Registered number: 10949203

JML International Limited

Directors' report and financial statements for the year ended 31 December 2022

JML International Limited

Contents

Directors' report
for the year ended 31 December 2022

The directors of JML International Limited (the 'Company') present their report and the audited financial statements for the year ended 31 December 2022.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 and have not prepared a Strategic report.

Principal activity

The principal activity of the Company is to make investments in connectivity projects.

Results and dividends

The loss for the year, after taxation, amounted to $22.261 million (2021: $3.538 million). During the year, an evaluation of the Company's investment took place leading to an impairment of $20.272 million (2021: $nil). This impairment has been recognised in the statement of comprehensive income.

No dividends will be distributed for the year ended 31 December 2022 (2021: $nil).

Directors

The directors of the Company at the date of signing are set out below. They served as directors for the entire year unless otherwise stated.

K R Kelly
S J S Taylor (resigned 14 December 2022)
N P Jariwala (appointed 14 December 2022)

The directors and their families had no other interests in the shares of the Company or any other group company at 31 December 2022 that require disclosure.

Going concern

The directors have evaluated the relevant conditions and events that are known and reasonably knowable at the date that the financial statements are approved. The Company's ultimate parent company, Meta Platforms, Inc., has also indicated that it will provide such financial support to the Company, in the event that funds are not otherwise available, to enable it to meet its obligations as they fall due for a period of twelve months from the date of approval of the financial statements. The directors have a reasonable expectation, based on their review of the projected business operations and the financial support that will be provided by the ultimate parent company, that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these financial statements. The Company therefore continues to adopt the going concern basis in preparing its financial statements

Qualifying third party indemnity provisions

The Company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Directors' report (continued)
for the year ended 31 December 2022

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

The directors at the time when this directors' report is approved have confirmed that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Events since year end

The financial statements have been prepared based upon conditions existing at 31 December 2022 and considers any relevant events that occur subsequent to that date, that provide evidence of conditions that existed at the end of the reporting period.

Subsequent to the year end, $10 million were disbursed as part of an existing loan facility with a third party.

Capital contribution of $13.8 million was received from the immediate parent company to fund these distributions.

There have been no further significant events between 31 December 2022 and the date of approval of these financial statements, affecting the Company which required adjustment or disclosure in the financial statements.

Directors' report (continued)
for the year ended 31 December 2022

Independent auditor

In accordance with section 485 of the Companies Act 2006, the auditor will be deemed to be reappointed and, Ernst & Young Chartered Accountants, will therefore continue in office.

This report was approved by the board and signed on its behalf.

N P Jariwala
Director
Date: 26 September 2023

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JML INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of JML International Limited (the 'Company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 10 to 24, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, that may cast significant doubt on the Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JML INTERNATIONAL LIMITED (Continued)

Other information (Continued)

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JML INTERNATIONAL LIMITED (Continued)

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are FRS 101, the small companies regime of the Companies Act 2006 and the relevant direct tax compliance regulations in the United Kingdom.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our enquires through reading board resolutions and any correspondence with relevant authorities, and we noted that there is no contradictory evidence;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override related to posting of manual journals outside routine financial statement close process. Our procedures to address this risk include making enquiries of management, those charged with governance and others withing the entity, as to whether they have knowledge of any actual or suspected fraud. The audit procedures to address the fraud risk included testing manual journals falling under a specific criteria. The audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error;
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria. We read the minutes of boards resolutions to identify any non-compliance with laws and regulations We also made enquiries with the management of the Company regarding compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Teresa Tully

Teresa Tully (Senior statutory auditor)
for and on behalf of Ernst & Young Chartered Accountants, Statutory Auditor
Dublin

28 September 2023

Statement of comprehensive income for the year ended 31 December 2022

	Notes	2022 $'000	2021 $'000
Administrative expenses		**(3,552)**	(2,155)
Operating loss	4	**(3,552)**	(2,155)
Loss from interests in associate undertakings	7	**(20,875)**	(1,684)
Loss before interest and taxation		**(24,427)**	(3,839)
Interest receivable and similar income	5	**1,474**	301
Loss on ordinary activities before taxation		**(22,953)**	(3,538)
Tax credit for the year	6	**692**	—
Loss for the financial year - attributable to owners		**(22,261)**	(3,538)
Total comprehensive loss for the year: -attributable to owners		**(22,261)**	(3,538)

The loss for the financial year and the accumulated loss brought forward have been debited to the Company's retained deficit.

Operating loss arose solely from continuing operations.

The notes on pages 10 to 24 form an integral part of these financial statements.

JML International Limited

Registered number: 10949203

Statement of financial position as at 31 December 2022

	Notes	2022 $'000	2021 $'000
Non-current assets			
Investments in associate	7	**11,900**	32,775
		11,900	32,775
Current assets			
Debtors: amounts falling due after more than one year	8	**31,924**	13,087
Debtors: amounts falling due within one year	8	**954**	2,232
Cash and cash equivalents	9	**2,789**	13,543
		35,667	28,862
Creditors: amounts falling due within one year	10	**(291)**	(10,300)
Net current assets		**35,376**	18,562
Total assets less current liabilities		**47,276**	51,337
Net assets		**47,276**	51,337
Capital and reserves			
Called up share capital presented as equity	11	**—**	—
Capital contributions	11	**83,227**	65,027
Retained deficit	11	**(35,951)**	(13,690)
Equity shareholder's funds		**47,276**	51,337

The notes on pages 10 to 24 form an integral part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

The financial statements on pages 7 to 24 were approved and authorised for issue by the board and were signed on its behalf.

N R Jariwala
Director
Date: 26 September 2023

JML International Limited

Statement of changes in equity for the year ended 31 December 2022

	Called up share capital presented as equity* $'000	Capital contributions $'000	Retained deficit $'000	Equity shareholder's funds $'000
At 1 January 2021	—	43,000	(10,152)	32,848
Loss for the financial year, representing total comprehensive loss	—	—	(3,538)	(3,538)
Proceeds from capital contributions (Note 11)	—	22,027	—	22,027
At 31 December 2021 and 1 January 2022	**—**	**65,027**	**(13,690)**	**51,337**
Loss for the financial year, representing total comprehensive loss	—	—	(22,261)	(22,261)
Proceeds from capital contributions (Note 11)	—	18,200	—	18,200
Balance at 31 December 2022	**—**	**83,227**	**(35,951)**	**47,276**

*Called up share capital presented as equity is $1. See note 11 for further details.

The notes on pages 10 to 24 form an integral part of these financial statements.

JML International Limited

Notes to the financial statements for the year ended 31 December 2022

1. General information

The principal activity of JML International Limited (the 'Company') is to make investments in connectivity projects.

The Company is a limited company incorporated and domiciled in England. The Company's registered number is 10949203 and registered office is located at 10 Brock Street, Regent's Place, London, NW1 3FG.

The financial statements of the Company for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the director dated 26 September 2023.

The ultimate holding company and ultimate controlling party is Meta Platforms, Inc., (formerly Facebook, Inc.) a company incorporated in the state of Delaware, USA. The ultimate holding company and controlling party of the smallest and largest group of which the Company is a member, and for which consolidated financial statements are drawn up, is Meta Platforms, Inc. The immediate parent company of the Company is Facebook International Operations Limited, a company established under the laws of the Republic of Ireland.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements are presented in United States Dollar ("$"). This is also the functional currency of the entity as it is the currency of the primary economic environment in which the entity operates. Unless otherwise stated, the financial statements have been presented in thousands ('$000'). The prior year financial statements were presented to the nearest dollar.

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards issued by the Financial Reporting Council and the Companies Act 2006.

The financial statements comply with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006. The financial statements are prepared under the historical cost convention, unless otherwise stated.

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in FRS 101, which addresses the financial reporting requirements and disclosure exemptions in the financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

Critical accounting estimates and judgements
The preparation of financial statements in conformity with FRS 101 applicable laws and UK accounting standards requires the use of certain assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.12.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

2. Significant accounting policies (continued)

2.1 Basis of preparation of financial statements (continued)

Going concern
The directors have evaluated the relevant conditions and events that are known and reasonably knowable at the date that the financial statements are approved. The Company's ultimate parent company, Meta Platforms, Inc., has also indicated that it will provide such financial support to the Company, in the event that funds are not otherwise available, to enable it to meet its obligations as they fall due for a period of twelve months from the date of approval of the financial statements. The directors have a reasonable expectation, based on their review of the projected business operations and the financial support that will be provided by the ultimate parent company, that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these financial statements. The Company therefore continues to adopt the going concern basis in preparing its financial statements

FRS 101 exemptions
The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirement in paragraph 38 of IAS 1, 'Presentation of Financial Statements' to present comparative information in respect of;
  - Paragraph 79(a)(iv) of IAS 1, 'Presentation of Financial Statements',
- The requirements IAS 1, 'Presentation of Financial Statements'
  - 10(d) (Statement of Cash Flows),
  - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 40A-D (requirements for a third statement of financial position),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures).
- The requirements of IAS 7, 'Statement of Cash Flows'.
- Paragraph 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and errors'.
- The requirements in IAS 24, 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirements of paragraphs 17 and 18A of IAS 24, 'Related Party Disclosures'.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 'Impairment of Assets'.

The consolidated financial statements of Meta Platforms, Inc. are available to the public and can be downloaded free of charge from the Company's investor relations website, located at http://investor.fb.com. The equivalent disclosures where required to apply the disclosure reductions of FRS 101, are included within the Form 10-K document that contains the publicly available financial statements of Meta Platforms, Inc.

2. Significant accounting policies (continued)

2.1 Basis of preparation of financial statements (continued)

Recent Accounting Pronouncements
The following new standards and amendments are effective for the first time for periods beginning on or after 1 January 2022:

- References to the Conceptual Framework - Amendments to IFRS 3
- Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37
- Annual Improvements Process:
    - IFRS 9 - Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities

The adoption of the amendments above has resulted in no impact for the Company.

2.2 Foreign currencies

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

Non-monetary assets and liabilities which are measured using historic cost are translated at the exchange rate at the date of the initial translation and are not subsequently retranslated. Non-monetary assets and liabilities which are measured using fair value are translated at the exchange rates at the date when the fair value was determined.

2. Significant accounting policies (continued)

2.3 Income tax

Income tax on the statement of comprehensive income for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current and deferred tax is valued according to the tax rates and regulations enacted as per the statement of financial position date.

Current tax
Current tax is the expected tax payable or receivable on the taxable income for the year and any adjustment to tax payables or receivables in respect of previous years.

The Company shall offset current tax assets and current tax liabilities if the Company has a legally enforceable right to settle the current tax assets and liabilities, the current tax assets and liabilities relate to income taxes levied by the same taxation authority, and the Company intends to either settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Deferred tax
Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and for the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced when it is probable that sufficient taxable profit will not be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company shall offset deferred tax assets and deferred tax liabilities if the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity, or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current or deferred tax assets and liabilities are not discounted.

2.4 Interest receivable and similar income

Interest receivable and similar income comprises interest receivable on loans receivable and cash at bank and bank deposits calculated using the effective interest rate method, and recognised in the statement of comprehensive income.

2. Significant accounting policies (continued)

2.5 Cash and cash equivalents

Cash and cash equivalents are short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Cash and cash equivalents include cash balances on hand, held for the purpose of meeting short-term cash commitments and bank deposits. Cash at bank and bank deposits earn interest at floating rates based on daily deposit banks rates. Bank deposits are made for varying periods depending on the immediate cash requirements of the Company and earn interest at the respective deposit interest rates.

The Company together with other legal entities in the Meta group is a member of a multi-currency notional cash pooling arrangement with a third-party bank provider. Cash balances from the Meta group cash pooling arrangement are presented in cash and cash equivalents or borrowings.

2.6 Investment in associate

Investments in associate undertakings are accounted for using the equity method of accounting and are initially recognised at cost. The Company's share of its associate undertakings post acquisition profits or losses and the increase or decrease in the carrying value held in the statement of financial position are recognised in the statement of comprehensive income. Impairment losses determined on the investment in associate at the end of the year are recognised in the Statement of Comprehensive income.

2.7 Impairment of non-financial assets

Any impairment loss is recognised in the statement of comprehensive income.

Non-financial assets are reviewed for impairment at the end of each reporting period or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Fair value less costs to sell of disposal is determined by the amount that would be received to sell an asset in an orderly transaction between market participants. For the purposes of determining value in use, cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An assessment is made at each reporting date as to whether there is any indication that an impairment recognised in prior periods for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. An impairment recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment was recognised. An impairment in value 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 any depreciation/amortisation, if no impairment in value had been recognised. Reversals of impairment in value are recognised in the statement of comprehensive income. After such a reversal, the depreciation/amortisation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2. Significant accounting policies (continued)

2.8 Called up share capital and reserves

Called up shares are classified as equity and recognised at fair value of the consideration received. Incremental costs directly attributable to the issuance of new shares are shown in equity as a reduction from consideration received.

2.9 Financial instruments

(a) Financial assets

Classification
The Company classifies its financial assets in the following measurement categories:
- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- Those to be measured at amortised cost such as debt instruments.

The classification depends on the company's business model for managing the financial instrument and the characteristics of the contractual cash flows.

In order for a financial asset to be classified and measured at amortised cost its contractual cash flows should be 'solely payments of principal and interest' ("SPPI") on the principal amount outstanding and the financial assets should be held under a business model where cash flows result from collecting contractual cash flows. Financial assets which are debt instruments are measured at fair value through other comprehensive income ("FVTOCI") where the contractual cash flows are SPPI and the assets are managed under a business model where cash flows result from both collecting contractual cash flows and selling the financial assets.

For instruments measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

The Company reclassifies debt instruments when, and only when, its business model for managing those assets changes.

Recognition, measurement and derecognition
Financial assets are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs. A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset in its entirety, except for those subsequently measured at FVTOCI, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in equity is recognised in profit or loss.

For derecognition of financial assets measured at FVTOCI, any cumulative gain or loss is recognised in other comprehensive income. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2. Significant accounting policies (continued)

2.9 Financial instruments (continued)

Debt instruments
Subsequent measurement of debt instruments depends on the entity's business model for managing the asset and the cash flow characteristics of the asset. All the Company's debt instruments are measured at amortised cost as the assets are held for collection of contractual cash flows and those cash flows represent SPPI.

The Company's debt instruments consist of the following:
- Loans receivables
- Amounts owed by parent and fellow group undertakings
- Other debtors
- Cash and cash equivalents

Impairment
For loans receivable and amounts owed by parent and fellow group undertakings, the Company applies the general approach to providing for expected credit losses, as prescribed by IFRS 9. The general expected credit loss model under IFRS 9 requires the calculation of '12 month expected credit losses' (losses based on defaults which are possible within 12 months of the reporting date) for financial assets, unless the asset at the reporting date is not considered to be 'low credit risk' and is deemed to have had a 'significant increase in credit risk' since initial recognition, in which case lifetime expected credit losses should be recorded.

Management consider amounts owed by parent and fellow group undertakings to have 'low credit risk' when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the short term.I

(b) Financial liabilities
Financial liabilities at amortised cost include amounts owed to group undertakings. These financial instruments are initially measured at fair value, net of any transaction costs in the case of borrowings, and subsequently measured at amortised cost using the effective interest rate.

Amounts owed to group undertakings are classified as current liabilities (creditors due within one year), unless the Company has an unconditional right to defer settlement of the liability for at least one year after the balance sheet date.

Financial liabilities are derecognised when the Company's obligations specified in the contract expire, are discharged or cancelled. Interest expense is recognised using the effective interest method.

(c) Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.10 Other debtors

Amounts owed by group undertakings, loans receivable and other debtors are measured initially at fair value, net of transaction costs, and subsequently measured at amortised cost using the effective interest rate method, less any impairment.

The carrying amount of all other debtors at the statement of financial position date approximate their fair values.

2. Significant accounting policies (continued)

2.11 Creditors

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors comprise amounts owed to group undertakings, accrued expenses and various taxes payable. Creditors are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as creditors amounts falling due after more than one year, within non-current liabilities.

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

The carrying amount of all creditors at the statement of financial position date approximate their fair values.

2.12 Critical accounting estimates and assumptions

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates may not equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Investment in associated undertakings

At 31 December 2022, the directors considered the carrying value of its investment in associated undertakings compared to its recoverable amount in determining whether there are any indicators of impairment on the Company's investments. As a result of the expected future performance of the asset, the directors determined that the investment in associate has a recoverable amount of $11.900 million, being its fair value less costs of disposal, leading to an impairment of $20.272 million. Key sources of estimation uncertainty include the expected future performance of the asset and relevant inputs to a market based valuation methodology. See note 7 for further information. See note 7.

The recoverable amount of the asset was determined based on fair value less cost to sell, using the market approach to value the asset based on the Guideline Public Company (GPC) Method. The asset is a company focused on providing connectivity services within the rural and non-urban communities in Peru.

The steps taken by Management for the GPC Method included valuing the Company based on trading multiples derived from publicly traded companies that are similar to the subject company. The steps taken in applying the GPC Method included identifying and benchmarking against comparable public companies. Multiples were selected based on consideration of the Company's growth, size and profitability compared with those of the guideline public companies. Enterprise Value (EV)/ Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) was the appropriate multiple selected by management.

2. Significant accounting policies (continued)

2.12 Critical accounting estimates and assumptions (continued)

The recoverable amount of the asset was determined based on Fair Value calculations. The following paragraphs describe the key assumptions on which management has based its EBITDA projections for the period covered by the most recent budgets/forecasts and a description of management's approach to determining the value(s) assigned to each key assumption:

Key assumptions:

Management's key assumptions include:
- EBITDA used are based on Board Approved budget
- EV/EBITDA trading multiples from GPC Method ranged from 2.8x to 6.5x

Credit losses on loans receivable

The level of potential credit losses on loans receivable are uncertain and could depend on a number of factors that may affect the creditworthiness of the originator. The Company's accounting policy for credit losses arising on the loans receivable is further described in note 2.9. See note 8 for credit losses recognised.

3. Employees and directors

The directors of the Company, during the current year and previous period, were also senior executives of, and remunerated by, other Meta (formerly known as Facebook) entities and received no remuneration for services to this Company.

Other than the directors, the Company did not have any other employees during the current year and previous period.

4. Operating loss

	2022 $'000	2021 $'000
Expenses by nature		
The operating loss is stated after (crediting)/charging:		
Expected credit loss on loans receivable	**3,280**	208
Foreign exchange gain	**(87)**	(325)
Loans receivable written off	**—**	2,073
Auditor's remuneration	**20**	19

5. Interest receivable and similar income

	2022 $'000	2021 $'000
Loan interest receivable	**1,410**	296
Bank interest income	**64**	5
	1,474	301

6. Income tax expense

	2022 $'000	2021 $'000
Current tax		
Corporation tax credit on loss on ordinary activities	**(707)**	—
Adjustment in respect of prior periods	**15**	—
Current tax credit for the financial year	**(692)**	—
Total income tax credit on loss on ordinary activities	**(692)**	—

Reconciliation of the expected tax credit at the statutory tax rate to the actual tax credit at the effective rate	2022 $'000	2021 $'000
The tax assessed for the year is different to the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:		
Loss on ordinary activities before tax	**(22,953)**	(3,538)
Loss on ordinary activities multiplied by rate of corporation tax in the UK of 19% (2021: 19%)	**(4,361)**	(672)
Effects of:		
Expenses not deductible	**4,025**	672
Amounts not recognised	**(371)**	—
Adjustment in respect of prior periods	**15**	—
Income tax credit recognised in the statement of comprehensive income	**(692)**	—

Factors that may affect future tax charges:

Changes to UK corporation tax rates were substantively enacted by the Finance Bill 2021 (on 24 May 2021). These included an increase in the corporation tax rate from 19% to 25% from 1 April 2023. Deferred tax balances have been remeasured accordingly where appropriate.

An unrecognised deferred tax asset of $0.488 million applying a deferred tax rate of 25% (2021: $0.448 million) exists in respect of trading losses incurred by the Company. The asset has not been recognised due to uncertainty of future profits.

Notes to the financial statements (continued) for the year ended 31 December 2022

7. Investment in associates

	2022	2021
	$'000	$'000
At 1 January 2022	**32,775**	34,459
Movements in carrying value during the year	**(603)**	(1,684)
Impairment	**(20,272)**	—
At 31 December 2022	**11,900**	32,775

The Company holds a minority investment (25% ownership stake) in Internet para Todos S.A.C. (IpT), an entity based in Peru.

The company's legal address is Avenida Javier Prado Este Nro.3190, San Borja, Lima, Peru.

The company is mainly engaged in providing access to mobile service providers which want to transmit data and render services via its telecommunication infrastructure so that communications services can be provided in rural areas.

Since acquiring IpT, its activities have been loss making. The Company has accounted for its share of losses of $0.603 million (2021: $1.684 million) in accordance with the equity method of accounting and reduced the carrying value of the investment. The loss has been recognised in the statement of comprehensive income.

During the year, an evaluation of the investment took place leading to an impairment of $20.272 million. This impairment has been recognised in the statement of comprehensive income, see note 2.12.

8. Debtors

	2022	2021
	$'000	$'000
Due within one year		
Amounts owed by group undertakings	—	—
Other debtors	**954**	2,217
Prepayments	—	15
	954	2,232

Amounts owed by group undertakings includes $1 (2021: $1) owed by the immediate parent undertaking pertaining to the unpaid share capital of the Company. All amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

	2022	2021
	$'000	$'000
Due after more than one year		
Loans receivable	**31,924**	13,087

8. Debtors (continued)

Loans receivable at 31 December 2022 are secured and interest is accrued per annum to the aggregate of 4.5% plus LIBOR for Loan Facility 1, and accrued per annum to the aggregate of 5.5% plus LIBOR for Loan Facility 2. Included within the gross carrying amount of loans at 31 December 2022 was accrued loan interest of $1.706 million (2021: $0.296 million). The loans are due for repayment within the next 10 years based on the agreement.

On 12 January 2022, a $7.500 million loan facility agreement was signed between the Company and a third party ('Third party loan facility 2'). In August 2022, an amount of $3.706 million was disbursed under this agreement. During the year, the existing loan facility ('Third party loan facility 1') disbursed $4.906 million in Q1, $4.094 million in Q2 and $8.000 million in Q4 under the agreements with third parties.

Loan Facility 2 is considered to have no significant increase in credit risk since inception, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Loan facility 1 has seen a significant increase in credit risk since initial drawdown based on the underlying financial performance of the counterparty. The loss allowance recognised during the period (determined based on the probability of default and loss given default) was therefore increased and based on lifetime losses. See note 2.9 for accounting policy.

The loss allowance for loan receivable as at 31 December 2022 were determined as follows for loans receivable:

	2022	2021
Third party loan facility 1		
Expected loss rate	**8.2%**	0.65%
Gross carrying amount	**$31.574 million**	$13.296 million
Loss allowance	**$3.409 million**	$0.209 million

	2022	2021
Third party loan facility 2		
Expected loss rate	**1.03%**	—
Gross carrying amount	**$3.838 million**	—
Loss allowance	**$0.079 million**	—

The company uses judgement in making assumptions around the risk of default and expected loss rates, based on the company's past history, existing market conditions as well as forward looking estimates (including macroeconomic information where appropriate) at the end of each reporting period. These assumptions (risk of default and expected loss rates) determine the expected credit losses, as inputs into probability of default (PD) and loss given default (LGD), in accordance with the IFRS 9 Expected Credit Loss (ECL) calculation. Credit impaired loans include loans where the borrower is greater than 90 days past due.

9. Cash and cash equivalents

	2022	2021
	$'000	$'000
Cash and cash equivalents		
Bank	**2,789**	13,543

Cash and cash equivalents are held with banks and financial institution counterparties which are rated investment grade by external credit rating agencies and are considered to have low credit risk. The maximum maturity of cash and cash equivalents is 3 months. Cash at bank earns interest at floating rates based on daily deposit rates.

The Company together with other legal entities in the Meta group is a member of a multi-currency notional cash pooling arrangement (the arrangement) with a third-party bank provider. Actual cash balances are not physically converted and are not commingled between participating legal entities. As part of the notional cash pool agreement, the bank extends overdraft credit to participating entities as needed, provided that the overall notionally pooled balance of all accounts in the pool at the end of each day is at least zero.

On 2 December 2022, the notional cash pool agreement was terminated by the Meta group. As part of this arrangement, cash and cash equivalents amounting to $nil (2021: $10.543 million) which represents cash held under the cash pooling arrangement have been pledged as security against obligations of other Meta legal entities party to the notional cash pooling arrangement. This security can only be called upon if recovery from the customer holding the obligation and recovery under the guarantee with Meta Platforms, Inc. is not successful.

The Company was a beneficiary of a guarantee given by Meta Platforms, Inc. under the Cash Pool Agreement to guarantee the amounts owed to the third-party bank provider. In addition, as part of the arrangement, other Meta legal entities that are party to the cash pool arrangement had pledged cash held under the arrangement as security in respect of the obligations of the company. As the notional cash pool agreement was terminated by the Meta group on 2 December 2022, the parental guarantee by Meta Platforms, Inc. was no longer required as of 31 December 2022.

The Company signed a termination agreement in relation to a prior year loan receivable with a third party. A board resolution waiving the loan was also signed by the directors of the Company.

10. Creditors: amounts falling due within one year

	2022	2021
	$'000	$'000
Amounts owed to group undertakings	**198**	9,838
Corporation tax	**—**	396
Accruals	**93**	66
	291	10,300

Amounts owed to fellow subsidiary undertakings are unsecured, interest free and repayable within the next 12 months.

11. Called up share capital and reserves

	2022	2021
	$	$
Authorised equity		
100 ordinary shares of £0.01 each	1	1

Share capital
Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

All shares carry equal voting rights. All shares issued are fully paid. Every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Retained deficit
Retained deficit represents accumulated comprehensive income for the financial year and prior financial years plus adjustment for related taxes less dividends paid.

Capital contribution
Capital contributions represent monetary or non-monetary assets contributed to the Company by its parent. During the year, the Company received capital contributions of $18.200 million (2021: $22.027 million) from its parent in the form of cash.

12. Related party transactions

The Company has a related party relationship with its intermediate parent, ultimate parent company, and other related group companies. Related party transactions entered into by the Company are contracted in the normal course of operations at an arm's length basis.

The Company has availed of the exemption in FRS 101 para 8(k), from disclosing related party transactions entered into between two or more wholly-owned members of the Meta group.

13. Controlling party

At 31 December 2022, the Company is a wholly-owned subsidiary of Facebook International Operations Limited, a company incorporated in the Republic of Ireland with its registered office being 4 Grand Canal Square, Grand Canal Harbour, Dublin 2.

The ultimate holding company and ultimate controlling party is Meta Platforms, Inc., a company incorporated in the state of Delaware, USA. The ultimate holding company and controlling party of the smallest and largest group of which the Company is a member, and for which consolidated financial statements are drawn up, is Meta Platforms, Inc..

The Meta website is located at https://about.meta.com/. Meta Platforms, Inc., investor relations website, located at http://investor.fb.com. The Meta website is www.meta.com.

14. Subsequent events

The financial statements have been prepared based upon conditions existing at 31 December 2022 and considers any relevant events that occur subsequent to that date, that provide evidence of conditions that existed at the end of the reporting period.

Subsequent to the year end, $10.000 million were disbursed as part of an existing loan facility with a third party.

Capital contribution of $13.800 million was received from the immediate parent company to fund these distributions.

There have been no further significant events between 31 December 2022 and the date of approval of these financial statements, affecting the Company which required adjustment or disclosure in the financial statements.

15. Approval of financial statements

The financial statements were approved and authorised for issue by the directors on 26 September 2023.