration is allocated between separate product and services (i.e. distinct performance obligations, "PO") in a bundle based on their stand-alone selling prices.

The standalone selling prices are determined based on the observable price at which the Company sells the products and services on a standalone basis.

Mobile services
Mobile service contracts typically consist of specific allowances for airtime usage, messaging and data, and connection fees. In this type of arrangement, the customer simultaneously receives and consumes the benefits as the Company performs the service. Thus, the revenue is recognized over the period as and when these services are provided.

Sale of unlocked devices
Devices such as smart phones, are sold separately and are not bundled with mobile service contracts have standalone value to the customer and are unlocked devices. The revenue from sale of unlocked devices is recognized upon transfer of control to the customer.

Interconnection and Roaming service
Revenue from the interconnection and roaming of voice and data traffic with other telecommunications operators is recognized at the time of transit across our network.

Value-added services
The Company has offerings where it provides customers with additional content, such as music, video streaming and SMS services, as Value-Added Services (VAS). On this type of services, the Company recognizes as net revenue since they act as agent. Revenue is recognized at a point of time when relevant services are provided.

Connection fees
The Company has concluded that connection fees charged for the activation of services will be recognized over the contract period. The connection fees that are not considered as a distinct performance obligation shall form part of the transaction price and recognized over the period of service.

2. Summary of Material accounting policies (continued)

2.4 Revenue recognition (continued)

Multi elements arrangements (Mobile contract plus handset)

The Company has concluded that in case of multiple elements arrangements with subsidized products delivered in advance, the component delivered in advance (e.g. mobile handset), will require recognition of a contract asset. Contract asset primary relates to the Company's right on consideration for services and goods provided but not billed at the reporting date.

Upfront commission

The Company has concluded that the sale of prepaid cards to dealers or distributors where the Company retains its control over the prepaid cards is assessed as a consignment arrangement. Thus, the Company shall not recognize revenue upon sale to dealers or distributors but upon utilization or expiration of prepaid cards. Consequently, the commission arising from the sale of prepaid cards is recognized as an expense.

Discounts and promotions

The Company provides various discounts and promotions to its customers, which may be agreed at inception or provided during the contract term.

2.5 Expenses recognition

Expenses are recognized when incurred based on the accrual basis of accounting.

2.6 Income tax

The Company provides for income tax in accordance with the Palestinian Income Tax Law and IAS (12), which requires recognizing the temporary differences at the reporting date of the financial statements as deferred taxes. The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for Palestine, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the Palestine where the company operates and generates taxable income.

Deferred taxes are provided on temporary differences at the statement of financial position between the tax bases of assets and the liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date. Income tax expense represents the accrued income tax which is calculated based on the Company's taxable income. Taxable income may differ from accounting income as the latter includes non-taxable income or non-deductible expenses. Such income or expenses may be taxable or deductible in the following years.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses".

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously.

2. Summary of Material accounting policies (continued)

2.7 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated.

The property and equipment are depreciated on a straight-line basis over the estimated useful lives as follows:

	Useful life (Years)
Network and infrastructure	3-20
Buildings	40
Computers and office equipment	3-10
Furniture and fixtures	2-10
Decorations and leasehold improvements	3-8
Others	2-10

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized, and the carrying amount of the component that is replaced is written off. Other subsequent expenditures are capitalized only when they increase future economic benefits of the related item of property and equipment. All other expenditures are recognized in the statement of profit or loss as the expense is incurred.

The residual values, useful lives, and methods of depreciation of property and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

2.8 Work in process

Work in process comprise costs of direct labor, direct materials, equipment, and contractors' costs. After completion, projects in process are transferred to the appropriate category in property and equipment or intangible assets. The carrying values of projects in process are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the projects are written down to their recoverable amount.

2.9 Inventories

Inventories are stated at the lower of cost and net realizable value; cost is determined using the weighted average method. Costs are those amounts incurred in bringing each product to its present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred on completion and disposal.

2.10 Impairment of non-financial assets

Non-financial assets that are subject to depreciation or amortization are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized 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 largely independent cash inflows (cash-generating units). Prior impairment of non-financial assets are reviewed for possible reversal at each reporting date.

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2. Summary of Material accounting policies (continued)

2.11 Financial instruments

Financial assets and liabilities are recognized on the Company's statement of financial position when the Company becomes a contractual part of the instruments.

A. Financial assets

(i) Classification

The Company classifies its financial assets in accordance with IFRS (9). The Company's financial assets consist of trade receivables, other current assets less prepayments, and cash and cash equivalents. The classification depends on the purpose for which the financial assets were acquired.

(a) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Trade and other receivables are measured initially at their transaction price and subsequently carried at amortized cost using the effective interest method.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, current accounts, and bank deposits with original maturities of three months or less.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months or less, net of restricted bank deposits.

(ii) Recognition and measurement

Financial assets are initially measured at fair value plus transaction costs that are directly related to the acquisition of the financial assets (except for financial assets at fair value, where transaction costs that are directly related to the acquisition of financial assets are recognized directly in the statement of profit or loss). The subsequent measurement of non-derivative financial assets depends on their classification. The Company only maintains financial assets classified at amortized cost.

(iii) Subsequent measurement of financial assets at amortized cost

Assets held for the purpose of collecting contractual cash flows from them are measured at amortized cost using the effective interest rate method, whereby the contractual terms of the financial assets result on specific dates of cash flows that are only principal and interest payments on the principal outstanding. Interest income from this financial asset is recorded in finance income.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Financial instruments (continued)

(iv) Impairment of financial assets
(a) Trade and other receivables

The Company applies the simplified approach to IFRS (9) to measure expected credit losses, which use life expectancy allowance for all receivables.

The Company applies a simplified approach model to measure expected credit losses. The calculation of expected credit losses depends on the probability of default, which is calculated according to the credit risk and economic factors and the percentage of loss assumed that the default depends on the collection of trade and other receivables based on the characteristics of similar credit risks and the number of days of late payment, and accordingly the Company adopted a mathematical model based on the mentioned principles above to calculate the expected credit losses according to IFRS (9).

(b) Cash and cash equivalents

Cash and cash equivalents are also subject to the impairment requirements of IFRS (9).

(v) Derecognition of financial assets
Financial assets are derecognized from the statement of financial position when the contractual rights to the cash flows from the asset have expired, or when the financial asset or all of its risks and rewards of ownership have been transferred to another party. The difference in the carrying amount is recognized in the statement of profit or loss.

B. Financial liabilities

Financial liabilities mainly comprise of bank facilities and trade and other payables. Financial liabilities are initially measured at fair value and subsequently carried at amortized cost using the effective interest method. The Company's financial liabilities are classified as financial liabilities at amortized costs.

(i) Subsequent measurement
The measurement of financial liabilities depends on their classification. Liabilities are recognized for amounts to be paid in the future for goods or services received, whether they are claimed by the supplier or not. After initial verification, bank facilities, trade and other payables are subsequently measured at amortized cost using the effective interest rate method. Profits and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the amortization process.

(ii) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.12 Leases

A. Definition of leases

The Company assesses whether a contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a. The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
b. The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
c. The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

(i) The Company has the right to operate the asset; or
(ii) The Company designed the asset in a way that predetermines how and for what purpose it will be used.

B. As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate over a period of lease term. The incremental borrowing rate is the rate of interest that the Company would have to pay, to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of- use asset, in a similar economic environment. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease term determined by the Company comprises non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

Lease payments included in the measurement of the lease liability comprise the following:
a. Fixed payments; and
b. Lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

2 Summary of Material accounting policies (continued)

2.13 Provisions

Provisions are recognized when the Company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

2.14 Employees' benefit

The Company provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period, calculated under the provisions of the Labor Law and is payable upon resignation or termination of the employee. The expected costs of these benefits are accrued over the period of employment.

2.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as well as the interest expense on lease liabilities.

2.16 Intangible assets

The Company's main intangible asset is the license agreement with the Ministry of Telecommunications and Information Technology. The term of the license is twenty years including the extra years that were granted from the MTIT on March 16, 2015, the effective date of the license before the extension was granted on September 10, 2009, being the date on which the frequencies to launch operations in the West Bank were made available to the Company.

The intangible assets are recognized at cost less accumulated amortization and any accumulated impairment losses.

Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss.

- *License*
  License cost is amortized using the straight-line method over the license period of 20 years. Amortization expense is recognized in the statement of profit or loss.

- *Software*
  Software cost is amortized using the straight-line method over the useful lives of the assets. The software's useful lives ranged from 3 to 6 years. Amortization expense is recognized in the statement of profit or loss.

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2. Summary of Material accounting policies (continued)

2.17 Foreign currencies

Transactions denominated in currencies other than USD, occurring during the period, are translated to USD using the exchange rate at the date of the transaction. Monetary assets and liabilities, which are denominated in foreign currencies are translated into USD using the rate of exchange at the statement of financial position date. Gains or losses arising from exchange differences are reflected in the statement of profit or loss.

2.18 Trade and other payables

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether they are claimed by the supplier or not.

2.19 Finance cost

Finance costs comprise interest expense on lease liabilities and borrowings.

2.20 Finance income

Finance income comprises interest income on the deposits. Interest income is recognised as it accrues in profit or loss, using effective interest method.

2.21 Basic and diluted earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year. The Company does not have any dilutive securities.

2.22 Share capital

Ordinary shares
Ordinary shares are classified as equity.

Dividend on ordinary share capital
Dividend distributions to the Company's shareholders are recognized as a liability in the financial statements in the period in which the dividends are approved by the shareholders. Dividends for the year that are approved after the reporting date of the financial statements are considered as an event after the reporting date.

2.23 Events after the reporting date

The financial statements are adjusted to reflect events that occurred between the reporting date and the date when the financial statements are authorized for issue, provided they give evidence of conditions that existed at the reporting date. Any post year-end events that are non-adjusting events are discussed on the financial statements when material.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The board of directors have been identified as CODM. The Company has a single operating and reportable segment.

2.25 Going Concern

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

(All amounts are expressed in US Dollar unless otherwise stated)

3. PROPERTY AND EQUIPMENT

	Network and infrastructure	Buildings	Lands	Computers and office equipment	Furniture and fixtures	Decorations and leasehold improvements	Others	Work in Process*	Total
Cost									
As at January 1, 2023	**128,263,292**	**2,241,082**	**1,662,552**	**17,213,686**	**2,944,748**	**9,591,303**	**279,403**	**4,174,570**	**166,370,636**
Transfers from work in process	**1,860,672**	**-**	**-**	**228,667**	**13,784**	**75,877**	**249**	**(2,179,249)**	**-**
Additions	**2,222,215**	**-**	**3,952,800**	**547,122**	**16,079**	**83,989**	**1,237**	**3,086,280**	**9,909,722**
Disposals	**(624,511)**	**(2,241,082)**	**(1,662,552)**	**(6,988)**	**-**	**(157,468)**	**-**	**-**	**(4,692,601)**
Assets held for disposals	**98,957**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**98,957**
As at December 31, 2023	**131,820,625**	**-**	**3,952,800**	**17,982,487**	**2,974,611**	**9,593,701**	**280,889**	**5,081,601**	**171,686,714**
Accumulated depreciation and impairment									
As at January 1, 2023	**80,787,929**	**168,081**	**-**	**15,475,930**	**2,580,008**	**8,746,101**	**81,911**	**-**	**107,839,960**
Depreciation for the year	**9,613,447**	**56,027**	**-**	**1,067,484**	**136,555**	**305,897**	**36,810**	**-**	**11,216,220**
Disposals	**(475,371)**	**(224,108)**	**-**	**(6,988)**	**-**	**(155,204)**	**-**	**-**	**(861,671)**
Impairment (note 3.1)	**4,620,769**	**-**	**-**	**-**	**47,032**	**-**	**-**	**-**	**4,667,801**
As at December 31, 2023	**94,546,774**	**-**	**-**	**16,536,426**	**2,763,595**	**8,896,794**	**118,721**	**-**	**122,862,310**
Net carrying amount As at December 31, 2023	**37,273,851**	**-**	**3,952,800**	**1,446,061**	**211,016**	**696,907**	**162,168**	**5,081,601**	**48,824,404**

*Work in process relates to network expansions under construction.

3. PROPERTY AND EQUIPMENT (CONTINUED)

	Network and infrastructure	Buildings	Lands	Computers and office equipment	Furniture and fixtures	Decorations and leasehold improvements	Others	Work in Process(*)(**)	Total
Cost									
As at January 1, 2022**	122,812,077	2,241,082	1,662,552	17,804,192	2,829,027	9,199,709	142,300	4,608,704	**161,299,643**
Transfers from work in process**	2,846,414	-	-	746,281	29,314	255,647	89,364	(3,967,020)	**-**
Additions	2,891,657	-	-	220,525	121,983	177,475	47,739	3,532,886	**6,992,265**
Disposals	(97,324)	-	-	(1,508,074)	(37,208)	(41,528)	-	-	**(1,684,134)**
Assets held for disposals	(189,532)	-	-	(49,238)	1,632	-	-	-	**(237,138)**
As at December 31, 2022**	**128,263,292**	**2,241,082**	**1,662,552**	**17,213,686**	**2,944,748**	**9,591,303**	**279,403**	**4,174,570**	**166,370,636**
Accumulated depreciation									
As at January 1, 2022**	70,758,779	112,054	-	15,699,412	2,435,217	8,270,618	55,647	-	**97,331,727**
Depreciation for the year	10,111,806	56,027	-	1,284,102	180,229	515,812	26,264	-	**12,174,240**
Disposals	(82,656)	-	-	(1,507,584)	(35,438)	(40,329)	-	-	**(1,666,007)**
As at December 31, 2022**	**80,787,929**	**168,081**	**-**	**15,475,930**	**2,580,008**	**8,746,101**	**81,911**	**-**	**107,839,960**
Net carrying amount As at December 31, 2022**	**47,475,363**	**2,073,001**	**1,662,552**	**1,737,756**	**364,740**	**845,202**	**197,492**	**4,174,570**	**58,530,676**

*Work in process relates to network expansions under construction.
**Reclassified – Please refer to note 32 "Comparative figures.

(All amounts are expressed in US Dollar unless otherwise stated)

3. Property and equipment (continued)

3.1 Impairment

The situation in Palestine and specifically in Gaza continues to be unstable and unpredictable. As a result of the conflict, certain infrastructure of the Company has been damaged or destroyed either partially or fully and there were disruptions to the operation of many cellular transmission towers. The management has made an assessment that includes significant judgment to determine the amount of the impairment loss for the property plant and equipment, primarily cell phone towers.

As explained in Note 2.3, the Company in the first instance identified towers that were known to be substantively destroyed in order to impair these in full. As a completely destroyed tower clearly has no value in use or fair value, the recoverable amount was considered to be nil, tested at the asset level. While the Company is not able to freely visit and inspect all of its assets in Gaza at the current time, certain inspections have been possible. The Company is also able to identify towers that are definitely still working as traffic data from these towers can be observed at the Head Office in the West Bank. For the remaining towers that are offline but the Company has not been able to visit, it cannot be assessed with certainty whether these towers are offline because power has been cut, the fiber optic communication line to the tower has been cut, or the tower has been destroyed. The Company has applied various estimation techniques to extrapolate the data about sites where information is available to sites that are offline and have not been visited. On this basis the Company has also fully impaired certain other tower sites that are presumed destroyed based on this and other publicly available information about the amount of destroyed buildings in Gaza. The total impairment for destroyed towers is USD 4,620,769.

For the remaining towers that are either damaged or fully operational, the Company has performed a value in use test at the CGU level because towers do not individually generate separately identifiable cash inflows. As explained in note 2.3 the Company has only a single CGU. The value in use impairment test projected cash flows for the next 6 years before extrapolating for later periods at a growth rate of 3.5% and discounting at a WACC of 13.9%. The projections were extended beyond 5 years because a license renewal is expected in 6 years time so the inclusion of an additional year was necessary to include this significant anticipated cash flow relevant to the recoverability of the towers and other assets of the CGU. In addition to the growth and discount rates, the impairment test is also dependent on revenue and EBITDA assumptions.

As the Company has only a single CGU and the operations in Gaza are a small portion of the Company's revenues and profits, the impairment test had a significant amount of headroom. Substantially all of the Company's asset carrying amounts are supported by cash flows in just the next 5 years. Even after assuming no revenue from Gaza for 2024-2026, and a conservative USD 8,800,000 repair bill for damage in Gaza in 2024, the model continued to indicate significant amounts of headroom.

The Company's other property, plant and equipment in Gaza is not as significant as the towers and there is no indication that any other assets are fully destroyed other than USD 47,032 of furniture and fixtures. To the extent that other assets are damaged and will require repair, their value is supported as part of the value in use impairment test described above. Repair costs will be charged to profit or loss in future years as expenditure is incurred. New towers to replace destroyed ones will be capitalized when built.

While a significant amount of estimation was required in determining the appropriate impairment loss to record, the Company believes that the approach taken has enabled it to determine an appropriate charge within the bounds of materiality.

4. Right-of-use assets

	2023	2022
Balance, beginning of the year	**11,134,783**	6,780,655
Additions	**2,422,808**	8,033,301
Depreciation	**(4,612,475)**	(3,679,173)
Termination of lease contract	**(64,314)**	-
Balance, end of the year	**8,880,802**	**11,134,783**

Below is the breakdown of right-of-use asset per category:

	2023	2022
Network and infrastructure	**6,409,964**	8,008,914
Buildings	**1,785,254**	2,658,066
Others	**685,584**	467,803
	8,880,802	**11,134,783**

Below is the breakdown of the right-of-use assets depreciation charge for the years ended December 31, 2023 and 2022:

	2023	2022
Network and infrastructure	**3,127,171**	2,247,680
Buildings	**1,093,939**	1,038,583
Others	**391,365**	392,910
	4,612,475	**3,679,173**

(All amounts are expressed in US Dollar unless otherwise stated)

5. INTANGIBLE ASSETS

The movement of the intangible assets is as follows:

	License(***)	Software	Work in process(*)(**)	Total
Cost				
As at January 1, 2023	**140,000,000**	**36,111,384**	**976,473**	**177,087,857**
Transfers from the work in process	**-**	**407,078**	**(407,078)**	**-**
Additions	**-**	**560,585**	**1,293,581**	**1,854,166**
As at December 31, 2023	**140,000,000**	**37,079,047**	**1,862,976**	**178,942,023**
Accumulated amortization				
As at January 1, 2023	**99,542,406**	**31,624,587**	**-**	**131,166,993**
Amortization during the year	**6,042,153**	**1,395,811**	**-**	**7,437,964**
As at December 31, 2023	**105,584,559**	**33,020,398**	**-**	**138,604,957**
Net carrying amount As at December 31, 2023	**34,415,441**	**4,058,649**	**1,862,976**	**40,337,066**
Cost				
As at January 1, 2022**	140,000,000	35,099,724	733,456	**175,833,180**
Transfers from the work in process	-	683,518	(683,518)	-
Additions	-	328,142	926,535	**1,254,677**
As at December 31, 2022**	**140,000,000**	**36,111,384**	**976,473**	**177,087,857**
Accumulated amortization				
As at January 1, 2022**	93,500,253	30,178,161	-	**123,678,414**
Amortization during the year	6,042,153	1,446,426	-	**7,488,579**
As at December 31, 2022**	**99,542,406**	**31,624,587**	**-**	**131,166,993**
Net carrying amount				
As at December 31, 2022**	**40,457,594**	**4,486,797**	**976,473**	**45,920,864**

*Work in process represents capitalization of significant changes in the functionalities in the existing software or additions of new major software purchased from third-party suppliers from which the management believes that the company will have future economic benefits.
**Reclassified – Please refer to note 32 "Comparative figures"

5. INTANGIBLE ASSETS (continued)

*** The Company's telecommunication license was agreed in 2007 and commenced in 2009 when frequencies were first allocated to the Company in the West Bank. The terms of the license covered 2G and 3G in both the West Bank and Gaza for a total price of USD 354,000,000. An initial payment was made of USD 140,000,000 with additional payments to be made once certain subscriber numbers were reached.

However, the Ministry of Telecommunications and Information Technology ("MTIT") was not able to allocate the needed frequencies for 3G service in the West Bank, or any service in Gaza, for significant periods of time. MTIT was also unable to secure the necessary approvals for equipment entry to Palestine to facilitate the roll out of the network on a timely basis.

In light of the fact that the Company has not received access to all of the intangible rights for which they contracted, it believes that a large part of the license arrangement remains executory. MTIT has not provided all of the contracted rights and the Company has not paid in full. Consequently, the Company has assessed what it believes is a reasonable fee for the license received bearing in mind the attributes that were substantially delayed and others that still remain undelivered. The Company was unable to launch its services as originally anticipated due to MTIT's inability to meet its obligation under the license by allocating the needed frequencies and securing the necessary approvals for equipment entry, which resulted in a delay of the 2G services by 3 years in West Bank and by 10 years in Gaza while the permissions and frequency needed to launch 3G services in Gaza are still pending.

The Company's best estimate of the amount it will ultimately have to pay for the current license is USD 140,000,000 representing the amount already paid.

The amount ultimately due will be determined through negotiations during 2024 with MTIT and could significantly vary from the amount provided.

During the previous years, the MTIT requested the Company to pay additional amounts for the license, though the Company's current best estimate shows that it will not be obliged to pay any additional amounts for the license other than what was already paid since it was unable to utilize all the benefits granted in the license agreement.

Given the facts mentioned above and based on the delays, the management believes that its previous estimate that was made by considering a provision amounting to USD 44,871,337 to provide for and present the estimated value of the license is incorrect and accordingly during the current year they have corrected it as further explained in note 32.

The Company is currently in discussion with the government authorities in this regard. The government will asssign a third party evaluator and a conclusion is expected to be reached during 2024.

6. OTHER NON-CURRENT ASSETS

Other non-current assets mainly relates to long-term advances or deposits made in respect of property, plant and equipment.

7. DEFERRED TAX ASSET AND INCOME TAX PAYABLE

The movement on the income tax provision for the years ending December 31, 2023 and 2022 is as follows:

	2023	2022
Balance, beginning of the year	**3,863,202**	**2,015,178**
Provision for the year	**1,721,500**	1,848,024
Payments	**(3,545,337)**	-
Currency differences	**(287,964)**	-
Balance, end of the year	**1,751,401**	**3,863,202**

The movement on the deferred tax assets for the years ending December 31, 2023 and 2022 is as follows:

	2023	2022
Balance, beginning of the year	**795,623**	**773,781**
Deferred tax asset addition	**44,677**	21,842
Balance, end of the year	**840,300**	**795,623**

The income tax (provision) on the statement of profit or loss represents the following:

	2023	2022
Provision for the year	**(1,721,500)**	(1,848,024)
Deferred tax asset	**44,677**	21,842
Income tax provision for the year	**(1,676,823)**	**(1,826,182)**

According to the Palestinian Investment Promotion Agency certificate issued on October 27, 2009, the Company was granted the right to benefit from the Palestinian Law for Encouragement of Investment. Accordingly, the Company is granted full exemption from income tax for a period of five years starting from the year in which the Company commenced its operations. In addition, the Company's taxable income will be subject to 50% of the nominal tax rate until December 31, 2030 (10% instead of 20%). During 2012, the Company agreed at the request of Palestinian Ministry of Finance to voluntary defer the full income tax exemption for the years 2012 and 2013. Therefore, the full income tax exemption is extended until 2016. The Company has reached a clearance with the Palestinian tax department for the years until 2022. The Company did not reach into a clearance for its business results for the year 2023.

8. INVENTORIES

	2023	2022
Goods and accessories	**289,758**	438,587
Other inventories	**858,038**	1,492,493
	1,147,796	**1,931,080**
Impairment loss* (Note 22)	**(320,000)**	-
	827,796	**1,931,080**

*Considering the current situation in Gaza and since the Company was not able to determine the actual damage to be written off, therefore, the company has provided for the amount of USD 320,000 which is the best estimate the management could conclude on for the inventory in Gaza.

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9. OTHER CURRENT ASSETS

	2023	2022
Prepaid warranty	**1,597,634**	1,392,947
Prepaid to suppliers*	**980,483**	769,621
Other prepaid expenses	**136,620**	144,800
	2,714,737	**2,307,368**

*This represents advance payments for maintenance and support contracts signed with suppliers pertaining operating expenditures.

10. TRADE AND OTHER RECEIVABLES

	2023	2022
Trade receivables	**17,014,654**	13,952,121
Unbilled receivable*	**8,989,466**	9,165,663
Others	**3,619,396**	752,392
	29,623,516	**23,870,176**
Provision for impairment of trade and other receivables (note 28.3)	**(7,137,505)**	(6,936,289)
	22,486,011	**16,933,887**

The unbilled receivable is recognized as revenue in each related accounting period. Unbilled receivable represents the unbilled revenue rendered but not billed for postpaid sales and sales of goods.

The following is a summary of the movement on the provision for impairment of trade and other receivables during the year:

	2023	2022
Balance, beginning of the year	**6,936,289**	7,829,633
Additions	**375,160**	-
Currency differences	**(173,944)**	(893,344)
Balance, end of the year	**7,137,505**	**6,936,289**

11. CASH AND CASH EQUIVALENTS AND OTHER BANKS BALANCES

	2023	2022
Bank balances, short term deposits and cash in hand	**94,372,676**	72,665,676
Restricted cash	**582,691**	460,090
	94,955,367	**73,125,766**
Less (Other banks balances):		
Deposits with maturity of more than three months (i)	**(32,655,407)**	(13,297,191)
Restricted deposits (ii)	**(582,691)**	(460,090)
Cash and cash equivalents as per statement of cash flows at December 31	**61,717,269**	**59,368,485**

(i) As of December 31, 2023, the Company had deposits amounting to USD 93,893,593. Within this amount, USD 32,655,407 represents deposits with a maturity of more than three months (2022: 71,954,652USD. Within this amount, USD 13,297,191 represents deposits with a maturity of more than three months) at local banks.

(ii) The balance pertains restricted cash deposits with banks related to issuance of bank guarantees, and letters of credit.

12. SHARE CAPITAL

	2023	2022
Wataniya International FZ – LLC (WIL)	**144,339,191**	144,339,191
Palestine Investment Fund, PLC (PIF)	**92,872,124**	101,500,996
Aswaq for Investments Portfolio Company	**17,067,797**	16,037,626
Other shareholders	**38,720,888**	31,122,187
	293,000,000	**293,000,000**

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting, is entitled to one vote.

13. LEASE LIABILITIES

	2023	2022
Balance, beginning of the year	**10,157,830**	7,745,592
Interest	**556,762**	602,821
Additions	**2,422,808**	8,033,301
Termination of lease contract	**(45,796)**	-
Principal elements of lease payments	**(5,130,712)**	(5,680,822)
Currency differences	**(100,207)**	(543,062)
Balance, end of the year	**7,860,685**	**10,157,830**
Current lease liabilities	**4,217,553**	3,912,218
Non-current lease liabilities	**3,643,132**	6,245,612
	7,860,685	**10,157,830**

14. EMPLOYEES' BENEFIT

The amounts recognized in the statement of financial position and the movements in the provision for employees' end of service benefits over the year is as follows:

	2023	2022
Balance, beginning of the year	**7,956,233**	7,737,822
Additions during the year	**1,436,466**	1,424,618
Total amount recognized in profit or loss	**1,436,466**	**1,424,618**
Benefits paid during the year	**(989,696)**	(1,206,207)
Balance, end of the year	**8,403,003**	**7,956,233**

In accordance with the requirements of IAS (19), "Employees' benefits", management has estimated the present value of its obligations as at December 31, 2023 using the estimated additional unit method related to the end-of-service compensation payable to employees under the applicable Palestinian Labor Law, the expected obligation at the date of ending service was discounted to its net present value using a discount rate of 3.88%. Under this method, an assessment is made of the expected service life of the employees with the Company and the expected salary at the date of ending the service. Management has assumed average bonus/promotion costs of 3.50%. The present value of the obligation as on December 31, 2023 does not differ materially from the provision calculated in the above table in accordance with the applicable Laws.
The following is a table showing the impact of a possible change in the basic assumptions on the provision for end of service indemnity, with all other affecting variables remaining constant.

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14. EMPLOYEES' BENEFIT(CONTINUED)

	Change %	Assumption increase	Assumption decrease
Discount rate	0.5%	**Decrease in the allowance by 333,057**	**Increase in the allowance by 357,435**
Average salary premium	0.5%	**Increase in the allowance by 357,008**	**Decrease in the allowance by 335,804**

15. TRADE AND OTHER PAYABLES

	2023	2022
Trade payables	**13,996,434**	11,373,025
Accrued expenses*	**21,999,475**	23,417,447
Accrued project cost	**5,332,845**	5,169,160
Payroll accrued costs	**3,377,753**	8,293,653
VAT payable	**354,926**	782,241
Other payables	**3,653,063**	2,815,203
	48,714,496	**51,850,729**

*Accrued expenses mainly consist of accrued operating and other regulatory expenditures.

16. DEFERRED INCOME

Deferred income pertains to unearned revenue from services that will be provided in future periods. It primarily includes revenue from the unused and unutilized portion of prepaid cards sold. The sale of prepaid cards is deferred until such time as the customer uses the airtime, or the credit expires.

17. REVENUE

	2023	2022
Telecommunication services	**99,245,086**	105,745,686
Sales of goods and others	**9,756,899**	9,774,330
	109,001,985	**115,520,016**

	2023	2022
Over time	**102,764,471**	108,945,238
At a point in time	**6,237,514**	6,574,778
	109,001,985	**115,520,016**

(All amounts are expressed in US Dollar unless otherwise stated)

18. Network, interconnect, and other operating expenses

	2023	2022
Outpayment and interconnect charges	**13,463,451**	14,442,514
Network operations and maintenance	**6,967,909**	6,346,332
Regulatory and related fees	**6,184,838**	6,534,820
Cost of equipment sold and other services	**5,894,277**	6,457,370
Rentals and utilities*	**5,784,507**	6,152,353
Commissions of cards	**4,992,277**	5,525,817
Marketing cost and sponsorship	**2,701,707**	3,332,402
Legal and professional fees	**278,111**	351,440
Other expenses	**472,117**	3,033,261
	46,739,194	**52,176,309**

*The Company chose not to recognize the right of use assets and lease liabilities that are related to short-term leasing contracts that are 12-month long or less, or the leasing contracts of the low valued assets. The Company recognizes the lease payments related to these contracts as an expense over the leasing period using the straight-line method.

19. Employees' salaries and associated costs

	2023	2022
Salaries and allowances	**16,397,154**	20,322,673
End of service benefit	**1,436,466**	1,424,618
Training and related costs	**179,069**	152,758
	18,012,689	**21,900,049**

20. Finance cost

	2023	2022
Interest on lease liability	**556,762**	602,821
Other finance charges	**60,000**	59,521
Interests expense	**-**	19,101
	616,762	**681,443**

21. Finance income

Finance income represents interest income on deposits in local banks.

22. Impairment Loss

Impairment- tangible assets, inventory and receivables
The Company has assessed the impact of the on-going conflict in Gaza on the inventory, trade and other receivables, and tangible assets. The Company has performed an assessment, accounted for the increased credit risk and estimated impairments. The Company has recorded an impairment loss of the estimated losses in Gaza for a total of USD 5,362,961 as detailed below. The Company will continue to evaluate the quantitative impact on its financial statements as circumstances develop.

	Impairment Loss
Network and infrastructure - Property and equipment (note 3)	4,620,769
Furniture and fixtures - Property and equipment (note 3)	47,032
Inventories (note 8)	320,000
Reported as "Impairment loss"	**4,987,801**
Trade and other receivables (note 10)	375,160
Reported as "Impairment of trade and other receivables"	**375,160**
Total impairments arising from Gaza conflict	**5,362,961**

23. Other gains\(losses) – net

	2023	2022
Foreign currency gain/(loss) - net	**11,943**	(392,517)
Gain on disposal of property and equipment	**256,977**	10,306
Miscellaneous loss	**(31,711)**	(20,515)
	237,209	**(402,726)**

24. Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of shares outstanding during the year. There were no potentially dilutive shares outstanding at any time during the year and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

	2023	2022
Profit for the year	**16,139,027**	16,636,298
Weighted average number of shares	**293,000,000**	293,000,000
Basic and diluted earnings per share for the year	**0.0551**	**0.0568**

25. Commitments, Contingent Liabilities & Contingent Assets

As of the financial statements date, the Company has outstanding contractual commitments resulting from purchases, services, and construction contracts, as well as operating license of the Company.
A summary of the contractual commitments as under:

	2023	2022
Contracts and purchase orders	**9,159,182**	22,537,498
Operation license*	**214,000,000**	214,000,000

*As disclosed in (note 5) to the financial statements, The Company entered into a license agreement with MTIT for a total amount of USD 354,000,000. The unpaid portion of the license cost, the remaining amount of USD 214,000,000 represents the unrecognized liability in the financial statements resulting from MTIT not fulfilling its obligations in relation with granting the Company access to Gaza and 3G frequencies amongst other things. The Company estimates that this amount will not be payable to MTIT and therefore no provision for the same has been recognized.

In notes 3.1 & 22 the Company has described the impairment losses recognized as a result of the conflict in Gaza. The Company has an insurance policy that covers it against losses arising from war. In due course the Company expects to recover these losses from its insurer but at the present time it has not been possible to prepare and submit claims for the insurer's consideration. Consequently, recovery of these losses are not yet considered to be virtually certain and have not been recognized.

26. Related party transactions

This item represents transactions carried out with related parties which include the parent company, shareholders who have significant influence over the company and their subsidiaries, key managerial personnel and board of directors. Pricing policies and terms of these transactions are approved by the Company's management.

The balances and transactions with related parties included in the statement of financial position are as follows:

	Nature of relationship	**2023**	2022
Due to related parties	Parent company	**(300,564)**	(94,501)
Net due from\(to) related parties*	Subsidiaries of a shareholder having significant influence over the company	**(1,569,248)**	(1,302,334)

Transactions with related parties included in the statement of profit or loss were as follows:

	Nature of relationship	**2023**	2022
Company's key management personnel compensation and Board of directors compensation - Short term	Key managerial personnel and Board of directors	**1,494,173**	1,738,200
Company's key management personnel - Post employment benefits	Key managerial personnel	**166,219**	184,322
Revenue from shareholders	Shareholders	**6,551**	6,840
Sale price of buildings and land*	subsidiary of a shareholder having significant influence over the company	**4,318,334**	-
Purchase of Land	subsidiary of a shareholder having significant influence over the company	**4,585,248**	-

*These amounts represent the net amounts receivable/ payable from related parties related to sell / purchase of PP&E with related parties at arm's length (due in 35 days).

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27. Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities

	2023		2022	
	Carrying value	**Fair value**	Carrying value	Fair value
Financial assets				
Trade and other receivables	**22,486,011**	**22,486,011**	16,933,887	16,933,887
Other bank balances	**33,238,098**	**33,238,098**	13,757,281	13,757,281
Cash and cash equivalents	**61,717,269**	**61,717,269**	59,368,485	59,368,485
	117,441,378	**117,441,378**	**90,059,653**	**90,059,653**
Financial liabilities				
Trade and other payables (after excluding legal obligations that represent due to the VAT department in addition to deduction of employees' salary income tax deductions)	**45,435,391**	**45,435,391**	48,741,529	48,741,529
	45,435,391	**45,435,391**	**48,741,529**	**48,741,529**

Financial assets other than cash and cash equivalents consist of trade and other receivables. Financial liabilities consist of some trade and other payables. The fair values of financial assets and financial liabilities approximate their carrying amounts.

28. Risk management

28.1 Interest rate risk

The Company does not have any floating rate financial asset or liability. Thereby the Company does not have any interest rate risk.

28.2 Foreign currency risk

The following analysis explains the sensitivity of the statement of profit or loss to the reasonably possible changes in the USD exchange rates against the Israeli Shekel, with all other variables held constant.

	Increase/ decrease in ILS rate to USD %	**Impact on the statement of profit or loss for the period USD**
2023		
USD	**+5**	**(235,905)**
USD	**-5**	**235,905**
2022		
USD	+5	(300,164)
USD	-5	300,164

28. Risk management (continued)

28.3 Credit risk

The credit risk of the Company arises from cash on hand and cash at banks, deposits in banks, and customer receivables.

The Company provides telecommunication services to various customers. It is the Company's policy that all customers who obtain the goods and/or services on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the purchase of service limits are established for each customer, which are reviewed regularly based on the level of past transactions and settlement.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade and other receivables, unbilled subscriber revenue and contract assets. The expected credit losses on trade and other receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

To measure the expected credit losses, trade and other receivables, unbilled subscriber revenue and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled services and have substantially the same risk characteristics as the trade and other receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for the current trade and other receivables are a reasonable approximation of the loss rates for the unbilled subscriber revenue and contract assets.

Management has assessed that any reasonable possible change in the key assumptions in relation to the provision for loss allowance would not result in a material impact. The Company applies the simplified model approach to measure expected credit losses for trade and other receivables, cash and cash equivalents (excluding cash on hand) and due from related parties.

Credit risk grades

Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower. Exposures are subject to on-going monitoring, which may result in an exposure being moved to a different credit risk grade.

While other receivables and due from related parties are subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

With respect to credit risk arising from the cash and cash equivalents (excluding cash on hand), the Company's exposure arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company reduces the exposure to credit risk arising from bank balances by maintaining bank accounts in reputed banks. They perform an assessment to evaluate the credit risk profile of the banks.

28. Risk management (continued)

28.3 Credit risk (Continued)

Risk management

Credit risk may arise from the failure of the other party to the financial instrument to fulfill its obligations to the Company, leading to losses. Most of the Company's customers are customers of prepaid recharge cards. The maximum customer credit risk is the amount of receivables shown in note (10) to the financial statements. With regard to credit risks arising from other financial assets, which include cash on hand and cash at banks, the Company's exposure to credit risk results from the failure of the other party to meet its obligations and at a maximum equal to the book value of these financial assets.

The Company's cash is generally deposited with commercial banks and financial entities, which are considered to have acceptable credit risks.

Prepaid scratch cards sales constitute a large proportion of the Company's sales (i.e., paid in cash). As for sales of post-paid customers, the Company takes adequate guarantees that limit the Company's exposure to credit risk, such as checks and deposits from customers.

Impairment of financial assets

Trade and other receivables are the only type of financial assets that are subject to the new model of expected credit loss in accordance with IFRS (9). The Company should review its methodology of impairment in accordance with IFRS (9) regarding receivables. While other types of financial assets are also subject to the requirements for impairment in accordance with IFRS (9), the outcome of an impairment loss determined for these financial assets has no material impact on the financial statements.

The Company has applied a simplified approach model to measure expected credit losses. The calculation of expected credit losses depends on the PD, which is calculated according to the credit risk, economic factors and the LGD, which is based on the grouping of receivables based on similar credit risk characteristics and the number of past-due days. Accordingly, the Company adopted a mathematical model based on the above-mentioned principles to calculate expected credit losses in accordance with IFRS (9). As shown below, the expected credit losses were measured as December 31,2023.

(All amounts expressed in US Dollar unless otherwise stated)

28. RISK MANAGEMENT (CONTINUED)

28.3 Credit risk (continued)

	Unbilled receivable, other trade receivables and others	Not due	1 - 30 days	31 – 60 days	61 – 90 days	91 - 120 days	121 - 360 days	Over 360 days	Total
December 31, 2023									
Expected loss rate	**4.85%**	**6.54%**	**14.79%**	**28.90%**	**47.03%**	**44.54%**	**52.77%**	**100.00%**	
Trade receivables	**5,519,492**	**2,686,194**	**1,320,505**	**745,407**	**577,840**	**275,978**	**1,295,743**	**4,593,495**	**17,014,654**
Unbilled receivable	**8,989,466**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,989,466**
Others	**3,619,396**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,619,396**
Provision for impairment of trade and other receivables	**(878,979)**	**(175,788)**	**(195,328)**	**(215,419)**	**(271,752)**	**(122,923)**	**(683,821)**	**(4,593,495)**	**(7,137,505)**
December 31, 2022									
Expected loss rate	8.14%	4.00%	9.13%	15.77%	23.05%	28.86%	42.91%	100.00%	
Trade receivables	3,860,847	2,427,336	863,169	387,254	266,706	224,650	825,130	5,097,029	**13,952,121**
Unbilled receivable	9,165,663	-	-	-	-	-	-	-	**9,165,663**
Others	752,392	-	-	-	-	-	-	-	**752,392**
Provision for impairment of trade and other receivables	**(1,122,018)**	**(97,037)**	**(78,788)**	**(61,077)**	**(61,486)**	**(64,826)**	**(354,028)**	**(5,097,029)**	**(6,936,289)**

28. RISK MANAGEMENT (CONTINUED)

28.3 Credit risk (continued)

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and failure to make contractual payments for a period of greater than 360 days past due.

Expenses of provision for impairment of trade and other receivables are shown in the statement of profit or loss.

28.4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of the Company's own reserves and bank facilities. The Company's terms of sales require amounts to be paid within 30 to 90 days from the invoice date. The Company manages liquidity risk by ensuring availability of facilities from banks and the necessary financing from shareholders. The tables below summarize the maturities of the Company's financial liabilities (undiscounted) as at December 31, 2023 based on contractual payment dates and current market interest rates. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 3 months	From 3 to 12 Months	Over 1 year	Total contractual cash flow	Carrying amount
December 31, 2023					
Trade and other payables*	**13,510,445**	**31,625,177**	**-**	**45,135,622**	**45,135,622**
Lease liabilities	**1,839,861**	**3,182,706**	**3,517,504**	**8,540,071**	**7,860,685**
Total liabilities	**15,350,306**	**34,807,883**	**3,517,504**	**53,675,693**	**52,996,307**

	Less than 3 months	From 3 to 12 Months	Over 1 year	Total contractual cash flow	Carrying amount
December 31, 2022					
Trade and other payables*	8,446,135	40,000,420	-	**48,446,555**	**48,446,555**
Lease liabilities	1,597,334	2,944,340	6,909,144	**11,450,818**	**10,157,830**
Total liabilities	**10,043,469**	**42,944,760**	**6,909,144**	**59,897,373**	**58,604,385**

*Excluding amounts due to tax authorities and provision for employees' vacations.

The conflict in Gaza has affected the Company's operating activities, assets, revenues, and results of operations. However, the Company has high operating cash flows for the year ended December 31, 2023, and the Company has positive cash projections. The ongoing events in Gaza are expected to reduce operating cash flows in 2024 and there will likely be a need to fund reconstruction of damaged and destroyed assets once the fighting ends. The Company's unleveraged position means that management expects to be able weather any downturn in revenues and fund the rebuilding of assets when circumstances permit. The Company has net funds of USD 87,094,682 as set out in note 29 compared to total assets in Gaza of USD 13,754,992. Even if the conflict in Gaza persists into the future, the Company expects to be able to generate positive cash flows from its operations in the West Bank.

(All amounts expressed in US Dollar unless otherwise stated)

29 Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Company makes adjustments to its capital structure, in light of changes in economic and business conditions. No changes were made in the objectives, policies or processes during the year ended December 31, 2023 and December 31, 2022.

Equity includes share capital, share premium and accumulated losses amounted to USD 149,784,246 at December 31, 2023 (2022: USD 133,645,219).

The Company's management reviews the capital structure of the Company on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The gearing ratio as at December 31, 2023 is 0% (2022: 0%). The Company is in net funds position and therefore, has no net debt.

<u>*Gearing ratio*</u>

The gearing ratio at year end was as follows:

	2023	2022
Debt	**(7,860,685)**	(10,157,830)
Cash and cash equivalents and other bank balances	**94,955,367**	73,125,766
Net funds	**87,094,682**	62,967,936
Equity	**149,784,246**	133,645,219
Net debt to equity ratio	**0%**	0%

30 Segment Reporting

The Company has a single operating and reportable segment "Telecommunication services" because the Board (Chief Operating Decision Maker) reviews performance of the Company only as a whole and not on a segmental basis. The Company is a mobile telecoms operator in Palestine only so there is no segmental information to disclose.

31 Litigations

The Company appears as a defendant in cases brought against it. The management believes that the provisions made against these cases are sufficient.

Notes to the financial statements

32 Comparative figures

The Company has reassessed the accounting and presentation of various items in the financial statements and amended amounts reported in the prior year. The changes to the prior year financial statements are set out below:

- *Statement of Financial Position:*

A. Previously, the Company had presented all work in process as part of the property and equipment, including the portion relating to intangible assets in the audited financial statements as of December 31, 2022. During this period, the Company has reclassified the work in process relating to intangible assets (representing a software upgrade) from the work in process category in property and equipment to the work in process category in intangible assets for an amount of USD 976,473 as of December 31, 2022. Accordingly, management has amended the 2022 comparatives as summarized below. The re-presentations had no impact on the profit for the prior period, total assets, accumulated losses, or total equity. The cash flows paid for PPE and intangible assets were reclassified accordingly in the financial statements.

B. In prior years the Company had reported an estimated provision of USD 44,871,337 related to amounts payable to MTIT relating to the telecommunications license. The circumstances are described more fully in notes 5 & 25. In the prior year the Company had recorded this provision with the debit side of the entry sitting in intangible assets but had not been amortizing this portion of the intangible asset balance. The Company investigated this discrepancy in the current year and realized that the USD 44,871,337 estimated provision was the amount originally recorded when the license was first recognized back in 2009 and had not been reassessed subsequently. The Company concluded that at least as far back as January 1, 2022 it has not expected to pay any amounts in addition to the upfront USD 140,000,000 license fee. This expectation had previously been incorrectly expressed through non-amortization of this portion of the asset rather than revisiting the amount of the estimated provision. In the current year the financial statements have been restated to remove the estimated provision and reduce the intangible asset by the same amount to correctly reflect the Company's expectation in line with IAS 37 and IAS 38. This had no impact on the profit for the prior period, accumulated losses, or total equity.

C. The statement of financial position for the year ended December 31, 2022 included the line item "Bank balances and cash" and did not separately present cash and cash equivalents on the face of the balance sheet. Cash and cash equivalents were disclosed in the notes in the prior year and the cash flow statement was based upon the correct cash and cash equivalents figure. In the current year, the Company has separately presented cash and cash equivalents on the face of the balance sheet as required by IAS 1 and reported deposit balances with an original maturity of over 3 months and restricted cash within "Other bank balances".

	December 31, 2022			**January 1, 2022**		
	As originally reported	**Adjustment**	**As restated**	**As originally reported**	**Adjustment**	**As restated**
Property and equipment (A, B)	59,507,149	(976,473)	58,530,676	64,701,372	(733,456)	63,967,916
Intangible assets (A)	89,815,728	(43,894,864)	45,920,864	96,292,647	(44,137,881)	52,154,766
Total non-current assets	**162,431,132**	**(44,871,337)**	**117,559,795**	**168,896,098**	**(44,871,337)**	**124,024,761**
Bank balances and cash (C)	73,125,766	(73,125,766)	-	44,312,395	(44,312,395)	-
Other bank balances (C)	-	13,757,281	13,757,281	-	6,472,864	6,472,864
Cash and cash equivalents (C)	-	59,368,485	59,368,485	-	37,839,531	37,839,531
Total current assets	**94,298,101**	**-**	**94,298,101**	**64,721,420**	**-**	**64,721,420**
Provision (B)	(44,871,337)	44,871,337	-	(44,871,337)	44,871,337	-
Total non-current liabilities	**(59,073,182)**	**44,871,337**	**(14,201,845)**	**(58,204,126)**	**44,871,337**	**(13,332,789)**

Notes to the financial statements

32. Comparative figures (continued)

- *Statement of Cash Flows:*

D. *The Company previously presented an item called "Non-monetary items" in the operating section of the cash flow statement which represented errors in working capital movements, foreign exchange, and lease payments (see also F below). However, the Company has revisited this presentation in the current year correcting these items including reporting foreign exchange differences on cash and cash equivalents at the foot of the cash flow as part of the reconciliation from opening to closing cash.*
E. *Movements on other non-current assets reported in prior years represented prepayments to suppliers for property and equipment and intangible assets before goods and services were received. Cash flows have been reclassified and split between payments for property and equipment and intangible assets to better reflect the nature of the cash flows.*
F. *Interest paid reported in the financing section of the cash flow statement in the prior year was not correct. The Company has lease interest that it has paid but in the prior year some of this cash flow was incorrectly included within the principal payment while another portion was incorrectly included within "Non-monetary items" (see D above). The Company has corrected the presentation of interest paid in these financial statements.*
G. *As originally reported, the movement in trade and other payables in the operating section of the cash flow statement included payables for capital items. The movement on trade and other payables has been adjusted to eliminate movements related to capital purchases, and cash paid to purchase property and equipment in the investing section of the cash flow statement has been corrected accordingly.*

	December 31, 2022		December 31, 2022
	Before reclassification	**Reclassification**	**After reclassification**
Cash flow from operating activities:			
Non-monetary items (D, F)	(2,421,451)	2,421,451	-
Currency variance on cash and cash equivalents (D)	-	1,611,791	1,611,791
Trade and other receivables (D)	145,983	(1,878,389)	(1,732,406)
Trade and other payables (D, G)	5,218,416	(561,371)	4,657,045
Net cash flows provided by operating activities	**42,773,437**	**1,593,482**	**44,366,919**
Payments for property and equipment (A, E, G)	(7,918,800)	464,163	(7,454,637)
Payments for intangible assets (A, E)	(328,142)	(792,100)	(1,120,242)
Movement in other non-current assets (E)	(830,207)	830,207	-
Net cash used in investing activities	**(15,504,560)**	502,270	**(15,002,290)**
Principal elements of lease payments (F)	(5,680,822)	59,759	(5,621,063)
Payments of interest on lease liability (F)	-	(602,821)	(602,821)
Interest paid (F)	(59,101)	59,101	-
Net cash used in financing activities	**(5,739,923)**	**(483,961)**	**(6,223,884)**
Net decrease\increase in cash and cash equivalents	**21,528,954**	**1,611,791**	**23,140,745**
Currency variance on cash and cash equivalents (D)	**-**	**(1,611,791)**	**(1,611,791)**

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32. Comparative figures (continued)

- *Other footnote presentational changes:*

H. In the inventories footnote (note 8), the balance previously called "Subscribers' equipment" has been renamed "Goods and accessories" to clarify the fact that this is inventory belonging to the Company and not the property of customers. No numerical amounts have been restated in this regard.
I. The "Other current assets" footnote (note 9) has been reorganized to more clearly communicate the items that make up the balance. No changes have been made to the total amount of this line item on the face of the statement of financial position, only to the breakdown of the total in the footnote.
J. In the prior year, certain items under the line "Others" in the trade and other receivables footnote (note 10), were actually "Trade receivables". The company has restated the breakdown within note 10 to reclassify USD 3,413,538 from "Others" into "Trade receivables".
K. The Company has reassessed its segmental disclosures and concluded that it has only one segment based on the information presented to the Chief Operating Decision Maker ("CODM"). While the CODM reviews disaggregated revenue information, there is only one profit measure reviewed for the purposes of assessing performance and allocating resources.