

**STATE TRADING ORGANIZATION PLC**

**Financial Statements - 31 December 2024**

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of State Trading organization PLC

### Report on the Audit of the Financial Statements

#### Our opinion

We have audited the financial statements of State Trading organization PLC (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group) which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company and the consolidated financial statements of the Group give a true and fair view of the financial position of the Company and the Group as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

#### 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 are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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
<b>The Company and the Group:</b>	
<b>Recognition of revenue from retail and wholesale business</b>	Our audit approach included both control testing and substantive procedures performed as follows:
Refer to the material accounting policy notes 3.17 and Note 7 to the consolidated financial statements.	i) Understanding and evaluating the design, implementation and operating effectiveness of key controls over initiating, recording, processing and reporting of revenue transactions across all significant revenue streams in relation to retail and wholesale business;
During the year ended 31 December 2024, the Company has recognised revenue from retail and wholesale business amounting to MVR 15,396,681,394.	ii) Identified the relevant Information Technology (IT) systems installed and operated for capturing and processing revenue transactions and evaluated the effectiveness of Information Technology General Controls and IT application controls over revenue recognition with the assistance of our IT specialists;
Revenue from retail and wholesale business represent 99.7% and 91% of the Company's and the Group's revenue respectively for the year ended 31 December 2024 and is material to the financial statements.	iii) Tested significant wholesale revenue transactions on a sample basis during the year, to assess that the revenue had been recognised in accordance with the contractual terms in the correct accounting period and the requirements of the relevant accounting standard;
STO operates in wider geographical area and records wholesale and retail revenue in large volume of smaller transactions using automated point of sale systems.	iv) Performed reconciliations of the Point of Sales ("POS") records of retail revenue to the general ledger;
We focused on this area because wholesale and retail revenue are complex due to large volume of transactions with lower values recognised using automated systems occurring in wider geographical areas.	v) Tested significant retail revenue transactions on a sample basis during the year, to assess that the revenue had been recognised in the correct accounting period and in accordance with the requirements of the relevant accounting standard;

Key audit matter	How our audit addressed the Key audit matter
	<ul style="list-style-type: none"> <li>vi) Examined material manual journal entries and other adjustments processed to revenue; and</li> <li>vii) Assessed the adequacy of the disclosures made in the consolidated financial statements in relation to revenue from retail and wholesale business.</li> </ul>
<p><b>The Group:</b></p>	
<p><b>Valuation of insurance contract liabilities</b></p>	
<p>Refer to the material accounting policy in Note 3.11.2 and Notes 26.1 and 36 to the consolidated financial statements.</p>	<p>We, along with the actuarial audit support experts performed the following audit procedures to assess the reasonableness of the insurance contract liabilities:</p>
<p>As at 31 December 2024, the Group has reserved insurance contract liabilities of MVR 411,642,945 MVR 48,130,664 and MVR 60,331,842 for Non-life insurance, Life insurance and Takaful insurance respectively.</p>	<ul style="list-style-type: none"> <li>i) Assessed the appropriateness of the valuation methodologies used, by applying our industry knowledge and experience to compare whether the methodologies and changes in methodologies (where applicable) are in line with recognised actuarial practices and expectation derived from market experience;</li> </ul>
<p>The Group's insurance contract liabilities represent a significant portion of its total liabilities. Insurance contract liabilities are determined in accordance with IFRS 17, which involve the use of a complex valuation models and significant management assumptions.</p>	<ul style="list-style-type: none"> <li>ii) Evaluated whether management's assumptions and methodologies were determined in accordance with the requirements of IFRS 17.</li> </ul>
<p>Considerable judgment is applied by the management in this regard, and there is inherent uncertainty in those assumptions. These assumptions required significant auditor attention in specific circumstances where (i) there is limited Group and industry experience data, (ii) the historical experience may not be a good indicator of the future and (iii) the determination of discount rates requires complex calculation and measurement of unobservable market inputs.</p>	<ul style="list-style-type: none"> <li>iii) Assessed reasonableness of the key assumptions. Our assessment included: <ul style="list-style-type: none"> <li>• Obtaining an understanding of and testing the management controls in place to ensure the accuracy and completeness of data used in deriving assumptions;</li> <li>• Examining the approach used by management expert to derive the assumptions, and assess its appropriateness by applying our industry knowledge and experience;</li> </ul> </li> </ul>

Key audit matter	How our audit addressed the Key audit matter
<p>Auditing of certain valuation models and significant assumptions required a high degree of auditor judgment and an increased extent of audit effort, including the need to involve actuarial specialists.</p> <p>Accordingly, this was considered a key audit matter.</p>	<p>iv) Tested the inputs and source information underlying the determination of the discount rates.</p> <p>v) Assessed the adequacy of the disclosures made in the financial statements.</p>

## Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the 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 on the other information that we obtained prior to the date of this auditor's report, 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 of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, 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 of the Company and the consolidated financial statements of the Group, management is responsible for assessing the Company's/Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company / Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company and the consolidated financial statements of the Group 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group'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 and the Group'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 of the Company and the consolidated financial statements of the Group 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 / Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company and the consolidated financial statements of the Group, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those 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 Company and the consolidated financial statements of the Group 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.

The engagement partner on the audit resulting in this independent auditor's report is Mohamed Siraj Muneer.

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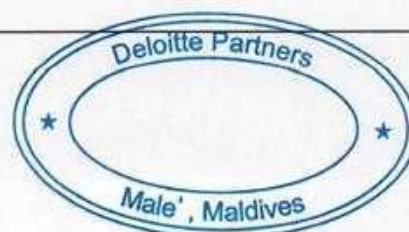
Mohamed Siraj Muneer  
Partner  
30<sup>th</sup> April 2025

STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	Group		Company	
		2024	2023	2024	2023
Revenue	7	16,759,883,731	17,069,672,624	15,449,496,372	16,373,104,633
Cost of sales	10	(13,671,803,162)	(13,559,113,533)	(13,095,293,019)	(13,708,723,835)
<b>Gross profit</b>		<b>3,088,080,569</b>	<b>3,510,559,091</b>	<b>2,354,203,353</b>	<b>2,664,380,798</b>
Other income	8	118,795,581	234,854,313	125,468,829	113,336,332
Administrative expenses	10	(901,415,713)	(899,646,675)	(591,755,181)	(513,727,065)
Selling and marketing expenses	10	(827,230,618)	(794,623,067)	(703,031,822)	(676,805,203)
Impairment loss on trade, other and related party receivables	22, 23 & 24	(282,090,970)	(449,253,081)	(84,120,293)	(294,671,603)
Other operating expenses	10	(8,104,965)	(16,042,881)	(7,723,358)	(15,854,637)
<b>Operating profit</b>		<b>1,188,033,884</b>	<b>1,585,847,699</b>	<b>1,093,041,528</b>	<b>1,276,658,622</b>
Finance income		163,223,958	46,691,773	168,027,264	43,777,500
Finance costs		(437,467,853)	(356,199,873)	(414,918,404)	(323,660,475)
Net finance costs	9	(274,243,895)	(309,508,100)	(246,891,140)	(279,882,975)
Share of profit of Joint venture		15,022,451	15,264,039	-	-
Share of (loss) / profit of associates		(1,539,571)	1,854,617	-	-
Share of profit of equity accounted investees - net of tax	17	13,482,880	17,118,656	-	-
<b>Profit before tax expense from continuing operations</b>		<b>927,272,869</b>	<b>1,293,458,256</b>	<b>846,150,388</b>	<b>996,775,647</b>
Income tax expense	11	(154,902,825)	(206,793,985)	(104,691,816)	(178,476,697)
<b>Profit after tax expense from continuing operations</b>		<b>772,370,044</b>	<b>1,086,664,271</b>	<b>741,458,572</b>	<b>818,298,950</b>
<b>Discontinued operations</b>					
Profit after tax for the year from discontinued operations	16.5	-	295,403,264	-	-
<b>Profit for the year</b>		<b>772,370,044</b>	<b>1,382,067,534</b>	<b>741,458,572</b>	<b>818,298,950</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss from continuing operations</b>					
Remeasurement of defined benefit liability	33	(7,629,070)	(7,690,741)	(6,971,023)	(3,593,313)
Tax related to remeasurement of defined benefit liability		1,144,360	1,153,611	1,045,653	538,997
Equity investment at FVOCI - net change in fair value	18	11,875,000	9,875,000	-	-
Tax related to equity investments at FVOCI - net change in fair value		(1,781,250)	(1,481,250)	-	-
<b>Total other comprehensive (loss)/income - net of tax</b>		<b>3,609,041</b>	<b>1,856,620</b>	<b>(5,925,370)</b>	<b>(3,054,316)</b>
<b>Total comprehensive income for the year from continuing operations</b>		<b>775,979,085</b>	<b>1,088,520,891</b>	<b>735,533,203</b>	<b>815,244,634</b>
<b>Items that will not be reclassified to profit or loss from discontinued operations</b>					
Remeasurement of defined benefit liability		-	374,888	-	-
<b>Total comprehensive income for the year from discontinued operations</b>		<b>-</b>	<b>295,778,151</b>	<b>-</b>	<b>-</b>
<b>Profit attributable to: (Continuing operations)</b>					
Owners of the Company		770,472,086	1,084,049,399	741,458,572	818,298,950
Non - controlling interests	30	1,897,958	2,614,872	-	-
		<b>772,370,044</b>	<b>1,086,664,271</b>	<b>741,458,572</b>	<b>818,298,950</b>
<b>Profit attributable to: (Discontinued operations)</b>					
Owners of the Company		-	295,403,264	-	-
		<b>-</b>	<b>295,403,264</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to: (Continuing operations)</b>					
Owners of the Company		774,060,767	1,085,906,435	735,533,203	815,244,634
Non - controlling interests		1,918,318	2,614,456	-	-
		<b>775,979,085</b>	<b>1,088,520,891</b>	<b>735,533,203</b>	<b>815,244,634</b>
<b>Basic and diluted earnings per share</b>	12	684	962	658	726

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the consolidated financial statements of the Group and separate financial statements of the Company set out on pages 12 to 148. The report of the Independent Auditors is given on pages 1 to 6.



**STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION  
AS AT 31ST DECEMBER 2024**

	Note	Group		Company	
		2024	2023	2024	2023
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	2,596,038,310	2,519,504,251	2,020,952,307	1,895,658,128
Investment property	14	359,776,956	366,361,036	359,776,956	366,361,036
Intangible assets	15	124,609,526	85,497,121	98,055,542	65,146,706
Right-of-use assets	19	474,191,400	260,746,951	394,741,703	176,581,287
Lease receivable	20	-	-	52,924,332	79,002,778
Investment in subsidiaries	16	-	-	256,297,041	284,899,650
Equity accounted investees	17	175,521,118	48,678,238	138,627,267	15,267,267
Equity securities at FVOCI	18	107,865,800	95,990,800	2,240,800	2,240,800
Loans receivable	24	293,588,046	371,246,701	-	-
Other financial investments	27	1,396,059,029	1,176,265,016	1,286,774,061	1,017,720,000
Deferred tax assets	11.3	277,699,060	227,815,947	183,651,764	134,500,445
<b>Total non-current assets</b>		<b>5,865,349,245</b>	<b>5,152,106,061</b>	<b>4,794,041,773</b>	<b>4,037,378,097</b>
<b>Current asset</b>					
Inventories	21	1,293,574,196	1,555,787,547	1,163,305,902	1,363,563,751
Lease receivable	20	-	-	26,078,446	23,431,653
Trade and other receivables	22	1,308,336,811	1,026,033,552	645,251,666	472,198,241
Amounts due from related parties	23	4,200,908,732	3,564,970,376	4,897,895,748	4,321,899,931
Loans receivable	24	133,605,505	212,562,686	336,133,138	383,308,916
Insurance contract assets	26.1	96,702,329	19,427,335	-	-
Reinsurance contracts	26.1	209,531,645	209,991,164	-	-
Other financial investments	27	1,183,034,449	436,277,092	988,520,098	90,000,000
Cash and cash equivalents	28	1,085,399,985	1,735,714,234	680,503,274	1,481,079,597
<b>Total current assets</b>		<b>9,511,093,652</b>	<b>8,760,763,986</b>	<b>8,737,688,272</b>	<b>8,135,482,089</b>
<b>Total assets</b>		<b>15,316,442,897</b>	<b>13,912,870,047</b>	<b>13,531,730,045</b>	<b>12,172,860,186</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	29	56,345,500	56,345,500	56,345,500	56,345,500
Share premium	29	27,814,500	27,814,500	27,814,500	27,814,500
Claim equalization reserve	29	74,021,509	74,021,509	-	-
Currency translation reserve	29	334,411	334,411	-	-
General reserve	29	1,378,846,427	1,230,554,713	1,369,564,617	1,221,272,903
Fair value reserve	29	48,547,102	38,453,352	(7,234,148)	(7,234,148)
Retained earnings		4,331,763,445	3,806,240,942	3,509,418,988	3,012,330,299
<b>Equity attributable to owners of the Company</b>		<b>5,917,672,894</b>	<b>5,233,764,927</b>	<b>4,955,909,457</b>	<b>4,310,529,054</b>
Non-controlling interests	30	25,894,135	25,575,817	-	-
<b>Total equity</b>		<b>5,943,567,029</b>	<b>5,259,340,744</b>	<b>4,955,909,457</b>	<b>4,310,529,054</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Loans and borrowings	31.2	853,985,320	1,131,032,775	811,013,583	1,070,651,922
Deferred income	35	31,876,865	35,667,894	45,267,113	49,590,531
Deferred tax liability	11.4	10,197,496	3,543,756	-	-
Lease liabilities	32	267,241,594	243,467,520	190,812,986	162,931,285
Defined benefit obligation	33	103,803,130	88,857,393	75,612,662	63,555,919
<b>Total non-current liabilities</b>		<b>1,267,104,405</b>	<b>1,502,569,338</b>	<b>1,122,706,344</b>	<b>1,346,729,657</b>
<b>Current liabilities</b>					
Loans and borrowings	31.3	3,043,051,112	2,629,998,389	3,101,038,266	2,657,847,093
Trade and other payables	34	3,638,952,709	3,481,540,347	3,304,789,282	3,243,591,782
Lease liabilities	32	199,391,768	51,045,275	186,959,607	38,261,300
Deferred income	35	9,273,484	9,160,635	4,323,414	4,323,414
Insurance contracts liabilities	26.1	520,105,451	438,036,505	-	-
Reinsurance contracts	26.1	4,484,859	713,688	-	-
Current tax liabilities	38	59,076,908	186,344,693	52,388,192	123,908,263
Amounts due to related parties	39	190,054,926	210,019,503	362,235,237	306,676,604
Bank overdrafts	28	441,380,246	144,100,930	441,380,246	140,993,019
<b>Total current liabilities</b>		<b>8,105,771,463</b>	<b>7,150,959,965</b>	<b>7,453,114,244</b>	<b>6,515,601,475</b>
<b>Total liabilities</b>		<b>9,372,875,868</b>	<b>8,653,529,303</b>	<b>8,575,820,588</b>	<b>7,862,331,132</b>
<b>Total equity and liabilities</b>		<b>15,316,442,897</b>	<b>13,912,870,047</b>	<b>13,531,730,045</b>	<b>12,172,860,186</b>

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the consolidated financial statements of the Group and separate financial statements of the Company set out on pages 14 to 149. The report of the Independent Auditors is given on pages 1 to 8.

These consolidated and separate financial statements were approved by the Board of Directors and signed on its behalf by:

Name of the Director

Amir Mansoor  
Shimad Ibrahim  
Mohamed Nizam  
Aishah Fazeena

Signature

*[Signature]*  
*[Signature]*  
*[Signature]*

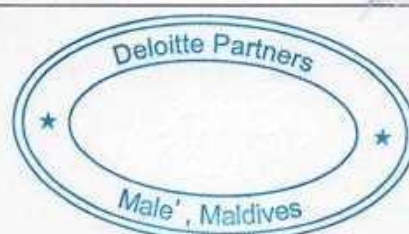
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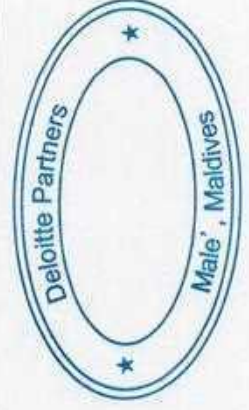
STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER 2024

GROUP

	Attributable to owners of the Company						Total			
	Share capital	Share premium	Claim equalization reserve	Currency translation reserve	General reserve	Fair value reserve		Retained earnings	Total	Non-Controlling Interest
<b>Balance as at 1st January 2023</b>	56,345,500	27,814,500	71,861,025	334,411	1,066,894,923	30,059,602	2,317,206,335	3,570,516,298	22,961,361	3,593,477,658
Profit for the year	-	-	-	-	-	-	1,084,049,399	1,084,049,399	2,614,872	1,086,664,271
Net change in fair value of Equity Investments at FVOCI - net of tax	-	-	-	-	-	-	295,403,264	295,403,264	-	295,403,264
Remeasurement of defined benefit liability - net of tax	-	-	-	-	-	8,393,750	-	8,393,750	-	8,393,750
<b>Total comprehensive income for the year</b>	-	-	-	-	-	8,393,750	(6,536,714)	(6,536,714)	(416)	(6,537,130)
Transfer to / (from) during the year	-	-	-	-	-	8,393,750	1,372,915,949	1,381,309,699	2,614,456	1,383,924,155
- general reserve	-	-	-	-	163,659,790	-	(163,659,790)	-	-	-
- claim equalization reserve	-	-	2,160,484	-	-	-	(2,160,484)	-	-	-
Remeasurement of defined benefit liability - net of tax from discontinued operations	-	-	-	-	-	-	374,888	374,888	-	374,888
<b>Transactions with owners of the Company</b>	-	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary (Note 16.4)	-	-	-	-	-	-	439,155,158	439,155,158	-	439,155,158
Accumulated provision on receivables due to loss of control (Note 24.6)	-	-	-	-	-	-	(70,819,043)	(70,819,043)	-	(70,819,043)
Dividends (Note 29.4)	-	-	-	-	-	-	(86,772,070)	(86,772,070)	-	(86,772,070)
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	-	281,564,045	281,564,045	-	281,564,045
<b>As at 31st December 2023</b>	56,345,500	27,814,500	74,021,509	334,411	1,230,554,713	38,453,352	3,806,240,942	5,233,764,926	25,575,817	5,259,340,744
<b>Balance at 1st January 2024</b>	56,345,500	27,814,500	74,021,509	334,411	1,230,554,713	38,453,352	3,806,240,942	5,233,764,926	25,575,817	5,259,340,744
Profit for the year from continuing operations	-	-	-	-	-	-	770,472,086	770,472,086	1,897,958	772,370,044
Remeasurement of defined benefit liability - net of tax	-	-	-	-	-	-	(6,505,069)	(6,505,069)	20,360	(6,484,709)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	763,967,017	763,967,017	1,918,318	765,885,335
Transfer to / (from) during the year	-	-	-	-	-	-	(148,291,714)	(148,291,714)	-	(148,291,714)
- general reserve	-	-	-	-	148,291,714	-	-	-	-	-
Net change in fair value of equity investments at FVOCI - net of tax	-	-	-	-	-	10,093,750.00	-	10,093,750	-	10,093,750
<b>Transactions with owners of the Company</b>	-	-	-	-	-	-	-	-	-	-
Dividends (Note 29.4)	-	-	-	-	-	-	(90,152,800)	(90,152,800)	(1,600,000)	(91,752,800)
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	-	(90,152,800)	(90,152,800)	(1,600,000)	(91,752,800)
<b>As at 31st December 2024</b>	56,345,500	27,814,500	74,021,509	334,411	1,378,846,427	48,547,102	4,331,763,445	5,917,672,893	25,894,135	5,943,567,029

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the consolidated financial statements of the Company set out on pages 12 to 148. The report of the Independent Auditors is given on pages 1 to 6.



**STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31ST DECEMBER 2024**

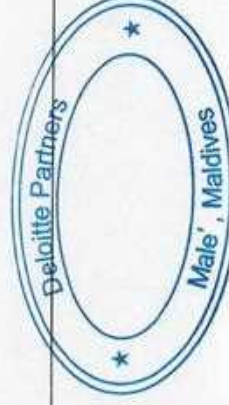
**COMPANY**

	Share capital MVR	Share premium MVR	General reserve MVR	Fair value reserve MVR	Retained earnings MVR	Total MVR
Balance at 1st January 2023	56,345,500	27,814,500	1,057,613,113	(7,234,148)	2,447,517,525	3,582,056,490
Profit for the year	-	-	-	-	818,298,950	818,298,950
Other comprehensive loss, net of tax	-	-	-	-	(3,054,316)	(3,054,316)
<b>Total comprehensive income for the year</b>	-	-	-	-	815,244,634	815,244,634
Transfer to / (from) during the year						
- general reserve	-	-	163,659,790	-	(163,659,790)	-
<b>Transactions with owners of the Company</b>						
- Dividends (Note 29.4)	-	-	-	-	(86,772,070)	(86,772,070)
<b>Total transaction with owners of the Company</b>	-	-	-	-	(86,772,070)	(86,772,070)
As at 31st December 2023	56,345,500	27,814,500	1,221,272,903	(7,234,148)	3,012,330,299	4,310,529,054
Balance at 1st January 2024	56,345,500	27,814,500	1,221,272,903	(7,234,148)	3,012,330,299	4,310,529,054
Profit for the year	-	-	-	-	741,458,572	741,458,572
Other comprehensive Loss, net of tax	-	-	-	-	(5,925,370)	(5,925,370)
<b>Total comprehensive income for the year</b>	-	-	-	-	735,533,203	735,533,203
Transfer to / (from) during the year						
- general reserve	-	-	148,291,714	-	(148,291,714)	-
<b>Transactions with owners of the Company</b>						
- Dividends (Note 29.4)	-	-	-	-	(90,152,800)	(90,152,800)
<b>Total transaction with owners of the Company</b>	-	-	-	-	(90,152,800)	(90,152,800)
As at 31st December 2024	56,345,500	27,814,500	1,369,564,617	(7,234,148)	3,509,418,988	4,955,909,460

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the consolidated financial statements of the Group and separate financial statements of the Company set out on pages 12 to 148. The report of the Independent Auditors is given on pages 1 to 6.

As per the Company's policy, 20% from net profit earned during the year is transferred to the general reserve.



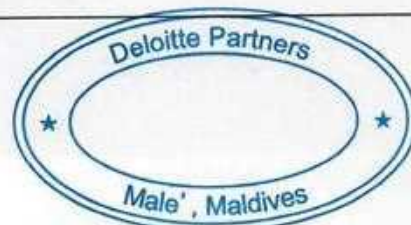
STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	Group		Company	
		2024 MVR	2023 MVR	2024 MVR	2023 MVR
<b>Cash flows from operating activities</b>					
Profit before tax from continuing operations		927,272,869	1,293,458,256	846,150,388	996,775,647
Profit before tax from discontinued operations		-	295,403,264	-	-
<i>Adjustments for:</i>					
Depreciation on property, plant and equipment	13	214,374,015	220,706,119	115,337,106	108,409,966
Depreciation on investment properties	14	6,584,080	6,922,926	6,584,080	6,922,926
Amortization on right-of-use assets	19	84,943,635	67,802,878	70,991,546	53,072,039
Interest on lease liabilities	9	33,471,464	32,402,475	26,891,049	19,599,891
Amortization of intangible assets	15	13,179,385	5,551,314	10,156,861	2,420,961
Gain on derecognition of right of use assets		(1,528,333)	(5,624,845)	(1,528,333)	(148,658)
Capital work-in progress written off	15.3	13,052,200	-	-	-
Gain on disposal of property, plant and equipment	8	(287,962)	(2,369,165)	(248,304)	(2,369,165)
Provision for impairment of investment in subsidiaries	10	-	-	28,602,609	-
Impairment of capital work-in progress	10	486,350	29,132,172	-	-
Provision for impairment of trade, other and related party receivable	10	282,090,970	449,253,081	84,120,293	294,671,603
Provision of impairment for slow moving inventories	21.1	66,783,551	11,855,598	67,351,940	8,696,847
Provision for defined benefit obligation	33	10,495,115	10,815,922	7,116,410	6,013,251
Receivable written off	10	5,789,851	391,448	5,789,853	60,000
Share of profit of equity - accounted investees, net of tax	18	(13,482,880)	(17,118,656)	-	-
Interest expense	9	393,434,301	309,549,851	386,470,910	304,060,584
Interest income	9	(90,928,632)	(42,440,518)	(45,540,742)	(35,673,218)
Dividend income	9	(4,207,500)	(3,956,250)	(54,399,800)	(8,000,000)
<b>Operating profit before working capital changes</b>		<b>1,941,522,479</b>	<b>2,661,735,870</b>	<b>1,553,845,866</b>	<b>1,754,512,674</b>
<b>Working capital changes</b>					
Change in inventories		195,429,800	576,402,179	132,905,909	317,044,758
Change in trade and other receivables		(596,309,360)	(353,039,373)	(223,118,477)	(124,666,695)
Accumulated provision on receivables due to loss of control	24	-	(70,819,043)	-	-
Change in amount due from related parties		(479,322,524)	(814,753,916)	(600,536,812)	(209,267,536)
Changes in reinsurance contract assets		459,519	261,834,972	-	-
Changes in insurance contract assets	25	(77,274,994)	(15,255,462)	-	-
Changes in deferred revenue		(3,678,178)	(19,610,138)	(4,323,417)	8,038,148
Change in amount due to related parties		(19,964,577)	44,736,944	55,558,633	7,258,647
Change in trade and other payables		81,698,197	63,199,415	(14,516,665)	302,060,594
Changes in reinsurance contract liabilities		3,771,171	(76,306,099)	-	-
Changes in insurance contract liabilities	37	82,068,947	(38,875,831)	-	-
<b>Cash generated from operating activities</b>		<b>1,128,400,480</b>	<b>2,219,249,517</b>	<b>899,815,035</b>	<b>2,054,980,590</b>
Interest paid		(400,780,485)	(318,339,642)	(387,236,679)	(300,047,791)
Gratuity paid		(3,178,449)	(5,466,765)	(2,030,690)	(1,774,770)
Income tax paid	38	(326,036,873)	(198,271,683)	(224,317,553)	(183,259,347)
<b>Net cash generated from operating activities</b>		<b>398,404,667</b>	<b>1,697,171,427</b>	<b>286,230,114</b>	<b>1,569,898,682</b>
<b>Cash flows from investing activities</b>					
Purchase and construction of property, plant and equipment	13	(309,592,881)	(886,837,233)	(243,949,992)	(642,638,268)
Purchase of intangible assets	15	(49,298,031)	(48,606,685)	(39,781,390)	(44,742,543)
Proceeds from sales of property, plant and equipment		2,440,477	38,381,187	282,703	2,424,833
Investment in associates	17	(123,360,000)	771,000	(123,360,000)	-
Investments in finance leases	20	-	-	23,431,653	170,223,077
Purchase of other financial instruments	27	(1,523,893,761)	(252,004,756)	(1,327,174,158)	(15,420,000)
Proceeds from sales of other financial instruments	27	557,342,391	180,184,705	159,600,000	19,275,000
Interest received		90,928,632	42,440,518	45,540,742	35,673,218
Dividend received		14,207,500	11,956,250	60,146,201	8,000,000
Impact on disposal of a subsidiary		-	916,513,563	-	-
<b>Net cash used in investing activities</b>		<b>(1,341,225,676)</b>	<b>2,798,549</b>	<b>(1,445,264,240)</b>	<b>(467,204,683)</b>
<b>Cash flows from financing activities</b>					
Loans and borrowings obtained	31	1,514,502,167	484,761,526	1,514,502,167	488,817,194
Repayments of borrowings	31	(1,066,879,273)	(998,625,342)	(1,019,331,707)	(1,063,749,777)
Loans and borrowings obtained for working capital	31	5,226,084,192	5,987,950,929	5,226,084,192	5,987,950,929
Principal lease payments	32	(124,739,188)	(54,769,763)	(111,043,623)	(50,427,540)
Repayments of working capital loans and borrowings	31	(5,537,701,818)	(6,143,240,807)	(5,537,701,818)	(6,143,240,807)
Dividend paid		(16,038,635)	(17,538,864)	(14,438,635)	(14,888,864)
<b>Net cash (used in) / generated from financing activities</b>		<b>(4,772,536)</b>	<b>(741,462,321)</b>	<b>58,070,576</b>	<b>(795,538,864)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(947,593,565)</b>	<b>958,507,655</b>	<b>(1,100,963,550)</b>	<b>307,155,135</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>1,591,613,304</b>	<b>623,105,649</b>	<b>1,340,086,578</b>	<b>1,032,931,443</b>
<b>Cash and cash equivalents at end of the year</b>	28	<b>644,019,739</b>	<b>1,591,613,304</b>	<b>239,123,028</b>	<b>1,340,086,578</b>

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes which form an integral part of the consolidated financial statements of the Group and separate financial statements of the Company set out on pages 12 to 148. The report of the Independent Auditors is given on pages 1 to 6.



**STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. REPORTING ENTITY**

**1.1 Corporate information**

State Trading Organization PLC (the "Company") is a company incorporated and domiciled in the Republic of Maldives as a public limited liability company since 2001 and presently with its registered office at Kan'baa, Aisarani Hingun, K.Male' 20345, Republic of Maldives.

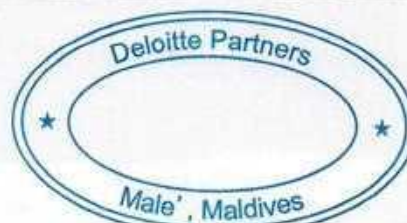
**1.2 Consolidated financial statements**

The consolidated financial statements of the Group for the year ended 31st December 2024 include the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in investments in equity accounted investees. The financial statements of all companies in the Group have a common financial year which ends on December 31<sup>st</sup>. State Trading Organization PLC is the ultimate parent of the Group.

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

**1.3 Principal activities and nature of operations**

<b>Entity</b>	<b>Principal business activities</b>
State Trading Organization PLC ("STO")	The Company is involved in the business of local and foreign trading.
Fuel Supplies Maldives Private Limited ("FSM")	FSM is in the business of supplying and distribution of fuel and lubricant in Maldives.
Raysut Maldives Cement Private Limited ("Raysut")	Raysut imports cement and distributes in Maldives.
Maldives National Oil Company Private Limited ("MNO")	MNO is directly responsible for the development of oil and gas industry processes in the Maldives and overseas, however the Company has not commenced commercial operations as at 31 <sup>st</sup> December 2024.
STO Hotels & Resorts Private Limited ("STOHR")	STOHR is involved in the business of Hotel and Leisure sector, however the Company has not commenced commercial operations as at 31 <sup>st</sup> December 2024.
Allied Insurance Company of the Maldives Private Limited ("ALLIED")	ALLIED is involved in the business of providing insurance services in Maldives.
STO Maldives (Singapore) Private Limited ("STOS")	The company's line of business includes the trading of commodities in international markets, however the Company has not commenced commercial operations as at 31 <sup>st</sup> December 2024.
Maldives Structural Products Private Limited ("MSP")	MSP's main objective is producing steel roofing products and related accessories and supply to the Maldives market.
Maldives Gas Private Limited ("MGPL")	MGPL supplies and delivers liquified petroleum gas (LPG), produces medical and industrial oxygen and sells a range of products from gas stoves to regulators and other LPG equipment.
Maldives State Shipping Private Limited (MSS)	MSS provides an extensive international liner shipping service
Maldives Industrial Development Free Zone (MIDFZ)	MIDFZ engages in large-scale importation and re-export activities, focusing on the development of free trade zones to optimize profits and enhance international trade.



**STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standards Board.

**2.2 Basis of measurement**

The consolidated and separate financial statements have been prepared on the historical cost basis except for the following item, which is measured on an alternative basis on each reporting date.

Items	Measurement basis
Equity Securities at FVOCI	Fair value

**2.3 Functional and presentation currency**

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

**2.4 Use of estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

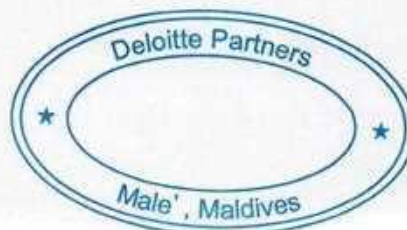
The areas involving significant estimates or judgements are:

- Loss allowance for expected credit losses - note 3.10
- Estimated useful life of property plant and equipment - note 3.4
- Estimated useful life of intangible asset - note 3.6
- Estimation uncertainties and judgements made in relation to lease accounting - note 3.13
- Estimation of fair values of investment property - note 3.5

**2.5 Basis of consolidation**

**(i) Business combinations**

The Group accounts for business combination is prepared using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.



STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**2. BASIS OF PREPARATION (CONTINUED)**

**2.5 Basis of consolidation (Continued)**

**(i) Business combinations (Continued)**

The consideration transferred does not include amounts related to the settlement of pre-existing relationship. Such amounts are generally recognized in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

**(ii) Subsidiaries**

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated and separate financial statements from the date that control commences until the date that control ceases.

**(iii) Interests in equity accounted investees**

The Group's interest in equity accounted investees comprise interests in associates and joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interest in the associates and the joint venture are accounted for using the equity method. It is recognized initially at cost, which include transaction costs. Subsequently to initial recognition, the consolidated financial statement includes the Group's share of the profit or loss and other comprehensive income (OCI) of equity accounted investees, until the date on which significant influence or joint venture ceases.

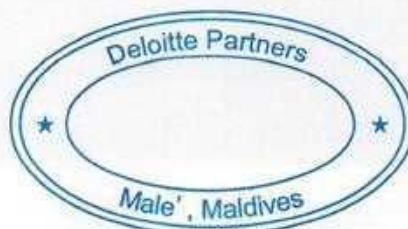
**(iv) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

**(v) Non-controlling interest**

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

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transaction.



**STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**2. BASIS OF PREPARATION (CONTINUED)**

**2.5 Basis of consolidation (continued)**

**(vi) Common control transactions**

A business combination involving entities or business under Common Control is a business combination in which all the combining entities or businesses ultimately are controlled by the same party or parties both before and after the combination and control is not transitional. Acquisitions under common control transactions in the Group are accounted applying book value accounting on the basis that the investment simply has been moved from one party of the Group to another.

**(vii) Loss of control**

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest (NCI) and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

**(viii) Goodwill on consolidation**

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests), and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is more than the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the Statement of Profit or Loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill that arises is tested annually for impairment. Group policy on impairment of goodwill is discussed under note 3.10 (ii)

**3. MATERIAL ACCOUNTING POLICIES**

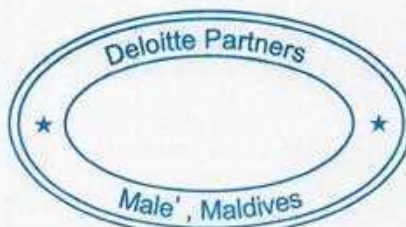
The accounting policies set out below have been applied consistently to all periods presented in these consolidated and separate financial statements, by the Group / the Company.

**3.1 Foreign currency**

**(i) Transactions in foreign currencies**

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

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



**STATE TRADING ORGANIZATION PLC  
(INCORPORATED IN THE REPUBLIC OF MALDIVES)  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.1 Foreign currency (Continued)**

**(ii) Foreign operations**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Maldivian Rufiyaa at the exchange rate ruling at the reporting date. The income and expenses of foreign operations are translated into Maldivian Rufiyaa at the average exchange rate.

Foreign currency differences are recognised in other comprehensive income (OCI) and accumulated in the translation reserve, except to the extent that the translation differences is allocated to non-controlling income (NCI).

When a foreign operation is disposed of in it's entirely or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

If the Group / the Company disposes of part of its interest in a subsidiary but retain control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group / the Company disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

If the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, then foreign currency differences arising from such item from part of the net investment in the foreign operation. Accordingly, such differences are recognised in OCI and accumulated in the translation reserve.

**3.2 Financial instruments**

**(i) Financial assets (non-derivatives other than insurance receivables)**

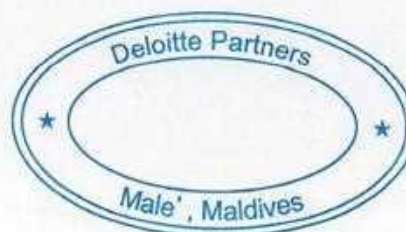
**Recognition and initial measurement**

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group/Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction cost that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

**Measurement**

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

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



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Financial instruments (continued)

**Debt instruments**

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

- **Amortized cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVTPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

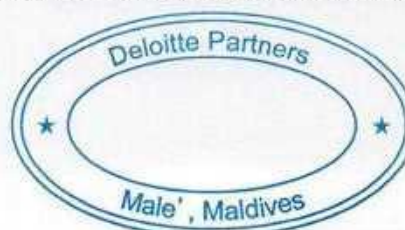
**Equity instruments**

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

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

**Business model assessment**

The Group / the Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Group's / Company's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Financial instruments (continued)

**Assessment whether the cash flows are solely payment of principal and interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs as well as a profit margin.

**Subsequent measurement**

The following accounting policies apply to the subsequent measurement of financial assets.

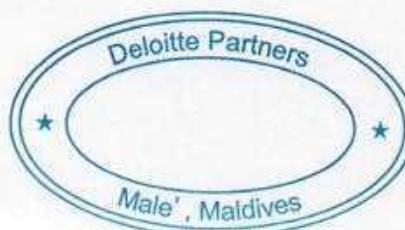
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

- The Group / the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination in other comprehensive income; and
- The Group / the Company may irrevocably designate a debt investment that meets the amortised cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

In the current year, the Group / the Company has not designated any debt investments that meet the amortised cost or FVOCI criteria as measured at FVTPL.

When a debt investment measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. When an equity investment designated as measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is subsequently transferred to retained earnings.

Debt instruments that are measured subsequently at amortised cost or at FVOCI are subject to impairment.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Financial instruments (continued)

**De-recognition**

The Group / the Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of the ownership of the financial asset are transferred or in which the Group / the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not de-recognized.

(ii) **Financial liabilities (non-derivative other than reinsurance liabilities)**

The Group / the Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the trade date at which the Group / the Company becomes a party to the contractual provisions of the instrument. The Group / the Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group / the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

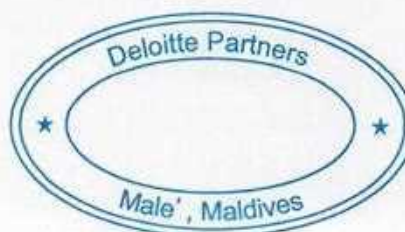
The Group / the Company non-derivative financial liabilities consist of loans and borrowings, amounts due to related parties and trade and other payables. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

A financial liability is derecognized when its contractual obligations are discharged or cancelled or expire. The Group / the Company also de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3.3 Share capital

**Ordinary shares**

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



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.4 Property, plant and equipment**

**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

**(ii) Subsequent costs**

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only if it is probable that the future economic benefits embodied with the item will flow to the Group/ Company and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

**(iii) Depreciation**

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

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant, and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group / the Company will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold buildings - Over the lease period or 20 years, whichever is lower.

All the assets except leasehold buildings are depreciated over the following estimated useful lives:

Freehold buildings	5 - 25	years
Vessels and fleet	5 - 15	years
Motor vehicles	4 - 5	years
Plant and machinery	3 - 25	years
Air conditioners	3 - 4	years
Office equipment	3 - 5	years
Furniture and fixtures	3 - 5	years
Other assets	3 - 5	years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The charge for the depreciation commences from the month in which the property, plant and equipment is commissioned for commercial operation.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.4 Property, plant and equipment (continued)**

**(iv) Capital work- in -progress**

Capital work- in- progress is stated at cost and includes all development expenditure and other direct costs attributable to such projects including borrowing costs capitalized. Capital work in progress is not depreciated until its completion of construction, and the asset is ready for use upon which the cost of completed construction works is transferred to the appropriate category of property, plant, and equipment.

**3.5 Investment property**

Investment property are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently cost less accumulated depreciation. However, if there is an impairment in value, other than of a temporary nature, the carrying amount is reduced to recognize the decline.

Depreciation on investment properties is recognized on a straight-line basis over the following estimated useful lives.

Leasehold buildings and structures 20 to 25 years

On the disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

Capital work- in- progress is stated at cost and includes all development expenditure and other direct costs attributable to such projects including borrowing costs capitalized. Capital work in progress is not depreciated until its completion of construction and the asset is ready to use upon which the cost of completed construction works is transferred to the appropriate category of investment property.

**3.6 Intangible assets**

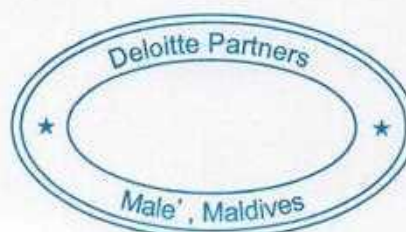
**(i) Recognition and measurement**

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

Costs that are directly associated with the purchase and implementation of identifiable and unique software products by the Group / the Company are recognized as intangible assets. Expenditures that enhance and extend the benefits of computer software program beyond their original specifications and lives are recognized as a capital improvement and added to the original cost of the software.

**(ii) Subsequent expenditure**

Subsequent expenditure is only capitalized if costs can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the Group / the Company has sufficient resources to complete development and to use the asset.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.6 Intangible assets (continued)**

**(iii) Amortization**

Amortization is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Computer software	3 to 10 years
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**(iv) Capital work in progress**

Capital work- in- progress is stated at cost and includes all development expenditure and other direct costs attributable to such projects including borrowing costs capitalized. Capital work in progress is not amortized until its completion of development and the asset is ready to use upon which the cost of completed construction works is transferred to intangible assets.

**3.7 Inventories**

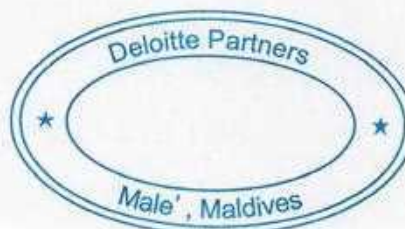
Inventories are measured at the lower of cost and net realizable value. The cost of inventory item is based on the weighted average method except in Maldives Gas Private Limited, which is on a first-in-first-out method. Cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**3.8 Trade and other receivables**

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

**3.9 Cash and cash equivalents**

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



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.10 Impairment

(i) Financial assets (including insurance receivables)

The Group / the Company accounts for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

Specifically, the Group / the Company recognises a loss allowance for expected credit losses on:

- Debt investments measured subsequently at amortised cost or at FVOCI;
- Trade receivables;
- Cash and bank balances; and
- Contract assets;
- Amounts due from related parties

In particular, the Group / Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the Group / the Company measures the loss allowance for that financial instrument at an amount equal to 12-months ECL. The Group / the Company applies a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables and contract assets. The Group / the Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group / the Company considers a financial asset to be in default when,

- The borrower is unlikely to pay its credit obligations to the Group / the Company in full
- The financial asset is more than 90 days past due.

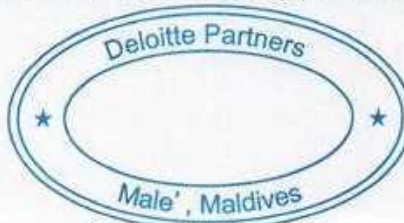
Loss allowances for financial assets measured at amortized cost are presented by deducting from the gross carrying amount of the asset.

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

(ii) Non-financial assets

The carrying amounts of the Group's / Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.10 Impairment (continued)**

For the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**3.11.1 i) Use of estimates and judgements**

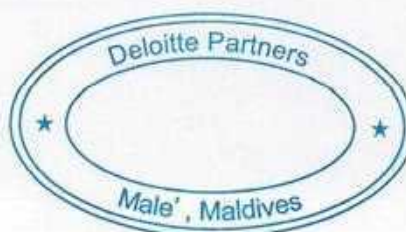
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the company financial statements as per the following:

- Impairment of financial assets: establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of Expected Credit Losses (ECL) and selection and approval of models used to measure ECL.
- Classification of financial assets: assessing the business model within which the assets are held and determining whether the contractual terms of the assets represent solely payments of principal and interest (SPPI) on the principal amount outstanding.

**3.11.1 ii) Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties at 31 December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included as per the following:

- Impairment of financial assets: determination of inputs into the ECL measurement model, including key assumptions used in estimating recoverable cash flows and incorporation of forward-looking information.
- Measurement of the fair value of financial instruments, investment properties, and owner-occupied properties with significant unobservable inputs.
- Measurement of defined benefit obligations: key actuarial assumptions.
- Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be used.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11 Use of estimates and judgements (continued)**

Changes in the following key assumptions may change the fulfilment cash flows materially during 2024. However, these changes would adjust the Contractual Service Margin (CSM) and would not affect the carrying amounts of the contracts unless they arise from onerous contracts or do not relate to future services:

- Life and participating contracts: assumptions about future cash flows relating to mortality, morbidity, policyholder behavior, participation percentages, and crediting rates.
- Non-life contracts: assumptions about claims development; and
- All contracts: assumptions about discount rates, including any illiquidity premiums.

**3.11.1 iii) Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

**3.11.2 Insurance and reinsurance contracts**

**(a) Insurance, reinsurance, and investment contracts – Classification**

Contracts under which the Company accepts significant insurance risk are classified as insurance contracts. Contracts held by the Company under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose the Company to financial risk.

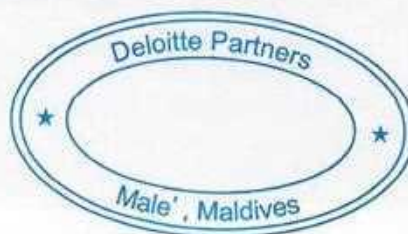
The Company does not accept insurance risk from other insurers.

Insurance contracts may be issued and reinsurance contracts may be initiated by the Company. All references in these accounting policies to 'insurance contracts' and 'reinsurance contracts' include contracts issued or initiated by the Company. There are no insurance or reinsurance contracts acquired under a business combination.

Insurance contracts are classified as direct participating contracts or contracts without direct participation features. Direct participating contracts are contracts for which, at inception:

- The contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items.
- The Company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items.
- The Company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the PAA.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11.2 Insurance and reinsurance contracts (continued)

(b) Insurance and reinsurance contracts

(i) Separating components from insurance and reinsurance contracts

At inception, the Company separates the following components from an insurance or reinsurance contract and accounts for them as if they were stand-alone financial instruments:

- Derivatives embedded in the contract whose economic characteristics and risks are not closely related to those of the host contract, and whose terms would not meet the definition of an insurance or reinsurance contract as a stand-alone instrument.
- Distinct investment components: i.e., investment components that are not highly interrelated with the insurance components and for which contracts with equivalent terms are sold, or could be sold, separately in the same market or the same jurisdiction.

After separating any financial instrument components, the Company separates any promises to transfer to policyholders' distinct goods or services other than insurance coverage and investment services and accounts for them as separate contracts with customers (i.e. not as insurance contracts). A good or service is distinct if the policyholder can benefit from it either on its own or with other resources that are readily available to the policyholder. A good or service is not distinct and is accounted for together with the insurance component if the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance component, and the Company provides a significant service of integrating the good or service with the insurance component.

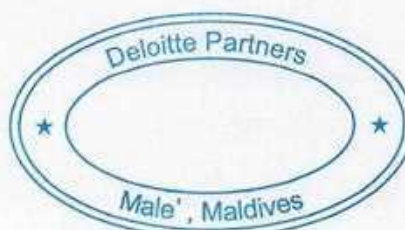
The Company does not possess any insurance contracts with distinct insurance or non-insurance components that require separation as of the reporting date.

(i) Aggregation and recognition of insurance and reinsurance contracts

Insurance contracts

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into annual cohorts (i.e. by year of issue) and each annual cohort into three groups based on the profitability of contracts:

- Any contracts that are onerous on initial recognition;
- Any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- Any remaining contracts in the annual cohort



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

An insurance contract issued by the Company is recognised from the earliest of:

- The beginning of its coverage period (i.e. the period during which the Company provides services in respect of any premiums within the boundary of the contract).
- When the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder.
- When facts and circumstances indicate that the contract is onerous. An insurance contract acquired in a transfer of contracts or a business combination is recognised on the date of acquisition.

When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition and their composition is not revised once all contracts have been added to the group.

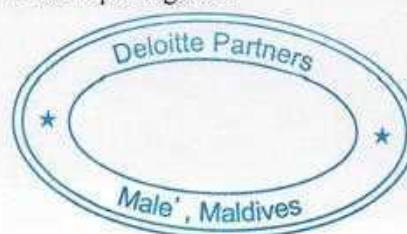
**Reinsurance contracts**

Groups of reinsurance contracts are established such that each group comprises a single contract for measurement purposes.

Some reinsurance contracts provide cover for underlying contracts that are included in different groups. However, the Company concludes that the reinsurance contract's legal form of a single contract reflects the substance of the Company's contractual rights and obligations, considering that the different covers lapse together and are not sold separately. As a result, the reinsurance contract is not separated into multiple insurance components that relate to different underlying groups.

A group of reinsurance contracts is recognised on the following date.

- Reinsurance contracts initiated by the Company that provide proportionate coverage: The date on which any underlying insurance contract is initially recognised. This applies to the Company's quota share reinsurance contracts.
- Other reinsurance contracts initiated by the Company: The beginning of the coverage period of the group of reinsurance contracts. However, if the Company recognises an onerous group of underlying insurance contracts on an earlier date and the related reinsurance contract was entered into before that earlier date, then the group of reinsurance contracts is recognised on that earlier date. This applies to the Company's excess of loss and stop-loss reinsurance contracts.
- Reinsurance contracts acquired: The date of acquisition. However, the Company does not possess any acquired reinsurance contracts as of the reporting date.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11.2 Insurance and reinsurance contracts (continued)

(ii) Insurance acquisition cashflows

Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort.

If insurance acquisition cash flows are directly attributable to a group of contracts (e.g. non-refundable commissions paid on issuance of a contract), then they are allocated to that group. The Company does not allocate any portion of the paid commissions to the future renewals as the Company does not have arrangements that expect the recovery of part of the acquisition costs through future renewals of the contracts.

If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

Insurance acquisition cash flows arising before the recognition of the related group of contracts are recognised as an asset. Insurance acquisition cash flows arise when they are paid or when a liability is required to be recognised under a standard other than IFRS 17. Such an asset is recognised for each group of contracts to which the insurance acquisition cash flows are allocated. The asset is derecognised, fully or partially, when the insurance acquisition cash flows are included in the measurement of the group of contracts.

At each reporting date, the Company revises the amounts allocated to groups to reflect any changes in assumptions that determine the inputs to the allocation method used. Amounts allocated to a group are not revised once all contracts have been added to the group.

No assets in relation to insurance acquisition cashflows (asset for IACF) have been recognised as of the reporting date.

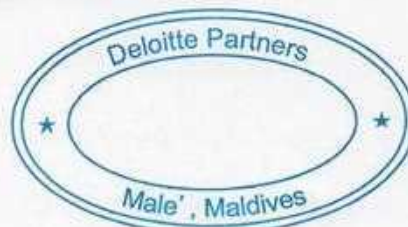
Recoverability assessment

At each reporting date, if facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then the Company:

- a) Recognises an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group.
- b) If the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Company reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions have improved.

No impairment losses have been recognised in relation to insurance acquisition assets as of the reporting date as no assets for IACFs have been recognised by the Company.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

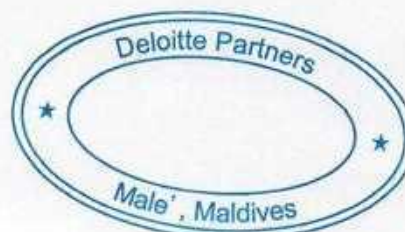
3.11.2 Insurance and reinsurance contracts (continued)

(iv) Contract boundaries.

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group, determined as follows:

<p><b>Insurance contracts</b></p>	<p>Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay premiums or has a substantive obligation to provide services (including insurance coverage and any investment services).</p> <p>A substantive obligation to provided services ends when:</p> <ul style="list-style-type: none"> <li>▪ the Company has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or</li> <li>▪ the Company has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.</li> </ul> <p>The reassessment of risks considers only risks transferred from policyholders to the Company, which may include both insurance and financial risks, but exclude lapse and expense risks.</p>
<p><b>Reinsurance contracts</b></p>	<p>Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.</p> <p>A substantive right to receive services from the reinsurer ends when the reinsurer:</p> <ul style="list-style-type: none"> <li>▪ has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or</li> <li>▪ has a substantive right to terminate the coverage.</li> </ul>

The contract boundary is reassessed at each reporting date to include the effect of changes in circumstances on the Company's substantive rights and obligations and, therefore, may change over time.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11.2 Insurance and reinsurance contracts (continued)

(v) Measurement – Contracts not measured under the PAA

Insurance contracts – Initial measurement

On initial recognition, the Company measures a group of insurance contracts as the total of

- a) The fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and
- b) The CSM.

The fulfilment cash flows of a group of insurance contracts do not reflect the Company's non-performance risk.

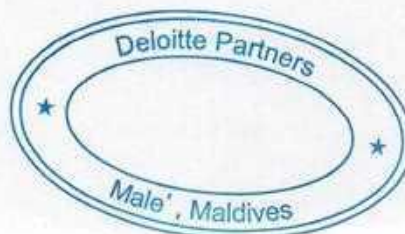
The risk adjustment for non-financial risk for a group of insurance contracts, determined separately from the other estimates, is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The CSM of a group of insurance contracts represents the unearned profit that the Company will recognise as it provides services under those contracts. On initial recognition of a group of insurance contracts, if the total of:

- The fulfilment cash flows,
- Any cash flows arising at that date, and
- Any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows under (iii)) is a net inflow,

then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total is a net outflow, then the group is onerous. In this case, the net outflow is recognised as a loss in profit or loss. A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(v) Measurement – Contracts not measured under the PAA (continued)**

**Insurance contracts – Subsequent measurement**

The carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises:

- a) The fulfilment cash flows that relate to services that will be provided under the contracts in future periods; and
- b) Any remaining CSM at that date.

The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

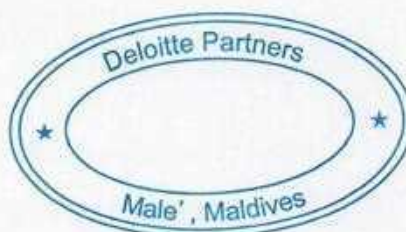
The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows.

Changes relating to future services	Adjusted against the CSM (or recognised in the insurance service result in profit or loss if the group is onerous)
Changes relating to current or past services	Recognised in the insurance service result in profit or loss
Effects of the time value of money, financial risk and changes therein on estimated future cash flows	Recognised as insurance finance income or expenses

The CSM of each group of contracts is calculated at each reporting date as follows:

**Insurance contracts without direct participation features**

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11.2 Insurance and reinsurance contracts (continued)

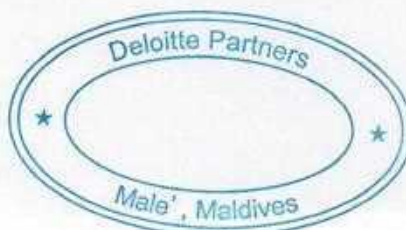
(v) Measurement – Contracts not measured under the PAA (continued)

- The CSM of any new contracts that are added to the group in the year.
- Interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition.
- Changes in fulfilment cash flows that relate to future services, except to the extent that:  
- any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in profit or loss and creates a loss component.
- Any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in profit or loss
- The effect of any currency exchange differences on the CSM; and – the amount recognised as insurance revenue because of the services provided in the year.

Changes in fulfilment cash flows that relate to future services comprise:

- Experience adjustments arising from premiums received in the year that relate to future services and related cash flows, measured at the discount rates determined on initial recognition.
- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, measured at the discount rates determined on initial recognition, except for those that arise from the effects of the time value of money, financial risk, and changes therein.
- Differences between  
(a) any investment component expected to become payable in the year, determined as the payment expected at the start of the year plus any insurance finance income or expenses related to that expected payment before it becomes payable; and  
(b) the actual amount that becomes payable in the year;
- Differences between any loan to a policyholder expected to become repayable in the year and the actual amount that becomes repayable in the year; and
- Changes in the risk adjustment for non-financial risk that relates to future services.

Changes in discretionary cash flows are regarded as relating to future services and accordingly adjust the CSM.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11.2 Insurance and reinsurance contracts (continued)

(v) Measurement – Contracts not measured under the PAA (continued)

However, the Company does not take policy loans under the fulfilment cashflows as per the Company's accounting policy on fulfilment cashflows and no changes in discretionary cashflows have been reported during the period.

**Insurance contracts with direct participating features**

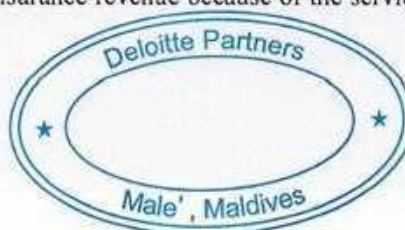
Direct participating contracts are contracts under which the Company's obligation to the policyholder is the net of:

- The obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- A variable fee in exchange for future services provided by the contracts, being the amount of the Company's share of the fair value of the underlying items less fulfilment cash flows that do not vary based on the returns on underlying items. The Company provides investment services under these contracts by promising an investment return based on underlying items, in addition to insurance coverage.

When measuring a group of direct participating contracts, the Company adjusts the fulfilment cash flows for the whole of the changes in the obligation to pay policyholders an amount equal to the fair value of the underlying items. These changes do not relate to future services and are recognised in profit or loss. The Company then adjusts any CSM for changes in the amount of the Company's share of the fair value of the underlying items, which relate to future services, as explained below.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- The CSM of any new contracts that are added to the group in the year.
- the change in the amount of the Company's share of the fair value of the underlying items and changes in fulfilment cash flows that relate to future services, except to the extent that:
  - a decrease in the amount of the Company's share of the fair value of the underlying items, or an increase in the fulfilment cash flows that relate to future services, exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss (included in insurance service expenses) and creating a loss component; or
  - an increase in the amount of the Company's share of the fair value of the underlying items, or a decrease in the fulfilment cash flows that relate to future services, is allocated to the loss component, reversing losses previously recognised in profit or loss (included in insurance service expenses);
  - the effect of any currency exchange differences on the CSM; and
  - the amount recognised as insurance revenue because of the services provided in the year.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11.2 Insurance and reinsurance contracts (continued)

(v) Measurement – Contracts not measured under the PAA (continued)

Changes in fulfilment cash flows that relate to future services include the changes relating to future services specified above for contracts without direct participation features (measured at current discount rates) and changes in the effect of the time value of money and financial risks that do not arise from underlying items – e.g. the effect of financial guarantees.

**Reinsurance contracts**

To measure a group of reinsurance contracts, the Company applies the same accounting policies as are applied to insurance contracts without direct participation features, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises:

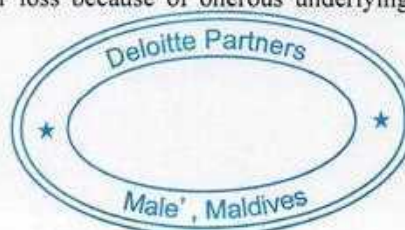
- The fulfilment cash flows that relate to services that will be received under the contracts in future periods and
- Any remaining CSM at that date.

The Company measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

The risk adjustment for non-financial risk is the amount of risk being transferred by the Company to the reinsurer.

On initial recognition, the CSM of a group of reinsurance contracts represents a net cost or net gain on purchasing reinsurance. It is measured as the equal and opposite amount of the total of

- a) The fulfilment cash flows
- b) Any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group.
- c) Any cash flows arising at that date.
- d) Any income recognised in profit or loss because of onerous underlying contracts recognised at that date.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(v) Measurement – Contracts not measured under the PAA (continued)**

However, if any net cost on purchasing reinsurance coverage relates to insured events that occurred before the purchase of the group, then the Company recognises the cost immediately in profit or loss as an expense.

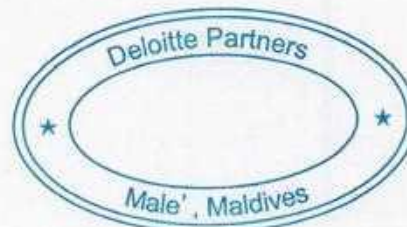
The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- The CSM of any new contracts that are added to the group in the year.
- Interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined by initial recognition.
- Income recognised in profit or loss in the year on initial recognition of onerous underlying contracts (refer below).
- Reversals of a loss-recovery component (refer to 'Net expenses from reinsurance contracts' under (viii)) to the extent that they are not changes in the fulfilment cash flows of the group of reinsurance contracts.
- Changes in fulfilment cash flows that relate to future services, measured at the discount rates determined on initial recognition, unless they result from changes in fulfilment cash flows of the onerous underlying contracts, in which case they are recognised in profit or loss and create or adjust a loss-recovery component.
- The effect of any currency exchange differences on the CSM; and
- The amount recognised in profit or loss because of the services received in the year.

**Reinsurance of onerous underlying insurance contracts**

The Company adjusts the CSM of the group to which a reinsurance contract belongs and as a result recognises income when it recognises a loss on initial recognition of onerous underlying contracts, if the reinsurance contract is entered into before or at the same time as the onerous underlying contracts are recognised. The adjustment to the CSM is determined by multiplying:

- The amount of the loss that relates to the underlying contracts; and
- The percentage of claims on the underlying contracts that the Company expects to recover from the reinsurance contracts.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(v) Measurement – Contracts not measured under the PAA (continued)**

For reinsurance contracts acquired in a transfer of contracts or a business combination covering onerous underlying contracts, the adjustment to the CSM is determined by multiplying:

- The amount of the loss component that relates to the underlying contracts at the date of acquisition; and
- The percentage of claims on the underlying contracts that the Company expects at the date of acquisition to recover from the reinsurance contracts.

For reinsurance contracts acquired in a business combination, the adjustment to the CSM reduces goodwill or increases a gain on a bargain purchase.

If the reinsurance contract covers only some of the insurance contracts included in an onerous group of contracts, then the Company uses a systematic and rational method to determine the portion of losses recognised on the onerous group of contracts that relates to underlying contracts covered by the reinsurance contract.

A loss-recovery component is created or adjusted for the group of reinsurance contracts to depict the adjustment to the CSM, which determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid

**vi) Measurement – Contracts measured under the PAA**

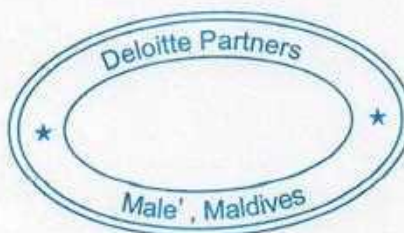
In the non-life segment, the Company uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception.

- **Insurance contracts:**

The coverage period of each contract in the group is one year or less. Some of these contracts provide compensation for the cost of rebuilding or repairing a property after a fire; for these contracts, the Company determines the insured event to be the occurrence of a fire and the coverage period to be the period in which a fire can occur for which a policyholder can make a valid claim.

- **Loss-occurring reinsurance contracts:**

The coverage period of each contract in the group is one year or less.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11.2 Insurance and reinsurance contracts (continued)

(vi) Measurement – Contracts measured under the PAA (continued)

- Risk-attaching reinsurance contracts:

The Company reasonably expects that the resulting measurement of the asset for remaining coverage will not differ materially from the result of applying the accounting policies in (v). When comparing the different possible measurements, the Company considers the impact of the different release patterns of the asset for remaining coverage to profit or loss and the impact of the time value of money. If significant variability is expected in the fulfilment cash flows during the period before a claim is incurred, then this criterion is not met.

**Insurance contracts**

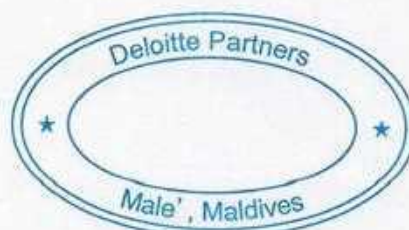
On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition minus any insurance acquisition cash flows allocated to the group at that date, and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows under (iii)). The Company has chosen not to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses and decreased by the amount recognised as insurance revenue for services provided and any additional insurance acquisition cash flows allocated after initial recognition.

On initial recognition of each group of contracts, the Company expects that the time between providing each part of the services, and the related premium due date, is no more than a year. Accordingly, the Company has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Company recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows are discounted (at current rates) if the liability for incurred claims is also discounted (refer below).

The Company recognises the liability for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. Future cash flows are discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(vi) Measurement – Contracts measured under the PAA (continued)**

**Reinsurance contracts**

The Company applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

If a loss-recovery component (refer 'Reinsurance of onerous underlying insurance contracts' under (v)) is created for a group of reinsurance contracts measured under the PAA, then the Company adjusts the carrying amount of the asset for remaining coverage instead of adjusting the CSM. However, the Company does not have onerous groups of contracts available under PAA approach.

**(vii) Derecognition and contract modification**

The Company derecognises a contract when it is extinguished – i.e. when the specified obligations in the contract expire or are discharged or cancelled.

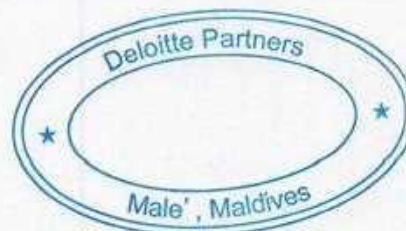
The Company also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

On derecognition of a contract from within a group of contracts not measured under the PAA:

- The fulfilment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognized.
- The CSM of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component.
- The number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognised from the group.

If a contract is derecognised because it is transferred to a third party, then the CSM is also adjusted for the premium charged by the third party, unless the group is onerous.

If a contract is derecognised because its terms are modified, then the CSM is also adjusted for the premium that would have been charged had the Company entered into a contract with the new contract's terms at the date of modification, less any additional premium charged for the modification. The new contract recognised is measured assuming that, at the date of modification, the Company received the premium that it would have charged less any additional premium charged for the modification.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(viii) Presentation**

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows under (iii)) are included in the carrying amount of the related portfolios of contracts.

The Company disaggregates amounts recognised in the statement of profit or loss and OCI into

- a) An insurance service result, comprising insurance revenue and insurance service expenses; and
- b) Insurance finance income or expenses.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result.

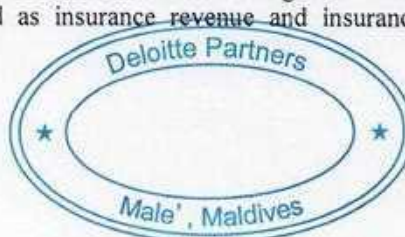
The Company does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk are included in the insurance service result.

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows.

**Insurance revenue – contracts not measured under the PAA**

The Company recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Company expects to receive consideration and comprises the following items:

- A release of the CSM, measured based on coverage units provided (refer to 'Release of the CSM' below).
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts, which are recognised as insurance revenue and insurance service expenses at that date.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(viii) Presentation (continued)**

- Other amounts, including experience adjustments for premium receipts for current or past services for the participating and non-participating portfolios.

In addition, the Company allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Company recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

**Release of the CSM**

The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each year is determined by identifying the coverage units in the group, allocating the CSM remaining at the end of the year (before any allocation) equally to each coverage unit provided in the year and expected to be provided in future years, and recognising in profit or loss the amount of the CSM allocated to coverage units provided in the year. The number of coverage units is the quantity of services provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage period.

The coverage units are reviewed and updated at each reporting date.

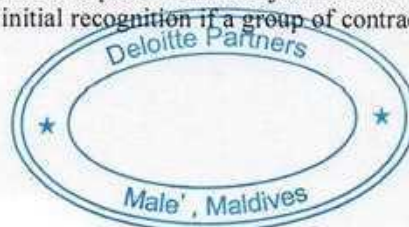
The expected coverage period reflects expectations of lapses and cancellations of contracts, as well as the likelihood of insured events occurring to the extent that they would affect the expected coverage period.

**Insurance revenue – contracts measured under the PAA**

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Company allocates the expected premium receipts to each period based on the passage of time.

For contracts not measured under the PAA, the Company establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for non-financial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(viii) Presentation (continued)**

**Loss components**

Changes in fulfilment cash flows relating to future services and changes in the amount of the Company's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

**Insurance service expenses**

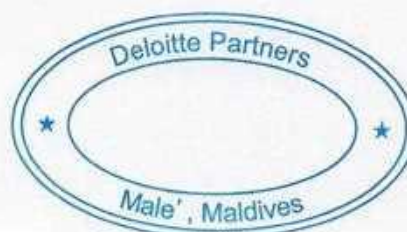
Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items.

- Incurred claims and other insurance service expenses
- Amortization of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Company amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses if any.

**Net expenses from reinsurance contracts**

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

The Company recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Company expects to pay consideration.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**(viii) Presentation (continued)**

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period. For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

**Insurance finance income and expenses**

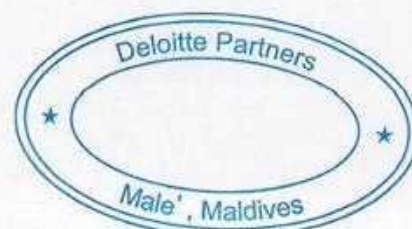
Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals). The Company does not disaggregate insurance finance income or expenses between profit or loss and OCI for all the portfolios of contracts.

**Significant judgements and estimates**

**(i) Fulfilment cash flows**

Fulfilment cash flows comprise:

- Estimates of future cash flows.
- An adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows.
- A risk adjustment for non-financial risk.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**Significant judgements and estimates (continued)**

The Company's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value.

**Estimates of future cash flows**

In estimating future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

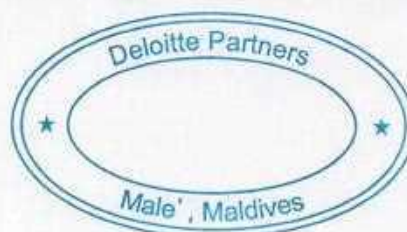
The estimates of future cash flows reflect the Company's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Company considers current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not considered until the change in legislation is substantively enacted.

Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting, and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include:

- Claims handling, maintenance and administration costs.
- Recurring commissions payable on instalment premiums receivable within the contract boundary.
- Costs that the Company will incur in providing investment services.
- Costs that the Company will incur in performing investment activities to the extent that the Company performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**Significant judgements and estimates (continued)**

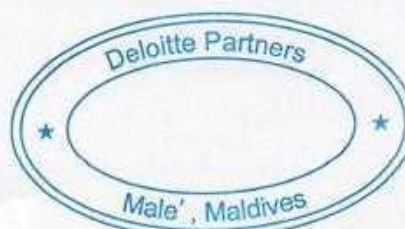
Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. The Company generally allocates insurance acquisition cash flows and maintenance to groups of contracts based on the premiums for each group. Other costs are recognised in profit or loss as they are incurred.

**Contract boundaries**

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Company's substantive rights and obligations under the contract.

Insurance contracts	Life insurance contracts issued by the Company do not contain guaranteed renewal features, options etc. which affect the contract boundary and policy term is considered as the contract boundary as the Company does not have the practical ability to reprice the contracts during their term.
Reinsurance contracts	Each of the Company's quota share reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights to both the Company and the reinsurer to terminate the cession of reinsurance business at any time by giving three months' notice to the other party. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Company expects to issue or cede under the reinsurance contract within the next three months. Subsequently, expected cash flows beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contracts as they fall within the rolling three-month notice period. Each of the Company's excess of loss and stop loss reinsurance contracts has an annual term and covers claims from underlying contracts incurred within the year (i.e., loss occurring). Cash flows within the contract boundary are those arising from underlying claims incurred during the year.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**Significant judgements and estimates (continued)**

Assumptions about mortality, morbidity, and policyholder behaviour used in estimating future cash flows are developed by product type at entity level, reflecting recent experience and the profiles of policyholders within a group of insurance contracts.

Mortality and morbidity assumptions are developed using a blend of regional mortality data, industry trends and the entity's recent experience. Experience is monitored through regular studies, the results of which are reflected both in the pricing of new products and in the measurement of existing contracts.

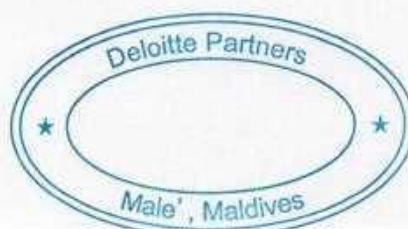
Mortality is a key assumption in the measurement of life insurance contracts. Tables produced by the Mortality and Morbidity Investigation Committee (MMIC) within insurance Information Bureau of India (IIB) are used.

Year	Mortality table used
2024	IALM 2012 - 2014
2023	IALM 2012 - 2014

Policyholder behaviour is a key assumption in the measurement of participating and non-participating insurance contracts. Each type of policyholder behaviour is estimated by product type, based on trends in recent experience. The following table sets out the assumptions about exit rates (expressed as averages) by policy anniversary for participating and non-participating contracts.

	2024				
	1-5	5-10	10-15	15-20	20-25
Traditional participating/ non-participating	5.6%	3.0%	3.0%	3.0%	3.0%
Direct participating contracts	10.3%	6.8%	5.0%	5.0%	5.0%

	2023				
	1-5	5-10	10-15	15-20	20-25
Traditional participating/ non-participating	7.3%	3.0%	1.3%	1.4%	1.3%
Direct participating contracts	3.9%	5.9%	5.4%	5.4%	5.4%



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**Significant judgements and estimates (continued)**

**Non-life contracts**

The Company estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques – e.g. the chain-ladder and Bornhuetter-Ferguson methods. These techniques assume that the Company's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each line of business.

The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based. However judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

**Discount rates**

All cash are discounted using yield curve derived from Company's asset portfolio yield to maturity rates adjusted to probability of default to reflect the characteristics of the cashflows and the liquidity of the insurance contracts. Asset portfolio returns are observed from coupon rates of investment instruments the Company holds at the valuation date as investments and yield to maturity rates calculate based on the market value of the investment assets traded at the date of valuation. In situations where market traded values are not observable, the study only considered investment assets purchased within one year from valuation and assumed the coupon rate is equal to the yield to maturity rate expected by the market.

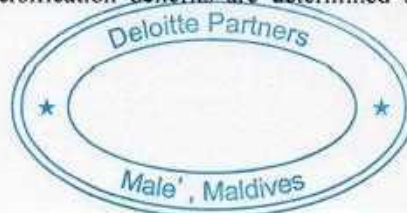
Then the yield curve is extrapolated to converge into an ultimate forward rate, which reflects long-term interest rate and inflation expectations. With the unavailability of an ultimate forward rate published directly for the Maldives market, ultimate forward rate is determined as the convergence of the curve build upon observable market information, which is the first parameter (B0) of the fitted Nelson-Seigel-Svensson curve.

Credit risk is adjusted based on the investment instrument issuer's rating, tenure of the investment asset, and the expected loss given default rates according to the Basel framework.

**Risk adjustments for non-financial risk**

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups.

Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a correlation matrix technique.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**Significant judgements and estimates (continued)**

The risk adjustments for non-financial risk are determined using the following techniques:

- Non-life contracts: a confidence level technique.
- Life contracts: risk margin on assumption technique.
- To determine the risk adjustments for non-financial risk for reinsurance contracts, the Company applies these techniques both gross and net of reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results.

Applying a confidence level technique, the Company estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows.

**Determination of coverage units**

The CSM of a group of contracts is recognised in profit or loss to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

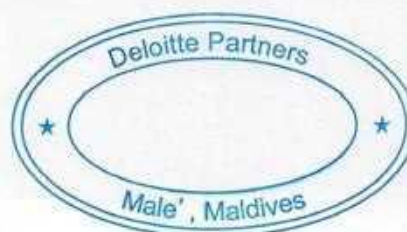
The Company determines the quantity of the benefits provided under each contract based on the sum assured payable on death. Coverage units for each group of contracts are determined by projecting the quantity of benefits payable in each future period allowing for the expected coverage duration.

**(ii) Investment components**

The Company identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

Direct and indirect Participating contracts have explicit surrender values. The investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms, less any accrued fees and surrender charges.

The Company's other contracts do not contain investment components. These include term contracts that provide policyholders with the death cover during the coverage period. The Company determines that these contracts do not include any investment component, because the Company is not required to pay any amount if the policyholder does not surrender the contract and does not survive until the maturity date.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.11.2 Insurance and reinsurance contracts (continued)**

**Significant judgements and estimates (continued)**

Consequently, any surrender payments are treated as premium refunds for unused coverage. Even though the premium refunds do not represent repayments of investment components, the Company has disclosed them together with investment components.

**Insurance and reinsurance contracts – Modified retrospective approach**

At 1 January 2022, the Company applied the following approaches to identify and measure certain groups of contracts in the life segment on transition to IFRS 17.

<b>Year of Issue</b>	<b>Transition Approach</b>
2008 -2021	Modified retrospective approach
After 2021	Full retrospective approach

The Company applied the full retrospective approach to all contracts and assets for insurance acquisition cash flows in the non-life segment.

The objective of the modified retrospective approach was to achieve the closest outcome to retrospective application possible using reasonable and supportable information available without undue cost or effort. The Company applied each of the following modifications only to the extent that it did not have reasonable and supportable information to apply IFRS 17 retrospectively.

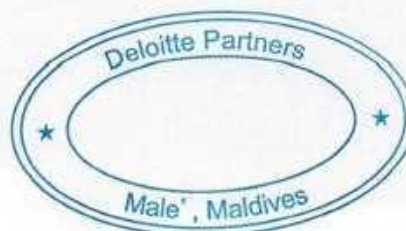
**3.12 Liabilities and provision**

A provision is recognized in the reporting date when the Group / the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**3.13 Leases**

At inception of a contract, the Group / the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group / the Company uses the definition of lease in IFRS 16.



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3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.13 Leases (Continued)

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group / the Company allocates the consideration in the contract to each lease component on the basis of

its relative stand-alone prices. However, for the leases of property the Group / the Company has elected not to separate non-lease component and account for the lease and non-lease component as a single lease component.

(a) Recognition and initial measurement of right-to-use asset

The Group / 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 payment made at or before the commencement date, plus any initial direct cost 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.

(b) Subsequent measurement

The right-to-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group / the Company by the end of lease term or the cost of the right-of-use asset reflects that the Group / the Company will exercise a purchase option. In that case the right-to-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those property and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any and adjusted for certain re-measurement of the lease liability.

(c) Recognition and initial measurement of lease liability

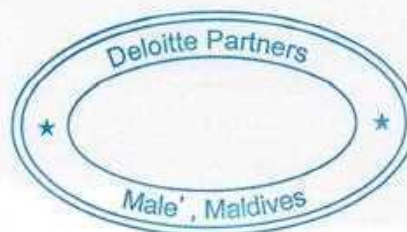
The lease liability is initially measured at present value of the lease payment that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Group / the Company's incremental borrowing rate. Generally, the Group / the Company uses its incremental borrowing rate as the discount rate.

(d) Short-term leases and leases of low-value assets

The Group / the Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. Short term leases are leases with a lease term of 12 months or less. Low-value assets comprise underlying asset value of which is less than USD 5,000 including IT equipment. The Group / the Company recognizes the lease payment associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

At the inception or on modification of a contract that contains a lease component, the Group / the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.13 Leases (Continued)**

When the Group / the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease.

To classify each lease, the Group / the Company makes an overall assessment of whether the lease transfers substantially all of the risk and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group / the Company consider certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group / the Company an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-to-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is short-term lease to which the Group / the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If the arrangement contains lease and non-lease components, then Group / the Company applies IFRS 15 to allocate the consideration in the contract.

The Group / the Company applies the de-recognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group / the Company further regularly reviews estimated unguaranteed residual value used in calculating the gross investment in the lease.

The Group / the Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

**3.14 Deferred income**

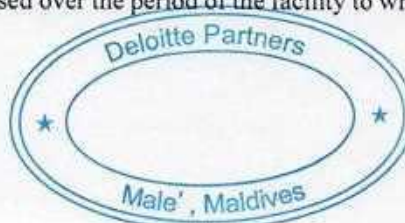
The group's deferred income policy is described in 35.1.

**3.15 Trade and other payables**

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**3.16 Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.16 Borrowings (Continued)**

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid,

including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

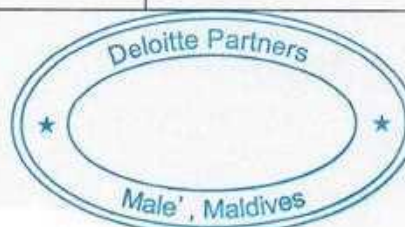
**3.17 Revenue**

**3.17.1 Revenue from contract with customers (other than insurance)**

Revenue from contracts with customers is recognized upon satisfaction of performance obligation, when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Variable considerations including rebates, discounts and other payments to customers are accounted as performance obligations are satisfied and revenue is recognized. Returns and refunds are given based on company and group policy and is recognized when incurred. A provision for warranty is recognized for home improvement and electronic products, generally based on historical warranty data.

Type	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
Goods transferred at a point in time	Under IFRS 15, revenue is recognised upon satisfaction of a performance obligation. The revenue recognition occurs at a point in time when control of the asset is transferred to the customer, generally, on delivery of the goods. The Group has average credit periods varying from 30 – 90 days depending on the contract.	Revenue from the sale of goods is recognized when the Company satisfies its performance obligation towards the customer.
Services transferred over time	Under IFRS 15, the Group determines, at contract inception, whether it satisfies the performance obligation over time or at a point in time. For each performance obligation satisfied over time, the Group recognises the revenue over time by measuring the progress towards complete satisfaction of that performance obligation.	Revenue from the services rendered is recognized with reference to the time of services rendered.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.17 Revenue (Continued)**

**3.17.1 Revenue from contract with customers (other than insurance) (continued)**

**Retail and wholesale**

Retail and wholesale segment focuses on trading of a wide range of beverages, frozen confectionary, processed meat, dairy products, pharmaceutical items, electric equipment, and construction materials. Revenue is recognised at the point in time when the control of the asset is transferred to the customer, which is generally upon sale of the goods to the customer. Revenue is measured based on actual sales.

**Gas**

Gas segment focuses on sale and distribution of Liquefied Petroleum Gas (L.P.G), industrial gas, medical gases and related equipment. Revenue is recognised at the point in time when the control of the asset is transferred to the customer, which is generally upon sale of the goods to the customer. Revenue is measured based on actual sales.

**Fuel and lubricants**

Fuel and lubricants segment focuses on trading of petrol, diesel and jet fuel. Revenue is recognised at the point in time when the control of the asset is transferred to the customer, which is generally upon sale of the goods to the customer. Revenue is measured based on actual sales.

**Shipping**

Revenue from shipping activities is recognised over time as the performance obligation is satisfied, including a share of revenue from incomplete voyages at the balance sheet date. Invoiced revenue related to an estimated proportion of remaining voyage time and activities at the destination port is deferred.

**Other services**

Other services segment include following categories:

**Documents handling and other income**

Revenue from documents handling and other activities is recognised upon completion of the service.

**Registration fee income**

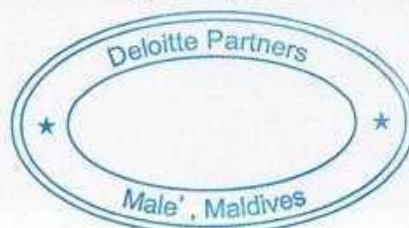
In the case of registration fee income, the revenue has been recognised over the period of five years.

**Repair and maintenance services**

Revenue from repair and maintenance is recognised over the period of service is provided.

**Transport charges received**

Revenue from transport income, the revenue has been recognised by reference to the time of service rendered.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.18 Operating expenses**

All expenditure incurred in the running of the business and in maintaining the capital assets in a state of efficiency has been charged to the revenue in arriving at profit or loss for the year.

Expenditure incurred for the purpose of acquiring, expanding, or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

**3.19 Finance income and finance costs**

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in profit or loss.

Finance cost comprises interest expense on borrowings and foreign exchange losses. Foreign currency gains and losses are reported on a net basis.

**3.20 Borrowing costs**

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

**3.21 Tax expense**

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss.

**Current tax**

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

**Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

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

**Tax loss**

A deferred tax assets is recognized for unused tax losses, tax credits deductible temporary difference to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it no longer probable that the related tax benefits will be provided. Transfers of tax losses between group companies for no payments are eliminated in the Consolidated and separate financial statements.



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**3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**3.22 Employee Benefits**

**(a) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company contributes 7% of members' salary into the scheme with an additional, minimum, 4% of salary being contributed by the members.

**(b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and discounting that amount to determine its present value. The calculation is performed by a professional actuary in every three years in compliance with accounting requirements.

**(c) Short-term benefits**

Short-term employee benefit obligations of the Company are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**3.23 Events occurring after the reporting date**

The materiality of the events occurring after the reporting date has been considered and provisions have been made in the separate financial statements where necessary.

**3.24 Determination of fair values**

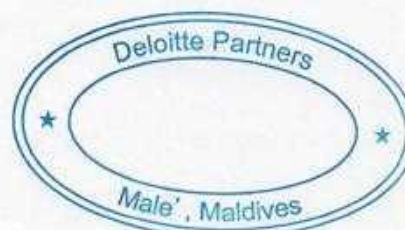
A number of the Group's / Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

**(i) Trade and other receivables**

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

**(ii) Financial liabilities (non-derivative)**

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.



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**4. CHANGES IN MATERIAL ACCOUNTING POLICIES**

Except for the described accounting policies below, the applied accounting policies in these financial statements are the same as those applied in the financial statements as at and for the year ended 31st December 2024.

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

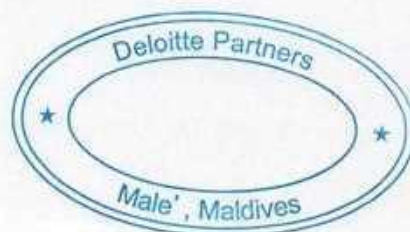
- i) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance
- ii) Arrangements Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- iii) Amendments to IAS 1 Presentation of Financial Statements— Non-current Liabilities with Covenants

**5. NEW AND AMENDED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE**

A number of new standards are effective for annual periods beginning after 1st January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

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

- i) Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)
- ii) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)
- iii) IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
- iv) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)



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6 OPERATING SEGMENTS

A. Basis of segmentation

The Group has the following five strategic divisions, which are its reportable segments. These divisions offer different products and services, and are managed separately because they are subject to risk and returns that are different from those of other business segments.

The following summary describe the operations of each reportable segment.

Reportable segments	Operations
Trading	Buying and selling of consumable goods, construction material, home improvement, electronic goods and medical related supplies.
Gas	Buying and selling of liquefied petroleum gas (LPG) and medical and industrial oxygen production.
Insurance service	Providing general & life insurance services
Fuel	Importing & selling of petroleum products.
Shipping	Providing shipping & logistics services

The Group's Managing Director reviews the internal management reports of each division at least quarterly.

Other operations include the operations related to STO Hotels and Resorts and other services. This segments does not meet the quantitative thresholds for a reportable segment in 2024 and 2023.

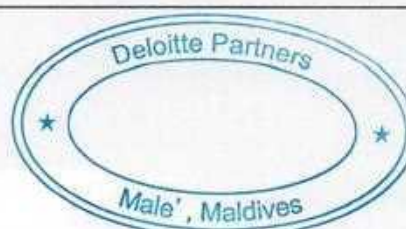
There are varying level of integration between insurance service, fuel & gas segment. This integration include providing insurance and other inter-connected services. Inter segment pricing is determined on an arm's length basis.

B. Information about reportable segments

Information related to each reportable segment is set out below. A segment's profit before tax is used to measure performance because management believe that this information is the most relevant in evaluating the result of the respective segments relative to other entities that operate in the same industries.

For the year ended 31st December 2024

	Reportable segments					Total reportable segments MVR	Other segments MVR	Total MVR
	Trading MVR	Gas MVR	Insurance service MVR	Fuel MVR	Shipping MVR			
Gross revenue	3,147,794,519	273,562,899	831,531,664	18,710,147,164	510,617,646	23,473,653,892	83,962,978	23,557,616,870
Inter-segment revenue	(11,580,526)	(12,560,766)	(70,830,479)	(6,602,898,911)	(78,818,789)	(6,776,689,471)	(21,043,668)	(6,797,733,139)
Segment revenue	3,136,213,993	261,002,133	760,701,185	12,107,248,253	431,798,857	16,696,964,421	62,919,311	16,759,883,731
Segment profit / (loss) before tax	153,797,302	23,106,535	64,547,126	711,129,744	(58,607,551)	893,973,356	33,299,510	927,272,869
Interest income	103,747,955	-	30,450,225	29,698,181	-	163,896,361	-	163,896,361
Interest expense	(67,090,333)	(6,310,596)	(6,607,951)	(350,324,865)	(12,015,115)	(442,348,861)	-	(442,348,860)
Depreciation & amortization	(148,727,368)	(23,770,400)	(8,539,168)	(109,667,172)	(28,377,006)	(319,081,115)	-	(319,081,114)
Share of loss profit of associate	(1,539,571)	-	-	-	-	(1,539,571)	-	(1,539,571)
Share of profit of joint venture	15,022,451	-	-	-	-	15,022,451	-	15,022,451
Segment assets	3,192,989,514	406,261,008	1,119,260,867	9,516,376,605	618,474,183	14,853,362,176	287,559,600	15,140,921,779
Equity accounted investments	175,521,118	-	-	-	-	175,521,118	-	175,521,118
Capital expenditure	289,287,853	25,382,598	1,755,426	22,189,594	13,613,448	352,228,919	-	352,228,919
Segment liabilities	2,147,271,632	145,504,317	689,554,389	6,110,680,390	279,783,915	9,372,794,645	81,229	9,372,875,869



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6 OPERATING SEGMENTS (CONTINUED)

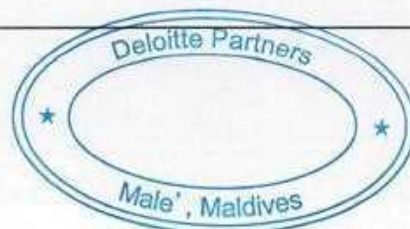
B. Information about reportable segments (Continued)

For the year ended 31st December 2023

	Reportable segments					Total reportable segments MVR	Other segments MVR	Total MVR
	Trading MVR	Gas MVR	Insurance service MVR	Fuel MVR	Shipping MVR			
Gross revenue	2,926,434,719	265,877,455	583,304,707	21,165,778,290	524,059,836	25,465,455,006	54,667,605	25,520,122,612
Inter-segment revenue	(9,765,228)	(14,361,918)	(64,004,496)	(8,177,844,760)	(147,710,310)	(8,413,686,712)	(36,763,276)	(8,450,449,988)
Segment revenue	2,916,669,491	251,515,537	519,300,211	12,987,933,530	376,349,526	17,051,768,294	17,904,330	17,069,672,624
Segment profit / (loss) before tax	39,045,463	34,388,317	(12,380,831)	1,118,612,136	(7,805,162)	1,171,859,924	121,598,332	1,293,458,256
Interest income	18,268,813	-	28,881,738	-	-	47,150,551	-	47,150,551
Interest expense	(56,780,737)	(2,749,984)	(14,752,869)	(269,245,526)	(11,535,417)	(355,064,533)	(5,845,373)	(360,909,906)
Depreciation & amortization	(159,937,590)	(23,725,289)	(9,145,767)	(72,823,859)	(33,585,108)	(299,217,613)	(2,259,067)	(301,476,675)
Share of profit of associate	1,854,617	-	-	-	-	1,854,617	-	1,854,617
Share of profit of joint venture	15,264,039	-	-	-	-	15,264,039	-	15,264,039
Segment assets	3,018,618,639	381,762,420	936,768,747	8,611,147,832	628,334,557	13,576,632,194	287,559,615	13,864,191,809
Equity accounted investments	48,678,238	-	-	-	-	48,678,238	-	48,678,238
Capital expenditure	805,766,789	33,236,990	5,393,286	40,119,701	50,719,058	935,235,824	-	935,235,824
Segment liabilities	2,055,278,435	130,626,761	494,483,828	5,636,031,430	319,772,247	8,636,192,702	17,336,603	8,653,529,303

C. Reconciliations of information on reportable segment to IFRS measures

	2024 MVR	2023 MVR
<b>i Revenue</b>		
Total revenue for reportable segments	23,473,653,892	25,465,455,006
Revenue for other segments	83,962,978	54,667,605
Elimination of inter - segment revenue	(6,797,733,139)	(8,450,449,988)
<b>Consolidated revenue</b>	<b>16,759,883,731</b>	<b>17,069,672,624</b>
<b>ii Profit before tax</b>		
Total profit before tax for reportable segments	893,973,356	1,171,859,924
Profit / (Loss) before tax for other segments	33,299,510	121,598,332
Elimination of inter-segment profit	(3,482,880)	(9,118,656)
Dividend received from joint venture	(10,000,000)	(8,000,000)
Share of profit of equity - accounted investees	13,482,880	17,118,656
<b>Consolidated profit before tax from continuing operations</b>	<b>927,272,869</b>	<b>1,293,458,256</b>
<b>iii Assets</b>		
Total assets for reportable segment	14,853,362,176	13,576,632,194
Assets for other segments	287,559,600	287,559,615
Equity -accounted investees	175,521,118	48,678,238
<b>Consolidated total assets</b>	<b>15,316,442,897</b>	<b>13,912,870,047</b>
<b>iv Liabilities</b>		
Total liabilities for reportable segment	9,372,794,645	8,636,192,702
Liabilities for other segments	81,229	17,336,602
<b>Consolidated total liabilities</b>	<b>9,372,875,869</b>	<b>8,653,529,304</b>



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6 OPERATING SEGMENTS (CONTINUED)

C. Reconciliations of information on reportable segment to IFRS measures (Continued)

v. Other material items

For the year ended 31st December 2024

	Reportable segment totals MVR	Adjustment MVR	Consolidated totals MVR
Interest income	163,896,361	(4,881,007)	159,015,354
Interest expense	(442,348,861)	4,881,007	(437,467,853)
Capital expenditure	352,228,919	-	352,228,919
Depreciation and amortization	(319,081,115)	-	(319,081,115)
	(245,304,696)	-	(245,304,695)

For the year ended 31st December 2023

Interest income	47,150,551	(4,710,033)	42,440,518
Interest expense	(355,064,533)	4,710,033	(350,354,500)
Capital expenditure	935,235,824	-	935,235,824
Depreciation and amortization	(299,217,613)	-	(299,217,613)
	328,104,229	-	328,104,229

D. Geographic information

The trading, gas, insurance segments are operated in Male & other Islands of Maldives. Fuel segment is operated in Male and other islands of Maldives.

The geographic information below analyzes the Group's revenue and non-current assets by the Group's different operating geographical areas. In presenting the following information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets.

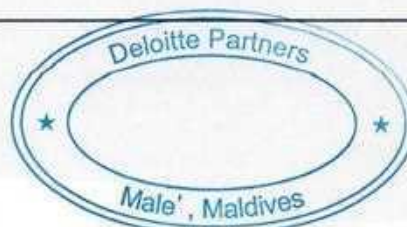
	2024 MVR	2023 MVR
<b>i. Revenue</b>		
Male'	15,762,871,980	16,605,147,859
Thilafushi	882,309,224	473,730,051
Hulhumale'	444,602,869	972,364,067
Other Islands	6,035,541,763	7,054,980,861
Overseas	432,291,037	413,899,773
Less : Inter-company transactions	(6,797,733,139)	(8,450,449,988)
	16,759,883,731	17,069,672,624

ii. Non - current assets

	2024 MVR	2023 MVR
Male'	5,080,392,157	4,642,456,305
Thilafushi	156,395,528	277,658,190
Hulhumale'	143,415,969	16,281,844
Other Islands	425,145,587	215,709,723
Overseas	-	-
	5,805,349,245	5,152,106,061

E. Major customer

Revenue from one customer (Maldives Airports Company Limited) of the Fuel segment represented approximately MVR 3,082,598,559/- (2023: MVR 2,671,397,310/-) of the Group's total revenues.



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FOR THE YEAR ENDED 31ST DECEMBER 2024

7 REVENUE

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Retail and wholesale	3,136,213,993	2,916,669,490	3,145,476,166	2,925,191,272
Insurance	760,701,185	519,300,211	-	-
Gas	261,002,133	251,515,537	-	-
Fuel	12,107,248,253	12,987,933,530	12,251,205,228	13,429,696,820
Shipping	431,798,857	376,349,526	-	-
Other services	62,919,311	17,904,330	52,814,978	18,216,540
	<u>16,759,883,731</u>	<u>17,069,672,624</u>	<u>15,449,496,372</u>	<u>16,373,104,633</u>
<b>Timing of revenue recognition</b>				
	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Goods transferred at a point in time	15,563,887,782	16,234,860,894	15,396,681,394	16,354,888,093
Services transferred over time	435,294,764	315,511,519	52,814,978	18,216,540
Total revenue from contracts with customers	<u>15,999,182,546</u>	<u>16,550,372,413</u>	<u>15,449,496,372</u>	<u>16,373,104,633</u>
Revenue from insurance contracts	760,701,185	519,300,211	-	-
Total revenue	<u>16,759,883,731</u>	<u>17,069,672,624</u>	<u>15,449,496,372</u>	<u>16,373,104,633</u>

8 OTHER INCOME

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Profit on disposal of property, plant and equipment	287,962	2,369,165	248,304	2,369,165
Income from vessels and fleets	4,321,719	13,818,876	1,455,052	10,157,607
Fines and claims received	44,492,939	17,750,143	46,007,922	21,594,237
Rent income	39,661,469	45,860,817	54,364,806	60,089,414
Discounts received	4,362,370	5,474,003	2,355,974	3,819,696
Agency fee	-	484,063	-	484,063
Miscellaneous income	25,669,122	149,097,246	21,036,771	14,822,151
	<u>118,795,581</u>	<u>234,854,313</u>	<u>125,468,829</u>	<u>113,336,332</u>

9 NET FINANCE COSTS

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
<b>Finance income</b>				
Interest income on loans granted	52,763,755	15,556,025	-	-
Interest income on credit scheme sales	2,950,225	3,343,485	2,950,225	3,343,485
Foreign exchange gain	1,105	295,005	-	104,282
Dividend income	4,207,500	3,956,250	54,399,800	8,000,000
Discounts on treasury bills	68,086,722	-	68,086,722	-
Other finance income	35,214,652	23,541,008	32,711,008	14,847,689
Lease interest received	-	-	9,879,509	17,482,045
	<u>163,223,958</u>	<u>46,691,773</u>	<u>168,027,264</u>	<u>43,777,500</u>
<b>Finance costs</b>				
Interest on bank borrowings	(53,677,667)	(48,551,893)	(43,733,604)	(39,197,657)
Interest on bank overdrafts	(43,831,441)	(24,363,032)	(42,521,697)	(24,065,658)
Interest on lease liabilities (Note 32)	(33,471,464)	(32,402,476)	(26,891,049)	(19,599,891)
Finance expense from insurance contracts	(6,292,722)	(14,246,079)	-	-
Interest on other borrowings	(295,925,193)	(236,634,926)	(300,215,609)	(240,797,269)
Foreign exchange loss	(4,269,366)	(1,467)	(1,556,444)	-
	<u>(437,467,853)</u>	<u>(356,199,873)</u>	<u>(414,918,404)</u>	<u>(323,660,475)</u>
<b>Net finance costs</b>	<u>(274,243,895)</u>	<u>(309,508,100)</u>	<u>(246,891,140)</u>	<u>(279,882,975)</u>

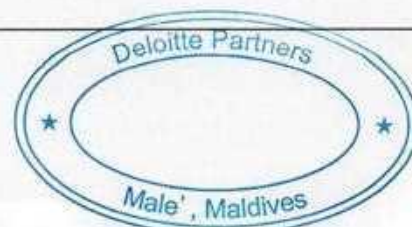


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FOR THE YEAR ENDED 31ST DECEMBER 2024

10 EXPENSES

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Raw material and consumables used / cost of sales	12,809,605,013	12,912,548,674	13,017,043,338	13,667,328,175
Insurance service expenses	451,221,769	254,034,103	-	-
Allocation of reinsurance premiums	298,333,367	313,234,683	-	-
Depreciation on property, plant and equipment (Note 13)	214,374,015	220,706,119	115,337,106	108,409,966
Depreciation on investment properties (Note 14)	6,584,080	6,922,926	6,584,080	6,922,926
Amortization of right-of-use assets (Note 19)	84,943,635	67,802,878	70,991,546	53,072,039
Amortization of intangible assets (Note 15)	13,179,385	6,044,753	10,156,861	2,914,400
Rental expense on short term leases	4,450,597	66,099	5,173,391	1,060,032
Directors' remuneration	4,691,682	5,288,067	3,394,064	3,570,573
Transportation	75,527,079	65,106,295	45,144,054	56,009,900
Vessel and fleet expenses	26,322,999	17,746,749	17,019,352	9,438,945
Audit fees	2,051,780	1,893,793	932,201	910,922
Accounting and legal charges	28,310,525	14,589,176	23,495,445	8,675,013
Distribution agency fees	12,398,809	16,675,355	12,398,809	16,675,355
Provision for slow and non moving inventories (Note 21.1)	66,783,551	11,855,598	67,351,940	8,696,847
Receivable write off	5,789,851	391,448	5,789,853	60,000
Loss on disposal of PPE	34,399	49,168	34,399	49,168
Fuel expenses	92,387,945	112,318,197	31,334,258	40,250,519
Provision for impairment of property, plant and equipment (Note 13.1.1)	486,351	29,132,172	-	-
Provision for impairment of investment in subsidiaries (Note 17)	-	-	28,602,609	-
Provision for impairment of trade, other and related party receivable (Note 22)	282,090,970	449,253,081	84,120,293	294,671,603
(Reversal) / Provision for impairment of bank balances (Note 26)	(4,896,339)	2,084,363	(4,419,870)	2,084,363
(Reversal) / Provision for impairment of other financial investments (Note 26)	(1,373,551)	-	556,251	-
Bank charges	42,186,987	36,210,658	37,444,999	30,725,799
Repair and maintenance	141,432,513	153,268,244	108,705,011	111,400,299
Advertisement and sales promotion expenses	34,465,396	48,249,914	26,161,487	34,002,617
Telephone, electricity and water charges	46,591,513	51,276,349	37,403,770	42,503,391
Other selling and distribution costs	39,137,805	31,897,133	44,307,914	44,500,344
Personnel costs (Note 10.1)	830,883,440	762,462,928	559,890,903	511,862,577
Other expenses (Note 10.2)	82,649,863	127,570,317	126,969,612	153,986,571
	<b>15,690,645,428</b>	<b>15,718,679,238</b>	<b>14,481,923,675</b>	<b>15,209,782,343</b>
Classified as:				
Cost of sales	13,671,803,162	13,559,113,533	13,095,293,019	13,708,723,835
Selling and marketing costs	827,230,618	794,623,067	703,031,822	676,805,203
Impairment loss on trade & other receivables and related party receivable	282,090,970	449,253,081	84,120,293	294,671,603
Administration expenses	901,415,713	899,646,675	591,755,181	513,727,065
Other operating expenses	8,104,965	16,042,881	7,723,358	15,854,637
	<b>15,690,645,428</b>	<b>15,718,679,238</b>	<b>14,481,923,675</b>	<b>15,209,782,343</b>
<b>10.1 Personnel costs</b>				
Salaries and wages	293,542,310	291,397,704	166,490,851	154,131,185
Staff welfare	4,260,339	14,948,138	17,529,203	19,951,562
Employer's contribution to government pension fund	16,523,681	16,100,635	9,885,376	9,352,603
Bonus, overtime and allowances	454,457,291	402,040,416	324,226,158	305,450,258
Retirement benefit provision and expenses	17,860,532	9,764,995	13,103,034	6,337,278
Staff training expenses	11,809,169	11,256,013	10,202,551	9,504,289
Other staff related expenses	32,430,119	16,955,027	18,453,730	7,135,402
	<b>830,883,440</b>	<b>762,462,928</b>	<b>559,890,903</b>	<b>511,862,577</b>
<b>10.2</b> The Group's other expenses mainly include of Travelling expenses MVR 16,815,946 (2023: MVR 18,608,917), Data Communication and Network expenses MVR 10,419,654 (2023: MVR 11,848,334), Demurrage MVR 10,050,526 (2023: MVR 32,222,286), Corporate Social Responsibility MVR 6,440,228 (2023: MVR 11,461,214), Software and Hardware Licensing MVR 36,613,967 (2023: MVR 28,040,672) and Royalty MVR 861,776 (2023: MVR 2,658,464).				
The Company's other expenses mainly include of Travelling expenses MVR 12,148,220 (2023: MVR 13,328,602), Data Communication and network expenses MVR 6,724,147 (2023: MVR 8,325,653) Demurrage MVR 9,995,050 (2023: MVR 31,473,927) Insurance MVR 17,090,128 (2023: MVR 16,867,133), Corporate Social Responsibility MVR 5,927,283 (2023: MVR 11,012,967), Software and Hardware Licensing MVR 33,672,279 (2023: MVR 25,357,344) and Royalty MVR 861,776 (2023: MVR 2,658,464).				



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11 INCOME TAX EXPENSE

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
<i>Items recognized in profit or loss</i>				
11.1 Current tax expense				
Current tax expense	198,769,087	276,867,769	152,797,481	200,818,579
(Over)/ under provision in respect of prior years	-	1,862,247	-	1,044,990
	198,769,087	278,730,016	152,797,481	201,863,569
<b>Deferred tax adjustments</b>				
Deferred tax asset reversal recognized (Note 11.3)	(48,540,543)	(70,945,960)	(48,105,665)	(23,386,872)
Deferred tax liability recognized/ (reversed) (Note 11.4)	4,674,281	(990,071)	-	-
	(43,866,262)	(71,936,031)	(48,105,665)	(23,386,872)
Income tax expense	154,902,825	206,793,985	104,691,816	178,476,697
11.2 Reconciliation between accounting profit and taxable income:				
Profit before tax	927,272,869	1,293,458,256	846,150,388	996,775,647
Loss of subsidiary which is not subject to tax	11,262,161	(133,570,076)	-	-
	938,535,030	1,159,888,179	846,150,388	996,775,647
Tax calculated at the rate of 15%	140,780,255	173,983,227	126,922,557	149,516,347
Adjustment due to adoption of IFRS 17	-	-	-	-
Add: tax on non-deductible expenses	162,192,683	178,573,292	113,812,469	117,315,593
Add: under provision in respect of prior years	-	1,862,247	-	1,044,990
Less: tax on deductible expenses	(148,070,112)	(147,624,780)	(136,043,210)	(89,400,233)
Income tax expense	154,902,825	206,793,985	104,691,816	178,476,697

In accordance with the provisions of the Income Tax Act Law Number 25/2019 and subsequent amendments and regulations thereto, the Group / the Company is liable for income tax on its taxable profits at the rate of 15%.

11.3 Deferred tax asset

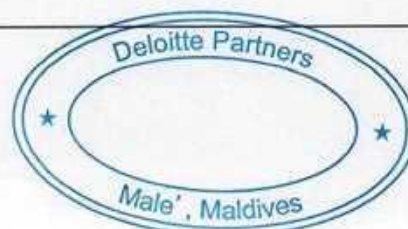
As at 1st January	227,815,947	155,912,109	134,500,445	110,574,576
Deferred tax asset recognized during the year	48,540,543	70,945,960	48,105,665	23,386,872
Deferred tax asset recognized/ (reversed) in other comprehensive income	1,342,570	957,879	1,045,653	538,997
As at 31st December	277,699,060	227,815,947	183,651,764	134,500,445

11.4 Deferred tax liability

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
As at 1st January	3,543,756	3,248,310	-	-
Deferred tax liability recognized/ (reversed) during the year (Note 11.1)	4,674,281	(990,071)	-	-
Deferred tax liability recognized/ (reversed) in other comprehensive income	1,979,459	1,285,517	-	-
As at 31st December	10,197,496	3,543,756	-	-

11.5 The recognized deferred tax asset is attributable to the following:

	Group			
	31/12/2024		31/12/2023	
	Temporary difference MVR	Tax effect MVR	Temporary difference MVR	Tax effect MVR
Property, plant and equipment	413,281,809	61,992,271	408,680,984	61,302,148
Defined benefit obligation	96,210,937	14,431,639	79,907,047	11,986,058
Provisions on trade, other, related party receivable and other asset balances	1,341,834,329	201,275,149	1,030,184,948	154,527,741
	1,851,327,074	277,699,060	1,518,772,980	227,815,947



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11 TAX EXPENSE (CONTINUED)

11.5 The recognized deferred tax asset is attributable to the following; (continued)

	Company			
	31/12/2024		31/12/2023	
	Temporary difference	Tax effect	Temporary difference	Tax effect
	MVR	MVR	MVR	MVR
Property, plant and equipment	339,367,281	50,905,092	340,031,355	51,004,703
Defined benefit obligation	75,612,661	11,341,899	63,555,918	9,533,388
Provisions on trade, other, related party receivable and cash and bank balance	809,365,155	121,404,773	493,082,363	73,962,354
	1,224,345,098	183,651,763	896,669,636	134,500,445

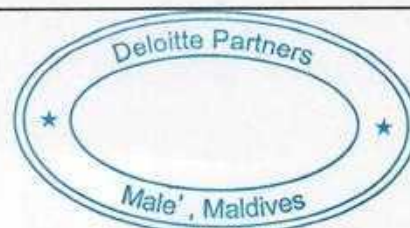
11.6 The recognized deferred tax liability is attributable to the following:

	Group			
	31/12/2024		31/12/2023	
	Temporary difference	Tax effect	Temporary difference	Tax effect
	MVR	MVR	MVR	MVR
Property, plant and equipment	4,900,359	735,054	4,206,397	630,960
Provision for receivables	(182,247)	(27,337)	(28,646,177)	(4,296,927)
Defined benefit obligation	(7,592,194)	(1,138,829)	(8,950,346)	(1,342,552)
Intangible assets	5,232,389	784,858	3,265,164	489,775
Available for sale reserve	65,625,000	9,843,750	53,750,000	8,062,500
	67,983,307	10,197,496	23,625,038	3,543,756

12 BASIC AND DILUTED EARNINGS PER SHARE

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

	Group		Company	
	2024	2023	2024	2023
Profit for the year attributable to the ordinary shareholders - MVR	770,472,086	1,084,049,399	741,458,572	818,298,950
Weighted average number of ordinary shares	1,126,910	1,126,910	1,126,910	1,126,910
Basic and diluted earnings per share - MVR	684	962	658	726



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13 PROPERTY, PLANT AND EQUIPMENT

13.1 Group	Freehold land MVR	Freehold buildings MVR	Leasehold buildings MVR	Plant and machinery MVR	Vessels and fleet MVR	Motor vehicles MVR	Air conditioners MVR	Office equipment MVR	Furniture and fixtures MVR	Other assets MVR	Total 31/12/2024 MVR	Total 31/12/2023 MVR
<b>Cost</b>												
As at 1st January	1,153,828,698	687,628,887	111,755,497	433,736,974	1,051,033,703	211,149,335	25,399,440	177,245,284	29,688,681	216,409,240	4,099,869,739	5,010,958,495
Additions during the year	-	1,819,440	272,861	7,336,950	103,748,361	24,035,138	1,052,437	17,596,679	2,331,244	16,689,591	174,876,701	598,274,018
Disposal during the year	-	-	-	(864,386)	(1,196,300)	(2,338,598)	(392,800)	(428,657)	(43,783)	(156,116)	(5,420,640)	(67,406,084)
Transferred from capital work in progress (Note 13.1.1)	-	24,011,396	1,990,578	742,691	1,182,344	293,217	155,725	996,086	3,537,939	397,147	33,307,719	21,559,893
Disposal of a subsidiary (Note 16.4)	-	-	-	-	-	-	-	-	-	-	-	(1,483,516,384)
As at 31st December	1,153,828,698	711,459,723	114,018,937	440,946,230	1,156,768,109	233,139,093	26,208,803	195,409,993	35,514,082	233,339,863	4,302,633,519	4,099,869,738
<b>Accumulated depreciation</b>												
As at 1st January	-	458,726,285	71,378,544	243,996,710	525,332,653	179,026,894	21,270,866	140,605,110	22,524,464	143,999,446	1,806,866,971	2,671,848,444
Charge for the year (Note 10)	-	26,587,294	6,101,163	26,042,624	106,162,881	11,275,971	1,743,064	16,359,875	3,525,942	16,575,202	214,374,015	220,706,119
Charge for the year (Discontinued operations)	-	-	-	-	-	-	-	-	-	-	-	38,039,053
Disposals during the year	-	-	-	(3,900)	-	(2,338,598)	(358,401)	(376,552)	(43,783)	(146,892)	(3,268,125)	(31,394,062)
Reclassification (Note 14)	-	-	-	-	-	-	-	-	-	-	-	(4,137,127)
Disposal of a subsidiary (Note 16.4)	-	-	-	-	-	-	-	-	-	-	-	(1,088,201,456)
As at 31st December	-	485,313,578	77,479,706	270,035,432	631,495,534	187,964,267	22,655,528	156,888,433	26,006,623	160,427,756	2,017,966,861	1,806,866,971
<b>Net carrying amount</b>												
As at 31st December 2024	1,153,828,698	228,146,146	36,539,231	170,910,798	525,272,575	45,174,826	3,553,275	38,821,560	9,507,459	72,912,107	2,284,666,676	2,293,008,768
As at 31st December 2023	1,153,828,698	228,902,602	40,376,954	189,740,264	527,701,049	32,122,441	4,122,574	36,640,174	7,164,217	72,409,794	2,293,008,768	2,293,008,768
<b>Capital work in progress (Note 13.1.1)</b>												
<b>Total</b>												
											311,371,634	226,495,483
											2,996,038,310	2,519,504,251
<b>13.1.1 Capital work in progress</b>												
As at 1st January											226,495,483	229,056,173
Additions during the year											134,716,180	288,563,215
Transferred to property, plant and equipment (Note 13.1)											(33,307,719)	(21,559,893)
Transferred to intangible assets (CWIP) (Note 15.3)											(12,761,654)	(5,977,041)
Impairment / (Reversal) of assets (Note 8 and 10)											(486,350)	(29,132,172)
Reclassification (Note 15)											(3,284,307)	(13,986,635)
Disposal of a subsidiary (Note 16.4)											-	(220,468,165)
As at 31st December											311,371,634	226,495,483
<b>13.1.2 Borrowings from Bank of Maldives Plc and Habib Bank Limited are secured on STO Trade Center building (USD 13,000,000), super market warehouse (USD 652,983) and home improvement land and building (USD 8,035,000), respectively.</b>												
<b>13.1.3 In 2024, the Group has capitalised borrowing costs amounting to MVR 2,129,530/- (2023 - MVR 19,613,764/-) on capital work in progress. Borrowing costs were capitalised at the rate of 1 month SOFR + 6.21% (2023 - 1 month SOFR + 6.21%, 8.5% and 8%).</b>												
<b>13.1.4 In 2024, the Group has not capitalised any borrowing costs (2023 - MVR 6,916,000) on property plant and equipment. Borrowing costs were capitalised at the rate of 1 Month T-Bill Rate + 6.25% during 2023.</b>												



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13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

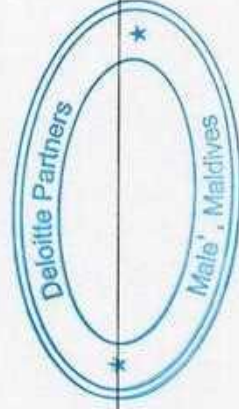
13.2 Company	Freehold land	Buildings	Plant and machinery	Vessels and fleet	Motor vehicles	Air conditioners	Office equipment	Furniture and fixtures	Other assets	Total	
										MVR	MVR
<b>Cost</b>											
As at 1st January	1,153,828,698	681,734,782	270,172,470	499,276,865	181,901,762	24,166,432	123,484,181	9,181,696	42,214,899	2,985,961,785	2,380,257,869
Additions during the year	-	1,819,440	3,242,874	87,563,421	23,168,459	1,020,034	11,477,550	586,316	479,828	129,357,922	599,839,859
Disposals during the year	-	-	(3,900)	-	(1,849,098)	(392,800)	(146,797)	(21,726)	(82,855)	(2,497,175)	(12,726,849)
Transferred from capital work in progress (Note 13.2.1)	-	24,011,396	-	-	-	155,725	857,992	3,537,939	397,147	28,960,199	18,590,906
As at 31st December	1,153,828,698	707,565,618	273,411,444	586,840,286	203,221,123	24,949,391	135,672,926	13,284,226	43,009,019	3,141,782,731	2,985,961,785
<b>Accumulated depreciation</b>											
As at 1st January	-	455,116,285	146,454,879	240,383,260	155,226,851	20,159,296	96,154,844	8,216,574	41,130,351	1,162,842,340	1,071,240,682
Charge for the year (Note 10)	-	26,350,966	18,853,989	44,805,135	9,884,993	1,687,165	11,188,432	1,074,848	1,491,578	115,337,106	108,409,966
Disposals during the year	-	-	(3,900)	-	(1,849,098)	(358,401)	(146,797)	(21,726)	(82,855)	(2,462,776)	(12,671,181)
Reclassification (Note 14)	-	-	-	-	-	-	-	-	-	-	(4,137,127)
As at 31st December	-	481,467,251	165,304,968	285,188,395	163,262,746	21,488,960	107,196,479	9,269,696	42,539,075	1,275,716,670	1,162,842,340
<b>Net carrying value</b>											
As at 31st December 2024	1,153,828,698	226,098,367	108,106,476	301,651,891	39,958,377	3,461,331	28,476,447	4,014,530	469,944	1,866,066,061	-
As at 31st December 2023	1,153,828,698	226,618,497	123,717,591	258,893,605	26,674,911	4,007,136	27,329,337	965,122	1,084,548	-	1,873,119,445
<b>Capital work in progress (Note 13.2.1)</b>											
<b>Total</b>											
										154,886,248	72,538,683
										2,020,952,307	1,895,658,128
<b>Capital work in progress</b>											
As at 1st January										72,538,683	68,294,856
Additions during the year										117,371,298	42,798,409
Transferred to property, plant and equipment (Note 13.2)										(28,960,199)	(18,590,906)
Transferred to intangible assets (CWIP) (Note 15.3)										(2,779,228)	(5,977,041)
Reclassification (Note 15.3)										(3,284,307)	(13,986,635)
As at 31st December										154,886,248	72,538,683

13.2.2 Borrowings from Bank of Maldives Plc and Habib Bank Limited are secured on STO Trade Center building (USD 13,000,000), super market warehouse (USD 652,983) and home improvement land and building (USD 8,035,000), respectively.

13.2.3 Company has not capitalised any borrowing costs during 2024 (2023: MVR 10,170,260) on vessels. Borrowing costs were capitalised at the rate of 8.5% in 2023.

13.2.4 Company has not capitalised any borrowing costs during 2024 (2023: MVR 6,916,000) on land and buildings. Borrowing costs were capitalised at the rate of 1 Month T-Bill Rate + 6.2% in 2023.

13.2.5 The company has planned to relocate Funadhoo fuel terminal to Thilafushi.



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14 INVESTMENT PROPERTY

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
<b>Cost</b>				
As at 1st January	174,780,695	174,780,695	174,780,695	174,780,695
As at 31st December	174,780,695	174,780,695	174,780,695	174,780,695
<b>Accumulated depreciation</b>				
As at 1st January	95,978,797	84,918,744	95,978,797	84,918,744
Depreciation for the year (Note 10)	6,584,080	6,922,926	6,584,080	6,922,926
Reclassification (Note 13)	-	4,137,127	-	4,137,127
As at 31st December	102,562,877	95,978,797	102,562,877	95,978,797
<b>Net carrying amount</b>				
Capital work in progress (Note 14.1)	287,559,138	287,559,138	287,559,138	287,559,138
<b>Total</b>	<b>359,776,956</b>	<b>366,361,036</b>	<b>359,776,956</b>	<b>366,361,036</b>
<b>14.1 Capital work in progress</b>				
As at 1st January	656,663,809	656,663,809	656,663,809	656,663,809
Provision for impairment of investment in Hulhumale hotel	(369,104,671)	(369,104,671)	(369,104,671)	(369,104,671)
As at 31st December	287,559,138	287,559,138	287,559,138	287,559,138
<b>14.2 Provision for impairment of investment in Hulhumale hotel</b>				
As at 1st January	369,104,671	369,104,671	369,104,671	369,104,671
As at 31st December	369,104,671	369,104,671	369,104,671	369,104,671

14.3 Due to continuous delay in completing the construction of the hotel in Hulhumale, MVR 369,104,671 was recognized as an impairment loss. No impairment charge was recognised during the year 2024 and 2023 since the recoverable value is higher than the carrying amount.

14.4 The fair value of the investment property is MVR 354,721,680 - as at 31st December 2024 based on an independent valuation of properties carried out. Independent valuers will conduct a valuation to determine the fair value of the investment property if any indicators of impairment are identified.

14.5 The fair value measurement of investment property have been categorized as a Level 3 fair value based on the inputs to the valuation technique used. Since current price in an active market is not available the directors consider information from rent agreements with lessees and construction costs incurred.

14.6 The fair value of the investment properties which are classified under capital work in progress is MVR 287,559,138/- as at 31st December 2024 (2023: MVR 287,559,138/-). The fair value of investment property was determined by the management. Management will conduct a valuation to determine the fair value of the investment property if any indicators of impairment are identified. The fair value measurements of investment properties have been categorized as a Level 3 fair value based on the inputs to the valuation technique used. Since current price in an active market is not available the directors considered communications with Housing Development Cooperation (HDC) wherein HDC will transfer land equivalent to the saleable value of the property.

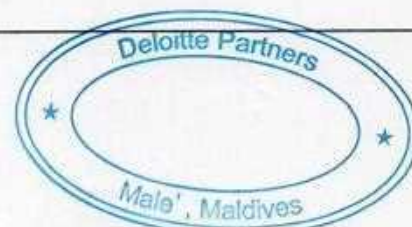
14.7 Investment property comprises a number of commercial properties that are leased to third parties and proportion under the construction with the purpose of leasing to third parties.

14.8 Capital work in progress includes the construction of a tourist hotel in Hulhumale Island.

14.9 Income earned from investment property

The rental income and direct expenses in relation to investment properties are as follows:

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Rent income	20,848,809	22,477,244	35,552,147	36,705,840
Direct expenses	(12,164,017)	(17,160,197)	(20,742,523)	(24,635,456)



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14.10 Income receivable from investment property

Investment properties are leased to tenants under operating leases with rentals payable monthly.  
Minimum lease payments receivable on leases of investment properties are as follows:

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Within 1 year	23,825,823	28,844,920	37,937,466	38,530,923
Between 1 - 2 years	17,494,550	23,998,334	21,961,826	26,888,132
Between 2 - 3 years	13,072,683	35,656,540	14,626,780	38,754,712
Over 3 years	25,544,453	13,793,118	49,507,830	35,651,899
	<b>79,937,509</b>	<b>102,292,912</b>	<b>124,033,901</b>	<b>139,825,666</b>

15 INTANGIBLE ASSETS

15.1 GROUP

Cost

As at 1st January  
Additions during the year  
Transferred from capital work-in-progress (Note 15.3)  
Disposal of a subsidiary (Note 16.4)  
As at 31st December

Accumulated amortization

As at 1st January  
Amortization for the year (Note 10)  
Amortization for the year (Discontinued operations)  
Reclassification  
Disposal of a subsidiary (Note 16.4)  
As at 31st December

Net carrying value

Capital work-in-progress (Note 15.3)

Total

	Goodwill on Consolidation	Computer software	Total 2024	Total 2023
	MVR	MVR	MVR	MVR
As at 1st January	3,155,217	106,833,877	109,989,094	119,195,886
Additions during the year	-	6,661,993	6,661,993	208,094
Transferred from capital work-in-progress (Note 15.3)	-	110,447,050	110,447,050	8,747,747
Disposal of a subsidiary (Note 16.4)	-	-	-	(18,162,633)
As at 31st December	<b>3,155,217</b>	<b>223,942,920</b>	<b>227,098,137</b>	<b>109,989,094</b>
As at 1st January	3,155,217	92,053,436	95,208,653	107,193,964
Amortization for the year (Note 10)	-	13,179,385	13,179,385	6,044,753
Amortization for the year (Discontinued operations)	-	-	-	347,672
Reclassification	-	-	-	(493,439)
Disposal of a subsidiary (Note 16.4)	-	-	-	(17,884,297)
As at 31st December	<b>3,155,217</b>	<b>105,232,821</b>	<b>108,388,038</b>	<b>95,208,653</b>
Net carrying value	-	118,710,099	118,710,098	14,780,441
Capital work-in-progress (Note 15.3)			5,899,428	70,716,680
Total			<b>124,609,526</b>	<b>85,497,121</b>

15.2 COMPANY

Cost

As at 1st January  
Transferred from capital work-in-progress (Note 15.3)  
As at 31st December

Accumulated amortization

As at 1st January  
Charges for the year (Note 10)  
Reclassification  
As at 31st December

Net carrying value

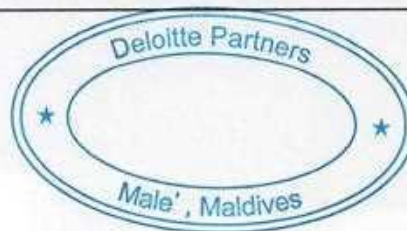
Capital work-in-progress (Note 15.3)

Total

	Computer software	
	2024 MVR	2023 MVR
As at 1st January	74,276,004	68,298,963
Transferred from capital work-in-progress (Note 15.3)	98,268,193	5,977,041
As at 31st December	<b>172,544,197</b>	<b>74,276,004</b>
As at 1st January	67,858,476	65,437,515
Charges for the year (Note 10)	10,156,861	2,914,400
Reclassification	-	(493,439)
As at 31st December	<b>78,015,337</b>	<b>67,858,476</b>
Net carrying value	94,528,860	6,417,528
Capital work-in-progress (Note 15.3)	3,526,682	58,729,178
Total	<b>98,055,542</b>	<b>65,146,706</b>

15.3 Capital work-in-progress

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
As at 1st January	70,716,680	11,102,160	58,729,178	-
Additions during the year	42,636,038	48,398,591	37,002,163	44,742,543
Transferred from property, plant and equipment (CWIP) (Note 13.1.1 and 13.2.1)	12,761,654	5,977,041	2,779,228	5,977,041
Transferred to intangible asset (Note 15.1)	(110,447,050)	(8,747,747)	(98,268,193)	(5,977,041)
Write-off during the year	(13,052,200)	-	-	-
Reclassification (Note 13.2.1)	3,284,307	13,986,635	3,284,307	13,986,635
As at 31st December	<b>5,899,428</b>	<b>70,716,680</b>	<b>3,526,682</b>	<b>58,729,178</b>



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16 INVESTMENT IN SUBSIDIARIES

	Company	
	2024 MVR	2023 MVR
Maldive Gas Private Limited	61,200,000	61,200,000
Allied Insurance Company of the Maldives Private Limited	807,000	807,000
STO Maldives (Singapore) Private Limited	1,459,750	1,459,750
Fuel Supplies Maldives Private Limited	60,477,185	60,477,185
Maldives National Oil Company Limited	10,000,000	10,000,000
STO Hotels & Resorts Private Limited	999,900	999,900
Maldives State Shipping Company Private Limited	162,261,270	162,261,270
Provision for impairment of investment in subsidiaries (Note 16.1)	(40,908,064)	(12,305,455)
	<u>256,297,041</u>	<u>284,899,650</u>

The impairment loss is included in administrative expenses in the statement of profit or loss. The company has transferred all of its shares in MIFCO to government of Maldives on 30th December 2023.

16.1 Provision for impairment of investment in subsidiaries

	Company	
	2024 MVR	2023 MVR
As at 1st January	12,305,455	12,305,455
Provision for the year	28,602,609	-
As at 31st December	<u>40,908,064</u>	<u>12,305,455</u>

16.2 Due to the continuous losses incurred by the subsidiaries, Maldives National Oil Company Private Limited ("MNO"), STO Maldives (Singapore) Private Limited and STO Hotels and Resorts Private Limited ("STOHR"), the Board of Directors of the Company has assessed the recoverable value of the investment in those subsidiary Companies and concluded that no additional provision was provided for the subsidiaries in 2023 and 2024. A provision was made for investment in Maldives State Shipping ("MSS") in 2024 based on recoverability of the investment

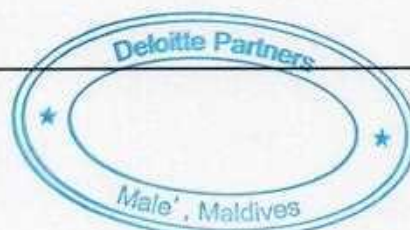
16.3 Recoverable amount of the subsidiary is based on fair value less cost to sell. The fair value measurement have been categorised as a Level 3 fair value based on the inputs to the valuation technique used. since current price in an active market is not available the directors consider net assets values from the audited financial statements to measure the recoverable amounts.

	STO Maldives (Singapore) Pte Ltd MVR	STO Hotel and Resorts Pvt Ltd MVR	Maldives National Oil Company Pvt Ltd MVR	Maldives State Shipping MVR	Total MVR
Estimated recoverable value	-	-	154,195	133,658,661	133,812,856
Cost of the investment in subsidiary	1,459,750	999,900	10,000,000	162,261,270	174,720,920
Provision for impairment	(1,459,750)	(999,900)	(9,845,805)	(28,602,609)	(40,908,064)

16.4 The recoverable amount of the investments were determined based on fair value less costs of disposal, using a discounted cash flow model. This approach is categorized within Level 3 of the fair value hierarchy. There were no changes to the valuation technique used during the year.

Key assumptions used in the DCF model included:

- Forecasted revenue growth of minimum 2.5% per year.
- A discount rate of 10.11%



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- 16.4 The Government transferred the control of assets and management of Maldives Industrial Fisheries Company Limited (MIFCO) to the Group on 30th September 2016 without group paying a purchase consideration and with a commitment from the Government of Maldives to inject a capital of MVR 333,632,560/- in cash to MIFCO. On 30th December 2023, the Group transferred the control of asset and management of MIFCO back to the Government of Maldives at no consideration.

The following table summarize the book value of assets and liabilities at the date of transfer.

Carrying values of identifiable assets and liabilities of the disposed subsidiary

	30/12/2023
	MVR
Property, plant and equipment	615,783,293
Intangible assets	278,336
Right-of-use assets	36,131,779
<b>Total non-current assets</b>	<b>652,193,408</b>
Inventories	354,063,111
Trade and other receivables	378,734,131
Cash and cash equivalents	25,045,474
<b>Total current assets</b>	<b>757,842,716</b>
<b>Total assets</b>	<b>1,410,036,124</b>
Loans and borrowings	91,170,461
Deferred income	25,618,793
Lease liabilities	36,655,916
Defined benefit obligation	71,536,180
<b>Total non-current liabilities</b>	<b>224,981,350</b>
Loans and borrowings	14,484,192
Trade and other payables	386,098,605
Lease liabilities	5,848,219
Deferred income	919,175
Amounts due to related parties	566,452,149
Bank overdrafts	650,407,592
<b>Total current liabilities</b>	<b>1,624,209,932</b>
<b>Total liabilities</b>	<b>1,849,191,282</b>
<b>Total net-assets</b>	<b>(439,155,158)</b>

- 16.5 MIFCO has earned a net profit after tax amounting MVR 295,403,264 during the period 1st January 2023 to 30th December 2023, which was considered as profit from discontinued operations in the group consolidated income statement during the previous year.
- 16.6 MIFCO had net cash used in operating activities of MVR (69,713,437), net cash used in investing activities of MVR (271,261,526) & net cash generated from financing activities of MVR 326,492,135 during the period ended 30th December 2023.

17 EQUITY - ACCOUNTED INVESTEES

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Interest in associates (Note 17.1)	135,082,770	13,262,341	133,927,267	10,567,267
Interest in joint venture (Note 17.3)	40,438,348	35,415,897	4,700,000	4,700,000
	<b>175,521,118</b>	<b>48,678,238</b>	<b>138,627,267</b>	<b>15,267,267</b>

17.1 Investment in Associates

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
As at 1st January	13,262,341	11,407,724	10,567,267	10,567,267
Investments during the year	123,360,000	-	123,360,000	-
Share of (loss)/profit for the year (net of tax)	(1,539,571)	1,854,617	-	-
As at 31st December	<b>135,082,770</b>	<b>13,262,341</b>	<b>133,927,267</b>	<b>10,567,267</b>

**Raysut Maldives Cement Private Limited**

Lafarge Maldives Cement Private Limited has changed its ownership structure on 21st July 2020 and accordingly the name of the company was changed from Lafarge Maldives Cement Private Limited to Raysut Maldives Private Limited ("Associate") on 12th August 2020. The principal activity of the associate is trading of cement.

Raysut Maldives Cement Private Limited is a limited liability company incorporated in the Republic of Maldives. State Trading Organization PLC has acquired 10,567,267/- shares, at the price of MVR 1/- each on 8 of January 2002 in Raysut Maldives Cement Private Limited which represents 25% of the shareholding of that company.

**Maldives Industrial Development Free Zone PLC**

On 7th January 2024, the Maldives Industrial Development Free Zone (MIDFZ) was incorporated with the objective of facilitating large-scale importation and re-export activities, focusing on the development of free trade zones to optimize profits and enhance international trade.

As of 31st December 2024, the Company held 49.92% shares of MIDFZ, thereby exercising significant influence without controlling interest.



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17 EQUITY - ACCOUNTED INVESTEEES (CONTINUED)

17.1 The summarized financial information of the associate, which is incorporated in the Republic of Maldives and unlisted, is as follows:

a. Raysut Maldives Cement Private Limited

	2024 MVR	2023 MVR
Percentage of ownership	25%	25%
Non current assets	32,303,050	34,213,202
Current assets	70,697,894	71,981,161
Non current liabilities	(23,762,297)	(32,440,812)
Current liabilities	(30,501,516)	(20,704,203)
Net assets (100%)	48,737,130	53,049,349
Group's share of net assets	12,184,283	13,262,337
Carrying amount of interest in associates	12,184,283	13,262,337
Revenue	105,545,413	119,562,501
(Loss) / Profit after tax	(4,312,234)	7,418,469
Group's share of (Loss) / Profit after tax	(1,078,058)	1,854,617

b. Maldives Industrial Development Free Zone PLC

	2024 MVR
Percentage of ownership (The Group does not have control but it has significant influence)	49.92%
Non current assets	246,720,000
Current assets	155,359
Non current liabilities	(687,333)
Current liabilities	-
Net assets (100%)	246,188,026
Group's share of net assets	122,898,487
Carrying amount of interest in associates	122,898,487
Revenue	-
(Loss) / profit after tax	(924,494)
Group's share of (loss) / profit after tax	(461,513)

17.2 Investment in joint venture

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
As at 1st January	35,415,897	28,151,858	4,700,000	4,700,000
Share of profit for the year (net of tax)	15,022,451	15,264,039	-	-
Dividend received	(10,000,000)	(8,000,000)	-	-
As at 31st December	40,438,348	35,415,897	4,700,000	4,700,000

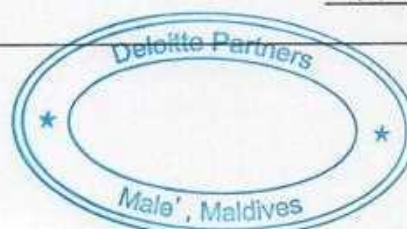
Maldives Structural Products Private Limited

State Trading Organization PLC has acquired 47,000 shares at the price of MVR 100/- each on 31 December 2001 in Maldives Structural Products Private Limited which represents 50% of the shareholding of the Company. Maldives Structural Products Private Limited ("Joint Venture") is engaged in the business of manufacturing and trading of structural products.

The summarized financial information of the joint venture, which is incorporated in Republic of Maldives and unlisted, is as follows:

Maldives Structural Products Private Limited

	2024 MVR	2023 MVR
Percentage of ownership	50%	50%
Non current assets	7,205,871	8,709,767
Cash and cash equivalents	1,331,238	1,469,562
Other current assets	99,100,054	81,886,624
Non current financial liabilities	(6,387,354)	(7,226,130)
Current financial liabilities	(838,777)	(881,923)
Other current liabilities	(19,534,338)	(13,126,107)
Net assets (100%)	80,876,695	70,831,794
Group's share of net assets	40,438,348	35,415,897
Carrying amount of interest in joint venture	40,438,348	35,415,897
Revenue	123,756,985	142,582,625
Depreciation and amortization	(1,580,571)	(1,657,974)
Interest expense	(8,465,091)	(6,228,496)
Income tax expense	(5,218,232)	(6,336,860)
Profit after tax	30,044,902	30,528,077
Group's share of profit after tax	15,022,451	15,264,039
Dividend received by the Group	(10,000,000)	(8,000,000)



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18 INVESTMENT IN EQUITY INSTRUMENTS

	Group		Company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	MVR	MVR	MVR	MVR
As at 1st January	95,990,800	86,886,800	2,240,800	2,240,800
Net change in fair value during the year	11,875,000	9,875,000	-	-
Investments withdrawn during the year	-	(771,000)	-	-
As at 31st December	107,865,800	95,990,800	2,240,800	2,240,800

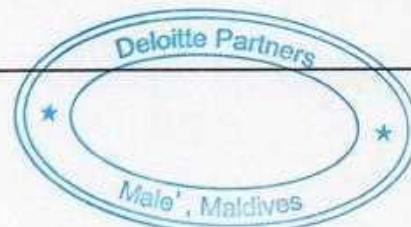
**Determining the fair value**

Marketable equity securities are measured at fair value annually at the close of business on 31st December. For investments traded in active markets, the fair value is determined by reference to Stock exchange quoted bid prices. Other investments (unlisted securities) are measured at fair value based on the adjusted net assets of the investee company. Equity investments are classified as non-current assets, unless they are expected to be realized within twelve months of the reporting date or unless they are intended to be sold to raise operating capital.

18.1 Movement in investment in equity instruments

	Group		Company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	MVR	MVR	MVR	MVR
Maldives Stock Exchange Company Private Limited	2,240,800	2,240,800	2,240,800	2,240,800
Dhivehi Raajjeyge Gulhun PLC	20,625,000	18,750,000	-	-
Ooredoo Maldives PLC	85,000,000	75,000,000	-	-
	107,865,800	95,990,800	2,240,800	2,240,800

The Group has acquired 125,000 shares at MVR 80 per share and 1,000,000 shares at MVR 30 ordinary share of the Dhivehi Rajjeyge Gulhun PLC and Ooredoo Maldives PLC respectively. The fair value of Dhivehi Rajjeyge Gulhun PLC and Ooredoo Maldives PLC were at MVR 150 and MVR 75 per share respectively as at 31 December 2024. Quoted equities are valued using level 1 input.



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19 RIGHT-OF-USE ASSET

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
<b>Cost</b>				
As at 1st January	417,191,279	736,863,908	312,488,615	302,835,039
Additions during the year	225,306,661	20,205,098	215,806,744	11,077,932
Modifications during the year (Note 32)	80,092,541	7,309,031	80,356,335	5,623,469
De-recognitions during the year	(23,209,864)	(299,629,596)	(17,067,716)	(7,047,825)
Disposal of a subsidiary (Note 16.4)	-	(47,557,162)	-	-
As at 31st December	699,380,617	417,191,279	591,583,977	312,488,615
<b>Accumulated depreciation</b>				
As at 1st January	156,444,330	144,806,201	135,907,328	88,965,704
Charge for the year (Note 10)	84,943,635	67,802,878	70,991,546	53,072,039
Charge for the year (Discontinued operations)	-	2,447,405	-	-
De-recognitions during the year	(16,198,748)	(47,186,772)	(10,056,600)	(6,130,415)
Disposal of a subsidiary (Note 16.4)	-	(11,425,383)	-	-
As at 31st December	225,189,217	156,444,328	196,842,274	135,907,328
<b>Net carrying value</b>	474,191,400	260,746,951	394,741,703	176,581,287

Initially STO Hotel and Resorts Pvt Ltd obtained the leasehold right of Ekulhivaru island to develop a resort for 50 years. During the year 2023, the company exchanged the leasehold right of Ekulhivaru island for a plot of land in Male'. The fair value of the plot of land was valued by an independent valuer at MVR 124,435,545. STO Hotel and Resorts transferred the land to the Company, State Trading Organization Plc and the payable to the company was adjusted against the land value.

In addition to that the Company and the Group has recognized right of use assets relating to the leasehold right of vessels, retail outlets, offices and warehouses.

Lease modification represents impact of lease extensions and change in rentals during the year.

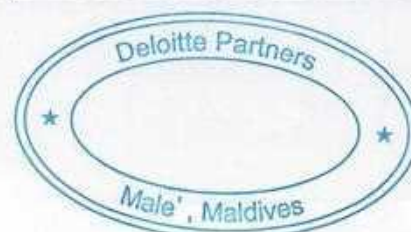
20 LEASE RECEIVABLE

20.1 Finance Lease

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
Vessels	-	-	79,002,780	102,434,433
	-	-	79,002,780	102,434,433
As at 1st January	-	-	102,434,433	272,657,507
Written off during the year	-	-	-	(144,995,583)
Interest income of lease receivable	-	-	9,879,509	17,482,045
Proceeds of interest portion of lease receivable	-	-	(9,879,509)	(17,482,045)
Principal element of lease proceeds	-	-	(23,431,653)	(25,227,491)
As at 31st December	-	-	79,002,780	102,434,433
Current	-	-	26,078,446	23,431,653
Non-Current	-	-	52,924,332	79,002,778
	-	-	79,002,778	102,434,430

Maturity analysis of non-current lease receivable is as follows:

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
Later than 1 year and not later than 2 years	-	-	26,078,446	26,078,446
Later than 2 year and not later than 5 years	-	-	52,924,332	52,924,332
	-	-	79,002,778	79,002,778
Gross Investment in lease	-	-	166,555,807	166,555,807
Less: Unearned finance	-	-	(87,553,029)	(64,121,377)
Present value of minimum lease payment receivable	-	-	79,002,778	102,434,430
	-	-	-	-
Selling profit for finance lease	-	-	-	-



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21 INVENTORIES	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
Food stock	75,894,894	66,416,711	75,894,894	66,416,711
Fuel	504,612,280	441,234,207	396,255,283	275,619,898
Home improvement and electronics	78,211,724	112,540,096	74,960,308	108,959,905
Construction materials	150,078,138	121,857,888	150,078,138	121,857,888
Medicals	519,457,686	524,950,917	519,457,686	524,950,917
Spare parts	45,940,581	54,418,788	29,393,432	32,689,946
Retail shops	49,842,954	64,064,702	49,842,954	64,064,702
Others	12,545,047	15,886,962	4,211,779	5,546,290
Goods in transit	81,739,066	322,246,726	81,739,066	321,298,396
Less: provision for slow and non moving inventories (Note - 21.1)	(224,748,174)	(167,829,450)	(218,527,637)	(157,840,902)
	<u>1,293,574,196</u>	<u>1,555,787,547</u>	<u>1,163,305,902</u>	<u>1,363,563,751</u>

21.1 Provision for slow moving and non moving inventories

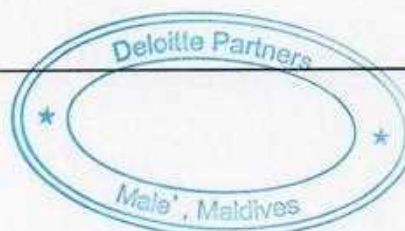
	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
As at 1st January	167,829,449	213,648,396	157,840,901	159,623,328
Inventory written off	(9,864,826)	(10,479,273)	(6,665,204)	(10,479,273)
Provision made during the year (Note 10)	66,783,551	11,855,598	67,351,940	8,696,847
Disposal of a subsidiary (Note 16.4)	-	(47,195,271)	-	-
As at 31st December	<u>224,748,174</u>	<u>167,829,450</u>	<u>218,527,637</u>	<u>157,840,901</u>

21.2 In 2024, inventories of MVR 13,017,043,338/- (2023: MVR 13,667,328,175/-) were recognized as an expense and included in 'cost of sales' of the Company.

21.3 In 2024, inventories of MVR 12,809,605,013/- (2023: MVR 12,912,548,674/-) were recognized as an expense and included in 'cost of sales' of the Group.

21.4 The Group recognized inventory provision of MVR 66,783,551/- during the year 2024. The Company recognized inventory provision of MVR 67,351,940/- during the year 2024. These amounts have been included in 'Cost of sales' in the statement of profit or loss.

21.5 The inventories of the Company are given as security against loans obtained from Nations Trust Bank PLC.



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22 TRADE AND OTHER RECEIVABLES

	Group		Company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	MVR	MVR	MVR	MVR
Trade receivables	1,208,351,911	1,040,218,009	440,975,698	368,862,694
Less : provision for impairment loss (Note 22.1)	(436,390,169)	(379,098,884)	(249,927,492)	(214,185,068)
	771,961,741	661,119,125	191,048,206	154,677,626
Advances, prepayments and deposits	457,856,081	310,653,102	380,909,249	251,985,858
Government employee credit scheme	33,725,983	38,800,822	33,725,983	38,800,822
Staff advances and other loans	10,319,799	9,233,883	10,319,799	9,233,883
Advances paid for custom duty	31,408,734	7,760,205	31,408,734	7,760,205
Miscellaneous receivable	142,316,893	135,221,063	70,493,746	100,326,209
Less : unmaturing interest	(1,222,016)	(1,561,823)	(1,222,016)	(1,561,823)
Less : provision for impairment loss (Note 22.2)	(138,030,404)	(135,192,824)	(71,432,030)	(89,024,538)
	536,375,070	364,914,427	454,203,460	317,520,615
Total trade and other receivable	1,308,336,811	1,026,033,552	645,251,666	472,198,241
<b>22.1 Provision for impairment of trade receivables</b>				
As at 1st January	379,098,882	486,771,324	214,185,068	187,996,506
Reclassification	-	5,648,517	-	5,648,517
Provision made during the year	57,291,288	18,595,383	35,742,426	20,540,047
Provision made during the year (Discontinued operations)	-	2,963,431	-	-
Disposal of a subsidiary (Note 16.4)	-	(134,879,771)	-	-
As at 31st December	436,390,169	379,098,884	249,927,492	214,185,068
<b>22.2 Provision for impairment of other receivables</b>				
As at 1st January	135,192,824	142,986,531	89,024,538	83,477,088
Provision made during the year	2,837,581	19,952,307	(17,592,507)	5,547,451
Provision written off during the year	-	(323,573)	-	-
Provision made during the year (Discontinued operations)	-	(18,019,182)	-	-
Disposal of a subsidiary (Note 16.4)	-	(9,403,258)	-	-
As at 31st December	138,030,403	135,192,824	71,432,030	89,024,538

23 AMOUNTS DUE FROM RELATED PARTIES

	Relationship	Group		Company	
		31/12/2024	31/12/2023	31/12/2024	31/12/2023
		MVR	MVR	MVR	MVR
STO PLC		-	-	-	-
STO Maldives (Singapore) Private Limited	Subsidiary	-	-	27,868,312	27,767,388
Maldivian Gas Private Limited	Subsidiary	-	-	7,390,259	1,104,539
Fuel Supplies Maldives Private Limited	Subsidiary	-	-	2,815,961,292	2,636,024,832
Allied Insurance Company of the Maldives Private Limited	Subsidiary	-	-	22,545,375	11,926,716
Maldives National Oil Company Limited	Subsidiary	-	-	276,604	133,644
Maldives Industrial Fisheries Company Limited	Affiliate	29,847,737	36,548,703	8,648,636	36,300,338
STO Hotels & Resorts Private Limited	Subsidiary	-	-	98,647,452	81,390,084
Maldives State Shipping Company Private Limited	Subsidiary	-	-	77,942,656	35,787,242
Raynūt Maldives Cement Private Limited	Associate	2,177,916	1,919,424	2,172,668	1,919,533
Ministry of Health	Affiliate	340,280,136	228,929,424	339,716,274	227,879,330
Ministry of Finance and Treasury	Majority shareholder	446,077,845	550,079,801	446,077,845	550,079,801
State Electric Company Limited (STELCO)	Affiliate	208,638,152	150,932,209	208,337,764	150,555,229
Fenaka Corporation	Affiliate	2,301,168,586	1,909,072,664	5,155,754	7,036,426
Indira Gandhi Memorial Hospital	Affiliate	204,259,639	131,383,405	203,665,417	130,555,312
Maldives Road Development Corporation	Affiliate	38,594,498	38,594,498	37,969,676	37,969,676
Addu International Airport Private Limited	Affiliate	24,387,431	20,565,435	22,793,460	18,971,463
Aasandha Private Limited	Affiliate	253,816,463	248,799,074	253,816,463	248,799,074
Hulhumale Hospital	Affiliate	49,102,355	15,315,384	48,497,490	14,666,608
Maldives Airport Company Limited	Affiliate	328,155,731	114,698,418	327,785,956	113,791,073
Ministry of Housing and Infrastructure	Affiliate	98,360,863	98,356,205	98,145,303	98,145,303
Rainbow Enterprises Private Limited	Affiliate	3,380,383	8,371,788	3,380,383	8,371,788
G Dh Atoll Rayyithunge Cooperative Society	Affiliate	-	831,492	-	831,492
Champa Oil and Gas Company Private Limited	Affiliate	9,604,686	11,082,277	9,604,686	11,082,277
National Social Protection Agency	Affiliate	201,780,032	83,316,039	201,780,032	83,316,039
United Nations Office	Affiliate	-	72,586,151	-	72,586,151
Ministry of Construction	Affiliate	20,961,246	85,667,629	20,312,629	83,764,460
Maldives Transport and contracting company	Affiliate	152,201,275	110,396,710	63,458,738	59,964,131
National Disaster Management Authority	Affiliate	36,487,684	40,424,454	31,009,974	40,403,232
Island Aviation Service Ltd	Affiliate	21,521,730	18,900,200	21,514,226	18,750,284
Treetop Health Pvt Ltd	Affiliate	2,212,288	797,527	2,142,908	789,347
Housing Development Corporation	Affiliate	3,633,973	2,664,271	3,633,973	2,664,271
Maldives Pension Administration	Affiliate	30,923	-	30,923	-
Other Government entities	Affiliate	247,125,468	247,057,500	172,301,423	127,291,278
		5,023,807,039	4,227,290,682	5,582,584,551	4,940,618,361
Less : provision for impairment loss (Note 24.6)		(822,898,306)	(662,320,307)	(684,688,803)	(618,718,430)
Total amount due from related parties		4,200,908,733	3,564,970,376	4,897,895,748	4,321,899,931
Non - current		-	-	-	-
Current		4,200,908,733	3,564,970,376	4,897,895,748	4,321,899,931

23.1 The Government of Maldives has provided an undertaking to settle the outstanding receivable due from Maldives Industrial Fisheries Company and Fenaka Corporation to the Group, and accordingly, the amount is considered recoverable as at 31st December 2024.



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23.2 Provision for impairment of amounts due from related parties

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
As at 1st January	662,320,307	220,235,319	618,718,430	350,134,324
Reclassification of provision (note 24.1)	-	(33,104,266)	-	-
Provision made during the year	160,577,999	418,437,270	65,970,373	268,584,106
Accumulated provision on receivables due to loss of control	-	70,819,043	-	-
Disposal of a subsidiary (Note 16.4)	-	(14,067,060)	-	-
As at 31st December	822,898,306	662,320,307	684,688,803	618,718,430

24 Loans receivable from related parties

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
As at 1st January	583,809,388	274,270,833	383,308,916	549,037,647
Loans given during the year	2,559,860	497,362,641	125,441,378	164,008,550
Interest for the year	29,698,181	-	-	-
Repayment during the year	(127,489,772)	(197,467,688)	(172,617,157)	(329,737,280)
Provision for impairment loss on receivable (Note 24.1)	(61,384,102)	(24,816,547)	-	-
Disposal of a subsidiary	-	34,460,148	-	-
As at 31st December	427,193,555	583,809,388	336,133,137	383,308,916
Current receivable	133,605,505	212,562,686	336,133,138	383,308,916
Non Current receivable	293,588,046	371,246,701	-	-
	427,193,555	583,809,388	336,133,138	383,308,916

24.1 Provision for impairment of loan receivables

As at 1st January	24,816,547	-	-	-
Reclassification of provision	-	33,104,266	-	-
Provision made during the year	61,384,102	(8,287,719)	-	-
As at 31st December	86,200,649	24,816,547	-	-

24.2 The followings are the contractual maturities of loans receivable from related parties as at the reporting date

Group	Carrying amount MVR	Contractual Cash inflow MVR	0-12	1-5	More than
			months MVR	years MVR	5 years MVR
31st December 2024					
Loans receivable	427,193,555	575,972,723	140,454,915	362,931,506	72,586,301
31st December 2023					
Loans receivable	583,809,388	721,284,122	213,180,013	362,931,506	145,172,603
Company					
31st December 2024					
Loans receivable	336,133,137	336,133,137	336,133,137	-	-
31st December 2023					
Loans receivable	383,308,916	383,762,301	383,762,301	-	-

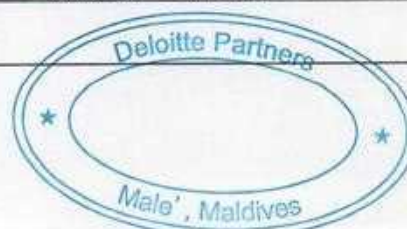
24.3 Loans receivables includes loan from State Trading Organization to Maldives Industrial Fisheries Company Limited of MVR 44,744,650/- (2023: MVR 53,693,581/-) Further, on 20th December 2023, an agreement was made between Maldives Industrial Fisheries and Fuel Supplies Maldives to convert trade receivables equivalent to MVR 443,669,060/- to a term loan to be paid within 8 years with 7% interest per annum. As at 31st December 2024, MVR 468,649,552/- is receivable from Maldives Industrial Fisheries to Fuel Supplies Maldives including accrued interest MVR 29,698,179.

25 INSURANCE CONTRACT ASSETS

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
Insurance contract assets (Note 26.10)	96,702,329	19,427,335	-	-
Net receivables from insurance	96,702,329	19,427,335	-	-

26 REINSURANCE CONTRACTS

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
Reinsurance contract assets (Note 26.10)	209,531,645	209,991,164	-	-
Net receivables from reinsurance	209,531,645	209,991,164	-	-



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AND REINSURANCE CONTRACTS

	General		Life		General Takaful	Family Takaful		Total
	General	Indirect Participating	Non - Participating	Direct Participating		Non - Participating	Takaful Surplus	
<b>024</b>								
contracts								
contract balances								
receivable contract liabilities	(411,642,945)	(47,001,934)	(1,128,730)	(51,161,609)	(7,560,602)	-	(1,609,631)	(520,105,451)
payable contract assets	156,922,221	-	1,987,912	-	-	2,870	-	158,913,003
	(254,720,724)	(47,001,934)	859,182	(51,161,609)	(7,560,602)	2,870	(1,609,631)	(361,192,448)
company adjustments	62,210,674	-	-	-	-	-	-	62,210,674
receivable contract liabilities - Group	(349,432,271)	(47,001,934)	(1,128,730)	(51,161,609)	(7,560,602)	-	(1,609,631)	(457,894,777)
<b>023</b>								
contracts								
contract balances								
receivable contract liabilities	(776,014)	(1,843,142)	(306,292)	(1,464,127)	(55,402)	(39,882)	-	(4,484,859)
payable contract assets	196,407,978	1,530,446	1,957,562	9,555,778	79,882	-	-	209,531,645
	195,631,965	(312,696)	1,651,270	8,091,651	24,480	(39,882)	-	205,046,787
company adjustments	(21,377,050)	-	-	-	-	-	-	(21,377,050)
receivable contract liabilities - Group	(348,813,595)	(34,348,627)	(1,393,357)	(45,265,761)	(6,959,479)	-	(1,255,686)	(438,036,504)
<b>022</b>								
contracts								
contract balances								
receivable contract liabilities	(327,436,545)	(34,348,627)	(1,393,357)	(45,265,761)	(6,959,479)	-	(1,255,686)	(416,659,454)
payable contract assets	19,065,914	-	34,434	-	-	326,987	-	19,427,335
	(308,370,632)	(34,348,627)	(1,358,922)	(45,265,761)	(6,959,479)	326,987	(1,255,686)	(397,493,389)
company adjustments	(21,377,050)	-	-	-	-	-	-	(21,377,050)
receivable contract liabilities - Group	(348,813,595)	(34,348,627)	(1,393,357)	(45,265,761)	(6,959,479)	-	(1,255,686)	(438,036,504)
<b>021</b>								
contracts								
contract balances								
receivable contract liabilities	(247,958)	(22,760)	(173,130)	(269,840)	-	-	-	(713,688)
payable contract assets	200,819,052	-	2,114,854	6,955,867	83,238	18,154	-	209,991,164
	200,571,094	(22,760)	1,941,724	6,686,027	83,238	18,154	-	209,277,476

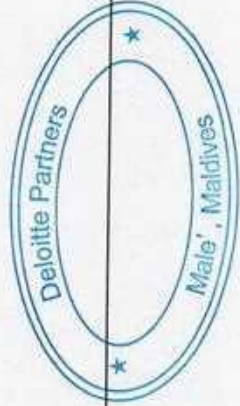


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26.2 INSURANCE AND REINSURANCE CONTRACTS

	Fire	Engineering	Liability	Workmen's compensation	Miscellaneous	Health	Marine	Total
<b>31 December 2024</b>								
<b>Insurance contracts</b>								
Insurance contract balances								
- Insurance contract liabilities	(207,297,555)	(5,271,393)	(28,859,090)	(1,544,919)	(19,206,669)	(107,656,094)	(41,807,226)	(411,642,945)
- Insurance contract assets	-	-	-	-	-	147,440,709	9,481,513	156,922,221
	(207,297,555)	(5,271,393)	(28,859,090)	(1,544,919)	(19,206,669)	39,784,615	(32,325,713)	(254,720,724)
<b>Reinsurance contracts</b>								
- Reinsurance contract liabilities	-	-	-	-	-	(248,631)	(527,383)	(776,014)
- Reinsurance contract assets	125,280,389	7,618,475	11,998,830	161,169	11,436,795	18,322	39,894,000	196,407,978
	129,304,191	8,832,357	16,632,562	95,675	18,569,863	(163,762)	27,300,208	195,631,965
<b>31 December 2023</b>								
<b>Insurance contracts</b>								
Insurance contract balances								
- Insurance contract liabilities	(151,411,983)	(12,564,718)	(21,880,599)	(1,476,251)	(22,244,971)	(93,030,796)	(24,827,226)	(327,436,545)
- Insurance contract assets	18,776,564	-	-	-	-	-	289,350	19,065,914
	(132,635,418)	(12,564,718)	(21,880,599)	(1,476,251)	(22,244,971)	(93,030,796)	(24,537,877)	(308,370,632)
<b>Reinsurance contracts</b>								
- Reinsurance contract liabilities	-	-	-	-	-	(247,958)	-	(247,958)
- Reinsurance contract assets	129,304,191	8,832,357	16,632,562	95,675	18,569,863	84,196	27,300,208	200,819,052
	129,304,191	8,832,357	16,632,562	95,675	18,569,863	(163,762)	27,300,208	200,571,094



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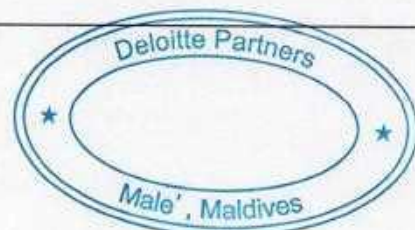
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.3 INSURANCE AND REINSURANCE CONTRACTS - General  
Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims.

	General Insurance				Total 2024
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	
Opening liabilities	(74,312,938)	-	(253,007,503)	(116,104)	(327,436,545)
Opening assets	19,065,914	-	-	-	19,065,914
<b>Net opening balance</b>	<b>(55,247,024)</b>	<b>-</b>	<b>(253,007,503)</b>	<b>(116,104)</b>	<b>(308,370,632)</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue	644,098,184	-	-	-	644,098,184
<b>Insurance service expenses</b>					
<b>Incurred claims and other expenses</b>					
Incurred and paid during the year	-	-	(78,726,692)	-	(78,726,692)
Incurred in CY, LIC at end-CY	-	-	(61,127,282)	(1,002,745)	(62,130,026)
Directly attributable expenses, excluding insurance acquisition cash flows	-	-	(30,808,762)	-	(30,808,762)
Insurance acquisition cash flows on new contracts & amortisation of insurance acquisition cash flows - Commission on written premium	(47,347,044)	-	-	-	(47,347,044)
<b>Past service: changes to liabilities for incurred claims</b>					
Paid during the year	-	-	(159,963,516)	-	(159,963,516)
Change in LIC in CY	-	-	16,996,536	(4,101,737)	12,894,799
	(47,347,044)	-	(313,629,715)	(5,104,481)	(366,081,241)
<b>Insurance service result before reinsurance contract held</b>	<b>596,751,140</b>	<b>-</b>	<b>(313,629,715)</b>	<b>(5,104,481)</b>	<b>278,016,943</b>
Finance expenses from Insurance contracts issued	-	-	(8,292,706)	56,986	(8,235,720)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>596,751,140</b>	<b>-</b>	<b>(321,922,421)</b>	<b>(5,047,495)</b>	<b>269,781,224</b>
Investment component	-	-	-	-	-
<b>Cashflows</b>					
Premium received	(531,730,312)	-	-	-	(531,730,312)
Claims paid	-	-	238,690,208	-	238,690,208
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	30,808,762	-	30,808,762
Insurance acquisition cash flows	46,100,026	-	-	-	46,100,026
<b>Total</b>	<b>(485,630,286)</b>	<b>-</b>	<b>269,498,970</b>	<b>-</b>	<b>(216,131,316)</b>
<b>Net closing balance</b>	<b>55,873,830</b>	<b>-</b>	<b>(305,430,954)</b>	<b>(5,163,599)</b>	<b>(254,720,724)</b>
Closing liabilities	(101,048,391)	-	(305,430,955)	(5,163,599)	(411,642,945)
Closing assets	156,922,221	-	-	-	156,922,221
<b>Net closing balance</b>	<b>55,873,830</b>	<b>-</b>	<b>(305,430,955)</b>	<b>(5,163,599)</b>	<b>(254,720,724)</b>



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FOR THE YEAR ENDED 31ST DECEMBER 2024

26.4 INSURANCE AND REINSURANCE CONTRACTS - General (continued)

Movements in insurance and reinsurance contract balances

a) Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	General				Total 2023
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	
Opening liabilities	(86,459,764)	-	(284,458,993)	(5,059,863)	(375,978,620)
Opening assets	3,671,248	-	-	-	3,671,248
<b>Net opening balance</b>	<b>(82,788,516)</b>	<b>-</b>	<b>(284,458,993)</b>	<b>(5,059,863)</b>	<b>(372,307,372)</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue	521,572,699	-	-	-	521,572,699
<b>Insurance service expenses</b>					
<b>Incurred claims and other expenses</b>					
Incurred and paid during the year	-	-	(77,292,122)	-	(77,292,122)
Incurred in CY, LIC at end-CY	-	-	(52,038,767)	(116,104)	(52,154,871)
Directly attributable expenses, excluding insurance acquisition cash flows	-	-	(23,471,758)	-	(23,471,758)
Insurance acquisition cash flows on new contracts & amortisation of insurance acquisition cash flows - commission on written premium	(45,614,708)	-	-	-	(45,614,708)
<b>Past service: changes to liabilities for incurred claims</b>					
Paid during the year	-	-	(170,895,558)	-	(170,895,558)
Change in LIC in CY	-	-	96,862,249	5,299,609	102,161,858
	(45,614,708)	-	(226,835,957)	5,183,505	(267,267,159)
<b>Insurance service result before reinsurance contract held</b>	<b>475,957,992</b>	<b>-</b>	<b>(226,835,957)</b>	<b>5,183,505</b>	<b>254,305,541</b>
Finance expenses from Insurance contracts issued	-	-	(13,371,993)	(239,746)	(13,611,739)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>475,957,992</b>	<b>-</b>	<b>(240,207,949)</b>	<b>4,943,759</b>	<b>240,693,802</b>
Investment component	-	-	-	-	-
<b>Cashflows</b>					
Premium received	(495,160,115)	-	-	-	(495,160,115)
Claims paid	-	-	248,187,681	-	248,187,681
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	23,471,758	-	23,471,758
Insurance acquisition cash flows	46,743,615	-	-	-	46,743,615
<b>Total</b>	<b>(448,416,501)</b>	<b>-</b>	<b>271,659,439</b>	<b>-</b>	<b>(176,757,062)</b>
<b>Net closing balance</b>	<b>(55,247,025)</b>	<b>-</b>	<b>(253,007,503)</b>	<b>(116,104)</b>	<b>(308,370,632)</b>
Closing liabilities	(74,312,938)	-	(253,007,503)	(116,104)	(327,436,545)
Closing assets	19,065,914	-	-	-	19,065,914
<b>Net closing balance</b>	<b>(55,247,024)</b>	<b>-</b>	<b>(253,007,503)</b>	<b>(116,104)</b>	<b>(308,370,632)</b>

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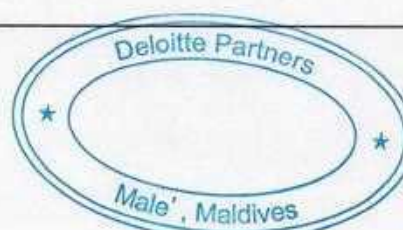
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26.5 INSURANCE AND REINSURANCE CONTRACTS - General (continued)  
Movements in reinsurance and reinsurance contract balances

Reinsurance contracts

Analysis of assets for remaining coverage and incurred claims.

	General					Total 2024
	Assets for remaining coverage		Assets for incurred claims			
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	Non-performance loss	
Opening liabilities	(247,958)	-	-	-	-	(247,958)
Opening assets	25,230,928	-	188,709,025	57,303	(13,178,204)	200,819,052
<b>Net opening balance</b>	<b>24,982,970</b>	<b>-</b>	<b>188,709,025</b>	<b>57,303</b>	<b>(13,178,204)</b>	<b>200,571,094</b>
<b>Changes in the statement of profit or loss and OCI</b>						
Reinsurance premium earned	(319,383,649)	-	-	-	-	(319,383,649)
Insurance commission earned	39,176,286	-	-	-	-	39,176,286
Impairment for NPL	-	-	-	-	(4,553,264)	(4,553,264)
<b>Incurred claims and other expenses</b>						
Incurred and paid during the year	-	-	13,724,502	-	-	13,724,502
Incurred in CY, LIC at end-CY	-	-	48,090,754	1,706,020	-	49,796,774
<b>Past service: changes to liabilities for incurred claims</b>						
Paid in CY	-	-	83,106,917	-	-	83,106,917
Change in LIC in CY	-	-	(54,406,882)	1,359,212	-	(53,047,670)
	-	-	90,515,291	3,065,232	(4,553,264)	89,027,259
<b>Net income (expenses) from reinsurance contracts held</b>	<b>(280,207,363)</b>	<b>-</b>	<b>90,515,291</b>	<b>3,065,232</b>	<b>(4,553,264)</b>	<b>(191,180,104)</b>
Finance income from reinsurance contracts held	-	-	3,995,554	(12,247)	-	3,983,308
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(280,207,363)</b>	<b>-</b>	<b>94,510,846</b>	<b>3,052,985</b>	<b>(4,553,264)</b>	<b>(187,196,797)</b>
Investment component	-	-	-	-	-	-
<b>Cashflows</b>						
Premium paid	271,985,873	-	-	-	-	271,985,873
Claims received	-	-	(89,728,206)	-	-	(89,728,206)
<b>Total</b>	<b>271,985,873</b>	<b>-</b>	<b>(89,728,206)</b>	<b>-</b>	<b>-</b>	<b>182,257,668</b>
<b>Net closing balance</b>	<b>16,761,480</b>	<b>-</b>	<b>193,491,665</b>	<b>3,110,288</b>	<b>(17,731,468)</b>	<b>195,631,965</b>
Closing liabilities	(776,014)	-	-	-	-	(776,014)
Closing assets	17,537,493	-	193,491,665	3,110,288	(17,731,468)	196,407,978
<b>Net closing balance</b>	<b>16,761,479</b>	<b>-</b>	<b>193,491,665</b>	<b>3,110,288</b>	<b>(17,731,468)</b>	<b>195,631,965</b>



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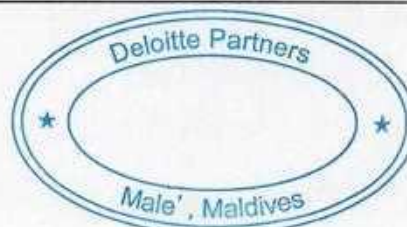
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26.6 INSURANCE AND REINSURANCE CONTRACTS - General (continued)  
Movements in reinsurance and reinsurance contract balances

Reinsurance contracts

Analysis of assets for remaining coverage and incurred claims:

	General					Total 2023
	Assets for remaining coverage	Assets for incurred Claims				
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	Non-performance loss	
Opening liabilities	(76,420,383)	-	-	-	-	(76,420,383)
Opening assets	17,047,953	-	455,485,002	4,097,166	(18,411,718)	458,218,402
Net opening balance	(59,372,430)	-	455,485,002	4,097,166	(18,411,718)	381,798,020
<b>Changes in the statement of profit or loss and OCI</b>						
Reinsurance premium earned	(268,766,782)	-	-	-	-	(268,766,782)
Insurance commission earned	29,910,621	-	-	-	-	29,910,621
Impairment for NPL	-	-	-	-	5,233,514	5,233,514
<b>Incurred claims and other expenses</b>						
Incurred and paid during the year	-	-	16,887,438	-	-	16,887,438
Incurred in CY, LIC at end-CY	-	-	43,415,468	57,303	-	43,472,770
<b>Past service: changes to liabilities for incurred claims</b>						
Paid in CY	-	-	70,704,482	-	-	70,704,482
Change in LIC in CY	-	-	(143,638,739)	(4,291,833)	-	(147,930,572)
			(12,631,351)	(4,234,530)	5,233,514	(11,632,367)
Net income (expenses) from reinsurance contracts held	(238,856,161)	-	(12,631,351)	(4,234,530)	5,233,514	(250,488,528)
Finance income from reinsurance contracts held	-	-	10,393,773	194,667	-	10,588,441
Total changes in the statement of profit or loss and OCI	(238,856,161)	-	(2,237,577)	(4,039,863)	5,233,514	(239,900,087)
Investment component	-	-	-	-	-	-
<b>Cashflows</b>						
Premium paid	323,211,561	-	-	-	-	323,211,561
Claims received	-	-	(264,538,399)	-	-	(264,538,399)
Total	323,211,561	-	(264,538,399)	-	-	58,673,162
Net closing balance	24,982,970	-	188,709,025	57,303	(13,178,204)	200,571,094
Closing liabilities	(247,958)	-	-	-	-	(247,958)
Closing assets	25,230,928	-	188,709,025	57,303	(13,178,204)	200,819,052
Net closing balance	24,982,970	-	188,709,025	57,303	(13,178,204)	200,571,094



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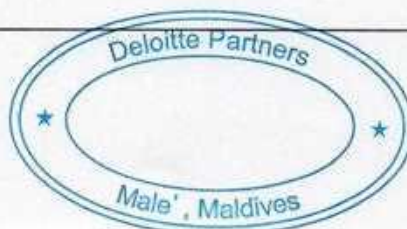
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26.7 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis of liabilities for remaining coverage and incurred claims -  
contracts not measured under PAA

	Individual life (Non-participating)			Total 2024
	Excluding loss component	Loss component	Liabilities for incurred claims	
Opening liabilities	(1,275,417)	(27,939)	-	(1,303,357)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(1,275,417)</b>	<b>(27,939)</b>	<b>-</b>	<b>(1,303,357)</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	(1,362)	-	-	(1,362)
<b>Insurance service expenses</b>				
Incurring benefits and other directly attributable expenses	-	7,514	(29,472)	(21,958)
Changes that relate to past service - adjustments to L.I.C.	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	(155,842)	-	(155,842)
Amortisation of insurance acquisition cash flows	(219)	-	-	(219)
Impairment of acquisition cost asset	-	-	-	-
Model Adjustments	448,869	-	-	448,869
	448,650	(148,328)	(29,472)	270,850
<b>Insurance service result</b>	<b>447,288</b>	<b>(148,328)</b>	<b>(29,472)</b>	<b>269,489</b>
Insurance finance expenses/income	(3,244)	(653)	-	(3,898)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>444,044</b>	<b>(148,981)</b>	<b>(29,472)</b>	<b>265,591</b>
Investment component	-	-	-	-
<b>Cashflows</b>				
Premium received	(34,519)	-	-	(34,519)
Claims and other directly attributable expenses paid	-	-	29,472	29,472
Insurance acquisition cash flows	4,083	-	-	4,083
<b>Total</b>	<b>(30,436)</b>	<b>-</b>	<b>29,472</b>	<b>(964)</b>
<b>Net closing balance</b>	<b>(861,810)</b>	<b>(176,920)</b>	<b>-</b>	<b>(1,038,730)</b>
Closing liabilities	(861,810)	(176,920)	-	(1,038,730)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(861,810)</b>	<b>(176,920)</b>	<b>-</b>	<b>(1,038,730)</b>



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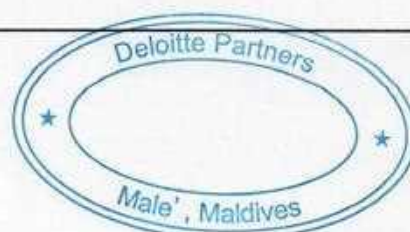
26.8 INSURANCE AND REINSURANCE CONTRACTS - Life

Movements in insurance contract balances

Insurance contracts

Analysis by measurement component – contracts not measured under the PAA:

	Individual life (Indirect participating)			Total 2024
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	(33,771,616)	(65,641)	(511,370)	(34,348,627)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(33,771,616)</b>	<b>(65,641)</b>	<b>(511,370)</b>	<b>(34,348,627)</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss	-	-	1,099,718	1,099,718
Risk adjustment recognized in profit and loss	-	2,856	-	2,856
Experience adjustments	(423,326)	-	-	(423,326)
	<b>(423,326)</b>	<b>2,856</b>	<b>1,099,718</b>	<b>679,248</b>
<b>Changes related to future services</b>				
Contracts initially recognized in the period	1,701,532	(167,193)	(1,534,338)	-
Changes in estimates that adjust CSM	9,663,450	26,070	(9,689,519)	-
Changes in estimates that result in onerous contracts or reversal of losses	(22,530,425)	(4,232)	-	(22,534,657)
Model Adjustments	250,791	65,002	(859,446)	(543,653)
	<b>(10,914,652)</b>	<b>(80,354)</b>	<b>(12,083,304)</b>	<b>(23,078,310)</b>
<b>Changes that relate to past service</b>				
Amortise of expected amounts	-	-	-	-
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(11,337,978)</b>	<b>(77,498)</b>	<b>(10,983,586)</b>	<b>(22,399,062)</b>
Insurance finance expenses related to interest accretion	2,720,722	-	(141,833)	2,578,889
Insurance finance income related to time value of money adjustment	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(8,617,256)</b>	<b>(77,498)</b>	<b>(11,125,419)</b>	<b>(19,820,173)</b>
<b>Cashflows</b>				
Premium received	(2,977,269)	-	-	(2,977,269)
Claims and other directly attributable expenses paid	10,053,083	-	-	10,053,083
Insurance acquisition cash flows	91,053	-	-	91,053
<b>Total</b>	<b>7,166,867</b>	<b>-</b>	<b>-</b>	<b>7,166,867</b>
<b>Net closing balance</b>	<b>(35,222,006)</b>	<b>(143,139)</b>	<b>(11,636,789)</b>	<b>(47,001,934)</b>
Closing liabilities	(35,222,006)	(143,139)	(11,636,789)	(47,001,934)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(35,222,006)</b>	<b>(143,139)</b>	<b>(11,636,789)</b>	<b>(47,001,934)</b>



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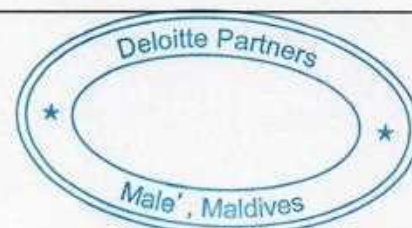
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26.9 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	Individual Life (Indirect participating)			Total 2024
	Liabilities for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component		
Opening liabilities	(26,940,466)	(5,473,243)	(1,934,918)	(34,348,627)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(26,940,466)</b>	<b>(5,473,243)</b>	<b>(1,934,918)</b>	<b>(34,348,627)</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	1,998,072	-	-	1,998,072
<b>Insurance service expenses</b>				
Incurred benefits and other directly attributable expenses	-	46,957	(1,409,467)	(1,362,510)
Changes that relate to past service - adjustments to LIC	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	(23,394,103)	-	(23,394,103)
Amortisation of insurance acquisition cash flows	43,685	-	-	43,685
Impairment of acquisition cost asset	-	-	-	-
Model Adjustments	315,793	-	-	315,793
	359,478	(23,347,146)	(1,409,467)	(24,397,135)
<b>Insurance service result</b>	<b>2,357,551</b>	<b>(23,347,146)</b>	<b>(1,409,467)</b>	<b>(22,399,062)</b>
Insurance finance expenses	2,919,197	(340,308)	-	2,578,889
<b>Total changes in the statement of profit or loss and OCI</b>	<b>5,276,747</b>	<b>(23,687,454)</b>	<b>(1,409,467)</b>	<b>(19,820,174)</b>
Investment component	7,232,728	-	(7,232,728)	-
<b>Cashflows</b>				
Premium received	(2,977,269)	-	-	(2,977,269)
Claims and other directly attributable expenses paid	-	-	10,053,083	10,053,083
Insurance acquisition cash flows	91,053	-	-	91,053
<b>Total</b>	<b>(2,886,216)</b>	<b>-</b>	<b>10,053,083</b>	<b>7,166,867</b>
Transfer to other items in the statement of Financial Position	-	-	-	-
<b>Net closing balance</b>	<b>(17,317,207)</b>	<b>(29,160,696)</b>	<b>(524,031)</b>	<b>(47,001,934)</b>
Closing liabilities	(17,317,207)	(29,160,696)	(524,031)	(47,001,934)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(17,317,207)</b>	<b>(29,160,696)</b>	<b>(524,031)</b>	<b>(47,001,934)</b>



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26.10 INSURANCE AND REINSURANCE CONTRACTS - Life

Movements in insurance contract balances

Insurance contracts

Analysis by measurement component – contracts not measured under the PAA:

	Individual life (Non-Participating)			Total 2024
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	(509,280)	(62,712)	(731,364)	(1,303,357)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(509,280)</b>	<b>(62,712)</b>	<b>(731,364)</b>	<b>(1,303,357)</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss	-	-	16,439	16,439
Risk adjustment recognized in profit and loss	-	1,452	-	1,452
Experience adjustments	(41,430)	-	-	(41,430)
	(41,430)	1,452	16,439	(23,538)
<b>Changes related to future services</b>				
Contracts initially recognized in the period	44,771	(2,819)	(41,951)	-
Changes in estimates that adjust CSM	(373,324)	(31,421)	404,746	-
Changes in estimates that result in onerous contracts or reversal of losses	(125,643)	(29,772)	-	(155,415)
Model Adjustments	392,006	56,863	(427)	448,442
	(62,191)	(7,150)	362,367	293,027
<b>Changes that relate to past service</b>				
Amortise of expected amounts	-	-	-	-
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(103,621)</b>	<b>(5,697)</b>	<b>378,807</b>	<b>269,489</b>
Insurance finance expenses related to interest accretion	36,473	-	(40,371)	(3,898)
Insurance finance income related to time value of money adjustment	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(67,149)</b>	<b>(5,697)</b>	<b>338,436</b>	<b>265,591</b>
<b>Cashflows</b>				
Premium received	(34,519)	-	-	(34,519)
Claims and other directly attributable expenses paid	29,472	-	-	29,472
Insurance acquisition cash flows	4,083	-	-	4,083
<b>Total</b>	<b>(964)</b>	<b>-</b>	<b>-</b>	<b>(964)</b>
<b>Net closing balance</b>	<b>(577,393)</b>	<b>(68,409)</b>	<b>(392,929)</b>	<b>(1,038,730)</b>
Closing liabilities	(577,392)	(68,409)	(392,929)	(1,038,730)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(577,392)</b>	<b>(68,409)</b>	<b>(392,929)</b>	<b>(1,038,730)</b>

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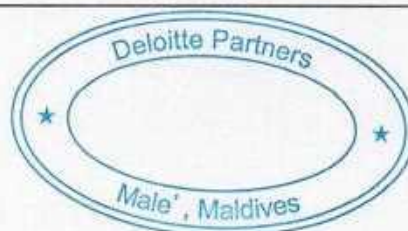
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26.11 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis by remaining coverage and incurred claims - Contracts measured under PAA

	Individual life (Non-participating)				Total 2024
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	
Opening liabilities	-	-	(90,000)	-	(90,000)
Opening assets	34,434	-	-	-	34,434
<b>Net opening balance</b>	<b>34,434</b>	<b>-</b>	<b>(90,000)</b>	<b>-</b>	<b>(55,566)</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue	3,138,186	-	-	-	3,138,186
<b>Insurance service expenses</b>					
<b>Incurred claims and other expenses</b>					
Incurred and paid during the year	-	-	-	-	-
Incurred in CY, LIC at end-CY	-	-	(2,469,678)	-	(2,469,678)
Directly attributable expenses, excluding insurance acquisition cash flows	-	-	(729,614)	-	(729,614)
Insurance acquisition cash flows on new contracts & amortization of insurance acquisition cash flows - commission on written premium	(97,039)	-	-	-	(97,039)
<b>Past service: changes to liabilities for incurred claims</b>					
Paid during the year	-	-	-	-	-
Change in LIC in CY	(97,039)	-	(3,199,292)	-	(3,296,331)
<b>Insurance service result</b>	<b>3,041,147</b>	<b>-</b>	<b>(3,199,292)</b>	<b>-</b>	<b>(158,145)</b>
Insurance finance expenses/income	-	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>3,041,147</b>	<b>-</b>	<b>(3,199,292)</b>	<b>-</b>	<b>(158,145)</b>
Investment component	-	-	-	-	-
<b>Cashflows</b>					
Premium received	(1,198,049)	-	-	-	(1,198,049)
Claims paid	-	-	2,469,678	-	2,469,678
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	729,614	-	729,614
Insurance acquisition cash flows	110,380	-	-	-	110,380
<b>Total</b>	<b>(1,087,669)</b>	<b>-</b>	<b>3,199,292</b>	<b>-</b>	<b>2,111,623</b>
<b>Net closing balance</b>	<b>1,987,913</b>	<b>-</b>	<b>(90,000)</b>	<b>-</b>	<b>1,897,912</b>
Closing liabilities	-	-	(90,000)	-	(90,000)
Closing assets	1,987,912	-	-	-	1,987,912
<b>Net closing balance</b>	<b>1,987,912</b>	<b>-</b>	<b>(90,000)</b>	<b>-</b>	<b>1,897,912</b>



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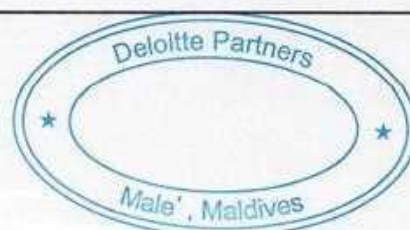
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.12 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Insurance contracts

Analysis of liabilities for remaining coverage and incurred claims

	Individual life (Non-participating)			Total 2023
	Liabilities for remaining Excluding loss component	Loss component	Liabilities for incurred claims	
Opening liabilities	(1,816,001)	-	-	(1,816,001)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(1,816,001)</b>	<b>-</b>	<b>-</b>	<b>(1,816,001)</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	648,169	-	-	648,169
<b>Insurance service expenses</b>				
Incurred benefits and expenses	-	-	(6,313)	(6,313)
Changes that relate to past service - adjustments to LIC	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	(27,939)	-	(27,939)
Amortisation of insurance acquisition cash flows	-	-	-	-
Impairment of acquisition cost asset	(269)	-	-	(269)
	(269)	(27,939)	(6,313)	(34,522)
<b>Insurance service result</b>	<b>647,899</b>	<b>(27,939)</b>	<b>(6,313)</b>	<b>613,647</b>
Insurance finance expenses	(64,328)	-	-	(64,328)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>583,571</b>	<b>(27,939)</b>	<b>(6,313)</b>	<b>549,319</b>
Investment component	-	-	-	-
<b>Cashflows</b>				
Premium received	(43,256)	-	-	(43,256)
Claims paid	-	-	6,313	6,313
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	-	-
Insurance acquisition cash flows	269	-	-	269
<b>Total</b>	<b>(42,987)</b>	<b>-</b>	<b>6,313</b>	<b>(36,674)</b>
<b>Net closing balance</b>	<b>(1,275,417)</b>	<b>(27,939)</b>	<b>-</b>	<b>(1,303,357)</b>
Closing liabilities	(1,275,417)	(27,939)	-	(1,303,357)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(1,275,417)</b>	<b>(27,939)</b>	<b>-</b>	<b>(1,303,357)</b>



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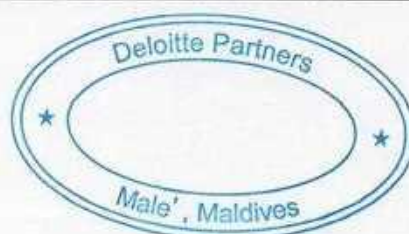
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26.13 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Insurance contracts

Analysis by measurement component – Contracts not measured under the PAA:

	Individual life (Indirect participating)			
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	Total 2023
Opening liabilities	(25,002,762)	(120,059)	(4,611,950)	(29,734,771)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(25,002,762)</b>	<b>(120,059)</b>	<b>(4,611,950)</b>	<b>(29,734,771)</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss	-	-	2,333,881	2,333,881
Risk adjustment recognized in profit and loss	-	55,554	-	55,554
Experience adjustments	790,721	-	-	790,721
	790,721	55,554	2,333,881	3,180,156
<b>Changes related to future services</b>				
Contracts initially recognized in the period	558,630	(60,096)	(498,534)	-
Changes in estimates that adjust CSM	(2,562,567)	58,959	2,503,607	-
Changes in estimates that result in onerous contracts or reversal of losses	(5,376,083)	-	-	(5,376,083)
	(7,380,020)	(1,136)	2,005,073	(5,376,083)
<b>Changes that relate to past service</b>				
Amortize of expected amounts	-	-	-	-
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance Service Result</b>	<b>(6,589,300)</b>	<b>54,418</b>	<b>4,338,954</b>	<b>(2,195,927)</b>
Insurance finance expenses related to interest accretion	30,895	-	(238,374)	(207,479)
Insurance finance income related to time value of money adjustment	90,874	-	-	90,874
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(6,467,531)</b>	<b>54,418</b>	<b>4,100,580</b>	<b>(2,312,532)</b>
<b>Cashflows</b>				
Premium received	(5,294,940)	-	-	(5,294,940)
Claims and other directly attributable expenses paid	3,527,551	-	-	3,527,551
Insurance acquisition cash flows	32,961	-	-	32,961
<b>Total</b>	<b>(1,734,428)</b>	<b>-</b>	<b>-</b>	<b>(1,734,428)</b>
Transfer to other items in the statement of financial position	(566,896)			(566,896)
<b>Net closing balance</b>	<b>(33,771,616)</b>	<b>(65,641)</b>	<b>(511,370)</b>	<b>(34,348,627)</b>
Closing liabilities	(33,771,616)	(65,641)	(511,370)	(34,348,627)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(33,771,616)</b>	<b>(65,641)</b>	<b>(511,370)</b>	<b>(34,348,627)</b>



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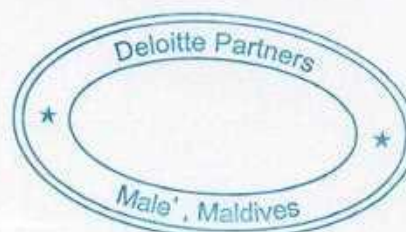
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.14 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance and reinsurance contract balances

**Insurance contracts**

Analysis of liabilities for remaining coverage and incurred claims

	Individual life (Indirect participating)			Total 2023
	Liabilities for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component		
Opening liabilities	(29,250,173)	(97,160)	(387,438)	(29,734,771)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(29,250,173)</b>	<b>(97,160)</b>	<b>(387,438)</b>	<b>(29,734,771)</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	3,985,921	-	-	3,985,921
<b>Insurance service expenses</b>				
Incurred benefits and other directly attributable expenses	-	-	(772,804)	(772,804)
Changes that relate to past service - adjustments to LIC	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	(5,376,083)	-	(5,376,083)
Amortisation of insurance acquisition cash flows	(32,961)	-	-	(32,961)
Impairment of acquisition cost asset	-	-	-	-
	(32,961)	(5,376,083)	(772,804)	(6,181,848)
<b>Insurance service result</b>	<b>3,952,959</b>	<b>(5,376,083)</b>	<b>(772,804)</b>	<b>(2,195,927)</b>
Insurance finance expenses	(116,605)	-	-	(116,605)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>3,836,354</b>	<b>(5,376,083)</b>	<b>(772,804)</b>	<b>(2,312,533)</b>
Investment component	3,735,332	-	(3,735,332)	-
<b>Cashflows</b>				
Premium received	(5,294,940)	-	-	(5,294,940)
Claims paid	-	-	3,527,552	3,527,552
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	-	-
Insurance acquisition cash flows	32,961	-	-	32,961
<b>Total</b>	<b>(5,261,979)</b>	<b>-</b>	<b>3,527,552</b>	<b>(1,734,427)</b>
Transfer to other items in the statement of Financial Position	-	-	(566,896)	(566,896)
<b>Net closing balance</b>	<b>(26,940,466)</b>	<b>(5,473,243)</b>	<b>(1,934,918)</b>	<b>(34,348,627)</b>
Closing liabilities	(26,940,466)	(5,473,243)	(1,934,918)	(34,348,627)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(26,940,466)</b>	<b>(5,473,243)</b>	<b>(1,934,918)</b>	<b>(34,348,627)</b>



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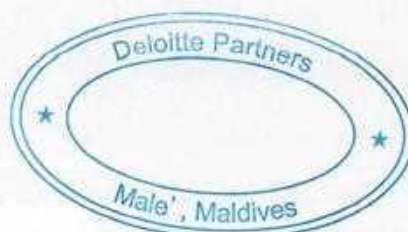
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.15 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Insurance contracts

Analysis by measurement component – contracts not measured under the PAA:

	Individual Life (Non-Participating)			
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	Total 2023
Opening liabilities	(225,390)	(146,810)	(1,443,802)	(1,816,001)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(225,390)</b>	<b>(146,810)</b>	<b>(1,443,802)</b>	<b>(1,816,001)</b>
<b>Changes related to current services</b>				
CSM recognised in profit and loss	-	-	495,160	495,160
Risk adjustment recognized in profit and loss	-	38,938	-	38,938
Experience adjustments	107,488	-	-	107,488
	107,488	38,938	495,160	641,586
<b>Changes related to future services</b>				
Contracts initially recognized in the period	25,652	(892)	(24,759)	-
Changes in estimates that adjust CSM	(348,635)	46,052	302,583	-
Changes in estimates that result in onerous contracts or reversal of losses	(27,939)	-	-	(27,939)
	(350,923)	45,160	277,824	(27,939)
<b>Changes that relate to past service</b>				
Amortise of expected amounts	-	-	-	-
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(243,435)</b>	<b>84,098</b>	<b>772,984</b>	<b>613,647</b>
Insurance finance expenses related to interest accretion	(5,060)	-	(60,546)	(65,606)
Insurance finance income related to time value of money adjustment	1,278	-	-	1,278
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(247,217)</b>	<b>84,098</b>	<b>712,438</b>	<b>549,319</b>
<b>Cashflows</b>				
Premium received	(43,256)	-	-	(43,256)
Claims and other directly attributable expenses paid	6,313	-	-	6,313
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	-	-
Insurance acquisition cash flows	269	-	-	269
<b>Total</b>	<b>(36,673)</b>	<b>-</b>	<b>-</b>	<b>(36,673)</b>
<b>Net closing balance</b>	<b>(509,280)</b>	<b>(62,712)</b>	<b>(731,364)</b>	<b>(1,303,356)</b>
Closing liabilities	(509,280)	(62,712)	(731,364)	(1,303,357)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(509,280)</b>	<b>(62,712)</b>	<b>(731,364)</b>	<b>(1,303,357)</b>



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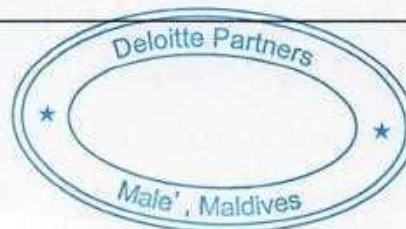
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.16 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis of liabilities for remaining coverage and incurred claims

	Individual life (Non-participating)				Total 2023
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Excluding risk adjustment	Risk adjustment (RA)	
Opening liabilities	-	-	(579,047)	-	(579,047)
Opening assets	500,624	-	-	-	500,624
<b>Net opening balance</b>	<b>500,624</b>	<b>-</b>	<b>(579,047)</b>	<b>-</b>	<b>(78,423)</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue	3,882,304	-	-	-	3,882,304
<b>Insurance service expenses</b>					
<b>Incurred claims and other expenses</b>					
Incurred and paid during the year	-	-	-	-	-
Incurred in CY, LIC at end-CY	-	-	489,047	-	489,047
Directly attributable expenses, excluding insurance acquisition cash flows	-	-	(541,420)	-	(541,420)
Insurance acquisition cash flows on new contracts & amortization of insurance acquisition cash flows - commission on written premium	(372,594)	-	-	-	(372,594)
<b>Past service: changes to liabilities for incurred claims</b>					
Paid during the year	-	-	-	-	-
Change in LIC in CY	-	-	-	-	-
	(372,594)	-	(52,373)	-	(424,968)
<b>Insurance service result</b>	<b>3,509,709</b>	<b>-</b>	<b>(52,373)</b>	<b>-</b>	<b>3,457,336</b>
Insurance finance expenses/income	-	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>3,509,709</b>	<b>-</b>	<b>(52,373)</b>	<b>-</b>	<b>3,457,336</b>
Investment component	-	-	-	-	-
<b>Cashflows</b>					
Premium received	(4,317,578)	-	-	-	(4,317,578)
Claims paid	-	-	-	-	-
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	541,421	-	541,421
Insurance acquisition cash flows	341,679	-	-	-	341,679
<b>Total</b>	<b>(3,975,899)</b>	<b>-</b>	<b>541,421</b>	<b>-</b>	<b>(3,434,478)</b>
<b>Net closing balance</b>	<b>34,434</b>	<b>-</b>	<b>(90,000)</b>	<b>-</b>	<b>(55,566)</b>
Closing liabilities	-	-	(90,000)	-	(90,000)
Closing assets	34,434	-	-	-	34,434
<b>Net closing balance</b>	<b>34,434</b>	<b>-</b>	<b>(90,000)</b>	<b>-</b>	<b>(55,566)</b>



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INSURANCE AND REINSURANCE CONTRACTS - Life

26.17 Amounts determined on transition to IFRS 17

Reinsurance contracts (continued)

Insurance revenue and the CSM by transition method - direct participating contracts issued

Individual life

	New contracts and full retrospective approach contracts at transition	Modified retrospective approach contracts at transition	Total 2023
Insurance revenue	(4,125,495)	(508,595)	(4,634,090)
CSM as at 1 January	(1,518,058)	(4,537,693)	(6,055,751)
<b>Changes that relate to current service</b>			
CSM recognised in profit or loss for the services provided	599,481	2,229,559	2,829,040
<b>Changes that relate to future service</b>			
Changes in estimates that adjust the CSM	245,628	2,560,562	2,806,190
Contracts initially recognised in the period	(523,293)	-	(523,293)
	<b>321,816</b>	<b>4,790,121</b>	<b>5,111,937</b>
Finance income / expenses from insurance contracts issued	(86,340)	(212,580)	(298,920)
<b>Total amounts recognised in comprehensive income</b>	<b>235,476</b>	<b>4,577,541</b>	<b>4,813,017</b>
CSM as at 31 December	(1,282,582)	39,847	(1,242,735)

26.18 Impact of contracts recognised in the year

Individual life

Insurance contracts

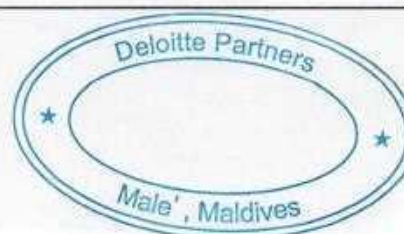
	Contracts with no net gain at origin	Contracts with net gain at origin	Total 2023
Estimates of the present value of future cash outflows	-	-	-
Insurance acquisition cash flows	(14,608)	-	(14,608)
Claims and other directly attributable expenses	(1,690,235)	-	(1,690,235)
<b>Claims and other directly attributable expenses</b>	<b>(1,704,843)</b>	<b>-</b>	<b>(1,704,843)</b>
Claims and other directly attributable expenses	2,289,124	-	2,289,124
Risk adjustment for non-financial risk	(60,988)	-	(60,988)
Contractual service margin	(523,293)	-	(523,293)
<b>Increase in insurance contract liabilities from contracts recognised in the period</b>	<b>-</b>	<b>-</b>	<b>-</b>

26.19 Impact of contracts recognised in the year

Individual life

Insurance contracts

	Contracts with no net gain at origin	Contracts with net gain at origin	Total 2024
Estimates of the present value of future cash outflows	62,512	-	62,512
Insurance acquisition cash flows	(96,748)	-	(96,748)
Claims and other directly attributable expenses	9,055	-	9,055
<b>Claims and other directly attributable expenses</b>	<b>(25,182)</b>	<b>-</b>	<b>(25,182)</b>



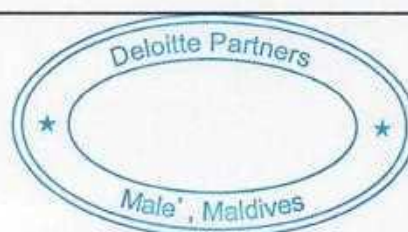
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26.20 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

	Individual life (Participating)			Total 2024
	Assets for remaining coverage	Loss recovery component	Assets for incurred claims	
Opening liabilities	(22,760)	-	-	(22,760)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(22,760)</b>	<b>-</b>	<b>-</b>	<b>(22,760)</b>
<b>Net Income (Expenses) from reinsurance contracts held</b>				
Re - Insurace Expenses	(852,694)	-	-	(852,694)
Other Incuured directly attributable expenses	-	-	-	-
Claims Recovered	-	2,810	-	2,810
Changes to amounts recoverable for incurred claims	-	-	-	-
Loss-recovery on onerous underlying contracts and adjustments	-	826,317	-	826,317
Effect of changes in the risk of reinsurers non-performance	-	-	-	-
Model Adjustments	(309,915)	-	-	(309,915)
	(309,915)	829,127	-	519,213
Net Income (Expenses) from re-insurance contracts held	(1,162,608)	829,127	-	(333,481)
Finance income from re insurance contracts held	43,545	-	-	43,545
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(1,119,063)</b>	<b>829,127</b>	<b>-</b>	<b>(289,936)</b>
Investment Component	-	-	-	-
Other Changes	-	-	-	-
<b>Cashflows</b>				
Premiums paid net of ceding commssions and other directly attributable expenses paid	-	-	-	-
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net closing balance</b>	<b>(1,141,823)</b>	<b>829,127</b>	<b>-</b>	<b>(312,696)</b>
Closing liabilities	(1,843,142)	-	-	(1,843,142)
Closing assets	701,318	829,127	-	1,530,446
<b>Net closing balance</b>	<b>(1,141,823)</b>	<b>829,127</b>	<b>-</b>	<b>(312,696)</b>



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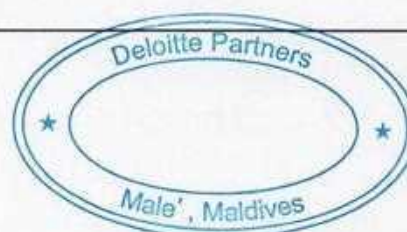
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26.21 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

Analysis by measurement component – contracts not measured under the PAA:

	Individual life (Participating)			Total 2024
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	(38,891)	12,906	3,226	(22,759)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(38,891)</b>	<b>12,906</b>	<b>3,226</b>	<b>(22,759)</b>
<b>Changes related to current services</b>				
CSM recognised in profit and loss for the services provided	-	-	12,857	12,857
Changes in the risk adjustments for non - financial risk for the risk expired	-	(196)	-	(196)
Experience adjustments	(865,354)	-	-	(865,354)
Reinsurance expenses	(865,354)	(196)	12,857	(852,694)
<b>Changes related to future services</b>				
Contracts initially recognized in the period	(44,412)	7,236	37,176	-
Changes in estimates that adjust CSM changed in the FCF that do not adjust the CSM for the group of underlying insurance contracts	(638,904)	1,724	637,180	-
Model Adjustments	-	-	829,127	829,127
	(297,246)	(12,669)	-	(309,915)
	(980,562)	(3,709)	1,503,483	519,213
<b>Changes that relate to past service</b>				
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(1,845,916)</b>	<b>(3,905)</b>	<b>1,516,340</b>	<b>(333,481)</b>
Effect of changes in the risk of reinsurers non-performance	-	-	-	-
<b>Net Income (expenses) from re -insurance contracts held</b>	<b>(1,845,916)</b>	<b>(3,905)</b>	<b>1,516,340</b>	<b>(333,481)</b>
Finance income (expenses) from re -insurance contracts held	41,666	-	1,879	43,545
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(1,804,250)</b>	<b>(3,905)</b>	<b>1,518,219</b>	<b>(289,936)</b>
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	-	-	-	-
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net closing balance</b>	<b>(1,843,142)</b>	<b>9,001</b>	<b>1,521,445</b>	<b>(312,696)</b>
Closing liabilities	(1,843,142)	-	-	(1,843,142)
Closing assets	-	9,001	1,521,445	1,530,446
<b>Net closing balance</b>	<b>(1,843,142)</b>	<b>9,001</b>	<b>1,521,445</b>	<b>(312,696)</b>



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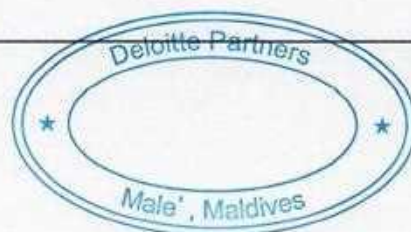
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26.22 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

Analysis by measurement component – contracts not measured under the PAA:

	Individual life (Non Participating)		
	Assets for remaining coverage	Assets for incurred claims	Total 2024
Opening liabilities	(173,130)	-	(173,130)
Opening assets	-	-	-
<b>Net opening balance</b>	<b>(173,130)</b>	<b>-</b>	<b>(173,130)</b>
<b>Net income (Expenses) from reinsurance contracts</b>			
Re - Insurance Expenses	15,917	-	15,917
Other Incurred directly attributable expenses	-	-	-
Claims Recovered	-	-	-
Changes to amounts recoverable for incurred claims	-	-	-
Loss-recovery on onerous underlying contracts and	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-
Model Adjustments	184,927	-	184,927
	184,927	-	184,927
Net Income (Expenses) from re-insurance contracts held	200,844	-	200,844
Finance income from re insurance contracts held	(19,656)	-	(19,656)
<b>Total changes in the statement of profit or loss and</b>	<b>181,188</b>	<b>-</b>	<b>181,188</b>
Investment Component	-	-	-
Other Changes	-	-	-
<b>Cashflows</b>			
Premiums paid net of ceding commissions and other directly attributable expenses paid	-	-	-
Recoveries from re-insurance	-	-	-
<b>Net closing balance</b>	<b>8,058</b>	<b>-</b>	<b>8,058</b>
Closing liabilities	-	-	-
Closing assets	8,058	-	8,058
<b>Net closing balance</b>	<b>8,058</b>	<b>-</b>	<b>8,058</b>



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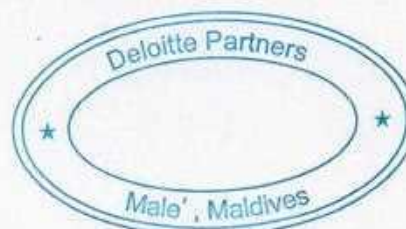
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26.23 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

Analysis by measurement component – contracts not measured under the PAA:

	Individual life (Non-Participating)			Total 2024
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	(305,413)	120,486	11,797	(173,130)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(305,413)</b>	<b>120,486</b>	<b>11,797</b>	<b>(173,130)</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss for the services provided	-	-	15,987	15,987
changes in the risk adjustments for non - financial risk for the risk expired	-	(205)	-	(205)
Experience adjustments	135	-	-	135
Net expense from reinsurance contracts held	135	(205)	15,987	15,917
<b>Changes related to future services</b>				
Contracts initially recognized in the period	10,175	1,819	(11,994)	-
Changes in estimates that adjust CSM changed in the FCF that do not adjust the CSM for the group of underlying insurance contracts	282,841	39,282	(322,123)	-
Model Adjustments	305,413	(120,486)	-	184,927
	598,429	(79,386)	(334,117)	184,927
<b>Changes that relate to past service</b>				
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>598,564</b>	<b>(79,590)</b>	<b>(318,130)</b>	<b>200,844</b>
Interest accreted to reinsurance contracts	-	-	-	-
<b>Net Income (expenses) from re-insurance contracts held</b>	<b>598,564</b>	<b>(79,590)</b>	<b>(318,130)</b>	<b>200,844</b>
Finance income (expenses) From re-insurance contracts held	(19,697)	-	42	(19,656)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>578,867</b>	<b>(79,590)</b>	<b>(318,089)</b>	<b>181,188</b>
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	-	-	-	-
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net closing balance</b>	<b>273,454</b>	<b>40,896</b>	<b>(306,292)</b>	<b>8,059</b>
Closing liabilities	-	-	(306,292)	(306,292)
Closing assets	273,454	40,896	-	314,350
<b>Net closing balance</b>	<b>273,454</b>	<b>40,896</b>	<b>(306,292)</b>	<b>8,058</b>



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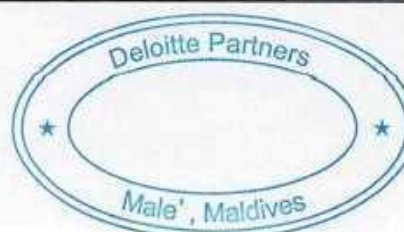
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26.24 INSURANCE AND REINSURANCE CONTRACTS - Life  
 Movements in insurance contract balances

Reinsurance contracts

Analysis of assets for remaining coverage and incurred claims

	Individual life (Non-Participating)		
	Assets for remaining coverage	Assets for incurred claims	Total 2024
Opening liabilities	-	-	-
Opening assets	-	2,114,854	2,114,854
<b>Net opening balance</b>	-	<b>2,114,854</b>	<b>2,114,854</b>
<b>Net Income (Expenses) from reinsurance contracts held</b>			
Re - Insurace Expenses	(175,731)	-	(175,731)
Other incurred directly attributable expenses	-	-	-
Claims recovered	-	-	-
Changes that relate to past service -adjsutments to incuured claims	-	-	-
Changes that relate to future service -changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-
Effect of changes in the risk of re-insurers non performance	-	-	-
<b>Net Income (expenses) from re-insurance contracts held</b>	<b>(175,731)</b>	<b>-</b>	<b>(175,731)</b>
Finance income from re insurance contracts held	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(175,731)</b>	<b>-</b>	<b>(175,731)</b>
Investment component	-	-	-
Other changes	-	-	-
<b>Cashflows</b>			
Premiums paid net of ceding commsions and other directly attributable expenses paid	175,731	-	175,731
Recoveries from re insurance	-	(471,643)	(471,643)
<b>Total</b>	<b>175,731</b>	<b>(471,643)</b>	<b>(295,912)</b>
<b>Net closing balance</b>	<b>-</b>	<b>1,643,211</b>	<b>1,643,211</b>
Closing liabilities	-	-	-
Closing assets	-	1,643,211	1,643,211
<b>Net closing balance</b>	<b>-</b>	<b>1,643,211</b>	<b>1,643,211</b>



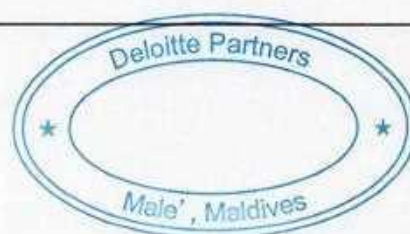
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26.25 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

	Individual life (Participating)			Total 2023
	Assets for remaining coverage	Loss recovery component	Assets for incurred claims	
Opening liabilities	(26,248)	-	-	(26,248)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(26,248)</b>	<b>-</b>	<b>-</b>	<b>(26,248)</b>
<b>Net Income (Expenses) from reinsurance contracts held</b>				
Re - Insurance Expenses	(14,668)	-	-	(14,668)
Other Incurred directly attributable expenses	-	-	-	-
Claims Recovered	-	-	-	-
Changes to amounts recoverable for incurred claims	-	-	-	-
Loss-recovery on onerous underlying contracts and adjustments	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	67	-	-	67
	67	-	-	67
<b>Net Income (Expenses) from re-insurance contracts held</b>	<b>(14,601)</b>	<b>-</b>	<b>-</b>	<b>(14,601)</b>
Finance income from re insurance contracts held	99	-	-	99
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(14,501)</b>	<b>-</b>	<b>-</b>	<b>(14,501)</b>
Investment Component	-	-	-	-
Other Changes	-	-	-	-
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	17,989	-	-	17,989
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>17,989</b>	<b>-</b>	<b>-</b>	<b>17,989</b>
<b>Net closing balance</b>	<b>(22,760)</b>	<b>-</b>	<b>-</b>	<b>(22,760)</b>
Closing liabilities	(22,760)	-	-	(22,760)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(22,760)</b>	<b>-</b>	<b>-</b>	<b>(22,760)</b>



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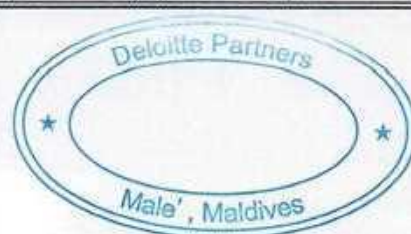
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26.26 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

Analysis by measurement component – Contracts  
not measured under the PAA:

	Individual life (Indirect participating)			Total 2023
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	(45,834)	11,490	8,096	(26,248)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(45,834)</b>	<b>11,490</b>	<b>8,096</b>	<b>(26,248)</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss for the services provided	-	-	1,226	1,226
changes in the risk adjustments for non - financial risk for the risk expired	-	(4,781)	-	(4,781)
Experience adjustments	(11,113)	-	-	(11,113)
Re - insurace expenes	(11,113)	(4,781)	1,226	(14,668)
<b>Changes related to future services</b>				
Contracts initially recognized in the period	(2,462)	1,470	992	-
Changes in estimates that adjust CSM changed in the FCF that do not adjust the CSM for the group of underlaying insurance contracts	2,786	4,727	(7,513)	-
	-	-	-	-
	324	6,197	(6,521)	-
<b>Changes that relate to past service</b>				
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(10,789)</b>	<b>1,416</b>	<b>(5,295)</b>	<b>(14,668)</b>
Effect of changes in the risk of reinsures non - performance	67	-	-	67
<b>Net Income (expenses) from re -insurance contracts held</b>	<b>(10,722)</b>	<b>1,416</b>	<b>(5,295)</b>	<b>(14,601)</b>
Finance income (expenses) from re -insurance contracts held	(325)	-	425	100
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(11,046)</b>	<b>1,416</b>	<b>(4,870)</b>	<b>(14,501)</b>
<b>Cashflows</b>				
Premiums paid net of ceding commssions and other directly attributable expenses paid	17,989	-	-	17,989
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>17,989</b>	<b>-</b>	<b>-</b>	<b>17,989</b>
<b>Net closing balance</b>	<b>(38,891)</b>	<b>12,906</b>	<b>3,226</b>	<b>(22,760)</b>
Closing liabilities	(38,891)	12,906	3,226	(22,759)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(38,891)</b>	<b>12,906</b>	<b>3,226</b>	<b>(22,759)</b>



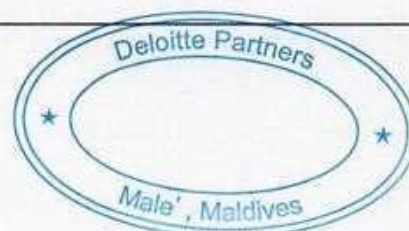
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26.27 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

	Individual Life (Non Participating)		
	Assets for remaining coverage	Assets for incurred claims	Total 2023
Opening liabilities	(126,698)	-	(126,698)
Opening assets	-	-	-
<b>Net opening balance</b>	<b>(126,698)</b>	<b>-</b>	<b>(126,698)</b>
<b>Net Income (Expenses) from reinsurance contracts held</b>			
Re - Insurance Expenses	(232,794)	-	(232,794)
Other Incurred directly attributable expenses	-	-	-
Claims Recovered	-	-	-
Changes to amounts recoverable for incurred claims	-	-	-
Loss-recovery on onerous underlying contracts and adjustments	-	-	-
Effect of changes in the risk of reinsurers non-performance	484	-	484
	484	-	484
Net Income (Expenses) from re-insurance contracts held	(232,311)	-	(232,311)
Finance income from re insurance contracts held	(4,656)	-	(4,656)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(236,967)</b>	<b>-</b>	<b>(236,967)</b>
Investment Component	-	-	-
Other Changes	-	-	-
<b>Cashflows</b>			
Premiums paid net of ceding commissions and other directly attributable expenses paid	190,535	-	190,535
Recoveries from re-insurance	-	-	-
<b>Total</b>	<b>190,535</b>	<b>-</b>	<b>190,535</b>
<b>Net closing balance</b>	<b>(173,130)</b>	<b>-</b>	<b>(173,130)</b>
Closing liabilities	(173,130)	-	(173,130)
Closing assets	-	-	-
<b>Net closing balance</b>	<b>(173,130)</b>	<b>-</b>	<b>(173,130)</b>



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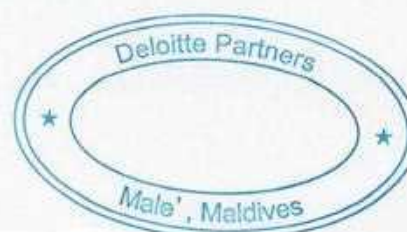
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26.28 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

Analysis by measurement component – Contracts not measured under the PAA:

	Individual life (Non-Participating)			Total 2023
	Estimates of PV of Future Cash Flows	Risk Adjustment	Contractual Service Margin	
Opening liabilities	(315,424)	236,691	(47,965)	(126,698)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(315,424)</b>	<b>236,691</b>	<b>(47,965)</b>	<b>(126,698)</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss for the services provided	-	-	31,859	31,859
changes in the risk adjustments for non - financial risk for the risk expired	-	(130,389)	-	(130,389)
Experience adjustments	(134,264)	-	-	(134,264)
Re - insurance expenses	(134,264)	(130,389)	31,859	(232,794)
<b>Changes related to future services</b>				
Contracts initially recognized in the period	(3,674)	1,791	1,883	-
Changes in estimates that adjust CSM changed in the FCF that do not adjust the CSM for the group of underlying insurance contracts	(40,577)	12,394	28,183	-
	-	-	-	-
	(44,251)	14,184	30,066	-
<b>Changes that relate to past service</b>				
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance Service Result</b>	<b>(178,515)</b>	<b>(116,205)</b>	<b>61,925</b>	<b>(232,794)</b>
Effect of changes in the risk of reinsures non - performance	484	-	-	484
<b>Net Income (Expenses ) from re -insurance contracts held</b>	<b>(178,031)</b>	<b>(116,205)</b>	<b>61,925</b>	<b>(232,311)</b>
Finance income (Expenses) From re -insurance contracts held	(2,493)	-	(2,163)	(4,656)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(180,524)</b>	<b>(116,205)</b>	<b>59,762</b>	<b>(236,967)</b>
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	190,535	-	-	190,535
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>190,535</b>	<b>-</b>	<b>-</b>	<b>190,535</b>
<b>Net closing balance</b>	<b>(305,413)</b>	<b>120,486</b>	<b>11,797</b>	<b>(173,130)</b>
Closing liabilities	(305,413)	120,486	11,797	(173,130)
Closing assets	-	-	-	-
<b>Net Closing Balance</b>	<b>(305,413)</b>	<b>120,486</b>	<b>11,797</b>	<b>(173,130)</b>



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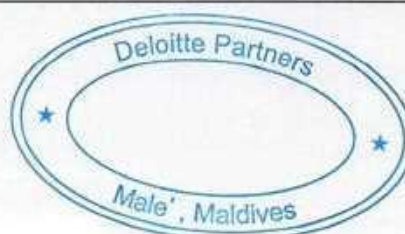
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26.29 INSURANCE AND REINSURANCE CONTRACTS - Life  
Movements in insurance contract balances

Reinsurance contracts

Analysis of assets for remaining coverage and incurred claims

	Individual life (Non-participating)		
	Assets for remaining coverage	Assets for incurred claims	Total 2023
Opening liabilities	-	-	-
Opening assets	-	2,114,854	2,114,854
<b>Net opening balance</b>	<b>-</b>	<b>2,114,854</b>	<b>2,114,854</b>
<b>Net income (expenses) from reinsurance contracts held</b>			
Re - insurance expenses	(175,731)	-	(175,731)
Other Incurred directly attributable expenses	-	-	-
Claims recovered	-	-	-
Changes that relate to past service -adjustments to incurred claims	-	-	-
Changes that relate to future service -changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-
Effect of changes in the risk of re-insurers non performance	-	-	-
Net income (expenses) from re-insurance contracts held	(175,731)	-	(175,731)
Finance income from re insurance contracts held	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(175,731)</b>	<b>-</b>	<b>(175,731)</b>
Investment component	-	-	-
Other changes	-	-	-
<b>Cashflows</b>			
Premiums paid net of ceding commissions and other directly attributable expenses paid	175,731	-	175,731
Recoveries from re insurance	-	-	-
<b>Total</b>	<b>175,731</b>	<b>-</b>	<b>175,731</b>
<b>Net closing balance</b>	<b>-</b>	<b>2,114,854</b>	<b>2,114,854</b>
Closing liabilities	-	-	-
Closing assets	-	2,114,854	2,114,854
<b>Net closing balance</b>	<b>-</b>	<b>2,114,854</b>	<b>2,114,854</b>



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26.30 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful

Amounts determined on transition to IFRS 17

Reinsurance contracts (continued)

Insurance revenue and the CSM by transition method - direct participating contracts issued

Individual life

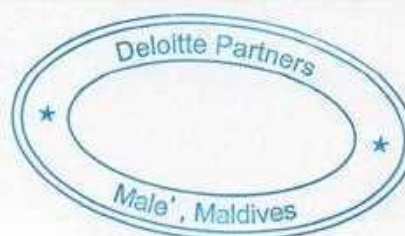
	New contracts and full retrospective approach contracts at transition	Modified retrospective approach contracts at transition	Total 2023
CSM as at 1 January	(104,255)	64,387	(39,868)
<b>Changes that relate to current service</b>			
CSM recognised in profit or loss for the services provided	58,089	(25,004)	33,085
<b>Changes that relate to future service</b>			
Changes in estimates that adjust the CSM	44,141	(23,471)	20,670
Contracts initially recognised in the period	2,875	-	2,875
	<b>105,105</b>	<b>(48,475)</b>	<b>56,630</b>
Finance income / expenses from insurance contracts issued	(4,757)	3,018	(1,738)
<b>Total amounts recognised in comprehensive income</b>	<b>100,349</b>	<b>(45,457)</b>	<b>54,892</b>
CSM as at 31 December	(3,907)	18,930	15,023

26.31 Impact of contracts recognised in the year

Individual life

Insurance contracts

	Contracts with no net gain at origin	Contracts with net gain at origin	Total 2023
Estimates of the present value of future cash outflows	18,858		18,858
Insurance acquisition cash flows	(24,993)		(24,993)
Claims and other directly attributable expenses	3,260		3,260
<b>Claims and other directly attributable expenses</b>	<b>(2,875)</b>	<b>-</b>	<b>(2,875)</b>

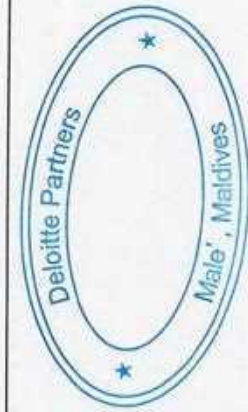


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26.32 INSURANCE AND REINSURANCE CONTRACTS - GENERAL TAKAFUL

	Fire	Engineering	Liability	Workmen's compensation	Miscellaneous	Health	Marine	Unallocated Surplus	Total
<b>31 December 2024</b>									
<b>Insurance contracts</b>									
Insurance contract balances									
- Insurance contract liabilities	(11,727,234)	(258,447)	(34,582)	(15,488)	(1,146,788)	(24,204,421)	(6,633,768)	(7,140,882)	(51,161,609)
- Insurance contract assets	(11,727,234)	(258,447)	(34,582)	(15,488)	(1,146,788)	(24,204,421)	(6,633,768)	(7,140,882)	(51,161,609)
Reinsurance contracts									
- Reinsurance contract liabilities	-	(84,748)	(54,713)	-	-	(431,667)	(893,000)	-	(1,464,127)
- Reinsurance contract assets	1,588,764	-	-	-	407,808	39,438	7,519,768	-	9,555,778
	1,588,764	(84,748)	(54,713)	-	407,808	(392,229)	6,626,768	-	8,091,651
<b>31 December 2023</b>									
<b>Insurance contracts</b>									
Insurance contract balances									
- Insurance contract liabilities	(11,643,585)	(386,820)	(20,165)	(12,460)	(612,518)	(15,848,969)	(4,124,355)	(12,616,888)	(45,265,761)
- Insurance contract assets	(11,643,585)	(386,820)	(20,165)	(12,460)	(612,518)	(15,848,969)	(4,124,355)	(12,616,888)	(45,265,761)
Reinsurance contracts									
- Reinsurance contract liabilities	-	(33,063)	-	-	-	(236,777)	-	-	(269,840)
- Reinsurance contract assets	3,480,149	-	5,693	-	272,684	638,837	2,558,504	-	6,955,867
	3,480,149	(33,063)	5,693	-	272,684	402,060	2,558,504	-	6,686,027



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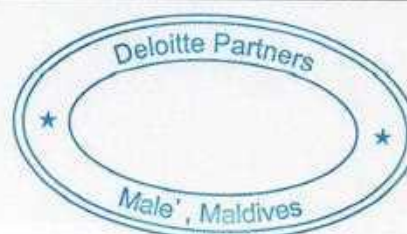
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.33 INSURANCE AND REINSURANCE CONTRACTS (continued)  
Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	Liabilities for remaining		General Takaful Liabilities for incurred Claims		Total 2024
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	
Opening liabilities	(19,444,757)	-	(13,123,149)	(80,967)	(32,648,873)
Opening assets	-	-	-	-	-
<b>Net opening balance</b>	<b>(19,444,757)</b>	<b>-</b>	<b>(13,123,149)</b>	<b>(80,967)</b>	<b>(32,648,873)</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue	81,388,074	-	-	-	81,388,074
<b>Insurance service expenses</b>					
<b>Incurred claims and other expenses</b>					
Incurred in CY, Paid in CY	-	-	(28,643,357)	-	(28,643,357)
Incurred in CY, LIC at end-CY	-	-	(16,035,776)	(5,296,933)	(21,332,709)
Directly attributable expenses, excluding insurance acquisition cash flows	-	-	(3,836,338)	-	(3,836,338)
Insurance acquisition cash flows on new contracts & amortization of insurance acquisition cash flows - Commission on written premium	(4,926,651)	-	-	-	(4,926,651)
<b>Past service: changes to liabilities for incurred claims</b>					
Paid during the year	-	-	(9,418,438)	-	(9,418,438)
Change in LIC in CY	-	-	11,088,542	(781,710)	10,306,832
	(4,926,651)	-	(46,845,367)	(6,078,643)	(57,850,662)
<b>Insurance service result</b>	<b>76,461,422</b>	<b>-</b>	<b>(46,845,367)</b>	<b>(6,078,643)</b>	<b>23,537,412</b>
Insurance finance expenses/income	-	-	(627,868)	(4,126)	(631,994)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>76,461,422</b>	<b>-</b>	<b>(47,473,235)</b>	<b>(6,082,769)</b>	<b>22,905,418</b>
Investment component	873,789	-	(873,789)	-	-
<b>Cashflows</b>					
Premium received	(81,728,603)	-	-	-	(81,728,603)
Claims paid	-	-	38,935,585	-	38,935,585
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	3,836,338	-	3,836,338
Insurance acquisition cash flows	4,679,407	-	-	-	4,679,407
<b>Total</b>	<b>(77,049,196)</b>	<b>-</b>	<b>42,771,923</b>	<b>-</b>	<b>(34,277,273)</b>
<b>Net closing balance</b>	<b>(19,158,741)</b>	<b>-</b>	<b>(18,698,250)</b>	<b>(6,163,736)</b>	<b>(44,020,727)</b>
Closing liabilities	(19,158,742)	-	(18,698,250)	(6,163,736)	(44,020,727)
Closing assets	-	-	-	-	-
<b>Net closing balance</b>	<b>(19,158,742)</b>	<b>-</b>	<b>(18,698,250)</b>	<b>(6,163,736)</b>	<b>(44,020,727)</b>



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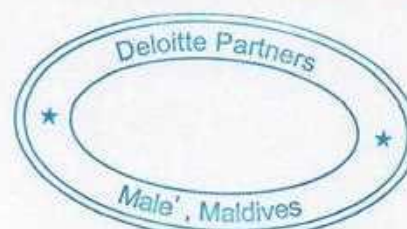
26.34 INSURANCE AND REINSURANCE CONTRACTS (continued)

Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	General Takaful				Total 2023
	Liabilities for remaining		Liabilities for incurred Claims		
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	
Opening liabilities	(17,256,068)	-	(7,430,582)	(427,263)	(25,113,913)
Opening assets	-	-	-	-	-
<b>Net opening balance</b>	<b>(17,256,068)</b>	<b>-</b>	<b>(7,430,582)</b>	<b>(427,263)</b>	<b>(25,113,913)</b>
<b>Changes in the statement of profit or loss and OCI</b>					
Insurance revenue	60,487,158	-	-	-	60,487,158
<b>Insurance service expenses</b>					
<b>Incurred claims and other expenses</b>					
Incurred in CY, Paid in CY	-	-	(15,990,030)	-	(15,990,030)
Incurred in CY, LIC at end-CY	-	-	(3,646,163)	(80,967)	(3,727,130)
Directly attributable expenses, excluding insurance acquisition cash flows	-	-	(3,830,704)	-	(3,830,704)
Insurance acquisition cash flows on new contracts & amortization of insurance acquisition cash flows - Commission on written premium	(3,921,418)	-	-	-	(3,921,418)
<b>Future service: losses on onerous contracts and reversals of those losses</b>					
Losses on new onerous contracts	-	-	-	-	-
Reversal of losses on existing onerous contracts - Reversal / amortization of losses following an assumed pattern	-	-	-	-	-
Reversal of losses on existing onerous contracts - Change in assumptions affecting onerosity	-	-	-	-	-
<b>Past service: changes to liabilities for incurred claims</b>					
Paid during the year	-	-	(9,382,220)	-	(9,382,220)
Change in LIC in CY	-	-	(1,700,272)	447,350	(1,252,922)
	(3,921,418)	-	(34,549,389)	366,383	(38,104,425)
<b>Insurance service result</b>	<b>56,565,740</b>	<b>-</b>	<b>(34,549,389)</b>	<b>366,383</b>	<b>22,382,733</b>
Insurance finance expenses	-	-	(346,132)	(20,087)	(366,219)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>56,565,740</b>	<b>-</b>	<b>(34,895,522)</b>	<b>346,296</b>	<b>22,016,514</b>
Investment Component	649,167	-	(649,167)	-	-
<b>Cashflows</b>					
Premium received	(64,316,233)	-	-	-	(64,316,233)
Claims paid	-	-	26,021,418	-	26,021,418
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	3,830,704	-	3,830,704
Insurance acquisition cash flows	4,912,637	-	-	-	4,912,637
<b>Total</b>	<b>(59,403,597)</b>	<b>-</b>	<b>29,852,122</b>	<b>-</b>	<b>(29,551,475)</b>
<b>Net closing balance</b>	<b>(19,444,758)</b>	<b>-</b>	<b>(13,123,149)</b>	<b>(80,967)</b>	<b>(32,648,874)</b>
Closing liabilities	(19,444,757)	-	(13,123,149)	(80,967)	(32,648,873)
Closing assets	-	-	-	-	-
<b>Net Closing Balance</b>	<b>(19,444,757)</b>	<b>-</b>	<b>(13,123,149)</b>	<b>(80,967)</b>	<b>(32,648,873)</b>



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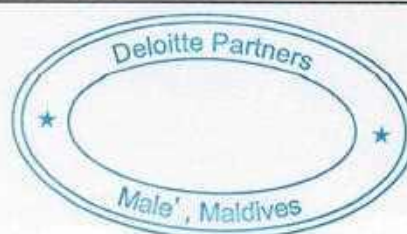
26.35 INSURANCE AND REINSURANCE CONTRACTS (continued)

Movements in reinsurance and reinsurance contract balances

Reinsurance contracts

Analysis of assets for remaining coverage and incurred claims

	General Takaful					Total 2024
	Assets for remaining coverage		Assets for incurred Claims			
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	Non-Performance Loss	
Opening liabilities	(269,840)	-	-	-	-	(269,840)
Opening assets	3,792,750	-	3,188,764	72,169	(97,817)	6,955,867
<b>Net opening balance</b>	<b>3,522,910</b>	<b>-</b>	<b>3,188,764</b>	<b>72,169</b>	<b>(97,817)</b>	<b>6,686,027</b>
<b>Changes in the statement of profit or loss and OCI</b>						
Reinsurance Premium Earned	(24,671,473)	-	-	-	-	(24,671,473)
Insurance Commission Earned	7,625,612	-	-	-	-	7,625,612
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	(641,818)	(641,818)
<b>Incurred claims and other expenses</b>						
Incurring in CY, Paid in CY	-	-	2,507,310	-	-	2,507,310
Incurring in CY, LIC at end-CY	-	-	2,634,357	191,888	-	2,826,246
<b>Past service: changes to liabilities for incurred claims</b>						
Paid during the year	-	-	7,316,931	-	-	7,316,931
Change in LIC in CY	-	-	(2,540,599)	(74,184)	-	(2,614,783)
	-	-	9,917,999	117,704	(641,818)	9,393,885
<b>Net income (expenses) from reinsurance contracts held</b>	<b>(17,045,861)</b>	<b>-</b>	<b>9,917,999</b>	<b>117,704</b>	<b>(641,818)</b>	<b>(7,651,975)</b>
Reinsurance finance income	-	-	123,723	3,362	-	127,085
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(17,045,861)</b>	<b>-</b>	<b>10,041,722</b>	<b>121,066</b>	<b>(641,818)</b>	<b>(7,524,890)</b>
Investment component	-	-	-	-	-	-
<b>Cashflows</b>						
Premium paid	12,150,667	-	-	-	-	12,150,667
Claims received	-	-	(3,220,153)	-	-	(3,220,153)
<b>Total</b>	<b>12,150,667</b>	<b>-</b>	<b>(3,220,153)</b>	<b>-</b>	<b>-</b>	<b>8,930,515</b>
<b>Net closing balance</b>	<b>(1,372,283)</b>	<b>-</b>	<b>10,010,333</b>	<b>193,236</b>	<b>(739,634)</b>	<b>8,091,651</b>
Closing liabilities	(1,464,127)	-	-	-	-	(1,464,127)
Closing assets	91,844	-	10,010,333	193,236	(739,634)	9,555,778
<b>Net closing balance</b>	<b>(1,372,283)</b>	<b>-</b>	<b>10,010,333</b>	<b>193,236</b>	<b>(739,634)</b>	<b>8,091,651</b>



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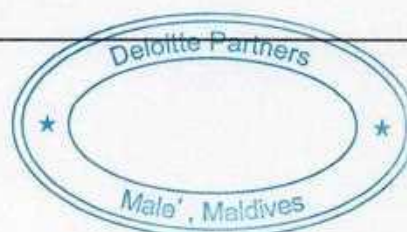
26.36 INSURANCE AND REINSURANCE CONTRACTS (continued)

Movements in reinsurance and reinsurance contract balances

Reinsurance contracts

Analysis of assets for remaining coverage and incurred claims

	General Takaful					Total 2023
	Assets for remaining coverage		Assets for incurred claims			
	Excluding loss component	Loss component	Excluding risk adjustment (RA)	Risk adjustment (RA)	Non-performance loss	
Opening liabilities	(452,183)	-	-	-	-	(452,183)
Opening assets	2,345,904	-	8,981,294	183,083	(98,895)	11,411,385
<b>Net opening balance</b>	<b>1,893,720</b>	<b>-</b>	<b>8,981,294</b>	<b>183,083</b>	<b>(98,895)</b>	<b>10,959,202</b>
<b>Changes in the statement of profit or loss and OCI</b>						
Reinsurance premium earned	(21,406,934)	-	-	-	-	(21,406,934)
Insurance commission earned	6,725,035	-	-	-	-	6,725,035
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	1,079	1,079
<b>Incurred claims and other expenses</b>						
Incurring in CY, Paid in CY	-	-	749,017	-	-	749,017
Incurring in CY, LIC at end-CY	-	-	2,548,159	72,169	-	2,620,328
<b>Past service: changes to liabilities for incurred claims</b>						
Paid during the year	-	-	782,882	-	-	782,882
Change in LIC in CY	-	-	(2,725,390)	(191,658)	-	(2,917,049)
	-	-	1,354,667	(119,489)	1,079	1,236,257
<b>Net income (expenses) from reinsurance contracts held</b>	<b>(14,681,899)</b>	<b>-</b>	<b>1,354,667</b>	<b>(119,489)</b>	<b>1,079</b>	<b>(13,445,642)</b>
Reinsurance finance income	-	-	123,335	8,575	-	131,910
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(14,681,899)</b>	<b>-</b>	<b>1,478,002</b>	<b>(110,914)</b>	<b>1,079</b>	<b>(13,313,733)</b>
Investment component	-	-	-	-	-	-
<b>Cashflows</b>						
Premium paid	16,311,088	-	-	-	-	16,311,088
Claims received	-	-	(7,270,532)	-	-	(7,270,532)
<b>Total</b>	<b>16,311,088</b>	<b>-</b>	<b>(7,270,532)</b>	<b>-</b>	<b>-</b>	<b>9,040,557</b>
<b>Net closing balance</b>	<b>3,522,910</b>	<b>-</b>	<b>3,188,764</b>	<b>72,169</b>	<b>(97,817)</b>	<b>6,686,027</b>
Closing liabilities	(269,840)	-	-	-	-	(269,840)
Closing assets	3,792,750	-	3,188,764	72,169	(97,817)	6,955,867
<b>Net closing balance</b>	<b>3,522,910</b>	<b>-</b>	<b>3,188,764</b>	<b>72,169</b>	<b>(97,817)</b>	<b>6,686,027</b>



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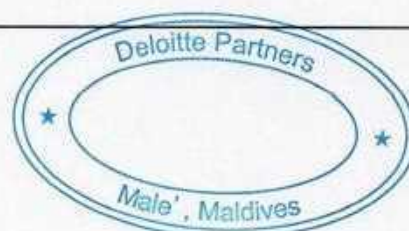
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26.37 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	Individual life (Direct Participating)			Total 2024
	Liabilities for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component		
Opening liabilities	(6,959,479)	-	-	(6,959,479)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(6,959,479)</b>	<b>-</b>	<b>-</b>	<b>(6,959,479)</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	1,426,279	-	-	1,426,279
<b>Insurance service expenses</b>				
Incurred benefits and other directly attributable expenses	-	-	(89,484)	(89,484)
Changes that relate to past service - adjustments to LIC	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	(100,925)	-	(100,925)
Amortisation of insurance acquisition cash flows	(806)	-	-	(806)
Impairment of acquisition cost asset	-	-	-	-
IRIS Model Difference	345,770	-	-	345,770
	344,964	(100,925)	(89,484)	154,555
<b>Insurance service result</b>	<b>1,771,243</b>	<b>(100,925)</b>	<b>(89,484)</b>	<b>1,580,834</b>
Insurance finance expenses/income	(178,133)	-	-	(178,133)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>1,593,110</b>	<b>(100,925)</b>	<b>(89,484)</b>	<b>1,402,701</b>
Investment component	126,722	-	(126,722)	-
<b>Cashflows</b>				
Premium received	(2,311,737)	-	-	(2,311,737)
Claims and other directly attributable expense paid	-	-	216,206	216,206
Insurance acquisition cash flows	91,707	-	-	91,707
<b>Total</b>	<b>(2,220,030)</b>	<b>-</b>	<b>216,206</b>	<b>(2,003,824)</b>
<b>Net closing balance</b>	<b>(7,459,677)</b>	<b>(100,925)</b>	<b>-</b>	<b>(7,560,602)</b>
Closing liabilities	(7,459,677)	(100,925)	-	(7,560,602)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(7,459,677)</b>	<b>(100,925)</b>	<b>-</b>	<b>(7,560,602)</b>



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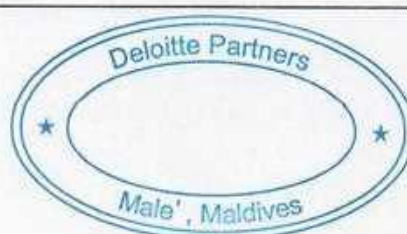
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26.38 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

**Insurance contracts**

Analysis by measurement component – Contracts not measured under the PAA:

	Individual life (Participating)			Total 2024
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	(860,271)	(1,590,459)	(4,508,748)	(6,959,479)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(860,271)</b>	<b>(1,590,459)</b>	<b>(4,508,748)</b>	<b>(6,959,479)</b>
<b>Changes related to current services</b>				
CSM recognised in profit and loss	-	-	649,716	649,716
Risk adjustment recognised in profit and loss	-	11,919	-	11,919
Experience adjustments	674,355	-	-	674,355
	674,355	11,919	649,716	1,335,989
<b>Changes related to future services</b>				
Contracts initially recognised in the period	276,087	(71,340)	(204,747)	-
Changes in estimates that adjust CSM	(1,773,878)	380,314	1,393,565	-
Changes in estimates that result in onerous contracts or reversal of losses	(181,100)	80,175	-	(100,925)
Model Adjustments	(591,493)	937,262	-	345,770
	(2,270,383)	1,326,411	1,188,817	244,845
<b>Changes that relate to past service</b>				
Amortise of Expected Amounts	-	-	-	-
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(1,596,029)</b>	<b>1,338,330</b>	<b>1,838,533</b>	<b>1,580,834</b>
Insurance finance expenses/income related to interest accretion	(178,133)	-	-	(178,133)
Insurance finance expenses/income related to time value of money adjustment	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(1,774,162)</b>	<b>1,338,330</b>	<b>1,838,533</b>	<b>1,402,701</b>
<b>Cashflows</b>				
Premium received	(2,311,737)	-	-	(2,311,737)
Claims and other directly attributable expenses paid	216,206	-	-	216,206
Insurance acquisition cash flows	91,707	-	-	91,707
<b>Total</b>	<b>(2,003,824)</b>	<b>-</b>	<b>-</b>	<b>(2,003,824)</b>
<b>Net closing balance</b>	<b>(4,638,257)</b>	<b>(252,129)</b>	<b>(2,670,215)</b>	<b>(7,560,602)</b>
Closing liabilities	(4,638,257)	(252,129)	(2,670,215)	(7,560,602)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(4,638,257)</b>	<b>(252,129)</b>	<b>(2,670,215)</b>	<b>(7,560,602)</b>



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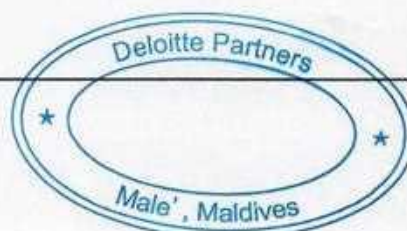
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.39 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	Individual life (Non-participating)			Total 2024
	Liabilities for remaining		Liabilities for incurred claims	
	Excluding loss component	Loss component		
Opening liabilities	-	-	-	-
Opening assets	326,987	-	-	326,987
<b>Net opening balance</b>	<b>326,987</b>	<b>-</b>	<b>-</b>	<b>326,987</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	427,732	-	-	427,732
<b>Insurance service expenses</b>				
Incurred benefits and expenses	-	-	(14,452)	(14,452)
Changes that relate to past service - adjustments to LIC	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	-	-	-
Amortisation of insurance acquisition cash flows	(7,355)	-	-	(7,355)
Impairment of acquisition cost asset	-	-	-	-
	(7,355)	-	(14,452)	(21,806)
<b>Insurance service result</b>	<b>420,378</b>	<b>-</b>	<b>(14,452)</b>	<b>405,926</b>
Insurance finance expenses/income	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>420,378</b>	<b>-</b>	<b>(14,452)</b>	<b>405,926</b>
Investment component	-	-	-	-
<b>Cashflows</b>				
Premium received	(751,849)	-	-	(751,849)
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	14,452	14,452
Insurance acquisition cash flows	7,355	-	-	7,355
<b>Total</b>	<b>(744,494)</b>	<b>-</b>	<b>14,452</b>	<b>(730,043)</b>
<b>Net closing balance</b>	<b>2,870</b>	<b>-</b>	<b>-</b>	<b>2,870</b>
Closing liabilities	-	-	-	-
Closing assets	2,870	-	-	2,870
<b>Net closing balance</b>	<b>2,870</b>	<b>-</b>	<b>-</b>	<b>2,870</b>



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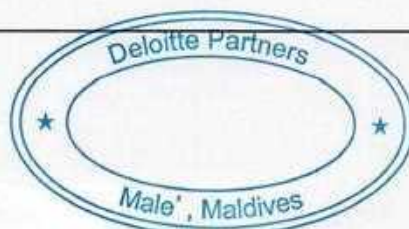
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.40 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance and reinsurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	Individual life (Participating)			Total 2023
	Liabilities for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component		
Opening liabilities	(8,043,680)	-	-	(8,043,680)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(8,043,680)</b>	<b>-</b>	<b>-</b>	<b>(8,043,680)</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	2,685,811	-	-	2,685,811
<b>Insurance service expenses</b>				
Incurred benefits and other directly attributable expenses	-	-	(103,723)	(103,723)
Changes that relate to past service - adjustments to LIC	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	-	-	-
Amortisation of insurance acquisition cash flows	(53,249)	-	-	(53,249)
Impairment of acquisition cost asset	-	-	-	-
	(53,249)	-	(103,723)	(156,972)
<b>Insurance service result</b>	<b>2,632,562</b>	<b>-</b>	<b>(103,723)</b>	<b>2,528,839</b>
Insurance finance expenses	(87,187)	-	-	(87,187)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>2,545,376</b>	<b>-</b>	<b>(103,723)</b>	<b>2,441,653</b>
Investment component	562,860	-	(562,860)	-
<b>Cashflows</b>				
Premium received	(2,077,284)	-	-	(2,077,284)
Claims paid	-	-	666,583	666,583
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	-	-
Insurance acquisition cash flows	53,249	-	-	53,249
<b>Total</b>	<b>(2,024,035)</b>	<b>-</b>	<b>666,583</b>	<b>(1,357,452)</b>
<b>Net closing balance</b>	<b>(6,959,479)</b>	<b>-</b>	<b>-</b>	<b>(6,959,479)</b>
Closing liabilities	(6,959,479)	-	-	(6,959,479)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(6,959,479)</b>	<b>-</b>	<b>-</b>	<b>(6,959,479)</b>



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26.41 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

Insurance contracts

Analysis by measurement component – Contracts not measured under the PAA:

	Individual life (Participating)			Total 2023
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	(1,959,796)	(1,567,381)	(4,516,503)	(8,043,680)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(1,959,796)</b>	<b>(1,567,381)</b>	<b>(4,516,503)</b>	<b>(8,043,680)</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss	-	-	2,398,039	2,398,039
Risk adjustment recognized in profit and loss	-	552,434	-	552,434
Experience adjustments	(421,633)	-	-	(421,633)
	(421,633)	552,434	2,398,039	2,528,839
<b>Changes related to future services</b>				
Contracts initially recognized in the period	1,834,191	(562,144)	(1,272,047)	-
Changes in estimates that adjust CSM	1,128,708	(13,368)	(1,115,340)	-
Changes in estimates that result in onerous contracts or reversal of losses	-	-	-	-
	2,962,899	(575,512)	(2,387,387)	-
<b>Changes that relate to past service</b>				
Amortize of Expected Amounts	-	-	-	-
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>2,541,266</b>	<b>(23,078)</b>	<b>10,652</b>	<b>2,528,839</b>
Insurance finance expenses/income related to interest accretion	(84,290)	-	(2,897)	(87,187)
Insurance finance expenses/income related to time value of money adjustment	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>2,456,976</b>	<b>(23,078)</b>	<b>7,755</b>	<b>2,441,653</b>
<b>Cashflows</b>				
Premium received	(2,077,284)	-	-	(2,077,284)
Claims and other directly attributable expenses paid	666,583	-	-	666,583
Insurance acquisition cash flows	53,249	-	-	53,249
<b>Total</b>	<b>(1,357,452)</b>	<b>-</b>	<b>-</b>	<b>(1,357,452)</b>
<b>Net closing balance</b>	<b>(860,272)</b>	<b>(1,590,459)</b>	<b>(4,508,748)</b>	<b>(6,959,479)</b>
Closing liabilities	(860,271)	(1,590,459)	(4,508,748)	(6,959,479)
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>(860,271)</b>	<b>(1,590,459)</b>	<b>(4,508,748)</b>	<b>(6,959,479)</b>



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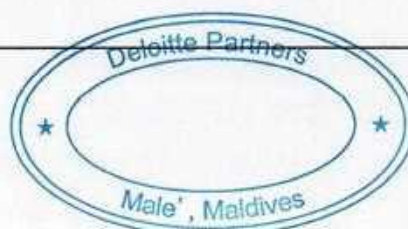
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.42 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

Insurance contracts

Analysis of liability for remaining coverage and incurred claims

	Individual life (Non-participating)			Total 2023
	Liabilities for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component		
Opening liabilities	(122,452)	-	-	(122,452)
Opening assets	-	-	-	-
<b>Net opening balance</b>	<b>(122,452)</b>	<b>-</b>	<b>-</b>	<b>(122,452)</b>
<b>Changes in the statement of profit or loss and OCI</b>				
Insurance revenue	438,754	-	-	438,754
<b>Insurance service expenses</b>				
Incurred benefits and expenses	-	-	-	-
Changes that relate to past service - adjustments to LIC	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	-	-	-
Amortisation of insurance acquisition cash flows	(213)	-	-	(213)
Impairment of acquisition cost asset	-	-	-	-
	(213)	-	-	(213)
<b>Insurance service result</b>	<b>438,542</b>	<b>-</b>	<b>-</b>	<b>438,542</b>
Insurance finance expenses/income	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>438,542</b>	<b>-</b>	<b>-</b>	<b>438,542</b>
Investment component	-	-	-	-
<b>Cashflows</b>				
Premium received	10,685	-	-	10,685
Directly attributable expenses paid (excluding insurance acquisition cash flows)	-	-	-	-
Insurance acquisition cash flows	211	-	-	211
<b>Total</b>	<b>10,897</b>	<b>-</b>	<b>-</b>	<b>10,897</b>
<b>Net closing balance</b>	<b>326,987</b>	<b>-</b>	<b>-</b>	<b>326,987</b>
Closing liabilities	-	-	-	-
Closing assets	326,987	-	-	326,987
<b>Net closing balance</b>	<b>326,987</b>	<b>-</b>	<b>-</b>	<b>326,987</b>



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INSURANCE AND REINSURANCE CONTRACTS - Family Takaful

26.43 Amounts determined on transition to IFRS 17

Reinsurance contracts (continued)

Insurance revenue and the CSM by transition method - direct participating contracts issued

Individual life

	New contracts and full retrospective approach contracts at transition	Modified retrospective approach contracts at transition	Total 2023
Insurance revenue	(5,879)	(2,679,932)	(2,685,811)
CSM as at 1 January	(640,604)	(3,875,899)	(4,516,503)
<b>Changes that relate to current service</b>			
CSM recognised in profit or loss for the services provided	200,922	2,197,117	2,398,039
<b>Changes that relate to future service</b>			
Changes in estimates that adjust the CSM	(798,350)	(316,990)	(1,115,340)
Contracts initially recognised in the period	(1,272,047)	-	(1,272,047)
	<b>(1,869,475)</b>	<b>1,880,127</b>	<b>10,652</b>
Finance income / expenses from insurance contracts issued	(501)	(2,396)	(2,897)
<b>Total amounts recognised in comprehensive income</b>	<b>(1,869,976)</b>	<b>1,877,731</b>	<b>7,755</b>
CSM as at 31 December	(2,510,580)	(1,998,168)	(4,508,748)

26.44 Impact of contracts recognised in the year

Individual life

Insurance contracts

	Contracts with no net gain at origin	Contracts with net gain at origin	Total 2023
Estimates of the present value of future cash outflows	-	-	-
Insurance acquisition cash flows	(228,235)	-	(228,235)
Claims and other directly attributable expenses	(13,493,095)	-	(13,493,095)
<b>Claims and other directly attributable expenses</b>	<b>(13,721,330)</b>	<b>-</b>	<b>(13,721,330)</b>
Claims and other directly attributable expenses	15,555,521	-	15,555,521
Risk adjustment for non-financial risk	(562,144)	-	(562,144)
Contractual service margin	(1,272,047)	-	(1,272,047)
<b>Increase in insurance contract liabilities from contracts recognised in the period</b>	<b>-</b>	<b>-</b>	<b>-</b>

26.45 Policyholder risk fund movement

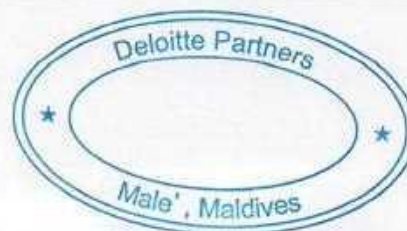
	2024	2023
Opening balance	(1,255,686)	(880,930)
During the year transfer	(353,945)	(374,756)
Closing balance	<b>(1,609,631)</b>	<b>(1,255,686)</b>

26.46 Impact of contracts recognised in the year

Individual life

Insurance contracts

	Contracts with no net gain at origin	Contracts with net gain at origin	Total 2024
Estimates of the present value of future cash outflows	-	-	-
Insurance acquisition cash flows	(210,781)	-	(210,781)
Claims and other directly attributable expenses	(496,898)	-	(496,898)
<b>Claims and other directly attributable expenses</b>	<b>(707,679)</b>	<b>-</b>	<b>(707,679)</b>
Claims and other directly attributable expenses	983,766	-	983,766
Risk adjustment for non-financial risk	(71,340)	-	(71,340)
Contractual service margin	(204,747)	-	(204,747)
<b>Increase in insurance contract liabilities from contracts recognised in the period</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>



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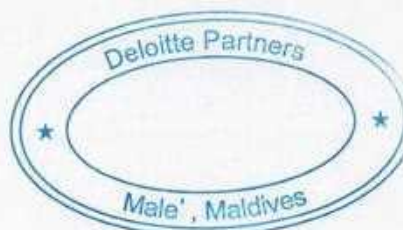
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26.47 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

Reinsurance contracts

Analysis by remaining coverage and incurred claims

	Individual life (Participating)			Total 2024
	Assets for remaining coverage	Loss recovery component	Assets for incurred claims	
Opening liabilities	-	-	-	-
Opening assets	83,238	-	-	83,238
<b>Net opening balance</b>	<b>83,238</b>	<b>-</b>	<b>-</b>	<b>83,238</b>
<b>Net Income (Expenses) from reinsurance contracts held</b>				
Re - Insurance Expenses	(2,223)	-	-	(2,223)
Other Incurred directly attributable expenses	-	-	-	-
Claims Recovered	-	-	-	-
Changes to amounts recoverable for incurred claims	-	-	-	-
Loss-recovery on onerous underlying contracts and adjustments	-	15,572	-	15,572
Effect of changes in the risk of reinsurers non-performance	-	-	-	-
IRIS Model Difference	(84,358)	-	-	(84,358)
	<b>(84,358)</b>	<b>15,572</b>	<b>-</b>	<b>(68,786)</b>
Net Income (Expenses) from re-insurance contracts held	(86,581)	15,572	-	(71,009)
Finance income from re insurance contracts held	4,915	-	-	4,915
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(81,666)</b>	<b>15,572</b>	<b>-</b>	<b>(66,094)</b>
Investment Component	-	-	-	-
Other Changes	-	-	-	-
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	7,336	-	-	7,336
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>7,336</b>	<b>-</b>	<b>-</b>	<b>7,336</b>
<b>Net closing balance</b>	<b>8,908</b>	<b>15,572</b>	<b>-</b>	<b>24,480</b>
Closing liabilities	8,908	15,572	-	24,480
Closing assets	-	-	-	-
<b>Net closing balance</b>	<b>8,908</b>	<b>15,572</b>	<b>-</b>	<b>24,480</b>



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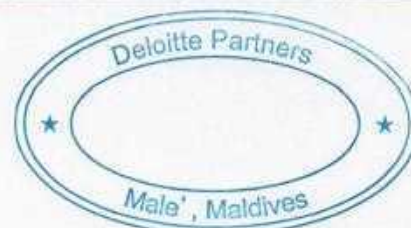
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26.48 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

Reinsurance contracts

Analysis by measurement component – Contracts not measured under the PAA:

	Individual Life (Participating)			Total 2024
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	-	-	-	-
Opening assets	138,741	1,255	(56,759)	83,238
<b>Net opening balance</b>	<b>138,741</b>	<b>1,255</b>	<b>(56,759)</b>	<b>83,238</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss for the services provided	-	-	15,013	15,013
changes in the risk adjustments for non - financial risk for the risk expired	-	(2,245)	-	(2,245)
Experience adjustments	(14,991)	-	-	(14,991)
Re - insurance expenses	(14,991)	(2,245)	15,013	(2,223)
<b>Changes related to future services</b>				
Contracts initially recognized in the period	16,147	4,629	(20,776)	-
Changes in estimates that adjust CSM	6,783	(2,135)	(4,648)	-
Income on initial recognition of onerous underlying contracts	-	-	15,572	15,572
changed in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-	-
IRIS Model Difference	(105,031)	20,673	-	(84,358)
	(82,101)	23,167	(9,852)	(68,786)
<b>Changes that relate to past service</b>				
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(97,092)</b>	<b>20,922</b>	<b>5,161</b>	<b>(71,009)</b>
Effect of changes in the risk of reinsures non - performance	-	-	-	-
<b>Net income (expenses ) from re -insurance contracts held</b>	<b>(97,092)</b>	<b>20,922</b>	<b>5,161</b>	<b>(71,009)</b>
Finance income/(expenses) from re -insurance contracts held	8,720	-	(3,805)	4,915
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(88,372)</b>	<b>20,922</b>	<b>1,356</b>	<b>(66,094)</b>
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	7,336	-	-	7,336
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>7,336</b>	<b>-</b>	<b>-</b>	<b>7,336</b>
<b>Net closing balance</b>	<b>57,705</b>	<b>22,177</b>	<b>(55,402)</b>	<b>24,480</b>
Closing liabilities	-	-	(55,402)	(55,402)
Closing assets	57,705	22,177	-	79,882
<b>Net closing balance</b>	<b>57,705</b>	<b>22,177</b>	<b>(55,402)</b>	<b>24,480</b>



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26.49 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

**Reinsurance contracts**

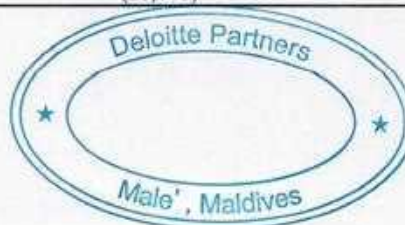
Analysis of assets for remaining coverage and incurred claims

	Individual life (Non-participating)		
	Assets for remaining coverage	Assets for incurred claims	Total 2024
Opening liabilities	-	-	-
Opening assets	18,154	-	18,154
<b>Net opening balance</b>	<b>18,154</b>	<b>-</b>	<b>18,154</b>
<b>Net income (expenses) from reinsurance contracts held</b>			
Re - insurance expenses	(65,413)	-	(65,413)
Other incurred directly attributable expenses	-	-	-
Claims recovered	-	-	-
Changes that relate to past service -adjustments to incurred claims	-	-	-
Changes that relate to future service -changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-
Effect of changes in the risk of re-insurers non performance	-	-	-
<b>Net income (expenses) from re-insurance contracts held</b>	<b>(65,413)</b>	<b>-</b>	<b>(65,413)</b>
Finance income from re insurance contracts held	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(65,413)</b>	<b>-</b>	<b>(65,413)</b>
Investment component	-	-	-
Other changes	-	-	-
<b>Cashflows</b>			
Premiums paid net of ceding commissions and other directly attributable expenses paid	7,377	-	7,377
Recoveries from re insurance	-	-	-
<b>Total</b>	<b>7,377</b>	<b>-</b>	<b>7,377</b>
<b>Net closing balance</b>	<b>(39,882)</b>	<b>-</b>	<b>(39,882)</b>
Closing liabilities	(39,882)	-	(39,882)
Closing assets	-	-	-
<b>Net closing balance</b>	<b>(39,882)</b>	<b>-</b>	<b>(39,882)</b>

26.50 Impact of contracts recognised in the year  
Individual life

	Contracts with no net gain at origin	Contracts with net gain at origin	Total 2024
Estimates of the present value of future cash inflows	(14,946)	-	(14,946)
Estimates of the present value of future cash outflows	31,093	-	31,093
Risk adjustment for non-financial risk	4,629	-	4,629
Contractual service margin	(20,776)	-	(20,776)

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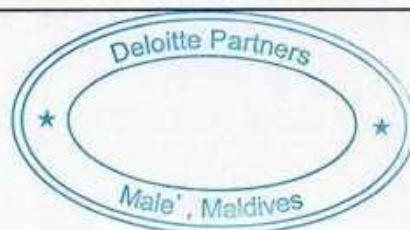
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.51 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

**Reinsurance contracts**

Analysis by remaining coverage and incurred claims

	Individual life (Participating)			Total 2023
	Assets for remaining coverage	Loss recovery component	Assets for incurred claims	
Opening liabilities	-	-	-	-
Opening assets	81,494	-	-	81,494
<b>Net opening balance</b>	<b>81,494</b>	<b>-</b>	<b>-</b>	<b>81,494</b>
<b>Net Income (Expenses) from reinsurance contracts held</b>				
Re - Insurance Expenses	(16,011)	-	-	(16,011)
Other Incurred directly attributable expenses	-	-	-	-
Claims Recovered	-	-	-	-
Changes to amounts recoverable for incurred claims	-	-	-	-
Loss-recovery on onerous underlying contracts and adjustments	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	(338)	-	-	(338)
	(338)	-	-	(338)
<b>Net Income (Expenses) from re-insurance contracts held</b>	<b>(16,349)</b>	<b>-</b>	<b>-</b>	<b>(16,349)</b>
Finance income from re insurance contracts held	(4,068)	-	-	(4,068)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(20,417)</b>	<b>-</b>	<b>-</b>	<b>(20,417)</b>
Investment Component	-	-	-	-
Other Changes	-	-	-	-
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	22,161	-	-	22,161
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>22,161</b>	<b>-</b>	<b>-</b>	<b>22,161</b>
<b>Net closing balance</b>	<b>83,238</b>	<b>-</b>	<b>-</b>	<b>83,238</b>
Closing liabilities	-	-	-	-
Closing assets	83,238	-	-	83,238
<b>Net closing balance</b>	<b>83,238</b>	<b>-</b>	<b>-</b>	<b>83,238</b>



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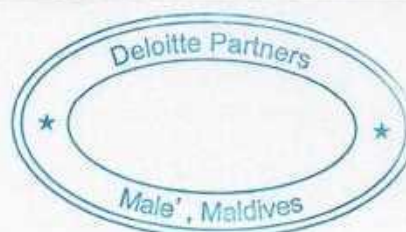
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.52 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

Reinsurance contracts

Analysis by measurement component – Contracts not measured under the PAA:

	Individual life (Participating)			Total 2023
	Estimates of PV of future cash flows	Risk adjustment	Contractual service margin	
Opening liabilities	-	-	-	-
Opening assets	117,812	724	(37,042)	81,494
<b>Net opening balance</b>	<b>117,812</b>	<b>724</b>	<b>(37,042)</b>	<b>81,494</b>
<b>Changes related to current services</b>				
CSM recognized in profit and loss for the services provided	-	-	14,090	14,090
changes in the risk adjustments for non - financial risk for the risk expired	-	(111)	-	(111)
Experience adjustments	(29,990)	-	-	(29,990)
Re - insurance expenses	(29,990)	(111)	14,090	(16,011)
<b>Changes related to future services</b>				
Contracts initially recognized in the period	56,183	149	(56,332)	-
Changes in estimates that adjust CSM changed in the FCF that do not adjust the CSM for the group of underlying insurance contracts	(27,316)	493	26,823	-
	-	-	-	-
	<b>28,867</b>	<b>642</b>	<b>(29,509)</b>	<b>-</b>
<b>Changes that relate to past service</b>				
Changes that relate to past service adjustments to LIC	-	-	-	-
<b>Insurance service result</b>	<b>(1,123)</b>	<b>531</b>	<b>(15,420)</b>	<b>(16,011)</b>
Effect of changes in the risk of reinsures non - performance	(338)	-	-	(338)
<b>Net income (expenses ) from re -insurance contracts held</b>	<b>(1,461)</b>	<b>531</b>	<b>(15,420)</b>	<b>(16,349)</b>
Finance income (expenses) From re -insurance contracts held	229	-	(4,297)	(4,068)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(1,232)</b>	<b>531</b>	<b>(19,717)</b>	<b>(20,417)</b>
<b>Cashflows</b>				
Premiums paid net of ceding commissions and other directly attributable expenses paid	22,161	-	-	22,161
Recoveries from re-insurance	-	-	-	-
<b>Total</b>	<b>22,161</b>	<b>-</b>	<b>-</b>	<b>22,161</b>
<b>Net closing balance</b>	<b>138,741</b>	<b>1,255</b>	<b>(56,759)</b>	<b>83,238</b>
Closing liabilities	-	-	-	-
Closing assets	138,741	1,255	(56,759)	83,238
<b>Net closing balance</b>	<b>138,741</b>	<b>1,255</b>	<b>(56,759)</b>	<b>83,238</b>



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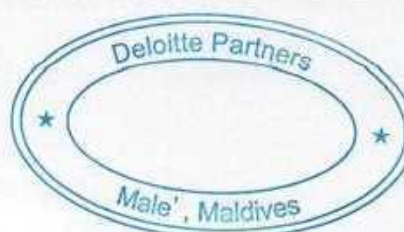
FOR THE YEAR ENDED 31ST DECEMBER 2024

26.53 INSURANCE AND REINSURANCE CONTRACTS - Family Takaful  
Movements in insurance contract balances

Reinsurance contracts

Analysis of assets for remaining coverage and incurred claims

	Individual Life (Non Participating)		
	Assets for remaining coverage	Assets for incurred claims	Total 2023
Opening liabilities	5,724	-	5,724
Opening assets	-	-	-
Net opening balance	-	-	-
<b>Net Income (Expenses) from reinsurance contracts held</b>			
Re - Insurace Expenses	(56,839)	-	(56,839)
Other Incuured directly attributable expenses	-	-	-
Claims Recovered	-	-	-
Changes that relate to past service -adsjtments to incuured claims	-	-	-
Changes that relate to future service -changes in the FCF that do not adjust the CSM for the group of underlying insuarance contracts	-	-	-
Effect of changes in the risk of re-insurers non performance	-	-	-
Net Income (Expenses) from re-insurance contracts held	(56,839)	-	(56,839)
Finance income from re insurance contracts held	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(56,839)</b>	<b>-</b>	<b>(56,839)</b>
Investment Component	-	-	-
Other Changes	-	-	-
<b>Cashflows</b>			
Premiums paid net of ceding commssions and other directly attributable expenses paid	69,269	-	69,269
Recoveries from re insurance	-	-	-
<b>Total</b>	<b>69,269</b>	<b>-</b>	<b>69,269</b>
<b>Net closing balance</b>	<b>12,430</b>	<b>-</b>	<b>12,430</b>
Closing liabilities	-	-	-
Closing assets	18,154	-	18,154
<b>Net Closing Balance</b>	<b>18,154</b>	<b>-</b>	<b>18,154</b>



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INSURANCE AND REINSURANCE CONTRACTS - Family Takaful

26.54 Amounts determined on transition to IFRS 17

Reinsurance contracts (continued)

Insurance revenue and the CSM by transition method - direct participating contracts issued

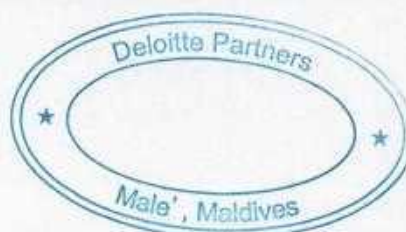
Individual life

	New contracts and full retrospective approach contracts at transition	Modified retrospective approach contracts at transition	Total 2023
CSM as at 1 January	(19,263)	(17,779)	(37,042)
<b>Changes that relate to current service</b>			
CSM recognized in profit or loss for the services received	7,608	6,481	14,090
<b>Changes that relate to future service</b>			
Changes in estimates that adjust the CSM	7,558	19,265	26,823
Contracts initially recognised in the period	(56,332)	-	(56,332)
	(41,166)	25,746	(15,420)
Finance income / expenses from insurance contracts issued	-	-	-
<b>Total amounts recognised in comprehensive income</b>	<b>(41,166)</b>	<b>25,746</b>	<b>(15,420)</b>
CSM as at 31 December	(60,428)	7,967	(52,461)

26.55 Impact of contracts recognised in the year

Individual life

	Contracts with no net gain at origin	Contracts with net gain at origin	Total 2023
Estimates of the present value of future cash inflows	150,064	-	150,064
Estimates of the present value of future cash outflows	(93,881)	-	(93,881)
Risk adjustment for non-financial risk	149	-	149
Contractual service margin	(56,332)	-	(56,332)



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27 OTHER FINANCIAL INVESTMENTS

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
Investment in treasury bills	2,092,217,551	1,175,567,416	1,927,500,000	848,100,000
Corporate bonds	59,031,937	68,529,367	-	-
Investment in term deposit	428,474,365	370,449,251	348,350,410	258,620,000
Less: Expected credit loss (Note 27.1)	(630,375)	(2,003,926)	(556,251)	-
	<u>2,579,093,478</u>	<u>1,612,542,108</u>	<u>2,275,294,159</u>	<u>1,107,720,000</u>
As at 1st January	1,612,542,108	1,540,722,057	1,107,720,000	1,111,575,000
Purchased during the year	1,497,833,391	237,131,248	1,325,864,000	15,420,000
Matured during the year	(557,342,391)	(180,184,705)	(159,600,000)	(19,275,000)
Add: Interest receivable during the year	24,686,819	15,429,348	1,866,410	-
Less: Expected credit loss	1,373,551	(555,840)	(556,251)	-
As at 31st December	<u>2,579,093,478</u>	<u>1,612,542,107</u>	<u>2,275,294,159</u>	<u>1,107,720,000</u>
Non-current financial investments	1,396,059,029	1,176,265,016	1,286,774,061	1,017,720,000
Current financial investments	1,183,034,449	436,277,092	988,520,098	90,000,000
27.1 Provision for impairment on other financial investments				
As at 1st January	2,003,926	1,448,086	-	-
Reclassification	-	-	-	-
Provision made during the year	(1,373,551)	555,840	556,251	-
As at 31st December	<u>630,375</u>	<u>2,003,926</u>	<u>556,251</u>	<u>-</u>

- 27.2 During the year, the Company has not invested in additional treasury bills in SBI (2023: MVR 15,420,000.00) at an interest of 3.0% with a maturity period of 12 months, and additional investment in Habib Bank Limited MVR 138,780,000 (2023: NIL) at an interest rate ranging from 3% to 4% with a maturity period of 6 months.
- 27.3 During the year the company has invested additional treasury bills MVR 771,000,000 (2023: NIL) at the rate of Term SOFR plus 7%, with a maturity period of 3 years in Ministry of Finance.
- 27.4 The Group has invested MVR 121,367,698/- (2023: MVR 322,729,983/-) in treasury bills issued by the Ministry of Finance for a maturity value of MVR 126,000,000/- (2023: MVR 330,974,000/-) at the rate of interest ranging from 3.87% to 4.6% per annum (2023: 3.5% to 4.6% per annum) with the maturity period of 28 days to 364 days (2023: 28 days to 364 days).
- 27.5 During the year, the Group has not made an investment (2023: MVR 51,152,604/-) in the short term and long-term corporate bonds / sukuk by Housing Development Finance Corporation PLC (2023: 6.0% to 7.0% per annum) (2023: 2 to 10 years). The Group made no additional investments during the year (2023: MVR 15,000,000/-) in fixed term bond issued by Maldives Ports Limited (2023: 7.00% per annum) (2023: 7 years).
- 27.6 The Group made additional investments of MVR 40,700,000/- (2023: MVR Nil) in Government Wakala certificates with an interest ranging from 4.23% to 4.60% (2023: nil) with the maturity period of 98 days to 365 days (2023: Nil).
- 27.7 During the year, the Group made investments of MVR 2,000,000/- (2023: MVR Nil) in Eyecare sukuku with an interest rate of 8% (2023: Nil) with a maturity of 3 years (2023: Nil).
- 27.8 Moreover, investment of MVR 7,901,693/- (2023: MVR 16,000,000/-) in Bank of Maldives Islamic, General Investment Account at the rate of 4.0% (2023: 4.0% per annum) with a maturity period of one year (2023: 1 year) was maintained.
- 27.9 As at reporting date, financial investments with a carrying amount of MVR 331,064,000.00/- (2023: MVR 244,200,000/-) have been pledged as security against loan facilities availed from Habib Bank Limited, MVR 15,420,000/- (2023: MVR 15,420,000/-) for loan facilities availed from State Bank of India.

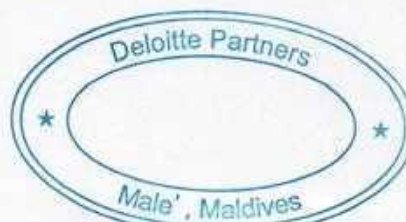
28 CASH AND CASH EQUIVALENTS

	Group		Company	
	31/12/2024 MVR	31/12/2023 MVR	31/12/2024 MVR	31/12/2023 MVR
<b>Favorable balances</b>				
Cash in hand	4,648,766	7,414,225	2,217,477	3,288,684
Balances at banks	295,011,369	856,692,689	111,660,339	659,752,105
Short-term financial instruments	786,030,519	876,794,328	566,823,780	822,657,000
Impairment on bank balances (Note 28.1)	(290,669)	(5,187,008)	(198,322)	(4,618,192)
	<u>1,085,399,985</u>	<u>1,735,714,234</u>	<u>680,503,274</u>	<u>1,481,079,597</u>
<b>Unfavorable balances</b>				
Bank overdrafts	(441,380,246)	(144,100,930)	(441,380,246)	(140,993,019)
<b>Cash and cash equivalents for the purpose of cash flow statement</b>	<u>644,019,739</u>	<u>1,591,613,304</u>	<u>239,123,028</u>	<u>1,340,086,578</u>

28.1 Provision for impairment on bank balance

As at 1st January	5,187,008	3,970,256	4,618,192	2,533,829
Provision made during the year:	(4,896,339)	1,216,752	(4,419,870)	2,084,363
As at 31st December	<u>290,669</u>	<u>5,187,008</u>	<u>198,322</u>	<u>4,618,192</u>

- 28.2 During the year, the Company has invested in short term deposit of MVR 77,100,000 (2023: MVR 177,330,000) in Habib Bank Limited at the rate of interest, 2.75% with a maturity period of 3 months, no additional investment in Habib Bank Limited (Singapore) in 2024 (2023: MVR 77,100,000) at an interest rate ranging from 4.15% to 4.68% with a maturity period of 3 to 6 months, investments in ITFC of MVR 354,660,000 (2023: MVR 154,200,000) at an interest rate ranging from 4.45% to 5% with a maturity period of 3 months, an additional investments in Ministry of Finance MVR 135,063,780 (2023: NIL) at an interest rate ranging from 2.50% to 8.50% with a maturity period of 3 months.
- 28.3 During the year, the group has made a short-term investment of MVR 31,593,046/- (2023: MVR 54,137,328/-) in Maldives Islamic Bank, General Investment Account at the rate ranging from 2.20% to 4.0% (2023: 2.2% to 4.0%) with a maturity period of 3 months to 1 year, additional investments of MVR 176,379,583 /- in government T-Bills (2023: Nil) at rates ranging from 3.5% to 4.6% with a maturity period of 3 months to 1 year.
- 28.4 As at the reporting date, short-term financial instruments with a carrying amount of MVR 77,100,000 have been pledged as security for loan facilities obtained from Habib Bank Limited and security amounting to MVR 354,660,000 was pledged in respect of loan facilities obtained from the International Islamic Trade Finance Corporation (ITFC). In 2023, short-term financial instruments with a carrying amount of MVR 77,000,000 have been pledged as security for loan facilities obtained from Habib Bank Limited and security amounting to MVR 151,887,000 was pledged for loan facilities from HSBC.



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29 SHARE CAPITAL AND RESERVES

A. SHARE CAPITAL AND SHARE PREMIUM

29.1 Authorized

The authorized share capital comprises 2,000,000 (2023: 2,000,000) ordinary shares of par value of MVR 50/- per share.

Issued and fully paid

The issued and fully paid share capital comprises 1,126,910 (2023: 1,126,910) ordinary shares at a par value of MVR 50 per share (2023: MVR 50/- per share)

The above mentioned 1,126,910 shares include 26,040 shares issued at a premium of MVR 250/- per share in year 2001 and 60,870 shares issued at a premium of MVR 350/- in year 2003.

29.2 Preference shares

The share capital comprises 2 (2023: 2) redeemable preference shares of MVR 100/- each.

29.3 Dividends and voting rights

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

29.4 Dividends per share

At the Annual General Meeting held on 12th July 2024, a dividend of MVR 80/- per share in respect of 2023 (2023: declared dividend MVR 77/- per share in respect of 2022) amounting to a total of MVR 90,152,800/- (2022: declared MVR 86,772,070/-) was declared and approved by the shareholders and accounted for in shareholders' equity as an appropriation of retained earnings in the year ended 31st December 2024.

B. RESERVES

29.5 General reserve

20% of Profit after tax is reclassified to General reserve each year. General reserve balance will be utilized for any purpose decided by the Board of Directors.

29.6 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity investments until the assets are derecognized.

29.7 Claim equalization reserve

Reserve for claim equalization represents 12% of the operating profit of Allied Insurance Company of the Maldives Private Limited before taking into account other operating income of the current year. The reserve was created to meet abnormally high future claims.

29.8 Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries.

30 NON CONTROLLING INTEREST

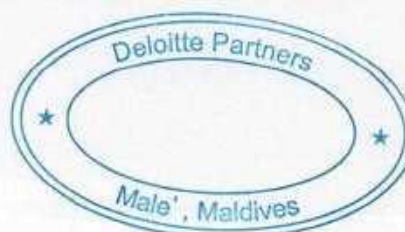
	Group	
	31/12/2024	31/12/2023
	MVR	MVR
As at 1st January	25,575,817	22,961,361
Share of Profit/(loss) of subsidiary	1,897,958	2,614,872
Share of profit/(loss) of other comprehensive income of subsidiary	20,360	(416)
Dividend paid to non controlling interest	(1,600,000)	-
As at 31st December	25,894,135	25,575,817

31 LOANS AND BORROWINGS

	Group		Company	
	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
As at 1st January	3,761,031,164	4,535,839,516	3,728,499,015	4,458,721,475
Loans obtained during the year	6,740,586,359	6,472,712,455	6,740,586,359	6,476,768,124
Repayments during the year	(6,604,581,091)	(7,141,866,149)	(6,557,033,525)	(7,206,990,584)
Disposal of a subsidiary (Note 16.4)	-	(105,654,658)	-	-
As at 31st December	3,897,036,432	3,761,031,164	3,912,051,849	3,728,499,015

31.1 Sources of finance

	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
Secured loans	3,893,276,138	3,458,681,026	3,912,051,849	3,498,499,015
Unsecured loans	3,760,294	302,350,138	-	230,000,000
	3,897,036,432	3,761,031,164	3,912,051,849	3,728,499,015



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FOR THE YEAR ENDED 31ST DECEMBER 2024

31 LOANS AND BORROWINGS (CONTINUED)

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
<b>31.2 Non - Current</b>				
Bank borrowings	853,985,320	1,131,032,775	811,013,583	1,070,651,922
Other borrowings	-	91,170,461	-	-
Disposal of a subsidiary (Note 16.4)	-	(91,170,461)	-	-
	<u>853,985,320</u>	<u>1,131,032,775</u>	<u>811,013,583</u>	<u>1,070,651,922</u>
<b>31.3 Current</b>				
Bank borrowings	3,043,051,112	2,378,887,905	3,032,918,556	2,325,267,235
Other borrowings	-	265,594,676	68,119,710	332,579,858
Disposal of a subsidiary (Note 16.4)	-	(14,484,192)	-	-
	<u>3,043,051,112</u>	<u>2,629,998,389</u>	<u>3,101,038,266</u>	<u>2,657,847,093</u>

31.4 Terms and repayment schedule

Source of finance	Nominal interest rate	Year of maturity	Security	Loan denominated currency	Group carrying value		Company carrying value	
					31/12/2024	31/12/2023	31/12/2024	31/12/2023
					MVR	MVR	MVR	MVR
Hongkong & Shanghai Banking Corporation	SOFR + 7%	Revolving	Government guarantee	USD	-	-	-	-
Hongkong & Shanghai Banking Corporation	SOFR + 3.76%	2024	Government guarantee US\$ 25	USD	-	48,187,500	-	48,187,500
Hongkong & Shanghai Banking Corporation	1 Month T-Bill Rate + 0.25%	2028	Mortgage of Property STO	MVR	-	113,066,667	-	113,066,667
Allied Insurance	5.00%	Revolving	Un-secured	MVR	-	-	68,119,710	68,119,710
Habib Bank Limited	7.00%	2021	Backed by STO's assets	USD	84,079,824	84,149,824	84,079,824	84,149,824
Habib Bank Limited	28 Day T-Bill +5% / Floor of 8.5%	2024	Backed by USD 5m Deposit	MVR	-	77,100,000	-	77,100,000
Bank of Maldives	8.50%	2027	Backed by STO's assets (Supermart)	USD	70,496,423	103,225,778	70,496,423	103,225,778
Ministry of Finance and treasury	Profit Share 65 : 35 (7%)	2022	Un-secured	MVR	-	130,000,000	-	130,000,000
Ministry of Finance and treasury	Profit Share 60 : 40 (7.5%)	2022	Un-secured	MVR	-	100,000,000	-	100,000,000
Ministry of Finance and treasury	7.50%	2022	MIFCO assets procured / constructed under	MVR	-	34,460,148	-	34,460,148
International Islamic Trade finance corporation	2.95% + SOFR	2022	Government guarantee	USD	1,724,042,335	2,035,659,961	1,724,042,335	2,035,659,961
CFSIT Inc	Term SOFR + 5.48%	2025	Government guarantee	USD	848,100,000	848,100,000	848,100,000	848,100,000
Habib Bank Limited	SOFR + 6% (Floor rate 8%)	2027		USD	61,829,556	86,429,426	61,829,556	86,429,426
Habib Bank Limited	8.00%	2026	Backed by HBL term deposit	USD	53,104,293	72,350,137	-	-
Hongkong & Shanghai Banking Corporation	6.21% + SOFR	2025	Backed by Maldives Gas properties and facilities in Thilafushi	USD	-	28,301,722	-	-
Habib Bank Limited	28 Day Tbill +3% pa (Floor 6.5% pa)	2025	Dollar Fixed Deposit	USD	50,000,000	-	50,000,000	-
Habib Bank Limited	0.06	2027	Dollar Fixed Deposit (DP7-MAL-2050-0633)	USD	80,184,000	-	80,184,000	-
Habib Bank Limited	28 Day Tbill +3% pa (Floor 6.5% pa)	2025	MVR Lien held in Account	USD	77,100,000	-	77,100,000	-
Habib Bank Limited	28 Day Tbill +3% pa (Floor 6.5% pa)	2025	Dollar Fixed Deposit	USD	77,100,000	-	77,100,000	-
CFSIT Inc	SOFR + 7%	2027	Sovereign Guarantee	USD	771,000,000	-	771,000,000	-
					<u>3,897,036,432</u>	<u>3,761,031,164</u>	<u>3,912,051,849</u>	<u>3,728,499,015</u>

31.5 Undrawn borrowing facilities

The company has undrawn loan balance of MVR 1,144,478,097 (2023: MVR 721,180,991) as at 31st December 2024.

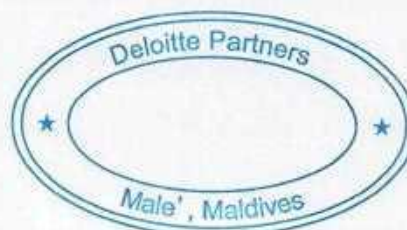
31.6 Loan covenants

Under the terms of the loan agreements with banks, the Group is required to comply with the following key financial covenants

Minimum current ratio of 0.9 : 1

Adjusted current ratio of 1 : 1 (excluding current portion of long term debt)

As at 31st December 2024, the Group was in compliance with all covenants.



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31 LOANS AND BORROWINGS (CONTINUED)

31.6 Bank borrowings of the Group / Company are secured by inventories, receivables, vessels, buildings, leasehold rights of commercial plots and guarantee from the Government of Maldives.

31.7 During the year 2024, the Group / Company has not incurred any foreign exchange loss on borrowings (2023: nil).

31.8 This financing facilities obtained from Ministry of finance with the profit share arrangement need to be repaid within specified time period and therefore recognized as financial liability and classified under amortized cost.

31.9 Maturity analysis of undiscounted loans and borrowings is as follows:

	Group		Company	
	2024	2023	2024	2023
Later than 1 year and not later than 5 years	883,760,506	1,160,807,961	840,788,769	1,100,427,108
	883,760,506	1,160,807,961	840,788,769	1,100,427,108

32 LEASE LIABILITY

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
As at 1st January	294,512,795	622,340,233	201,192,585	235,984,791
Additions during the year	225,306,661	20,205,099	215,806,744	11,077,932
Interest charge for the year (Note 9)	33,471,464	32,402,475	26,891,049	19,599,891
Interest charge for the year (Discontinued operations)	-	4,085,522	-	-
Modifications during the year (Note 19)	80,092,541	7,309,031	80,356,335	5,623,469
Interest payment	(33,471,464)	(32,402,475)	(26,891,049)	(19,599,891)
Interest payment (Discontinued operations)	-	(4,085,522)	-	-
Principal payment	(124,739,188)	(54,769,763)	(111,043,623)	(50,427,540)
Disposals during the year	(8,539,449)	(258,067,669)	(8,539,449)	(1,066,067)
Disposal of a subsidiary (Note 16.4)	-	(42,504,135)	-	-
As at 31st December	466,633,362	294,512,795	377,772,592	201,192,585
Non-current liabilities	267,241,594	243,467,520	190,812,986	162,931,285
Current liabilities	199,391,768	51,045,275	186,959,607	38,261,300

32.1 The total cash outflow for leases in 2024 for the Group was MVR 160,085,198/- (2023: MVR 87,172,238/-) and Company MVR 137,934,672/- (2023: MVR 70,027,431/-).

32.2 Lease modification for the year 2024 represents revision of lease terms without changing the underlying lease asset.

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

The security deposit of MVR 1,043,765 for leases in 2024 is held by the lessor throughout the term of the lease. The deposit is refundable to the company at the end of lease term.

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

	Group		Company	
	2024	2023	2024	2023
Later than 1 year and not later than 5 years	291,551,906	196,364,034	193,204,667	130,797,889
Later than 5 years	251,553,011	357,272,641	209,828,732	201,280,907
	543,104,917	553,637,275	403,033,399	332,078,796

Sensitivity of incremental borrowing rate to lease:

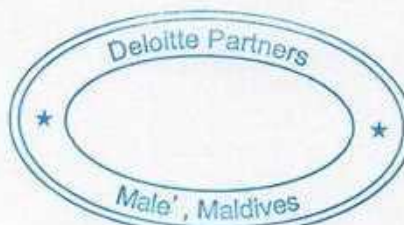
	Group		Company	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
As of 31 December 2024				
(Decrease) / increase in net carrying amount of right-of-use assets	(5,410,294)	3,640,594	(1,223,851)	1,235,163
(Decrease) / increase in lease liability	(1,024,944)	5,246,933	(1,106,147)	1,115,971
(Decrease) / increase in depreciation	(517,117)	544,537	(124,613)	125,361
Increase / (decrease) in interest expense	2,111,702	744,323	186,666	(187,788)
Increase / (decrease) in total expense	1,594,585	1,288,860	62,053	(62,426)

As of 31 December 2023

	Group		Company	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
(Decrease) / increase in net carrying amount of right-of-use assets	(1,084,832)	1,129,498	(965,215)	975,652
(Decrease) / increase in lease liability	(1,114,613)	1,168,462	(901,275)	910,583
(Decrease) / increase in depreciation	(508,592)	536,135	(113,521)	114,236
Increase / (decrease) in interest expense	231,515	(237,947)	123,552	(124,539)
Increase / (decrease) in total expense	(277,076)	298,187	10,032	(10,303)

33 DEFINED BENEFIT OBLIGATION

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
As at 1st January	88,857,394	143,702,723	63,555,919	55,724,125
Current service cost	6,407,675	5,405,489	4,192,838	3,449,941
Current service cost (Discontinued operations)	-	3,954,445	-	-
Past service cost	-	1,922,827	-	-
Interest cost	4,087,440	3,487,606	2,923,572	2,563,310
Interest cost (Discontinued operations)	-	3,937,983	-	-
Deficit/(gain) for the year	7,629,070	7,690,741	6,971,023	3,593,313
106,981,579	170,101,814	77,643,352	63,330,689	
Less: payments during the year	(3,178,449)	(5,466,765)	(2,030,690)	(1,774,770)
Less: payments during the year (Discontinued operations)	-	(3,866,589)	-	-
Disposal of a subsidiary (Note 16.4)	-	(71,911,067)	-	-
As at 31st December	103,803,130	88,857,393	75,612,662	63,555,919



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33 DEFINED BENEFIT OBLIGATION (continued)

33.1 Following amounts are recognized in profit or loss and other comprehensive income during the year in respect of retirement benefit obligation.

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
<i>Amount recognized in profit or loss</i>				
Current service cost	6,407,675	5,405,489	4,192,838	3,449,941
Past service cost	-	1,922,827	-	-
Interest cost	4,087,440	3,487,696	2,923,572	2,563,310
	10,495,115	10,815,922	7,116,410	6,013,251
<i>Amount recognized in other comprehensive income</i>				
Deficit for the year	7,629,070	7,690,741	6,971,023	3,593,313
	7,629,070	7,690,741	6,971,023	3,593,313

33.2 The Group / Company have engaged a qualified actuary to estimate the retirement benefit obligation. The projected unit credit method is used to determine the present value of the defined benefit obligation. Key assumptions used in the calculation are as follows:

	Group		Company	
	2024	2023	2024	2023
Expected salary increment	2% - 5%	2% - 5%	4.00%	4.00%
Discount rate	4.60%	4.60%	4.60%	4.60%
Staff turnover factor	10% - 19%	10% - 20%	11.00%	10.00%

33.3 Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in the key assumptions employed with all other variables held constant in the employment benefit liability measurement.

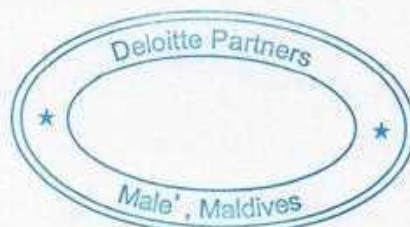
The sensitivity of the total comprehensive income and statement of financial position is the effect of the assumed changes in discount rate, expected salary increment rate and staff turnover rate to total comprehensive income and defined benefit obligation for the year.

As at 31<sup>st</sup> December 2024

	Sensitivity effect on			
	Total comprehensive income increase / (reduction)	Defined benefit increase / (reduction) in the liability	Total comprehensive income increase / (reduction)	Defined benefit increase / (reduction) in the liability
	MVR	MVR	MVR	MVR
	Group		Company	
Increase in discount rate (1%)	1,300,076	(1,300,076)	4,701,728	(4,701,728)
Decrease in discount rate (1%)	(2,792,124)	10,166,322	(5,365,043)	5,365,043
Increase in expected salary increment rate (1%)	(2,037,699)	2,037,699	(4,778,970)	4,778,970
Decrease in expected salary increment rate (1%)	836,087	(836,087)	4,256,327	(4,256,327)
Increase in staff turnover rate (1%)	(3,645,348)	3,645,348	344,193	(344,193)
Decrease in staff turnover rate (1%)	3,621,869	(3,621,869)	(352,891)	352,891

As at 31<sup>st</sup> December 2023

	Sensitivity effect on			
	Total comprehensive income increase / (reduction)	Defined benefit increase / (reduction) in the liability	Total comprehensive income increase / (reduction)	Defined benefit increase / (reduction) in the liability
	MVR	MVR	MVR	MVR
	Group		Company	
Increase in discount rate (1%)	8,415,283	(8,415,283)	4,187,054	(4,187,054)
Decrease in discount rate (1%)	(9,650,257)	9,650,257	(4,816,877)	4,816,877
Increase in expected salary increment rate (1%)	(8,989,778)	8,989,778	(4,299,718)	4,299,718
Decrease in expected salary increment rate (1%)	7,998,961	(7,998,961)	3,798,002	(3,798,002)
Increase in staff turnover rate (1%)	5,478,705	(5,478,705)	215,028	(215,028)
Decrease in staff turnover rate (1%)	(1,783,563)	1,783,563	(196,542)	196,542



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33 DEFINED BENEFIT OBLIGATION (CONTINUED)

33.3 Sensitivity analysis (continued)

As at 31<sup>st</sup> December 2024

Future expected working life	Group			No of employees	Company	
	No of employees	Average future expected working life	Defined benefit obligation		Average future expected working life	Defined benefit obligation
Within the next 12 months	39	0.50 - 0.58	2,691,401	17	0.58	1,672,009
Between 1-2 years	18	1.23 - 1.54	1,564,430	6	1.54	1,050,686
Between 2-5 years	193	3.37 - 4.84	14,853,792	53	3.59	7,222,113
Between 5-10 years	3,159	5.19 - 9.37	84,693,508	2,349	8.43	65,667,854
Total	3,409		103,803,130	2,425		75,612,662

As at 31<sup>st</sup> December 2023

Future expected working life	Group			No of employees	Company	
	No of employees	Average future expected working life	Defined benefit obligation		Average future expected working life	Defined benefit obligation
Within the next 12 months	30	0.33 - 0.62	2,228,754	11	0.62	1,799,442
Between 1-2 years	15	1.44-1.53	1,102,475	9	1.53	987,275
Between 2-5 years	644	3.79 - 4.96	19,604,255	47	3.79	7,268,274
Between 5-10 years	2,534	6.13 - 9.15	65,921,910	2,192	9.15	53,500,929
Total	3,223		88,857,394	2,259		63,555,920

34 TRADE AND OTHER PAYABLES

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Trade payables	2,856,347,953	2,785,423,335	2,602,235,594	2,621,844,001
Accrued expenses	73,307,163	74,189,946	52,910,995	60,522,906
Dividend payable	440,678,613	364,964,448	440,678,613	364,964,448
Other payable	268,618,980	256,962,618	208,964,080	196,260,427
	3,638,952,709	3,481,540,347	3,304,789,282	3,243,591,782

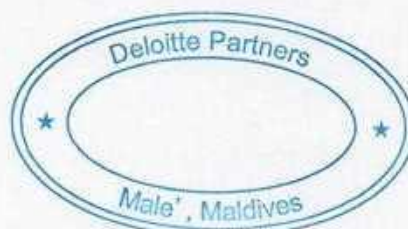
34.1 For the year 2024, trade payables include payable to fuel vendors (mainly Vitol Bunkers) amounting MVR 1,961,525,695/- which carries an interest of 2.15% plus SOFR for any additional period in excess of 31 days to and including 150 days. 2.95% plus SOFR for any additional period from 151 days up to and including 180 days. Vitol Bunkers had nil balance as at 31st December 2023.

For the year 2023, trade payables include payable to fuel vendors (mainly OQ Trading Limited) amounting MVR 2,290,678,825 which carries an interest of 2.5% plus SOFR for any additional period in excess of 31 days to and including 90 days, 2.9% (2022: 3.1%) plus SOFR for any additional period from 91 days up to and including 180 days. As at 31st December 2024, OQ Trading Limited had balance amount MVR 255,586/-

34.2 Other payables of the Company mainly includes advances received from customers amounting to MVR 46,446,252 /- (2023: MVR 56,147,703/-) and other advances received from government amounting to MVR 7,211,152/- (2023: MVR 7,854,151/-).

35 DEFERRED INCOME

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
As at 1st January	44,828,528	64,438,668	53,913,945	45,875,798
Received during the year	6,302,903	16,844,625	-	11,962,800
Recognized during the year	(9,981,079)	(9,916,798)	(4,323,414)	(3,924,652)
Disposal of a subsidiary (Note 16.4)	-	(26,537,967)	-	-
	41,150,350	44,828,528	49,590,528	53,913,945
<b>Analysis of deferred income</b>				
Realize within one year	9,273,484	9,160,635	4,323,414	4,323,414
Realize after one year	31,876,865	35,667,894	45,267,113	49,590,531
	41,150,350	44,828,529	49,590,528	53,913,945



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35 DEFERRED INCOME (CONTINUED)

35.1 Deferred revenues relate to the rent received in advance from tenants and registration fees received from customers. Rent advances are initially recognized in liabilities as deferred income and credited to profit or loss as revenue over the period to which rent advances are related to. On receipt of the registration fees, they are included in liabilities as deferred revenue and are credited to profit or loss as revenue on a straight line basis over 5 years.

36 INSURANCE CONTRACTS

	Group		Company	
	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
Insurance contract liabilities (Note 26.10)	520,105,451	438,036,505	-	-
Total insurance liabilities, gross	520,105,451	438,036,505	-	-

37 REINSURANCE CONTRACTS

	Group		Company	
	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
Reinsurance contract liabilities (Note 26.10)	4,484,859	713,688	-	-
Total reinsurance liabilities	4,484,859	713,688	-	-

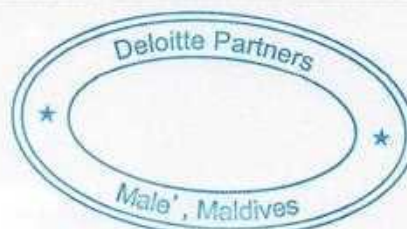
38 CURRENT TAX LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
As at 1st January	186,344,693	105,886,360	123,908,263	105,304,041
Provision for the year (Note 11)	198,769,087	276,867,769	152,797,481	200,818,579
Charge for the year (Discontinued operations)	-	11,040,913	-	-
Disposal of a subsidiary	-	(11,040,913)	-	-
Tax paid during the year	(326,036,873)	(198,271,683)	(224,317,553)	(183,259,347)
Adjustment in respect of prior years (Note 11)	-	1,862,247	-	1,044,990
As at 31st December	59,076,908	186,344,693	52,388,192	123,908,263

39 AMOUNTS DUE TO RELATED PARTIES

	Relationship	Group		Company	
		31/12/2024	31/12/2023	31/12/2024	31/12/2023
		MVR	MVR	MVR	MVR
STO PLC		-	-	-	-
STO Maldives (Singapore) Private Limited	Subsidiary	-	-	-	-
Maldivian Gas Private Limited	Subsidiary	-	-	5,992,812	6,694,349
Fuel Supplies Maldives Private Limited	Subsidiary	-	-	1,033,005	1,033,005
Allied Insurance Company of the Maldives Private Limited	Subsidiary	-	-	129,897,532	82,017,164
Maldives Industrial Fisheries Company Limited	Affiliate	2,124,317	-	2,124,317	-
Maldives State Shipping Company Private Limited	Subsidiary	-	-	37,252,376	8,507,893
Raysut Maldives Cement Private Limited	Associate	32,361,284	35,179,397	32,361,284	35,179,397
Maldives Structural Product Private Limited	Joint venture	30,346,734	16,569,025	30,346,734	16,569,025
Ministry of Housing and Infrastructure	Affiliate	18,638,882	15,830,882	18,638,882	15,830,882
Fenaka Corporation Limited	Affiliate	4,522,666	29,028,370	3,439,524	28,176,408
Ministry of Finance and Treasury	Majority shareholder	44,001,500	71,903,277	44,001,500	71,903,277
Housing Development Corporation Limited	Affiliate	13,004,229	13,080,539	13,004,229	13,080,539
Rainbow Enterprises Private Limited	Affiliate	56,290	79,380	56,290	79,380
State Electric Company Limited (STELCO)	Affiliate	2,269,163	3,583,376	2,269,163	3,583,376
Maldives Airport Company Limited	Affiliate	21,520,434	339,023	21,520,434	339,023
Indira Gandhi Memorial Hospital	Affiliate	504,593	232,674	504,593	232,674
Aasandha Private Limited	Affiliate	3,299,517	3,440,850	3,299,517	3,440,850
Maldives Transport and contracting company	Affiliate	2,935,055	1,637,188	2,935,055	1,637,188
Island Aviation Service Ltd	Affiliate	1,083,232	4,508,610	1,083,232	4,508,610
Tree Top Health Pvt Ltd	Affiliate	46,429	53,362	46,429	53,362
Maldives Pension Administration	Affiliate	1,804,068	1,665,931	1,804,068	1,665,931
Hulhumale Hospital	Affiliate	16,500	-	16,500	-
Maldives Road Development Corporation	Affiliate	31,941	-	-	-
Other Government entities	Affiliate	11,488,093	12,887,614	10,607,762	12,144,271
		190,054,926	210,019,503	362,235,237	306,676,604

39.1 The amount due to related parties are unsecured, interest free, and have no fixed repayment period. Accordingly, these amounts have been determined to be payable on demand and classified as current liabilities.



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40 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

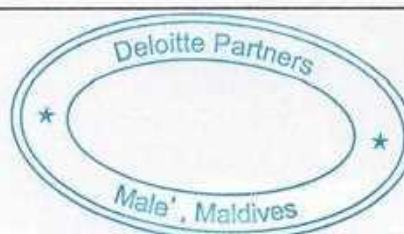
In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders, return capital to Shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. Net debt is calculated as total borrowings (including borrowings, trade and other payables, amounts due to related parties, bank overdrafts and lease liabilities as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

	Group		Company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	MVR	MVR	MVR	MVR
Loans and borrowings (Note 31)	3,897,036,432	3,761,031,160	3,912,051,849	3,728,499,015
Trade and other payables (Note 34)	3,638,952,709	3,481,540,349	3,304,789,282	3,243,591,782
Amounts due to related parties (Note 39)	190,054,926	210,019,503	362,235,237	306,676,604
Bank overdrafts (Note 28)	441,380,246	144,100,930	441,380,246	140,993,019
Lease liabilities (Note 32)	466,633,362	294,512,795	377,772,592	201,192,585
Less: Cash and cash equivalent (Note 28)	(1,085,399,985)	(1,735,714,234)	(680,503,274)	(1,481,079,597)
Net debt	7,548,657,690	6,155,490,503	7,717,725,932	6,139,873,408
Total equity	5,943,567,029	5,259,340,744	4,955,909,457	4,310,529,054
Total capital employed	13,492,224,719	11,414,831,248	12,673,635,389	10,450,402,462
Gearing	56%	54%	61%	59%

The increase in gearing ratio of the Company during 2024 is primarily due to increase in loans and borrowings obtained during the year and increased overdraft facility balances and reduction in cash and cash equivalents as at year ended 2024.

Group	Loans and borrowings	Payables	Leases	Sub-total	Cash / bank overdraft	Total
Net debt as at 1st January 2023	4,535,839,517	3,514,390,284	622,340,232	8,672,570,032	(633,105,649)	8,039,464,383
Financing cash flows	(774,808,352)	-	(97,273,896)	(872,082,248)	741,462,321	(130,619,927)
Working capital changes	-	116,726,147	-	116,726,147	(1,885,092,660)	(1,768,366,512)
Investments	-	-	-	-	(2,798,549)	(2,798,549)
New leases	-	-	20,205,099	20,205,099	(20,205,099)	-
Lease modification	-	-	7,309,031	7,309,031	-	7,309,031
Lease disposals	-	-	(258,067,669)	(258,067,669)	258,067,669	-
Dividend	-	69,233,206	-	69,233,206	(17,538,864)	51,694,342
Interest expense	-	309,549,851	(32,402,475)	277,147,376	-	277,147,376
Interest payments (presented as operating cash flows)	-	(318,339,642)	32,402,475	(285,937,167)	(32,402,475)	(318,339,642)
Net debt as at 31st December 2023	3,761,031,165	3,691,559,846	294,512,797	7,747,103,807	(1,591,613,306)	6,155,490,503
Financing cash flows	136,005,269	-	(124,739,188)	11,266,080	4,772,556	16,038,636
Working capital changes	-	69,079,802	-	69,079,802	(132,127,358)	(63,047,555)
Investments	-	-	-	-	1,341,225,676	1,341,225,676
New leases	-	-	225,306,661	225,306,661	(225,306,661)	-
Lease modification	-	-	80,092,541	80,092,541	-	80,092,541
Lease disposals	-	-	(8,539,449)	(8,539,449)	8,539,449	-
Dividend	-	75,714,165	-	75,714,165	(16,038,635)	59,675,530
Interest expense	-	393,434,301	(33,471,464)	359,962,837	-	359,962,837
Interest payments (presented as operating cash flows)	-	(400,780,485)	33,471,464	(367,309,021)	(33,471,464)	(400,780,485)
Net debt as at 31st December 2024	3,897,036,434	3,829,007,629	466,633,362	8,192,677,424	(644,019,743)	7,548,657,691



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40 CAPITAL MANAGEMENT (continued)

Company	Loans and borrowings	Payables	Leases	Sub-total	Cash / bank overdraft	Total
Net debt as at 1st January 2023	4,458,721,477	3,169,065,939	235,984,791	7,863,772,207	(1,032,931,441)	6,830,840,766
Financing cash flows	(730,222,458)	-	(50,427,541)	(780,649,999)	795,538,864	14,888,865
Working capital changes	-	305,306,447	-	305,306,447	(1,525,398,058)	(1,220,091,611)
Investments	-	-	-	-	467,204,680	467,204,680
New leases	-	-	11,077,932	11,077,932	(11,077,932)	-
Lease modification	-	-	5,623,469	5,623,469	-	5,623,469
Lease disposals	-	-	(1,066,067)	(1,066,067)	1,066,067	-
Dividend	-	71,883,206	-	71,883,206	(14,888,864)	56,994,342
Interest expense	-	304,060,584	(19,599,891)	284,460,693	-	284,460,693
Interest payments (presented as operating cash flows)	-	(300,047,791)	19,599,891	(280,447,900)	(19,599,891)	(300,047,795)
<b>Net debt as at 31st December 2023</b>	<b>3,728,499,019</b>	<b>3,550,268,386</b>	<b>201,192,584</b>	<b>7,479,959,988</b>	<b>(1,340,086,575)</b>	<b>6,139,873,408</b>
Financing cash flows	183,552,836	-	(111,043,624)	72,509,212	(58,070,576)	14,438,636
Working capital changes	-	41,807,736	-	41,807,736	(37,633,134)	4,174,601
Investments	-	-	-	-	1,445,264,240	1,445,264,240
New leases	-	-	215,806,744	215,806,744	(215,806,744)	-
Lease modification	-	-	80,356,335	80,356,335	-	80,356,335
Lease disposals	-	-	(8,539,449)	(8,539,449)	8,539,449	-
Dividend	-	75,714,165	-	75,714,165	(14,438,635)	61,275,530
Interest expense	-	386,470,910	(26,891,049)	359,579,861	-	359,579,861
Interest payments (presented as operating cash flows)	-	(387,236,679)	26,891,049	(360,345,630)	(26,891,049)	(387,236,685)
<b>Net debt as at 31st December 2024</b>	<b>3,912,051,855</b>	<b>3,667,024,517</b>	<b>377,772,590</b>	<b>7,956,848,962</b>	<b>(239,123,024)</b>	<b>7,717,725,932</b>

41 COMMITMENTS

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
41.1 Capital commitments				
Capital expenditure contracted as of the reporting date but not yet incurred	123,097,959	121,338,513	123,097,959	117,630,774

There were no other material capital commitments outstanding at the reporting date which require disclosure in the financial statements.

41.2 Undrawn borrowing facilities

The company has undrawn loan balance of MVR 1,144,478,097 (2023: MVR 721,180,991) as at 31st December 2024.

42 CONTINGENT LIABILITY

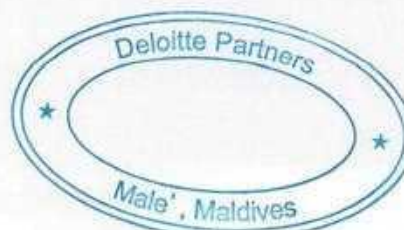
(i) State Trading Organization PLC has issued following corporate guarantees for the facilities obtained by its subsidiaries and jointly-controlled company.

In favor of	Purpose	Issued to	31/12/2024 MVR	31/12/2023 MVR
Maldives Structural Products Private Limited	Overdraft	Bank of Maldives	3,855,000	3,855,000
Maldives Structural Products Private Limited	Letter of credit	Bank of Maldives	15,420,000	15,420,000
Maldives Structural Products Private Limited	Loan facility	Bank of Maldives	19,275,000	19,275,000
Maldivian Gas Private Limited	Loan facility	HSBC	-	71,548,800
Maldivian Gas Private Limited	Loan facility	Allied Insurance	61,680,000	-
			<b>100,230,000</b>	<b>110,098,800</b>

There were no other material contingent liabilities which require disclosure in the consolidated and separate financial statements as at the reporting date other than those disclosed above.

(ii) Letter of credits issued by the banks to the Company as at 31st December:

Issued by	31/12/2024 MVR	31/12/2023 MVR
State bank of India	30,222,436	66,333,480
	<b>30,222,436</b>	<b>66,333,480</b>



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

A. Accounting classifications and fair values

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

AS AT 31ST DECEMBER 2024

Group	Carrying amount				Total	Fair value		
	FVTPL	FVOCI	Amortized Cost	Other financial liabilities		Level 1	Level 2	Level 3
Financial assets measured at fair value	MVR	MVR	MVR	MVR	MVR	MVR	MVR	MVR
Investment in equity instruments	-	107,865,800	-	-	107,865,800	105,625,000	-	2,240,800
	-	107,865,800	-	-	107,865,800	105,625,000	-	2,240,800
<b>Financial assets not measured at fair value</b>								
Other financial investments	-	-	2,579,093,478	-	2,579,093,478	-	-	-
Trade and other receivables	-	-	808,752,197	-	808,752,197	-	-	-
Loans receivables	-	-	427,193,555	-	427,193,555	-	-	-
Amounts due from related parties	-	-	4,200,908,732	-	4,200,908,732	-	-	-
Reinsurance contracts	-	-	209,531,645	-	209,531,645	-	-	-
Cash and cash equivalents	-	-	1,085,399,985	-	1,085,399,985	-	-	-
	-	-	9,310,879,592	-	9,310,879,592	-	-	-
<b>Financial liabilities not measured at fair value</b>								
Bank overdraft	-	-	441,380,246	-	441,380,246	-	-	-
Loans and borrowings	-	-	3,897,036,432	-	3,897,036,432	-	-	-
Lease liabilities	-	-	466,633,362	-	466,633,362	-	-	-
Amounts due to related parties	-	-	190,054,926	-	190,054,926	-	-	-
Insurance contracts	-	-	520,105,451	-	520,105,451	-	-	-
Trade and other payables	-	-	3,512,132,643	-	3,512,132,643	-	-	-
	-	-	9,027,343,060	-	9,027,343,060	-	-	-

AS AT 31ST DECEMBER 2023

Group	Carrying amount				Total	Fair value		
	FVTPL	FVOCI	Amortized Cost	Other financial liabilities		Level 1	Level 2	Level 3
Financial assets measured at fair value	MVR	MVR	MVR	MVR	MVR	MVR	MVR	MVR
Investment in equity instruments	-	95,990,800	-	-	95,990,800	93,750,000	-	2,240,800
	-	95,990,800	-	-	95,990,800	93,750,000	-	2,240,800
<b>Financial assets not measured at fair value</b>								
Other financial investments	-	-	1,612,542,107	-	1,612,542,107	-	-	-
Trade and other receivable	-	-	698,386,363	-	698,386,363	-	-	-
Loans receivables	-	-	583,809,388	-	583,809,388	-	-	-
Amounts due from related parties	-	-	3,564,970,376	-	3,564,970,376	-	-	-
Reinsurance contracts	-	-	209,991,164	-	209,991,164	-	-	-
Cash and cash equivalents	-	-	1,735,714,234	-	1,735,714,234	-	-	-
	-	-	8,405,413,631	-	8,405,413,631	-	-	-
<b>Financial liabilities not measured at fair value</b>								
Bank overdraft	-	-	144,100,930	-	144,100,930	-	-	-
Loans and borrowings	-	-	3,761,031,164	-	3,761,031,164	-	-	-
Lease liabilities	-	-	294,512,795	-	294,512,795	-	-	-
Amounts due to related parties	-	-	210,019,503	-	210,019,503	-	-	-
Insurance contracts	-	-	438,036,505	-	438,036,505	-	-	-
Trade and other payables	-	-	3,297,210,340	-	3,297,210,340	-	-	-
	-	-	8,144,911,236	-	8,144,911,236	-	-	-

43.A.1 The Group has not disclosed the fair values for financial instruments when their carrying amounts are a reasonable approximation of fair value.

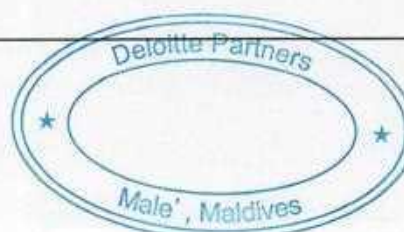
43.A.2 The fair value of the investment in equity instruments is based on the marketable shares and the net assets amounts as at year end of related companies.

Below is the hierarchy for the fair value instruments.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

A. Accounting classifications and fair values (Continued)

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

AS AT 31ST DECEMBER  
2024

Company	FVTP L	Carrying amount				Total	Fair value		
		FVOCI	Amortized	Other	Other		Level 1	Level 2	Level 3
		MVR	Cost	financial	financial		MVR	MVR	MVR
<b>Financial assets measured at fair value</b>									
Investment in equity instruments	-	2,240,800	-	-	2,240,800	-	-	2,240,800	
	-	2,240,800	-	-	2,240,800	-	-	2,240,800	
<b>Financial assets not measured at fair value</b>									
Other financial investments	-	-	2,275,294,159	-	2,275,294,159	-	-	-	
Trade and other receivables	-	-	222,613,889	-	222,613,889	-	-	-	
Loans receivables	-	-	336,133,137	-	336,133,137	-	-	-	
Amounts due from related parties	-	-	4,897,895,748	-	4,897,895,748	-	-	-	
Cash and cash equivalents	-	-	680,503,274	-	680,503,274	-	-	-	
	-	-	8,412,440,207	-	8,412,440,207	-	-	-	
<b>Financial liabilities not measured at fair value</b>									
Bank overdraft	-	-	441,380,246	-	441,380,246	-	-	-	
Loans and borrowings	-	-	3,912,051,849	-	3,912,051,849	-	-	-	
Lease liabilities	-	-	377,772,592	-	377,772,592	-	-	-	
Amounts due to related parties	-	-	362,235,237	-	362,235,237	-	-	-	
Trade and other payables	-	-	3,177,969,216	-	3,177,969,216	-	-	-	
	-	-	8,271,409,140	-	8,271,409,140	-	-	-	

AS AT 31ST DECEMBER  
2023

Company	FVTP L	Carrying amount				Total	Fair value		
		FVOCI	Amortized	Other	Other		Level 1	Level 2	Level 3
		MVR	Cost	financial	financial		MVR	MVR	MVR
<b>Financial assets measured at fair value</b>									
Investment in equity instruments	-	2,240,800	-	-	2,240,800	-	-	2,240,800	
	-	2,240,800	-	-	2,240,800	-	-	2,240,800	
<b>Financial assets not measured at fair value</b>									
Other financial investments	-	-	1,107,720,000	-	1,107,720,000	-	-	-	
Trade and other receivables	-	-	203,218,297	-	203,218,297	-	-	-	
Loans receivables	-	-	383,308,916	-	383,308,916	-	-	-	
Amounts due from related parties	-	-	4,321,899,931	-	4,321,899,931	-	-	-	
Cash and cash equivalents	-	-	1,481,079,597	-	1,481,079,597	-	-	-	
	-	-	7,497,226,740	-	7,497,226,740	-	-	-	
<b>Financial liabilities not measured at fair value</b>									
Bank overdraft	-	-	140,993,019	-	140,993,019	-	-	-	
Loans and borrowings	-	-	3,728,499,015	-	3,728,499,015	-	-	-	
Lease liabilities	-	-	201,192,585	-	201,192,585	-	-	-	
Amounts due to related parties	-	-	306,676,604	-	306,676,604	-	-	-	
Trade and other payables	-	-	3,059,261,774	-	3,059,261,774	-	-	-	
	-	-	7,436,622,997	-	7,436,622,997	-	-	-	

43.A.3 The Company has not disclosed the fair values of financial instruments when their carrying amounts are a reasonable approximation of fair value.

43.A.4 The fair value of the investment in equity instruments is based on the net assets amounts as at year end of related companies for unlisted companies. For listed companies shares for fair value have been determined by Level 1 stock exchange quoted prices.



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

B. Measurement of fair value

(i) Valuation techniques and significant unobservable input

The following tables show the valuation techniques used in measuring level 2 and level 3 fair values, as well as the significant unobservable inputs used.

Financial Instruments measured at fair value

Type	Valuation techniques	Significant unobservable input	Quantitative Information	Inter relationship between significant unobservable inputs and fair value measurement
Equity investments	Discounted cashflow method	Discount Rate, Future Cash Flows	Discount rate 10.11%	Changes in the discount rate can significantly affect the fair value measurement. Higher discount rates result in lower fair values, while lower discount rates result in higher fair values.

C. Financial risk management

(i) Overview

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

- Credit risk
- Liquidity risk
- Market risk

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

(ii) Risk management framework

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

(iii) Credit risk

Credit risk is the risk of financial loss to the Group / the Company if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Group's / the Company's receivables from customers, investment in debt securities and deposits with banks.

To measure the expected credit losses, cash and cash equivalent, trade, other receivables and related party receivables have been grouped based on shared credit risk characteristics and the days past due.

Impairment

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

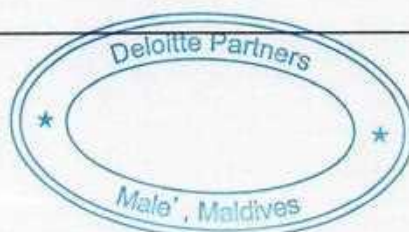
Credit quality

The credit quality of cash and cash equivalent, trade, other receivables and related party receivables that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

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

	Group		Company	
	Carrying amount		Carrying amount	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	MVR	MVR	MVR	MVR
Trade and other receivables (Net)	808,752,197	698,386,363	222,613,889	203,218,297
Loans receivable	427,193,555	583,809,388	336,133,137	383,308,916
Amounts due from related party (Net)	4,200,908,732	3,564,970,376	4,897,895,748	4,321,899,931
Reinsurance contracts	209,531,645	209,991,164	-	-
Other financial investments	2,579,093,478	1,612,542,107	2,275,294,159	1,107,720,000
Balances with banks and short term deposits	1,085,399,985	1,735,714,234	680,503,274	1,481,079,597
	<b>9,310,879,592</b>	<b>8,405,413,631</b>	<b>8,412,440,207</b>	<b>7,497,226,741</b>

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



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

C. Financial risk management (Continued)

(iii) Credit risk (Continued)

Trade and other receivables

Expected credit loss assessment under IFRS 9

The Group/ Company uses an allowance matrix to measure the ECLs of trade, other receivables and related party receivables. Loss rates are based on actual credit loss experience over past years. These rates are multiplied by scalar factors to reflect difference between economic condition during the period over which historical data has been collected, current condition and company's view of economic condition of expected lives of the receivables.

Scalar factors are based on actual and forecast GDP growth rates and normalized average GDP use for ECL assessment.

Forecasts of the economic variables (the "base economic scenario") are obtained by STO PLC from the report available in the IMF website "World Economic Outlook Database, October 2024".

Economic variable assumptions

Forecasted GDP growth rates

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

Cases	2025		2024	
	GDP rate	Weightages	GDP rate	Weightages
Best case	5.70%	11%	4.74%	11%
Base case	4.70%	68%	4.74%	68%
Worst case	6.70%	21%	4.74%	21%

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

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

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

Group

	2024		2023	
	-1% MVR	+1% MVR	-1% MVR	+1% MVR
Increase / (decrease) in expected credit loss allowance for trade receivables, other receivables and amounts due from related parties	420,733	496,068	(5,681,787)	(2,817,266)

Company

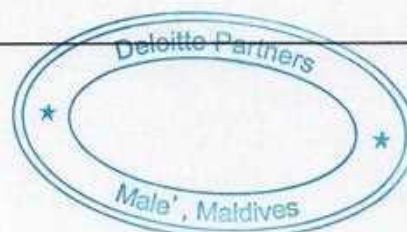
	2024		2023	
	-1% MVR	+1% MVR	-1% MVR	+1% MVR
Increase / (decrease) in expected credit loss allowance for trade receivables, other receivables and amounts due from related parties	196,394	(195,549)	200,247	(198,926)

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

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD)
- Loss given default (LGD)
- Exposure at default (EAD)



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

C. Financial risk management (Continued)

(iii) Credit risk (Continued)

The following table provides information about the exposure to credit risk and ECLs for trade, other receivables and related party receivables as at 31st December.

31 <sup>st</sup> December 2024	Group			Company		
	Weighted average loss rate	Gross carrying amount	Loss allowance	Weighted average loss rate	Gross carrying amount	Loss allowance
		MVR	MVR		MVR	MVR
Not past due	0.1%	581,910,452	738,943	0.0%	322,714,507	-
1-30 days past due	0.6%	1,228,551,299	7,467,456	0.6%	1,063,905,681	6,178,610
31-90 days past due	2.4%	856,305,870	20,690,693	1.0%	1,537,521,121	14,913,117
91 - 180 days past due	4.7%	687,062,688	32,195,656	1.3%	1,619,771,140	20,985,062
181-365 days past due	4.7%	1,063,623,375	50,184,921	2.8%	816,751,312	23,082,186
Above 365 days past due	45.7%	3,002,504,933	1,372,241,857	61.7%	1,524,665,115	940,889,352
		<u>7,419,958,621</u>	<u>1,483,519,527</u>		<u>6,885,328,880</u>	<u>1,006,048,328</u>

31 <sup>st</sup> December 2023	Group			Company		
	Weighted average loss rate	Gross carrying amount	Loss allowance	Weighted average loss rate	Gross carrying amount	Loss allowance
		MVR	MVR		MVR	MVR
Not past due	0.0%	939,275,726	389,442	0.0%	1,544,974,374	-
1-30 days past due	0.7%	670,759,428	4,492,718	0.4%	1,004,153,560	4,165,072
31-90 days past due	2.8%	658,918,239	18,133,727	2.4%	634,970,833	15,214,676
91 - 180 days past due	2.3%	832,635,441	18,927,450	1.1%	1,268,148,747	13,352,749
181-365 days past due	3.1%	876,204,416	27,598,111	4.4%	326,098,721	14,307,410
Above 365 days past due	47.2%	2,398,448,630	1,131,887,116	66.2%	1,320,988,895	874,888,132
		<u>6,376,241,880</u>	<u>1,201,428,564</u>		<u>6,099,335,129</u>	<u>921,928,039</u>

Gross carrying amount and loss allowance comprise the trade, other receivables, loans receivable and related party receivables.

The Company believes that the unimpaired amounts are still collectible, based on historic payment behavior. Based on historic default rates, the Company believes that, apart from the above, no provision for impairment is necessary in respect of trade, other and related party receivables.

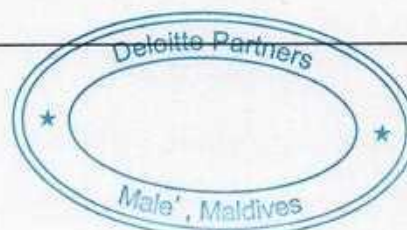
Other financial investments

The Group / the Company limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a good credit rating.

The Group's exposure to various risks associated with financial instruments is discussed in note 27. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets.

Guarantees

The Group / the Company policy is to provide financial guarantees only to subsidiaries, joint venture and associates. As at 31st December 2024, the Company has issued corporate guarantees to Bank of Maldives PLC for the facilities obtained by Maldives Structural Products Private Limited and to Allied Insurance Company of the Maldives for the facility obtained by Maldives Gas Private Limited. The group's maximum exposure in this respect is the maximum amount the group could have to pay if the guarantee is called on. As at 31st December 2024, no loss allowance was recognised in profit or loss.



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

C. Financial risk management (Continued)

(iv) Liquidity risk

Liquidity risk is the risk that the Group / the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's / the Company's approach to managing liquidity 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 Group's / the Company's reputation.

The following are the contractual maturities stated at the undiscounted cashflows of financial liabilities as at the reporting date.

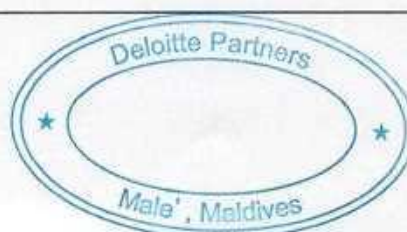
31st December 2024	Carrying amount MVR	Contractual Cashflow MVR	0-12 months MVR	1-5 years MVR	More than 5 years MVR
<b>Group</b>					
<b>Financial liabilities (Non- derivative)</b>					
Trade and other payables	3,512,132,643	3,512,132,643	3,512,132,643	-	-
Loans and borrowings	3,897,036,432	3,951,727,364	3,067,966,858	883,760,506	-
Amounts due to related parties	190,054,926	190,054,926	190,054,926	-	-
Lease Liabilities	466,633,362	653,810,637	160,443,516	219,236,130	274,130,992
Insurance contracts	520,105,451	520,105,451	520,105,451	-	-
Bank overdrafts	441,380,246	441,380,246	441,380,246	-	-
<b>Total</b>	<b>9,027,343,060</b>	<b>9,269,211,268</b>	<b>7,892,083,640</b>	<b>1,102,996,636</b>	<b>274,130,992</b>

31st December 2023	Carrying amount MVR	Contractual Cashflow MVR	0-12 months MVR	1-5 years MVR	More than 5 years MVR
<b>Group</b>					
<b>Financial liabilities (Non- derivative)</b>					
Trade and other payables	3,297,263,702	3,297,263,702	3,297,263,702	-	-
Loans and borrowings	3,761,031,164	3,815,722,096	2,654,914,135	1,160,807,961	-
Amounts due to related parties	209,966,141	209,966,141	209,966,141	-	-
Lease liabilities	294,512,795	490,605,426	68,192,908	156,829,351	265,583,167
Insurance contracts	438,036,505	438,036,505	438,036,505	-	-
Bank overdrafts	144,100,930	144,100,930	144,100,930	-	-
<b>Total</b>	<b>8,144,911,236</b>	<b>8,395,694,800</b>	<b>6,812,474,320</b>	<b>1,317,637,312</b>	<b>265,583,167</b>

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

31st December 2024	Carrying amount MVR	Contractual Cashflow MVR	0-12 months MVR	1-5 years MVR	More than 5 years MVR
<b>Company</b>					
<b>Financial liabilities (Non- derivative)</b>					
Trade and other payables	3,177,969,216	3,177,969,216	3,177,969,216	-	-
Loans and borrowings	3,912,051,849	3,966,742,781	3,125,954,012	840,788,769	-
Lease liabilities	377,772,592	548,872,626	145,839,226	193,204,667	209,828,732
Amounts due to related parties	362,235,237	362,235,237	362,235,237	-	-
Bank overdrafts	441,380,246	441,380,246	441,380,246	-	-
<b>Total</b>	<b>8,271,409,140</b>	<b>8,497,200,105</b>	<b>7,253,377,937</b>	<b>1,033,993,437</b>	<b>209,828,732</b>

31st December 2023	Carrying amount MVR	Contractual Cashflow MVR	0-12 months MVR	1-5 years MVR	More than 5 years MVR
<b>Company</b>					
<b>Financial liabilities (Non- Derivative)</b>					
Trade and other payables	3,059,315,136	3,059,315,136	3,059,315,136	-	-
Loans and borrowings	3,728,499,015	3,783,189,947	2,682,762,839	1,100,427,108	-
Lease liabilities	201,192,585	385,667,415	53,588,619	130,797,889	201,280,907
Amounts due to related parties	306,623,242	306,623,242	306,623,242	-	-
Bank overdrafts	140,993,019	140,993,019	140,993,019	-	-
<b>Total</b>	<b>7,436,622,997</b>	<b>7,675,788,759</b>	<b>6,243,282,855</b>	<b>1,231,224,997</b>	<b>201,280,907</b>



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

C. Financial risk management (Continued)

(v) Market risk

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

(a) Interest rate risk

Profile

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

	Group		Company	
	Carrying amount		Carrying amount	
	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
<b>Variable rate instruments</b>				
Financial assets	-	81,520,833	-	81,520,833
Financial liabilities	(2,291,754,811)	(2,598,244,033)	(2,291,754,811)	(2,569,942,311)
	(2,291,754,811)	(2,516,723,200)	(2,291,754,811)	(2,488,421,478)
<b>Fixed rate instruments</b>				
Financial assets	1,114,780,967	1,455,666,674	1,114,780,967	1,153,976,147
Financial liabilities	(4,338,416,678)	(3,598,642,872)	(4,353,432,095)	(3,591,304,534)
	(3,223,635,711)	(2,142,976,198)	(3,238,651,128)	(2,437,328,387)

The interest rate exposure of the borrowing of the Group's / Company's is as follows:

	Group		Company	
	Carrying amount		Carrying amount	
	2024	2023	2024	2023
	MVR	MVR	MVR	MVR
- At variable rate	2,633,971,892	3,276,678,609	2,633,971,892	3,248,376,887
- At fixed rate	207,680,540	294,185,888	138,616,133	289,955,461
	2,841,652,432	3,570,864,497	2,772,588,024	3,538,332,348

Cash flow sensitivity analysis for variable - rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

GROUP	Profit or loss		Equity net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 st December 2024				
Variable rate instruments	(22,917,548)	22,917,548	(19,479,916)	19,479,916
31 st December 2023				
Variable rate instruments	(25,167,232)	25,167,232	(21,392,147)	21,392,147
COMPANY				
31 st December 2024				
Variable rate instruments	(22,917,548)	22,917,548	(19,479,916)	19,479,916
31 st December 2023				
Variable rate instruments	(24,884,215)	24,884,215	(21,151,583)	21,151,583

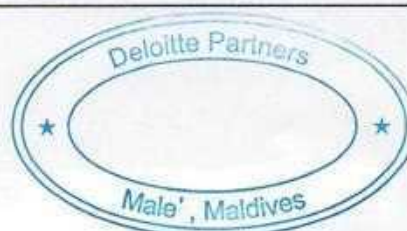
(a) Currency risk

Exposure to currency risk

Group

The Group's exposure to foreign currency risk in equivalent Maldives Rufiyaa was as follows:

	31/12/2024		
	US\$	Euro	SGD
Cash and cash equivalents	618,643,923	7,506	-
Trade, amount due from related parties and other receivables	883,673,724	226,099	862,246
Reinsurance contracts	12,970,791	-	-
Trade, amount due to related parties and other payables	(2,621,333,151)	(10,430,790)	(14,716,938)
Loans and borrowings	(3,897,036,432)	-	(2,911)
Bank overdrafts	(442,580,246)	-	-
Net currency exposure	(5,445,661,391)	(10,197,185)	(13,857,604)



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

C. Financial risk management (Continued)

(v) Market risk (Continued)

Exposure to currency risk (Continued)

Group

The Group's exposure to foreign currency risk was as follows:

	31/12/2023		
	US\$	Euro	SGD
Cash and cash equivalents	585,303,362	7,506	-
Trade, amount due from related parties and other receivables	868,284,241	226,099	761,321
Trade, amount due to related parties and other payables	(2,589,477,267)	(2,701,993)	(8,499,606)
Loans and borrowings	(3,306,404,349)	-	-
Bank overdrafts	(140,993,019)	-	-
Net currency exposure	(4,583,287,031)	(2,468,387)	(7,738,285)

Company

The Company's exposure to foreign currency risk was as follows:

	31/12/2024		
	US\$	Euro	SGD
Cash and cash equivalents	615,425,991	2,396	-
Trade, amount due from related parties and other receivables	825,197,603	226,099	862,246
Trade, amount due to related parties and other payables	(2,616,284,565)	(10,430,790)	(14,716,938)
Loans and borrowings	(3,843,932,139)	-	-
Bank overdrafts	(441,380,246)	-	-
Net currency exposure	(5,460,973,356)	(10,202,295)	(13,854,693)

Company

The Company's exposure to foreign currency risk was as follows:

	31/12/2023		
	US\$	Euro	SGD
Cash and cash equivalents	575,181,609	2,396	-
Trade, amount due from related parties and other receivables	789,801,643	226,099	761,321
Trade, amount due to related parties and other payables	(2,582,974,401)	(2,701,993)	(8,499,606)
Loans and borrowings	(3,395,919,157)	-	-
Bank overdrafts	(140,993,019)	-	-
Net currency exposure	(4,754,903,324)	(2,473,497)	(7,738,285)

The following significant exchange rate were applied during the year:

	Average rate		Reporting date spot rate	
	2024	2023	31/12/2024	31/12/2023
1 US\$ : MVR	15.42	15.42	15.42	15.42
1 Euro : MVR	16.88	16.55	16.41	16.46
1 SGD : MVR	11.67	11.29	11.57	11.53

Exchange rates have been taken from the system, which has the Bank of Maldives exchange rates that update each month.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EURO, SGD against all other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amount shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

GROUP

31 st December 2024

	Profit or loss	
	Strengthening	Weakening
USD 5% movement	(272,283,070)	272,283,070
EURO 5% movement	(509,859)	509,859
SGD 5% movement	(692,880)	692,880
	(273,485,809)	273,485,809

31 st December 2023

USD 5% movement	(229,164,352)	229,164,352
EURO 5% movement	(123,419)	123,419
SGD 5% movement	(386,914)	386,914
	(229,674,685)	229,674,685

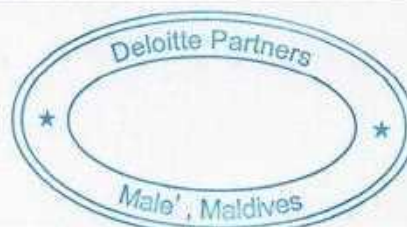
COMPANY

31 st December 2024

USD 5% movement	(273,048,668)	273,048,668
EURO 5% movement	(510,115)	510,115
SGD 5% movement	(692,735)	692,735
	(274,251,517)	274,251,517

31 st December 2023

USD 5% movement	(237,745,166)	237,745,166
EURO 5% movement	(123,675)	123,675
SGD 5% movement	(386,914)	386,914
	(238,255,755)	238,255,755



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43 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

C. Financial risk management (Continued)

(c) Price risk

Exposure

The Group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet as at fair value through other comprehensive income (FVOCI).

To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The majority of the Group's equity investments are publicly traded and are included in the Maldives Stock Exchange (Masix).

Sensitivity

The table below summarises the impact of increases/decreases of the indexes on the Group's equity for the period. The analysis is based on the assumption that the equity indexes had increased by 5% or decreased by 5%, with all other variables held constant, and that all of the Group's equity instruments moved in line with the indexes.

Impact on other components of equity		
2024	2023	
MVR	MVR	
Maldives Stock Exchange - Masix - increase 5%	11,561,290	4,838,090
Maldives Stock Exchange - Masix - decrease 5%	(11,561,290)	(4,838,090)

Maldives Stock Exchange - Masix - increase 5%  
Maldives Stock Exchange - Masix - decrease 5%

Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as at FVOCI.

Amounts recognised in other comprehensive income

The amounts recognised in other comprehensive income in relation to the various investments held by the Group are disclosed in Note 19.

(vi) Insurance risks

(a) Key risks arising from contracts issued

The Group issues life and non-life insurance contracts including direct and indirect participating contracts. The nature and extent of the underwriting and financial risks arising from these contracts are determined by the contract design. The risks are evaluated for risk management purposes in conjunction with the risks mitigated by

(a)(i) Life direct participating and indirect participating contracts

Product	Key Risks	Risk mitigation
Term assurance	<ul style="list-style-type: none"> <li>Mortality risk: death of policyholder earlier than expected.</li> </ul>	<ul style="list-style-type: none"> <li>Reinsurance with financially strong reinsurers</li> </ul>
Indirect participating	<ul style="list-style-type: none"> <li>Mortality risk</li> <li>Interest rate risk: differences in duration and yield of assets and liabilities</li> </ul>	<ul style="list-style-type: none"> <li>Matching of asset and liability cash flows</li> <li>Investing in investment-grade assets</li> <li>Surrender penalties</li> <li>Management discretion to set crediting rates</li> </ul>
Direct participating	<ul style="list-style-type: none"> <li>Mortality risk</li> <li>Interest rate risk: differences in duration and yield of assets and liabilities</li> <li>Market risk: insufficient fees to cover expenses</li> </ul>	<ul style="list-style-type: none"> <li>Matching of asset and liability cash flows</li> <li>Investing in investment-grade assets</li> <li>Surrender penalties</li> </ul>

These key risks reflect only the downside risk to the Group. For most of these risks, there is also an upside risk.

All life contracts expose the Group to significant insurance risk. Although mortality and morbidity experience may be affected by unexpected events (e.g. epidemics), the most significant changes to insurance risk factors (e.g. lifestyle changes, medical advances and improvements in social conditions) tend to occur over a long period of time. The longer the coverage period, the greater the Group's exposure to insurance risk.

Policyholder behaviour risk is a key risk life contracts. The timing of surrenders and the timing and frequency of withdrawals may impact the Group's returns.

Underlying items

The following table sets out the composition and the fair value of underlying items of the Group's participating contracts at the reporting date.

In millions (MVR)	Note	31st December 2024			31st December 2023		
		Direct participating contracts	Indirect participating contracts	Total	Direct Participating contracts	Indirect participating contracts	Total
Cash & Cash Equivalent		847,843	1,304,157	2,152,000	997,038	1,331,767	2,328,805
Financial Investments		8,809,579	103,847,920	112,657,499	8,695,666	123,180,616	131,876,282

(a)(ii) Non-life contracts

Product	Key Risks	Risk mitigation
Property and casualty	<ul style="list-style-type: none"> <li>Extreme weather events</li> <li>Natural catastrophes</li> <li>Legislative changes giving rise to increased claims</li> <li>Emergence of long-tailed claims: e.g. latent disease type claims</li> </ul>	<ul style="list-style-type: none"> <li>Diversification of types of risk, industries</li> <li>Extensive analysis of data to enhance risk selection, segmentation and profitability</li> <li>Reinsurance with financially strong reinsurers, including excess of loss catastrophe cover</li> </ul>

The key risks arising from non-life contracts are the unknown frequency and severity of claims, which are influenced by the nature of the risks covered.

For property, the frequency and severity of claims are affected by the occurrence of extreme weather events (e.g. floods, wildfires and hurricanes) and other natural catastrophes (e.g. earthquakes). In particular, the cost of rebuilding or repairing a property, together with the cost of business interruption, is a significant feature in the overall value of claims in this portfolio. In addition, increasing climate risk could potentially introduce material uncertainty in assumptions and result in inaccurate pricing of insurance risk.



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43 Financial Risk Management (continued)

(vi) Insurance risks (continued)

(b) Underwriting risk

Underwriting risk comprises insurance risk, policyholder behaviour risk and expense risk.

- **Insurance risk:** the risk transferred from the policyholder to the Group, other than financial risk. Insurance risk arises from the inherent uncertainty about the occurrence, amount or timing of claims.
- **Policyholder behaviour risk:** the risk that a policyholder will cancel a contract (i.e. lapse or persistency risk), increase or reduce premiums, withdraw deposits a contract earlier or later than expected.
- **Expense risk:** the risk of unexpected increases in the administrative costs associated with the servicing of a contract (rather than in the costs associated with insured events).

(b)(i) Management of underwriting risk

The board of directors sets the Group's strategy for accepting and managing underwriting risk. Specific underwriting objectives (e.g. aggregation limits, reinsurance protection thresholds and line of business diversification parameters) are prepared and reviewed by the Group's head of underwriting. The board continuously reviews its underwriting strategy in the light of evolving market pricing and loss conditions and as opportunities present themselves.

The carrying amounts of the Group's non-life insurance contracts (net of reinsurance) are analysed below by type of product.

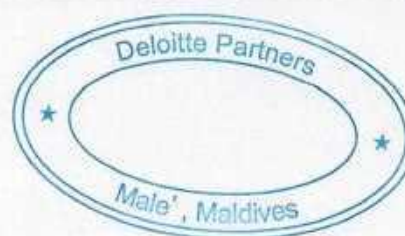
	2024	2023
Engineering	2,003,887	(4,152,245)
Fire	(92,155,636)	(11,494,663)
Liability	(18,334,096)	(5,262,510)
Marine	7,033,903	1,196,480
Health	14,957,656	(108,641,467)
Miscellaneous	(8,508,853)	(4,014,942)
Workmen's compensation	(1,399,238)	(1,393,036)
<b>Total non-life</b>	<b>(96,402,377)</b>	<b>(133,762,384)</b>

(b)(ii) Sensitivity analysis

The table below analyses how the CSM, profit or loss and equity would have increased (decreased) if changes in

(b)(ii) Sensitivity analysis (continued)

31 December 2024 <i>In million of MVR</i>	CSM	
	Gross	Net
<b>Life risk and life savings</b>		
Mortality rates (1% increase)	(5,455)	(1,510)
Mortality rates (1% decrease)	5,456	1,510
Expenses (5% increase)	(95,768)	(100,010)
Expenses (5% decrease)	95,768	100,010
Lapse rates (5% increase)	158,684	208,006
Lapse rates (5% decrease)	(166,808)	(217,282)
<b>Participating</b>		
Mortality rates (1% increase)	(1,783)	(297)
Mortality rates (1% decrease)	1,783	298
Expenses (5% increase)	(35,852)	(36,155)
Expenses (5% decrease)	35,852	36,155
Lapse rates (5% increase)	(51,126)	(51,929)
Lapse rates (5% decrease)	52,866	53,700



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- 43 Financial Risk Management (continued)  
(vi) Insurance risks (continued)  
(b) Underwriting risk (continued)  
(b)(ii) Sensitivity analysis (continued)

31 December 2023 <i>In million of MVR</i>	CSM	
	Gross	Net
<b>Life risk and life savings</b>		
Mortality rates (1% increase)	(624)	200
Mortality rates (1% decrease)	624	(200)
Expenses (5% increase)	(10,750)	(13,750)
Expenses (5% decrease)	10,750	13,760
Lapse rates (5% increase)	98,818	112,419
Lapse rates (5% decrease)	(100,447)	(113,932)
<b>Participating</b>		
Mortality rates (1% increase)	(1,883)	(713)
Mortality rates (1% decrease)	1,883	713
Expenses (5% increase)	(84,583)	(85,504)
Expenses (5% decrease)	84,583	85,504
Lapse rates (5% increase)	(19,452)	(20,179)
Lapse rates (5% decrease)	19,781	20,525

Changes in underwriting risk variables mainly affect the CSM, profit or loss and equity as follows. The effects on profit or loss and equity are presented net of the related income tax.

CSM	• Changes in fulfilment cash flows not relating to any loss components, other than those recognised as insurance finance income or expenses.
Profit or loss	• Changes in fulfilment cash flows relating to loss components. • Changes in fulfilment cash flows that are recognised as insurance finance income or expenses in profit or loss.
Equity	• Changes in fulfilment cash flows that are recognised as insurance finance income or expenses in OCI.

(ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and this principally arises from the Group's insurance receivable. Credit risk may also arise from the counter-parties who hold financial assets of the Group.

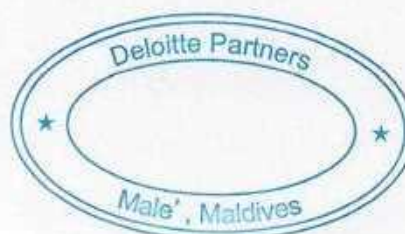
Exposure to credit risk

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

	Carrying amount As at 31 December	
	2024	2023
Amount due from related parties	123,323,934	119,930,382
Other receivables	4,000,000	4,000,000
Financial assets measured at amortized cost	500,383,486	466,381,697
Balances with banks	79,966,686	39,421,357
	<b>707,674,106</b>	<b>629,733,436</b>

Insurance receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management has established a credit policy under which each new credit customer is analyzed individually for creditworthiness before the Group's standard credit payment terms are offered.



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43 Financial Risk Management (continued)

(ii) Credit risk (Continued)

Reinsurance receivables

Credit risk on the Group's recoverable from reinsurers balance existed at December 31, 2024 to the extent that any reinsurer may be unable or unwilling to reimburse the Group under the terms of the relevant reinsurance arrangements. The Group is also exposed to the credit risk assumed in fronting arrangements and to potential reinsurance capacity constraints. The Group regularly assesses the creditworthiness of reinsurers with whom it transacts business.

Amount due from related parties and other receivables

The Group takes on exposure to credit risk from amounts due from related party and other receivable, which is the risk that a counterparty will cause a financial loss for the Group by failing to discharge an obligation. The Group's management therefore carefully manages its exposure to credit risk.

Debt Securities

The credit risk arising from the deposits made in financial institutions are managed by the Group policy directions provided by the Board of Directors.

The Group transacts only with a limited number of institutions all of which have stable credit ratings. The Group's exposure and credit rating of counterparties are continuously monitored.

The Group monitors changes in credit risk by tracking the published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting period that has not been reflected in published ratings, the Group supplements this by reviewing changes in bond yields and with available regulatory information about debtors.

The maximum credit risk is limited to the carrying value of these financial assets as at 31st December 2024

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
<b>Financial assets measured at amortized cost</b>				
Investments in government treasury bills	2,092,217,551	1,175,567,416	1,927,500,000	848,100,000
Investments in Corporate bonds	59,031,937	68,529,367	-	-
Investment - Fixed deposit	428,474,365	370,449,251	348,350,410	259,620,000
Short term financial instruments	786,030,519	876,794,328	566,823,780	822,657,000
<b>Total net amount</b>	<b>3,365,754,371</b>	<b>2,491,340,362</b>	<b>2,842,674,190</b>	<b>1,930,377,000</b>
Provision for impairment	(630,375)	(2,003,926)	(556,251)	-
<b>Total net amount</b>	<b>3,365,123,996</b>	<b>2,489,336,436</b>	<b>2,842,117,939</b>	<b>1,930,377,000</b>
<b>Cash and Cash Equivalent</b>				
Cash and cash Equivalent	644,310,408	1,596,800,312	239,321,350	1,344,704,770
Less : Expected credit loss	(290,669)	(5,187,008)	(198,322)	(4,618,192)
	<b>644,019,739</b>	<b>1,591,613,304</b>	<b>239,123,028</b>	<b>1,340,086,578</b>



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43 Financial Risk Management (continued)

(ii) Credit risk (Continued)

The Group uses a similar approach for assessments for ECLs for cash and cash equivalent to those used for debt securities.

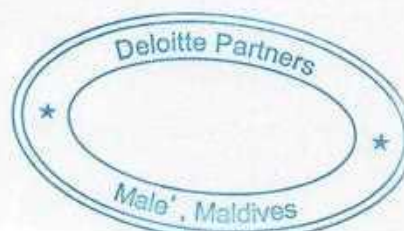
Impairment on cash and cash equivalent has been measured on a 12- month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalent have low credit risk based on the external credit ratings of the counterparties.

	Group		Company	
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
<b>Analysis of Financial assets measured at amortized cost</b>				
Not Impaired	2,781,017,607	1,424,349,078	2,417,223,780	1,002,300,000
BBB- to AAA	425,450,410	981,083,216	425,450,410	928,077,000
BB- to BB+	-	-	-	-
B- to B+	-	85,908,068	-	-
C to CCC+	159,286,353	-	-	-
<b>Total Gross Carrying Amounts</b>	<b>3,365,754,370</b>	<b>2,491,340,362</b>	<b>2,842,674,190</b>	<b>1,930,377,000</b>
Provision for impairment	(630,374)	(2,003,926)	(556,251)	-
<b>Total net amount</b>	<b>3,365,123,996</b>	<b>2,489,336,436</b>	<b>2,842,117,939</b>	<b>1,930,377,000</b>
<b>Movement in the allowances of the impairment for debt securities at amortized cost during the year.</b>				
	2024 MVR	2023 MVR	2024 MVR	2023 MVR
Balances as at 1st January	2,003,925	1,448,085	-	-
During the year provision	(1,373,551)	555,840	556,251	-
Balances as at 31st December	<b>630,374</b>	<b>2,003,925</b>	<b>556,251</b>	-

**Balances with banks**

The Group's balance with bank are primarily held at major financial institutions in the jurisdictions in which the Group operates. The Group monitors risks associated with cash and short term investments by regularly reviewing the financial strength and creditworthiness of these financial institutions and more frequently during periods of economic volatility.

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's 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, without incurring unacceptable losses or risking damage to the Group's reputation. The Group closely monitors cash inflows and outflows sector levels to ensure matching of cash flows wherever possible.



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FOR THE YEAR ENDED 31ST DECEMBER 2024

44 EVENTS AFTER THE REPORTING DATE

44.1 Dividend

Subject to the approval of the shareholders at the Annual General Meeting, the Board of Directors recommends a First and Final dividend of MVR 80 per ordinary share for the year ended 31st December 2024 (31st December 2023: MVR 80/-). The dividend payable has not been accounted for until it is approved at the forthcoming Annual General Meeting.

44.2 Purchase of a vessel

The company has acquired a Barge vessel amounting MVR 17,950,000/-.

45 DIRECTOR'S RESPONSIBILITY

The Board of Directors of the Group / the Company is responsible for the preparation and presentation of these consolidated and separate financial statements.

46 CORRESPONDING FIGURES

The corresponding figures of the financial statements have been reclassified to conform with current year's classifications.

47 INVESTMENT IN SUBSIDIARIES

The Company is the parent company for the following subsidiary companies.

	Country of incorporation	No of shares		Shareholding	
		2024	2023	2024	2023
Maldivo Gas Private Limited	Republic of Maldives	61,200	61,200	90.00%	90.00%
Allied Insurance Company of the Maldives Private Limited	Republic of Maldives	299,998	299,998	99.99%	99.99%
STO Maldives (Singapore) Private Limited	Singapore	200,000	200,000	100.00%	100.00%
Fuel Supplies Maldives Private Limited	Republic of Maldives	15,299	15,299	99.99%	99.99%
Maldives National Oil Company Limited	Republic of Maldives	99,999	99,999	99.99%	99.99%
STO Hotels & Resorts Private Limited	Republic of Maldives	9,999	9,999	99.99%	99.99%
Maldives State Shipping Company Private Limited	Republic of Maldives	999.90	999.90	99.99%	99.99%

47.1 Principal subsidiaries with material non-controlling interests

Summarised financial information in respect of STO PLC's subsidiary Maldivo Gas Private Limited that have material non-controlling interest.

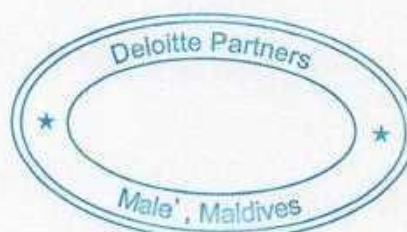
Maldivo Gas Private Limited (the "Company") is a Company incorporated and domiciled in the Republic of Maldives as a private limited liability Company under the Companies Act No. 10 of 1996, with its registered office H. Maizain, Sosun Magu, Male', Republic of Maldives.

Summarised financial details before inter-company eliminations, is set out below.

As at 31 December	2024 MVR	2023 MVR
Non-controlling interest in %	10%	10%
Non-current assets	284,277,144	282,669,138
Current assets	119,495,682	96,439,601
Total assets	403,772,826	379,108,739
Equity	258,939,355	255,756,177
Non-current liabilities	112,471,487	73,250,863
Current liabilities	32,361,984	50,101,699
Total liabilities	144,833,471	123,352,562

For the year ended 31 December

Revenue from contracts with customers	281,957,303	272,781,430
Profit after tax	18,979,581	26,148,716
Total comprehensive income / (Loss)	203,597	(4,156)
Net cash generated from operating activities	36,904,126	60,592,418
Net cash used in investing activities	(23,795,768)	(28,565,040)
Net cash used in financing activities	1,408,845	(705,612)
Cash and cash equivalents at the end of the year	57,842,636	43,325,432



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48 RELATED PARTY TRANSACTIONS

48.1 GROUP

Name of the related party	Relationship	Nature of the transaction	Amount		Balance outstanding due from / (to)			
			2024	2023	31/12/2024		31/12/2023	
			MVR	MVR	Receivables	Payables	Receivables	Payables
Maldives Structural Product Private Limited	Joint venture	Purchase of goods	(78,560,738)	(82,133,603)	-	(30,346,734)	-	(16,569,025)
		Dividend received	10,000,000	8,000,000	-	-	-	-
		Payment received	(10,020,267)	-	-	-	-	-
		Commission received	969,986	-	-	-	-	-
		Other income	20,267	2,356,549	-	-	-	-
		Payment made	63,813,042	65,756,977	-	-	-	-
Raysut Maldives Cement Private Limited	Associate	Purchase of goods	(82,582,563)	(100,887,514)	2,177,916	(32,361,284)	1,919,424	(35,179,397)
		Payment made	85,402,376	97,999,653	-	-	-	-
		Transportation charges paid	-	(1,486,535)	-	-	-	-
		Sales of goods	469,855	206,104	-	-	-	-
		Payment received	(213,065)	(206,104)	-	-	-	-
Ministry of Finance and Treasury	Majority shareholder	Food subsidy income	421,441,207	335,401,269	494,265,345	(44,001,500)	598,267,301	(71,903,277)
		Fuel subsidy	1,590,066,422	1,886,244,318	-	-	-	-
		Interest receivable	102,444,066	125,020,595	-	-	-	-
		Interest payable	-	(11,123,475)	-	-	-	-
		Other services	9,571	23,376	-	-	-	-
		Sale of goods	38,762,535	7,200	-	-	-	-
		Loans repaid	-	(192,750,000)	-	-	-	-
		Payment received	(2,256,725,757)	(2,019,164,706)	-	-	-	-
		Loan Off-set	27,901,777	-	-	-	-	-
		Ministry of Health	Affiliate company	Sale of goods	273,542,700	170,319,869	340,280,136	-
		Payment received	(163,740,556)	(174,510,385)	-	-	-	-
		Rent	1,534,839	-	-	-	-	-
		Service provided	13,728	-	-	-	-	-
State Electric Company ( STELCO)	Affiliate company	Service obtained	(22,810,282)	(20,798,339)	208,638,152	(2,269,163)	150,932,209	(3,583,376)
		Payment made	26,840,580	17,214,963	-	-	-	-
		Payment received	(1,600,907,342)	(1,428,267,448)	-	-	-	-
		Sale of goods and fuel	1,658,652,890	1,472,717,480	-	-	-	-
		Purchase of goods	(2,755,689)	-	-	-	-	-
Indira Gaandhi Memorial Hospital	Affiliate company	Sale of goods	326,197,959	346,349,443	204,259,639	(504,593)	131,383,405	(232,674)
		Rent	(3,451,650)	-	-	-	-	-
		Payment made	3,369,600	-	-	-	-	-
		Service obtained	(271,919)	-	-	-	-	-
		Payment received	(253,239,675)	(336,559,411)	-	-	-	-
Rainbow Enterprises Private Limited	Affiliate company	Purchase of goods	(888,380)	(719,809)	3,380,383	(56,290)	8,371,788	(79,380)
		Sale of goods	16,502	9,127,432	-	-	-	-
		Service obtained	(307,181)	-	-	-	-	-
		Payment made	1,218,652	640,429	-	-	-	-
		Interest	100,335	423,495	-	-	-	-
		Payment received	(5,108,243)	(16,162,772)	-	-	-	-
Maldives Road Development Corporation	Affiliate company	Sale of goods	3,800	-	38,594,498	-	38,594,498	-
		Payment received	(3,800)	-	-	-	-	-
Hulhumale Hospital	Affiliate company	Sale of goods	60,031,607	42,364,870	49,102,355	(16,500)	15,315,384	-
		Payment received	(26,244,636)	(50,303,381)	-	-	-	-
		CSR	(16,500)	-	-	-	-	-
		Payment made	461,000	-	-	-	-	-
		Rent expense	(461,000)	-	-	-	-	-
Ministry of Housing and Infrastructure	Affiliate company	Sale of goods	14,446	-	98,360,863	(18,638,882)	98,356,205	(15,830,882)
		Service obtained	(2,819,635)	(2,808,000)	-	-	-	-
		Payment made	7,140	-	-	-	-	-
		Payment received	(5,293)	-	-	-	-	-
Fenaka Corporation Limited	Affiliate company	Sale of goods and fuel	1,180,719,941	1,037,978,696	2,301,168,586	(4,522,666)	1,942,405,997	(29,028,370)
		Service obtained	(8,790,740)	(8,964,397)	-	-	-	-
		Payment made	22,332,064	-	-	-	-	-
		Payment received	(810,992,972)	(909,801,608)	-	-	-	-
Maldives Airport Company Limited	Affiliate company	Sale of fuel	3,092,402,648	2,675,261,789	328,155,731	(21,520,434)	114,698,418	(339,023)
		Sale of goods	2,337,346	2,540,719	-	-	-	-
		Sale of services	908,274	-	-	-	-	-
		Interest income	1,430,537	-	-	-	-	-
		Expense Reimbursement	6,262,409	-	-	-	-	-
		Payment received	(2,889,883,902)	(2,647,103,951)	-	-	-	-
		Dollar purchase	(74,016,000)	-	-	-	-	-
		Purchase of Fuel	(24,983,958)	-	-	-	-	-
		Payment made	78,983,792	-	-	-	-	-
		Services obtained	(1,165,245)	(339,023)	-	-	-	-



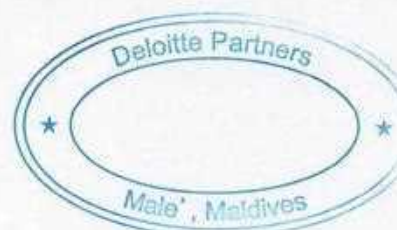
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48 RELATED PARTY TRANSACTIONS

48.1 GROUP

Addu International Airport Private Limited	Affiliate company	Sale of goods	11,152,882	9,055,735	24,387,431	-	20,565,435	-
		Rent paid	(3,868,320)	(4,190,680)				
		Purchase of fuel	-	(4,030,536)				
		Fines	-	24,569				
		Payment made	3,545,960	646,081				
		Payment received	(7,008,525)	(18,095,995)				
Assandha Private Limited	Affiliate company	Sale of goods	357,462,127	338,592,844	253,816,463	(3,299,517)	248,799,074	(3,440,850)
		Payment received	(352,303,405)	(221,530,279)				
Maldives Shipping Services Lanka Private Limited	Associate	Reimbursements	-	(1,670,445)	-	-	-	-
National Social protection Agency	Affiliate company	Sales	300,976,205	204,466,923	201,780,032	-	83,316,030	-
		Payment received	(182,512,213)	(141,170,320)				
United Nations office	Affiliate company	Sales	3,950,882	73,083,954	-	-	72,586,151	-
		Payment received	(76,537,033)	(497,803)				
Ministry of Construction	Affiliate company	Sales	443,985	18,964	20,961,246	-	85,667,629	-
		Claims for fuel expenses	81,878,961	105,774,035				
		Payment received	(147,029,329)	(42,308,847)				
Housing Development Corporation Limited	Affiliate company	Rent Expense	(14,484,842)	(14,416,564)	3,633,973	(13,004,229)	-	(13,080,539)
		Other fees	(1,752,074)	(716,128)				
		Land acquisition fee	(12,822,000)	-				
		Payment made	31,799,498	15,046,870				
		Payment received	(994,577)	-				
		Sale of goods	1,964,278	-				
Maldives Industrial Fisheries Company Limited	Affiliate company	Sale of goods	4,419,020	9,825,839	74,592,387	(2,124,317)	124,702,433	-
		Sale of fuel	291,347,373	-				
		Service obtained	(506,100)	-				
		Payment received	(284,459,916)	(62,428,157)				
		Loan given	-	47,756,881				
		Service provided	3,756	2,159,771				
		CSR contribution	50,000	-				
		Purchase of foreign currency	(30,840,000)	(947,050,140)				
		Loan Set-off	(62,361,925)	-				
National Disaster Management Authority	Affiliate company	Payment received	(3,936,771)	(18,226,374)	36,487,684	-	40,424,454	-
Maldives Pension Administrative Office	Affiliate company	Pension Expense	(20,341,578)	(16,355,206)	30,923	(1,804,068)	-	(1,665,931)
		Other services	-	(150,000)				
		Payment made	20,203,442	16,471,714				
		Service provided	270,103	-				
		Payment received	(239,180)	-				
Champa Gas & Oil Company Private Limited	Affiliate company	Sale of fuel	77,332,904	92,413,277	9,604,686	-	11,082,277	-
		Payment received	(78,810,494)	(104,764,234)				
Maldives Transport and Contracting Company	Affiliate company	Sale of goods	60,811,799	176,567,929	152,201,275	(2,935,055)	110,396,710	(1,637,188)
		Sale of fuel	256,440,928	-				
		Hire Charges	32,400	76,950				
		Purchase of Goods	(12,693,753)	(9,626,162)				
		Service Obtained	(9,492,655)	-				
		Payments made	15,714,347	8,084,099				
		Payment received	(270,306,367)	(139,000,001)				
Island Aviation Services Limited	Affiliate company	Sales	56,858,346	56,524,396	21,521,730	(1,083,232)	18,900,200	(4,508,610)
		Other services	80,317	371,833				
		Purchases	(2,229,266)	(2,550,314)				
		Payments made	5,654,644	1,301,289				
		Payment received	(54,317,133)	(42,822,512)				
Treetop Health Pvt Ltd	Affiliate company	Payment made	462,650	86,637	2,212,288	(46,429)	797,527	(53,362)
		Purchase of goods	(455,717)	(139,999)				
		Sale of goods	9,212,363	5,037,047				
		Payment received	(7,852,723)	(6,605,303)				
		Fines received	55,122	30,053				



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48 RELATED PARTY TRANSACTIONS (CONTINUED)

48.1.1 Transactions with Key Management Personnel

The Board of Directors and Managing Director of the Group are the members of the key management personnel. Key management personnel compensation comprised the following:

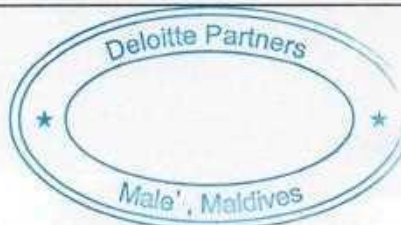
	2024	2023
	MVR	MVR
Short term employee benefits	4,691,682	5,288,067

48.1.2 Collectively, but not individually, significant transactions.

The Government of Maldives is the major shareholder of the parent Company. The Group has transactions with entities directly or indirectly controlled by the Government of Maldives through its authorities, agencies, affiliations and other organizations, collectively referred to as government entities. The Group has transactions with other government related entities including but not limited to sales, purchases, rendering of services, lease of assets and use of public utilities.

48.2 COMPANY

Name of the related party	Relationship	Nature of the transaction	Amount		Balance outstanding due from / (to)							
			2024	2023	31/12/2024		31/12/2023					
			MVR	MVR	MVR	MVR	MVR	MVR				
Maldives Transport and Contracting Company	Affiliate company	Sales	60,811,799	176,567,929	63,458,738	(2,935,055)	59,964,131	(1,637,188)				
		Hire Charges	32,400	76,950								
		Purchase of Goods	(12,693,753)	(9,626,162)								
		Service Obtained	(9,492,655)	-								
		Payments made	20,888,542	8,084,099								
		Payment received	(57,349,591)	(139,000,001)								
Island Aviation Services Limited	Affiliate company	Sales	56,457,073	56,524,396	21,514,226	(1,083,232)	18,750,284	(4,508,610)				
		Other services	80,317	371,833								
		Purchases	(2,229,266)	(2,550,314)								
		Payments made	5,654,644	1,301,289								
		Payment received	(53,773,448)	(42,822,512)								
National Disaster Management Authority	Affiliate company	Payment received	(9,393,258)	(18,226,374)	31,009,974	-	40,403,232	-				
Allied Insurance Company of the Maldives Private Limited	Subsidiary	Sale of goods	11,377,797	9,618,678	22,545,375	(129,897,532)	11,926,716	(82,017,164)				
		Service obtained	(60,040,402)	(54,695,388)								
		Interest paid	(3,245,454)	(2,405,986)								
		Payment made	15,405,488	44,157,100								
		Claims received	1,809,742	4,068,263								
		Payment received	(33,175,027)	(24,846,115)								
		Rent received	500,348	1,463,568								
		Expense reimbursement	106,000	504,485								
Dividend received	29,999,800	-	-	-	-	-	-					
Maldivian National Oil Company Limited	Subsidiary	Expense reimbursement	142,960	62,457	276,604	-	133,644	-				
Maldivian Gas Private Limited	Subsidiary	Sale of goods	202,729	146,550	7,390,259	(5,992,812)	1,104,539	(6,694,349)				
		Purchase of goods	(11,842,145)	(13,946,038)								
		Dividend received	14,400,000	-								
		Rent received	2,083,569	2,082,797								
		Payment made	12,379,646	9,038,231								
		Service provided	164,035	182,526								
		Expense reimbursement	51,965	253,378								
		Payment received	(10,452,543)	(2,643,741)								
		Sale of fuel	6,075,328,505	8,794,300,733					2,815,961,292	(1,033,005)	2,636,024,832	(1,033,005)
		Purchases of fuel	(518,889,193)	(1,728,618,383)								
Payment made	1,427,342,116	2,870,467,249										
Rent Income	10,085,127	9,770,403										
Service provided	8,357,289	878,383										
Rebate paid on fuel sales	(211,235,642)	(115,520,949)										
Payment received	(5,913,974,540)	(7,743,564,968)										
Sale of fixed Assets	-	(14,146,643)										
Advance rent	-	(90,300)										
Government subsidy payable/claim	(667,098,844)	(997,970,088)										
STO Maldives (Singapore) Private Limited	Subsidiary	Transportation charges paid	(29,978,157)	(5,135,070)	-	-	-	-				
STO Maldives (Singapore) Private Limited	Subsidiary	Payment made	100,924	81,138	27,868,312	-	27,767,388	-				
		Payments received	-	(705,851)								
Maldivian Industrial Fisheries Company Limited	Affiliate company	Sale of goods	2,034,624	8,572,454	53,393,286	(2,124,317)	124,454,068	-				
		Purchase of goods	(3,263,818)	(3,645,180)								
		Service obtained	(506,100)	-								
		Payment made	33,376,414	886,031,596								
		Expense Reimbursement	-	11,639,814								
		Payment received	(11,678,050)	(61,113,467)								
		Loan given	-	47,756,881								
		Service provided	3,756	2,159,771								
		CSR contribution	50,000	-								
		Purchase of foreign currency	(30,840,000)	(947,050,140)								
STO Hotels & Resorts Private Limited	Subsidiary	Loan Set-off	(62,361,925)	-	-	-	-					
STO Hotels & Resorts Private Limited	Subsidiary	Expense Reimbursement	17,257,368	39,609	98,647,452	-	81,390,084	-				
		Payments received	-	(124,435,545)								



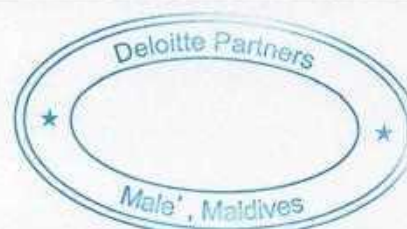
STATE TRADING ORGANIZATION PLC  
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48 RELATED PARTY TRANSACTIONS (CONTINUED)

48.2 COMPANY (CONTINUED)

Name of the related party	Relationship	Nature of the transaction	Amount		Balance outstanding due from / (to)			
			2024	2023	31/12/2024		31/12/2023	
			MVR	MVR	MVR Receivables	MVR Payables	MVR Receivables	MVR Payables
Maldives Structural Product Private Limited	Joint venture	Purchase of goods	(78,560,738)	(82,133,603)	-	(30,346,734)	-	(16,569,025)
		Dividend received	10,000,000	8,000,000				
		Payment received	(10,020,267)	-				
		Commission received	969,986	-				
		Other income	20,267	2,356,549				
		Payment made	63,813,042	65,756,977				
Raysut Maldives Cement Private Limited	Associate	Purchase of goods	(82,582,563)	(100,887,514)	2,172,668	(32,361,284)	1,919,533	(35,179,397)
		Payment made	85,400,675	97,999,653				
		Transportation charges paid	-	(1,486,535)				
		Sales	253,135	-				
Maldives State Shipping Company Private Limited	Subsidiary	Investment	-	-	369,331,144	(37,252,376)	249,421,597	(8,507,892)
		Loans given	122,881,517	110,314,969				
		Sales of goods	(78,818,789)	(147,710,310)				
		Rent income	1,063,440	677,798				
		Services provided	9,220,547	119,545				
		Interest	9,879,509	17,482,045				
		Loans received	(45,127,384)	(136,987,280)				
		Payments received	-	(27,015,325)				
		Lease receivable	25,308,185	27,245,691				
		Fixed deposit interest	1,633,553	2,096,259				
		Claims received	(2,898)	461,561				
		Payments made	45,127,384	197,686,341				
		Ministry of Finance and Treasury	Majority Shareholder	Food subsidy income	421,441,207	335,401,269	494,265,345	(44,001,500)
Fuel subsidy	1,590,066,422			1,886,244,318				
Interest receivable	102,444,066			125,026,595				
Interest payable	-			(11,123,475)				
Sale of goods	38,762,535			7,200				
Other services	9,571			23,376				
Loans repaid	-			(192,759,000)				
Payment received	(2,256,725,757)			(2,019,164,706)				
Loan Off-set	27,901,777			-				
Ministry of Health	Affiliate company			Sale of goods	269,033,130	170,310,069	339,716,274	-
		Payment received	(158,744,753)	(174,510,385)				
		Rent	1,534,839	-				
		Service provided	13,728	-				
State Electric Company (STELCO)	Affiliate company	Service obtained	(22,856,482)	(20,798,339)	208,337,764	(2,269,163)	150,555,229	(3,583,376)
		Payment made	24,514,569	17,214,963				
		Payment received	(1,596,782,896)	(1,428,176,555)				
		Sale of goods and fuel	1,654,565,431	1,472,586,598				
		Purchase of goods	(343,875)	-				
Indira Gandhi Memorial Hospital	Affiliate company	Sale of goods	325,459,158	246,333,743	203,665,417	(504,593)	130,555,312	(232,674)
		Rent	(3,369,600)	-				
		Payment made	3,369,600	-				
		Payment received	(252,349,052)	(336,553,016)				
		Service obtained	(271,919)	(332,674)				
Rainbow Enterprises Private Limited	Affiliate company	Purchase of goods	(888,380)	(719,809)	3,380,383	(56,290)	8,371,788	(79,380)
		Service obtained	(207,181)	-				
		Sale of goods	16,502	9,127,432				
		Payment made	1,218,652	640,429				
		Interest	100,335	423,495				
		Payment received	(5,108,243)	(16,162,772)				
Hulhumale Hospital	Affiliate company	Sale of goods	58,165,248	39,811,565	48,497,490	(16,500)	14,666,608	-
		Payment received	(24,334,366)	(47,468,594)				
		CSR	(16,500)	-				
		Payment made	461,000	-				
		Rent expense	(461,000)	-				
Fenaka Corporation Limited	Affiliate company	Sale of goods	-	351,823	5,155,754	(3,439,524)	40,369,759	(28,176,408)
		Service obtained	(8,559,559)	(8,727,982)				
		Payment made	22,332,064	-				
		Payment received	(24,249,626)	(112,414)				



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48 RELATED PARTY TRANSACTIONS (CONTINUED)

48.2 COMPANY (CONTINUED)

Name of the related party	Relationship	Nature of the transaction	Amount		Balance outstanding due from / (to)			
			2024	2023	31/12/2024		31/12/2023	
			MVR	MVR	MVR	MVR	MVR	MVR
				Receivables	Payables	Receivables	Payables	
Maldives Airport Company Limited	Affiliate company	Sale of fuel	3,082,598,558	2,675,119,104	327,785,956	(21,520,434)	113,791,073	(339,023)
		Sale of goods	2,164,171	2,322,522				
		Sale of services	908,274	-				
		Interest income	1,430,537	-				
		Expense Reimbursement	6,262,409	-				
		Payment received	(2,879,369,067)	(2,646,782,694)				
		Dollar purchase	(74,016,000)	-				
		Purchase of Fuel	(24,983,958)	-				
		Payment made	78,983,792	-				
		Services obtained	(1,165,245)	(339,023)				
Addu International Airport Private Limited	Affiliate company	Sale of goods	11,152,882	9,055,735	22,793,460	-	18,971,463	-
		Rent paid	(3,868,320)	(4,190,680)				
		Purchase of fuel	-	(4,030,536)				
		Fines	-	24,569				
		Payment made	3,545,960	646,081				
		Payment received	(7,008,525)	(18,095,995)				
Ministry of Housing and Infrastructure	Affiliate company	Service obtained	(2,815,140)	(2,808,000)	98,145,303	(18,638,882)	98,145,303	(15,830,882)
		Sale of goods	5,293	-				
		Payment made	7,140	-				
		Payment received	(5,293)	-				
Aasandha Private Limited	Affiliate company	Sale of goods	357,462,127	338,592,844	253,816,463	(3,299,517)	248,799,074	(3,440,850)
		Payment received	(352,303,405)	(221,530,279)				
Housing Development Corporation Limited	Affiliate company	Rent Expense	(14,484,842)	(14,416,564)	3,633,973	(13,004,229)	-	(13,080,539)
		Other fees	(1,752,074)	(716,128)				
		Land acquisition fee	(12,822,000)	-				
		Payment made	31,799,498	15,046,870				
		Payment received	(994,577)	-				
Maldives Pension Administrative Office	Affiliate company	Sale of goods	1,964,278	0				
		Pension Contribution	(20,341,578)	(16,355,206)	30,923	(1,804,068)	-	(1,665,931)
		Other services	-	(150,000)				
		Payment made	20,203,442	16,471,714				
		Service provided	270,103	-				
Champa Gas & Oil Company Private Limited	Affiliate company	Payment received	(239,180)	-				
		Sale of fuel	77,332,904	92,413,277	9,604,686	-	11,082,277	-
National Social protection Agency	Affiliate company	Payment received	(78,810,494)	(104,764,234)				
		Sales	300,976,205	204,466,923	201,780,032	-	83,316,039	-
United Nations office	Affiliate company	Payment received	(182,512,213)	(141,170,320)				
		Sales	3,950,882	73,083,954	-	-	72,586,151	-
Ministry of Construction	Affiliate company	Payment received	(76,537,033)	(497,803)				
		Sales	89,631	18,964	20,312,629	-	83,764,460	-
		Claims for fuel expenses	81,878,961	105,774,035				
Treetop Health Pvt Ltd	Affiliate company	Payment received	(145,420,422)	(42,308,847)				
		Payment made	462,650	86,637	2,142,908	(46,429)	789,347	(53,362)
		Purchase of goods	(455,717)	(139,999)				
		Sale of goods	8,822,952	5,037,047				
		Payment received	(7,524,513)	(6,605,303)				
		Fines received	55,122	20,053				

48.2.1 Trade receivable and payable from related parties are unsecured, at no fixed interest rate and repayable on demand. Therefore, the full amount has shown as current receivables and payables.

48.2.2 Transactions with key management personnel

The Managing Director and a board of directors of the Company are the members of the key management personnel. Key management personnel compensation comprised the following.

	2024	2023
	MVR	MVR
Short term employee benefits	3,394,064	3,570,573

