CURRIMJEE
SINCE 1890

Positive Disruption

INTEGRATED REPORT 2021

Disruption is often viewed as a seismic event. But it can also be a vital catalyst for change and transformation.

It sets us on an uncharted journey and teaches us to get comfortable with the uncomfortable.

It challenges old assumptions and puts our capabilities to the test.

It encourages us to experiment and fail, and acts as a springboard for the greatest innovations.

It sheds a unique light on issues previously considered too complex, and gives rise to new perspectives.

It gives fresh urgency to the challenges of our community and society, and inspires us to, together, seek better outcomes.

At CJ, we conquer disruption with positivity.

NAVIGATE OUR REPORT

CAPITALS

Financial | Human | Intellectual | Relationship | Manufactured | Social & Natural

KEY STAKEHOLDERS

Employees | Partners/ Suppliers | Providers of capital | Customers | Regulators | Communities

CLUSTERS

Telecoms, Media and IT | Real Estate | Tourism and Hospitality | Commerce and Financial Services | Energy

STRATEGIC DIRECTIONS

Operational Efficiency | Financial Risk Management | Business Portfolio Management | Sustainability Focus

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About this report

INTRODUCING OUR INTEGRATED REPORT

Welcome to the fourth Integrated Report of Currimjee Jeewanjee and Company Limited ("CJ"), which describes how the Group navigated an uncertain and volatile operating landscape and transformed disruption into opportunities.

REPORTING PERIOD

This report covers the Group's performance over the financial period 1 January 2021 to 31 December 2021. Material events after this date, and up to the Board approval date of the consolidated financial statements in April 2022, have also been included.

REPORTING BOUNDARY AND SCOPE

This report provides a transparent overview of the Group's financial and non-financial performance over the year: the uncertain environment we operated in (p 36-38); our strategy (p 40-41) and business model (p 16-17); engagement with key stakeholder groups that influence our ability to create and sustain value (p 24-27); the principal risks and opportunities (p 48-71); our operational performance and plans to position the business for the future (p 74-115); our environmental and social performance (p 118-133); our governance practices (p 142-179); and our Group's financial performance and position (p 182-270).

As a business dedicated to stakeholder inclusiveness, our report addresses the information needs of our providers of capital, customers, employees, suppliers, regulators and community members. It focuses on the matters considered most material, defined as those matters that could substantively affect our ability to create value for our stakeholders over the short, medium and long term.

The information contained in this report focuses exclusively on information about CJ, its subsidiaries and associates (collectively referred to as "CJ", "CJ Group" or "the Group"). It excludes the subsidiaries operated by Currimjee Industries Limited and does not provide detailed operational information on the companies in the Commerce & Financial Services cluster or the Energy cluster.

REPORTING PROCESS DRIVEN BY INTEGRATED THINKING

Value creation does not happen in isolation. This report is therefore the outcome of a Group-wide integrated reporting process, assured by collaboration and coordination between our various clusters, departments and teams. Embedding Integrated thinking in our organisation is a continuous process, one that is integral to our strategy.

REPORTING FRAMEWORKS AND COMPLIANCE

This report was prepared in accordance with applicable legislative reporting requirements, including the International Financial Reporting Standards (IFRS), the National Code of Corporate Governance 2016, the Committee of Sponsoring Organizations (COSO) framework for Enterprise Risk Management (ERM) and the Companies Act of 2001. It was also guided by the principles of the International Integrated Reporting Council (IIRC)'s Integrated Reporting Framework and the GRI Standards.

FORWARD-LOOKING STATEMENTS

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

GO GREEN

By opting to receive this report electronically, you are choosing to protect the environment. The online version is available on our website www.currimjee.com or can be sent directly to your inbox by contacting us on contact@currimjee.com.

WE WELCOME YOUR FEEDBACK

We strive to improve our reporting practices and welcome any feedback or input you may have that will help us do so. Please email us on contact@currimjee.com

A Snapshot of our 2021 performance

↑ 1%
MUR 4.9BN
TURNOVER

↓ 49%
MUR 401M
OPERATING PROFIT

↓ 85%
MUR 46M
NPBT

↑ 806%
MUR 720M
TOTAL COMPREHENSIVE INCOME

↑ 11.8%
MUR 14.6BN
TOTAL ASSETS

↑ 39%
MUR 295M
DIVIDENDS PAID

↓ 16%
MUR 7.9BN
NET DEBT

↑ 54.2%
MUR 1.8BN
TOTAL EQUITY

"Giving back

... to those in need is part of who we are at CJ. We all made contributions to the Currimjee Covid-19 Relief Fund to help impacted colleagues and families in a time of great distress."

Pascal Fleur
Manager - Currimjee Foundation
Currimjee Jeewanjee and Company Limited

We are CJ Group

THE GROUP'S STORY TRACES ITS ROOTS BACK TO 1884. EQUIPPED WITH A DREAM AND A CLEAR VISION **OF HOW TO ACHIEVE IT**, CURRIMJEE JEEWANJEE SET FOOT ON THE SHORES OF PORT LOUIS FROM GUJARAT, INDIA. THERE, GUIDED BY HIS STRONG WORK ETHIC AND INTEGRITY, HE LAID THE FOUNDATIONS OF WHAT WOULD LATER BECOME KNOWN AS CURRIMJEE GROUP. HE, ALONG WITH HIS FAMILY MEMBERS, HAVE NOT LOOKED BACK SINCE.

FROM ITS HUMBLE BEGINNINGS AS A TRADING COMPANY IN **1890**, THE BUSINESS DIVERSIFIED INTO ACTIVITIES LIKE MANUFACTURING, MARKETING AND DISTRIBUTION, TOURISM AND HIGH TECHNOLOGY IN THE LATE 90S. TODAY, IT IS A LEADING GROUP IN MAURITIUS, OPERATING IN FIVE KEY CLUSTERS AND EMPLOYING 828 PEOPLE. AND WHILE MUCH HAS EVOLVED SINCE OUR CREATION **OVER 135 YEARS** AGO, THE VALUES THAT CURRIMJEE JEEWANJEE STOOD FOR ARE AS RELEVANT TODAY AS THEY EVER WERE; PERHAPS EVEN MORE SO. OUR UNWAVERING COMMITMENT TO IMPROVING THE LIVES OF OUR FELLOW MAURITIANS, EACH DAY, HAS EARNED US A VALUABLE PLACE AT THE HEART OF EVERY HOUSEHOLD.

CURRIMJEE JEEWANJEE

Driven by Our Vision, Mission & Values

OUR PURPOSE

TOGETHER, building a better tomorrow through a value-driven culture.

OUR MISSION

Through our continuous commitment to our people, progress and strong values, we will continue to lead the way.

We are a proudly Mauritian organisation with a rich heritage of entrepreneurship and foresight, ever learning from our past to build something better for today and for generations to come.

OUR VALUES

5 VALUES at heart

Foresight

By making an effort to understand the needs of our customers and communities and taking a long-term view, we are able to visualise a better future and make it a reality through conscientious planning.

Integrity

As a Group, we are known for always doing what we say. Through honesty, fairness and respect, we aim to build strong long-term relationships with all our stakeholders.

Responsibility

We understand that success is not only reflected in the bottom line but also in how we positively impact the surrounding communities and the environment.

Passion

We have the passion required to bring our vision to life, to inspire success and build a better tomorrow for our customers, company, people and country.

Openness

We are open and inclusive, always willing to learn from others and demonstrating respect for different cultures, beliefs and ideas.

How we are structured

CURRIMJEE LIMITED

- 100% CURRIMJEE FOUNDATION
- 100% CURRIMJEE SECRETARIES LTD
- 100% TRAMPOLINE LTÉE
- 100% CONTRIVE LTD
- 62.95% CURRIMJEE JEEWANJEE & CO LTD (CJ)
  - 0.25% / 37.05% (between CJ and Currimjee Jeewanjee Properties Ltd)
  - OUR 5 CLUSTERS
    - CURRIMJEE TELECOMS, MEDIA & IT
    - CURRIMJEE TOURISM & HOSPITALITY
    - CURRIMJEE REAL ESTATE
    - CURRIMJEE ENERGY
    - CURRIMJEE COMMERCE & FINANCIAL SERVICES
- 99.75% CURRIMJEE JEEWANJEE PROPERTIES LTD
- 100% CURRIMJEE INDUSTRIES LTD
  - CURRIMJEE FOOD & BEVERAGES
  - CURRIMJEE HOME & PERSONAL CARE

Have a closer look at our clusters on the next page

Currimjee Foundation (CF) is the vehicle through which the Group's CSR projects are managed and monitored. The Group's subsidiaries channel their CSR contributions to CF, which, in turn, deploys all CSR funds and projects in five areas of impact.

Currimjee Secretaries Limited (CSL) provides secretarial services to the Group's companies. It is a wholly owned subsidiary of Currimjee Limited.

Trampoline Ltée, a social enterprise accelerator, aims to advance social entrepreneurship and innovation. It serves as a launchpad for purpose-driven startups that are strongly committed to achieving a social or environmental impact.

Contrive Ltd is a subsidiary of Currimjee Limited.

Our activities

TELECOMMUNICATIONS, MEDIA & IT

Mission	Material companies	Main activities
Be at the cutting edge of high technology and become a one-stop ICT solutions provider through continuous innovation, customer service excellence and the convergence of our activities	Emtel Limited MC Vision Ltd (MCV) Screenage Limited Currimjee Informatics Ltd (CINF)	• Telecommunications, connectivity solutions and network infrastructure (including mobile telephony, fixed telephone and high-speed Broadband) • Premium entertainment, satellite and digital pay TV • Business Intelligence, Managed Services and Business solutions • Information Technology Enterprise Solutions (including WiFi, system integration, IPTV and security solutions) • Data Centre solutions, international connectivity (submarine cable), War Seats Submarine cables systems, SD WAN

REAL ESTATE

Mission	Material companies	Main activities
Develop and manage a portfolio of prime properties and preserve the Mauritian heritage through carefully planned urban regeneration	Currimjee Real Estate Ltd Compagnie Immobilière Limitée(CIL) Multi Channel Retail Limited (MCR) Currimjee Jeewanjee Properties Ltd Plaisance Aeroville Ltd Facilicare Ltd	• The management and development of CJ's portfolio of properties, including developed properties, partially developed properties and land assets • Optimisation of yields through the creation of specialised and mixed-use spaces • Enhancement of CJ's entire portfolio of properties through tenancy management, facilities management and administrative services • Management of refurbishment projects

TOURISM & HOSPITALITY

Mission	Material companies	Main activities
The Passion of Travel, the Art of Hospitality. Create value for all our stakeholders by combining local and international expertise, strong brands, innovative customer experiences, wellness and sustainability	Anantara Iko Mauritius Resort & Villas (IKO (Mauritius) Hotel Limited) IKO (Mauritius) Resort Village Ltd Silver Wings Travels Limited	• A one-stop-shop for leisure and business travel • The development of an Integrated Coastal Resort Village, placing sustainability, wellness and the modern traveller at the heart of its philosophy. It currently includes a 5* hotel located on Le Chaland beach, with 164 rooms, an award-winning spa and two beach bars, and eight luxury villas. It will progressively include other PDS products, a beach club and a sports club. • Sustainable development of the South East of Mauritius in a way that preserves the authenticity and natural heritage of the region.

COMMERCE & FINANCIAL SERVICES

Mission	Material companies	Main activities
Build on the Group's origins as a trading company to provide innovative, high-quality products and services that meet the evolving needs of customers	Batimex Limited Island Life Assurance Co. Ltd	• Provider of contracting solutions, wholesaling and retailing of building materials and finishes • The provision of innovative life insurance and pension solutions

ENERGY

Mission	Material companies	Main activities
Energising the economy and lives of Mauritians and the people of Mayotte by placing affordable and reliable energy at the service of our customers	TotalEnergies Marketing Mauritius Ltd Ceejay Gas Ltd	• Distribution and retail of petroleum products (automotive fuels, biofuels, lubricants, Liquid Petroleum Gas and jet fuels) to retail customers, as well as to key industries of the Mauritian economy such as agriculture, hospitality, textile, construction, transport and manufacturing. • Bulk import, storage, bottling and distribution of LPG in Mayotte

Our value-creating business model

Inputs
The resources and relationships we rely on to operate our business

Financial capital

The financial resources we rely upon to fund our existing activities and growth plans

- Diversified sources of funding
- Cost discipline
- MUR 1.8BN in shareholders' equity
- MUR 7.7BN net debt

Human capital

Our engaged, diverse and agile workforce; our collective know-how, talent and expertise

- 785 employees
- MUR 4.7M investment in training and development
- Growth and mobility opportunities
- Competitive remuneration structures
- Experienced Board and leadership team
- Employee Wellness Programme
- Flexible work arrangements

Intellectual capital

The intangible assets resulting from our innovation capacity, including our brand equity and trust, a values-driven culture and new products/solutions

- Well-known brands represented, among which recognisable brands such as Emtel, Canal+, Batimex, Metric, Quay 11, Les Arcades Currimjee, Phoenix Central, Anantara, Airbox, Island Life Assurance amongst others
- Differentiated products and solutions
- Robust processes
- Our digital platforms and solutions
- Industry-leading technical knowledge garnered over a 135+ year history
- Member of various industry bodies

Relationship capital

Strong stakeholder relationships based on trust, transparency and mutual respect; industry networks and cooperation

- 850K+ customers
- 1,500+ suppliers and partners
- Strategic partnerships with renowned international organisations
- Customer-centric strategy
- Investor confidence
- Constructive engagement with regulators

Manufactured capital

The plant and logistics assets that allow us to procure, store and deliver our products, and meet customer needs

- 50+ offices, warehouses and outlets
- MUR 2,344M value of freehold land and buildings in prime urban locations
- MUR 3,404M value of Group Plant, Property and Equipment

Social and Natural capital

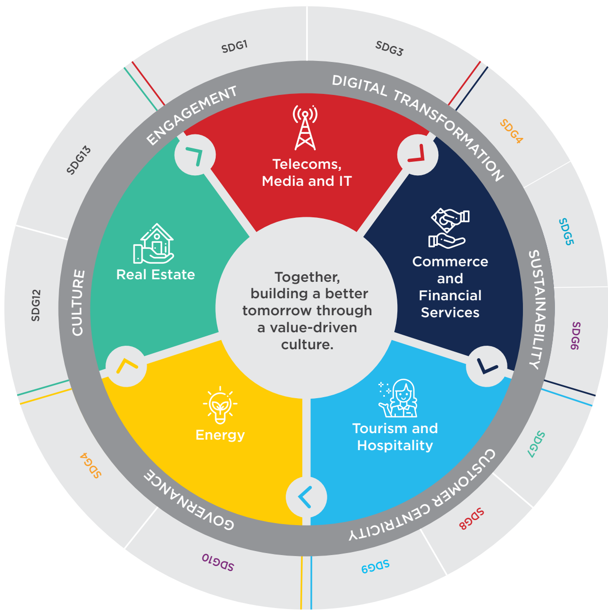
The use of natural resources in our operations with society and sustainability in mind

- Integrated approach to environmental and social issues
- Group-level ESG and CSR strategies
- MUR 3M invested in the Currimjee Foundation to sustain our support of community projects
- Management of our energy and water consumption
- Sustainable practices

Our activities
How we use these inputs to create value for our stakeholders

We deliver on our strategic pillars

Operational efficiency · *Financial risk management* · *Business portfolio management* · *Sustainability focus*



Guided by our values

Foresight · *Integrity* · *Responsibility* · *Passion* · *Openness*

Outcomes
The consequences and impact of our outputs on our stakeholders

- MUR 4,880M revenues
- MUR 401M operating profit
- MUR 1,045M cash generated from operations
- A strong capital base and liquidity position
- Maintainable returns to shareholders
- Sustained business growth and profitability
- A sustainable level of debt

- Group engagement score at 75%
- Gender balance :61% M and 39% F
- Employer of choice
- MUR 872M paid in salaries and benefits
- An agile workforce with cross-sectoral knowledge

Refer to *Nurturing a culture that supports change* on pages 46-47

- Brand equity and trust
- A strong values-driven culture
- New products and services launched in accordance with evolving customer demands
- Our robust systems propelled by our investment in digitalisation and procedures that enable us to create sustainable value
- An effective governance system across the Group

- Constructive and continuous engagement with regulators and institutions
- Long-term collaborative relationships with our partners and suppliers
- Customer trust and brand loyalty
- Increasing Social media community combined followers of 500K+

- High standards of product quality
- An efficient, safe, diverse and inclusive work environment that promotes a strong team spirit across the Group
- Well maintained building assets and equipment through targeted investments
- Network capacity able to support the surge in data traffic

- CIL listed on the SEMSI and achieved a 91% performance score in the environment section
- Overall reduction in our impact on the environment
- Preservation of our natural heritage for future generations
- Value creation in our communities through long-term partnerships with NGOs
- Contribution towards the country's sustainable development through investments in five core areas

See pages 118-133 for information on our Sustainability strategy and initiatives

Stakeholders
The individuals and groups who are impacted by our activities

Outputs
The immediate results of our activities – a wide range of products and services

- **Converged ICT solutions**
- **Next-generation network**
- **Shared services**
- **Business portfolio management**
- **Innovative products and services**
- **Strategic business management**
- **Generation of local employment**

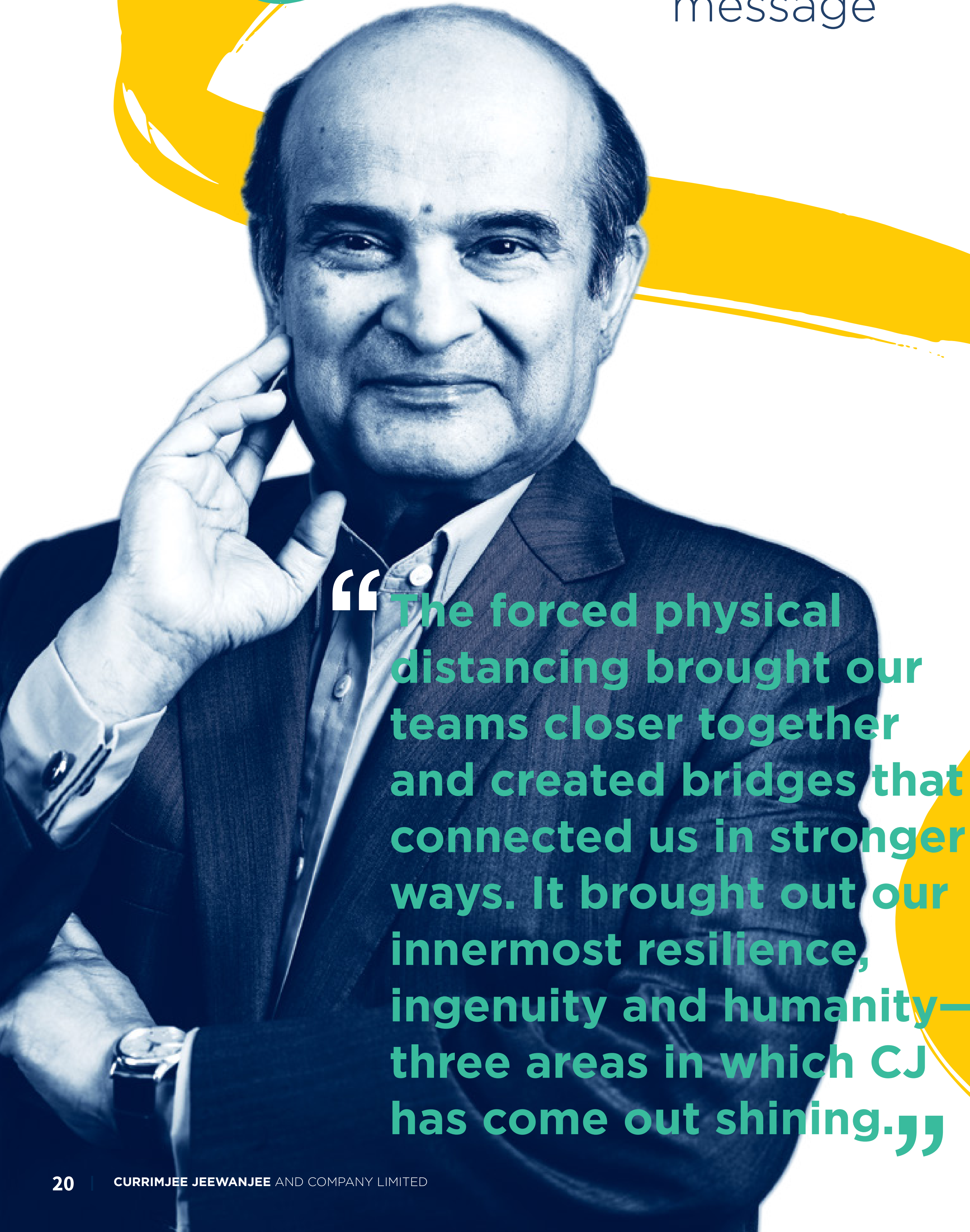
"Adapting quickly

... to new customer needs requires creative thinking and flexibility. We empower our teams to explore innovative approaches that delight the customer and deliver a great experience."

Harshud Ashok Geega - Senior Commercial Manager and Yashveer Chummun - Manager Metric and Customer Experience
Batimex Limited

Creating value for all our stakeholders
We manage our resources, relationships and activities in a way that creates positive outcomes for our stakeholders.

Chairman's message



"The forced physical distancing brought our teams closer together and created bridges that connected us in stronger ways. It brought out our innermost resilience, ingenuity and humanity—three areas in which CJ has come out shining."

Dear shareholders,
2021 proved to be a challenging and remarkable sequel to 2020. Against this backdrop, Currimjee Group pursued its upward trajectory, as evidenced by our financial results and the achievement of major strategic objectives and milestones. I share this with no lesser regard for the pandemic's profound impacts on the economy, on entire communities and livelihoods.

As a Group, we believe that our business is all about human endeavour. Even though we continued to invest in growth-building projects and future-shaping activities, our financial decisions were secondary to the welfare of our employees and communities. Our original purpose of building a better tomorrow, bequeathed by our ancestors, remained our guiding force.

Having navigated two years of the tragedies spawned by the pandemic, I beam with pride when I look at the way the people of CJ care for each other and our stakeholders. The forced physical distancing brought our teams closer together and created bridges that connected us in stronger ways. It brought out our innermost resilience, ingenuity and humanity—three areas in which CJ has come out shining.

Operating environment

Even though high vaccination rates presented a breakthrough for managing the pandemic, economic volatility and uncertainty remained key features of our operating environment. A new lockdown struck in March 2021, delaying the reopening of borders and constricting social and economic activities well into the year. Even after being removed from France's list of 'Scarlet Red' destinations, holidaymakers' intention to travel was hampered by concerns over new variants, entry and exit requirements, testing, and insurance coverage, amongst others. The island faced a string of booking cancellations in peak tourist season, severely impacting the entire value chain—from hotels, airlines and restaurants, to taxis and attractions—which was barely getting back on its feet.

At the time of this message, the Ukraine-Russia war is in full swing. With both countries accounting for almost 30% of wheat exports, and Russia being one of the largest producers of oil, energy and commodity prices have escalated in Mauritius. Inflation and food insecurity are serious concerns. Mauritians continue to face challenges on a daily basis: ongoing supply chain challenges, surges in the cost of basic goods and services, fluctuations in exchange rates, psychological distress, and higher levels of economic inequality. Scores of people, particularly those in the informal sector, have been pushed into poverty as their incomes are disappearing and their resources diminishing.

Seeing this, one thing is clear: we cannot remain set in our ways. Our complex interconnected systems—whether our travel, food or healthcare systems—are no longer compatible with our present and future needs. We are seeing unseen levels of climate destabilisation and inequalities, many of which have been ingrained in our systems since well before the crisis. The pandemic may have come as a late lesson from an early warning, but it is our conviction that collective efforts between the private sector, the government, NGOs and citizens are key to our island's sustainable development and prosperity. This will be even more instrumental in countering the economic fallout of the Ukraine-Russia conflict.

CHAIRMAN'S MESSAGE

This brings me to Trampoline, the Group's social impact accelerator, which was set up to support entrepreneurs whose business ideas address social inequality. By giving them access to technical expertise, capital, advice and mentorship, we help them develop economically sustainable and scalable enterprises, and maximise their social impact. Trampoline marks only the beginning of the Group's commitment to boost our country's rebound and shape positive outcomes through the power of the community.

Review of our performance

In 2021, Currimjee Group generated revenues of MUR 4.9BN, a marginal increase over the previous year, and recorded an operating profit of MUR 401M, representing a decline of 49% over 2020. Closed borders, reduced tourist arrivals and the devaluation of the Mauritian Rupee all had an impact on the operating profits of Emtel, MC Vision and the Hospitality Cluster; on the other hand, our Real Estate, retail and insurance businesses fared much better.

In parallel, the Group is benefitting from years of laying a solid foundation for sustainable growth by investing the right resources—funds, time, asset, talents, performance metrics—in reinforcing our core competencies and sources of competitive advantage. In 2021, we moved from the planning phase to the execution phase, putting our strategic plans into action:

- We issued a bond of MUR 2,200M in September 2021. We have also started to restructure our Real Estate cluster in a way that will build scale, substantially increase the value of our portfolio of properties, and generate more liquidity for the Group.
- In keeping with the Group's strategy to build on our core competencies, certain businesses divested from non-core activities and strengthened their foothold in their existing markets; others gained market share in new segments, and diversified their suite of offerings to meet new customer needs. The MD's message offers more details into the successful diversification of our portfolio across our clusters.
- We continued to leverage synergies between our clusters and business units to standardise processes, unify different teams around common objectives, and generate new revenue streams. For instance, we saw increased collaboration between CINF and Island Life Assurance, Emtel and the Real Estate cluster, Screenage and Anantara iko, and the continued convergence of the TMIT cluster's businesses. Looking ahead, our strength as a Group will also lie in how well we capture cost and revenue synergies.

These initiatives were made possible by our focus on four underlying principles:

- by nurturing a customer-focused, innovative and agile mindset, which I can say with reasonable confidence is firmly embedded within the organisation.
- by putting our people at the centre of our priorities. CJ is focused on creating an enabling and diverse work environment that supports our workforce's desire for flexibility, meaningful work, and opportunities to learn, grow and acquire new skills. These themes are central to our Human Capital strategy, as laid out on pages 46-47.
- by having in place a clearly articulated governance framework and rigorous risk management controls. The financial security and resilience we have achieved was not created overnight. It is a long-term and continuous journey to improve our ERM process, regularly review our investment portfolio mix and mobilise our workforce around a strong risk culture.
- by playing a constructive role in building a future-ready and inclusive Mauritius. It is time for us to govern ourselves in a way that respects planetary and social health as a precondition for our economic and human health. (More information in our E&S and CSR sections on pages 118-133.)

Improving our odds at positive disruption

From our origins as a family-run trading company, I am humbled when I reflect on our journey into a conglomerate with activities in various industries, each one satisfying a different need, each one holding its own. I credit our leading position to our innovative mindset and strategic foresight. Change has been constant across our operating markets, and experimenting and course-correcting have been the lifeblood of our business.

What we have witnessed at CJ since the pandemic is positive disruption on full display: the development of brand-new products and services; expansion into uncharted markets and industries; the emergence of new business models to realise efficiencies and cost savings, while unlocking new growth opportunities; above all, our team members making voluntary contributions to the Currimjee Covid-19 Relief Fund despite facing their own personal challenges. All of these are a strong expression of our strong values and culture.

Prospects for 2022 and acknowledgements

While it is heartening to see an increase in the desire to travel to Mauritius, uncertainty and instability will continue to dominate our landscape. The conflict in Russia-Ukraine, and trade wars between the US and China, will no doubt affect the global and local economy in the form of increases in the price of fuel and commodities, putting additional strain on livelihoods.

Despite this unfavourable context, several major projects at Emtel, Anantara iko and in our Real Estate business are scheduled for completion in 2022 and expected to yield positive results. We are confident in our long-term strategy, our internal risk controls, and the quality and relevance of our offerings in meeting emerging customer needs.

Now that we have shaken off the initial shock of Covid-19, we cannot ignore the lasting scars it has left on the country. We must be firm in redirecting our strategies away from the here-and-now, and towards the longer-term interests of all our stakeholders. Innovation must be put to the use of societal transformation and balanced economic systems.

As we look to the long-term sustainability of our business, our purpose remains as clear as ever. We are determined to achieve balanced growth and success such that we make those who passed the torch to us, and the generations that will take over, proud.

I would like to thank all our employees, customers, partners, suppliers and industry peers for their continued support and trust over the past year. I am certain that the lessons we have drawn from this crisis will make for richer and deeper relationships, and contribute to a more resilient Mauritius.

> **"We are determined to achieve growth and success such that we make those who passed the torch to us, and the generations that will take over, proud."**

Co-creating value
through our stakeholder relationships

Value creation is an ongoing process that cannot occur without continuous dialogue and engagement with our key stakeholders. We recognise that our stakeholders' needs are dynamic and evolving, particularly as we live in a world fraught with uncertainty and challenges. More than ever, we are committed to listening to their individual concerns and taking into account their expectations in our decision-making process. This way, value is not created for them, but rather with them. In doing so, we co-create opportunities that benefit all our stakeholders equitably and co-build an inclusive, sustainable future.

The strength of our stakeholder ecosystem, which we have been nurturing over the years, has played a key role in helping us improve the relevance of our products/solutions, and in delivering on our core purpose. We use the six capitals to measure the value we generate for our stakeholder groups and to assess the quality of our relationships with them.

Our stakeholders		
Our employees, management team, executive team and Board members	Our shareholders and debt providers	Our clients
Their contribution to our value creation		
They provide the skills, experience, diversity, productivity and ideas necessary to drive our strategy, grow our brand and deliver high-quality service	They provide the financial resources we need to invest in our existing operations and growth areas, and ensure the sustainability of our business	Our diverse clients, from wholesale and retail operations, to tenants and individual consumers, underpin our existence and reputation. They inform the relevance of our products and services
Our desired outcome		
To be led by an effective and ethical Board and leadership team, and be an employer of choice for a diverse and engaged workforce	To meet our financial commitments and deliver annual growth	To anticipate and exceed customer needs in developing our products, services and platforms

Our stakeholders		
Our business partners and suppliers	Registered NGOs, our communities and society at large	The government, regulatory bodies and authorities
Their contribution to our value creation		
As providers of the cost-effective and quality products and services required for us to deliver our value proposition, they are an extension of our business	We form part of diverse communities who drive our social licence to operate; their development, prosperity and wellbeing and therefore intrinsically linked to our own	Regulators provide the permits, licences and frameworks that inform the scope of our activities, and that are critical to our ability to innovate and achieve long-term success
Our desired outcome		
To offer quality goods and services, favourable terms and fair procurement practices	To uplift and empower our communities, ensuring an equitable and inclusive future for all	To contribute to better socio-economic outcomes for the country through continuous cooperation and compliance

CO-CREATING VALUE THROUGH OUR STAKEHOLDER RELATIONSHIPS

Financial capital

Our shared priorities

- Meet our financial targets and deliver on our strategy
- Attractive and sustainable returns
- Strong balance sheet and capital efficiency
- The responsible allocation of financial capital
- Timely, accurate and transparent disclosure of operational and financial performance so they can make informed decisions
- Compliance with local and international regulations
- Communication on ESG strategy and performance
- Strong and experienced leadership and management

Our response

- Ongoing execution of the Group's three-year strategic plan
- Continuous assessment of strategy in light of a dynamic operating environment
- Improvement of our performance monitoring and financial reporting
- Leverage Group synergies to reduce costs and explore growth opportunities
- Strengthened governance by appointment of new-Independent Directors, ensuring a good balance or skills, objectivity and gender
- Implemented business continuity and succession plans for key roles, including the Managing Director
- Approval of issue of a new bond
- Reviewed and updated the Board Charter
- Reviewed the composition and terms of reference of Board Committees
- Compliance with regulations
- Ongoing commitment to CSR initiatives in view of the pandemic

How we engage

- Quarterly Board meetings to review the Group performance against the budget
- Quarterly presentation to shareholders on Group's performance
- Annual Shareholders Meeting (AGM)
- Regular meetings with lenders
- Dedicated 'Investors' corner on the Group website
- Transparent and comprehensive Annual Integrated Report

Human capital

Our shared priorities

- A safe and congenial work environment
- Flexible work arrangements and remote access to data
- Job security and maintenance of salaries
- A focus on wellbeing
- Continuous updates and relevant information on the evolving crisis
- Market-aligned compensations and benefits
- Open dialogue and communication
- Clear responsibilities and expectations through a structured Performance Management Process
- Acceleration of digital skills
- Opportunities for professional and personal development
- Recognition and fair reward for good performance and behaviours
- An inclusive, diverse and values-driven culture
- Adherence to established HR policies and procedures, including Code of Conduct
- Adherence to Workers' Rights Act and other regulations

Our response

- Safeguarded 100% jobs (excluding attrition) and maintained salaries
- Flexible work arrangements and remote working when applicable
- Provision of technological equipment for remote working and access to data, with cyber security measures in place
- Access to a co-working space for employees across the Group
- Creation of HR strategy based on four pillars
- Opportunities for mobility across clusters
- Combined training sessions between business units, resulting in more agility and a stronger team spirit
- Annual training plans at the level of business units to address skills gaps
- Closer engagement with employees
- Fair remuneration and maintenance of all salaries following a Korn Ferry Remuneration Survey for benchmarking
- Adherence to HR-related regulations and best practices
- Business continuity and success plans
- Shared services
- Creation of Employee Wellbeing programme

How we engage

- Group Code of Conduct
- Frequent internal communication via CJ News and the Group Intranet, Together Currimjee
- Employee engagement surveys to continuously gauge satisfaction
- Frequent informal interactions between management and team members
- Performance appraisals and goal setting
- WhatsApp, Zoom and other apps for virtual meetings
- Training and development programme
- Leadership development

Relationship capital

Our shared priorities

- Affordable and accessible products and services in light of the challenging economic situation
- Digital solutions to minimise contact in the Covid-19 context
- Regular updates on CJ's performance, risks and opportunities
- Regular and positive interactions that take into account needs and interests
- Open dialogue and lines of communication
- Mutually beneficial relationships based on trust and transparency
- Ethical and fair business practices
- Adherence to local and international regulations
- ESG considerations embedded in our decisions
- Customer satisfaction

Our response

- Products, services and behaviours are centred around customers expectations
- Continued strengthening long-lasting relationships with business partners
- Selected business partners and suppliers whose core values align with the Group
- Conducted focus groups with various stakeholders to identify and address material issues
- Revamped our website to enhance visibility to all groups of stakeholders
- Continued interaction with our employees and other stakeholders to keep them abreast of developments during the pandemic
- Maintained all essential services at no additional cost for individual and corporate subscribers of mobile, data and video-on-demand services

How we engage

- Periodic briefings with shareholders and employees
- Regular meetings and ongoing constructive engagement with regulators
- Quarterly publications of CJ News Ongoing internal communication via Together Currimjee
- Social media platforms
- Group corporate website
- Regular customer surveys
- Annual Employee Engagement survey
- The media
- Loyalty programmes

Intellectual capital

Our shared priorities

- Ensure organisational resilience built on effective processes, policies and systems
- Lead the organisation with a team of passionate, forward-looking and agile leaders with uncompromising integrity
- Maintain the Group's brand image and reputation as a family-owned business
- Compliance with regulatory requirements
- Product innovation and strong value proposition to meet evolving customer needs

Our response

- Continued reviewing, updating and improving established systems, processes and policies
- Partnerships with world-leading solution providers to develop innovative solutions
- A culture of innovation to support the development of commercially and environmentally sustainable products/solutions
- Unique products and services that give CJ a sustainable competitive advantage
- Ongoing training to equip our workforce with the knowledge and skills needed to be future-ready
- Continued disseminating Group core values across business units through our policies and behaviours, setting the tone from the top
- Increased flow and sharing of information between business units
- Protected our business brands and customer relationships
- Consideration of client feedback into our customer experience
- Continued cross-pollination of ideas between clusters and businesses

How we engage

- Group Code of Conduct
- Frequent meetings with business partners and suppliers
- Reinforcement of our core values through our website and policies
- Clear brand guidelines
- Frequent communication and sharing of information via our corporate website, social media platforms and Group-wide Intranet systems

Manufactured capital

Our shared priorities

- A safe, efficient and comfortable environment adhering to strict Health & Safety protocols
- Well-maintained and continuously upgraded assets, equipment and physical infrastructure
- Mutually beneficial relationships with property owners
- An engaging customer experience using the latest technologies
- Adequate storage and distribution capacity
- Functional properties that deliver value to our tenants and customers
- Differentiated products and services
- Continued investment and leading the curve on investment in the latest technologies

Our response

- Expanded digital channels and platforms to meet increased demand for online services, including payments
- Opening of combined showrooms with a better value proposition
- Continued investments in upgrading our network and data centre
- Continued to ensure that the population had access to connectivity during the national lockdown
- Maintained product availability through a review of our supply chain
- Improved organisational efficiency through new systems
- Encouragement of individual responsibility when it comes to safe work practices and procedures
- Ongoing partnerships with OTTs and global technology firms to bring new media services to Mauritians

How we engage

- Regular site visits to ensure proper maintenance of equipment
- Intranet enabling employees to work remotely and flexibly
- Regular meetings with reputed partners to bring in know-how and the latest technologies
- The MDA system for Real Estate is used to facilitate the properties management
- Customer feedback
- Internal awareness programmes on Health and Safety

Social and Natural capital

Our shared priorities

- Health and safety
- Operate in a responsible and sustainable manner
- Access to affordable quality products
- Job creation, economic development and opportunities for communities
- Poverty relief schemes and initiatives
- Participation in broad national initiatives
- Fair and ethical business dealings
- Environmentally and socially responsible business practices
- Positive impact on lives and investment in our social fabric

Our response

- Continued support to vulnerable population through the Currimjee Relief Fund set up in 2020
- Ongoing CSR strategy adhered to by all clusters and business units
- Integrated environmental considerations into our product and services life cycle
- Awareness sessions among employees and volunteering in CSR initiatives
- Responsible waste management and efforts to reduce energy consumption
- Ongoing tracking and monitoring of our environmental impact to measure our progress and hold ourselves accountable
- Set up a National E-Waste Recycling Project, led by Emtel
- Continuous employee engagement and volunteerism in projects and initiatives (blood donations, World Cleanup Day, forest revegetation projects...)
- Strengthened our governance system to ensure the fulfilment of our legal obligations in a responsible, ethical way

Refer to *Our Environment and Sustainability strategy* on pages 118-133

How we engage

- The Currimjee Foundation
- Annual CSR plan covering Education, Socioeconomic, Environment, Healthcare, Leisure and Sports
- Annual Integrated Report containing transparent information about our ESG practices
- Alignment with the 17 SDGs
- Community events and campaigns in collaboration with NGOs
- Informal frequent meetings with community members
- Group corporate website, Intranet and social media pages
- Quarterly forum with business representatives for deployment of the E&S Agenda
- Creation of Trampoline to support social entrepreneurs who address the island's socioeconomic and environmental challenges

TMIT business model

Inputs

Financial capital
- MUR 1.4BN equity invested ↘ 7%
- MUR 2.7BN net debt ↗ 55%

Human capital
- 557 employees
- MUR 3M invested in training and development ↗ 4%
- 7,430 hours invested in training ↘ 5.4%
- A strong customer-centric culture
- Living The Brand initiative
- Cross-business training

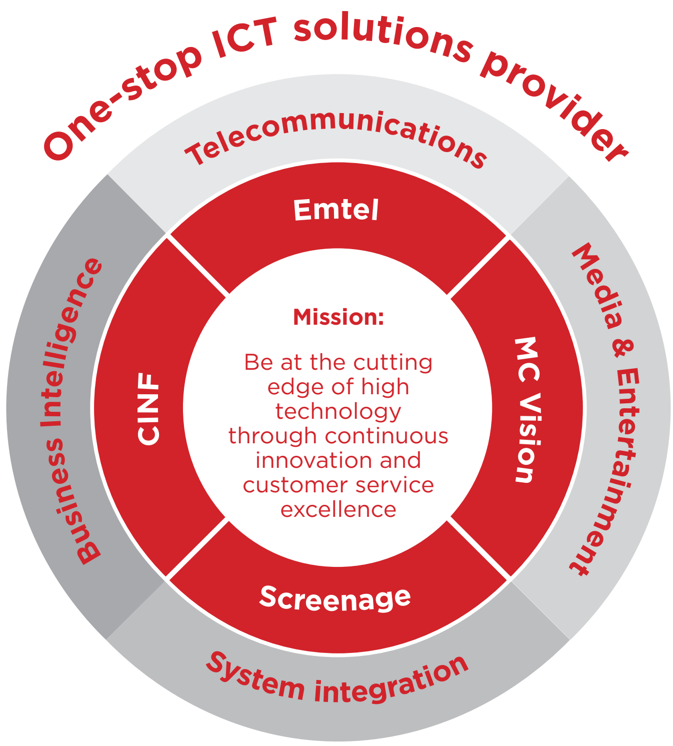
Intellectual capital
- The brands we own and represent: Emtel, Airbox, Canal +, Play, Emtel Feel Free, Play and Airbox+
- Telecom operating licences
- Broadcasting licences
- Our R&D capabilities and Certified Technical Specialists
- Partnerships/memberships with industry-leading technical support providers, providing advanced technical skills and know-how
- Our digital platforms and solutions
- An integrated strategy, with shared policies and procedures

Relationship capital
- 827,906 customers ↗ 2%
- 6,017 business customers ↗ 14%
- 18 distributors
- Long-term and mutually beneficial relationships with our stakeholders (including subscribers, business customers, suppliers, partners, employees, our peers, the authorities) based on trust and transparency
- Continuous efforts to deepen our understanding of customer expectations
- Constructive engagement with regulators

Manufactured capital
- 3 submarine cables
- Domestic fibre 487km ↗ 4.7%
- A world-class Tier-3 Data Centre and Disaster Recovery
- 3 landing stations
- 462 network sites (2G/3G/4G/5G) ↗ 3.8%
- 7 satellite transponders (36MHz each)
- Showrooms: Emtel: 23 - MCV: 11 - of which Converged 8
- Regularly upgraded and well-maintained infrastructure, assets and broadcasting systems

Social and Natural capital
- 2,459 MW electricity used ↗ 1.1%
- 188,385 litres fuel/diesel used ↘ 0.37%
- MUR 11.7M contributed to the Currimjee Foundation ↘ 18%
- 5 bands of spectrum assets for Emtel: 800MHz - 900MHz - 1800MHz - 2100MHz - 2600MHz
- Contribution to and alignment with Group ESG strategy
- Employee engagement and participation in CSR initiatives
- Continuous endeavours to reduce energy consumption and preserve natural resources (particular attention on recycling of e-waste, installation of solar panels/low-energy systems)
- Partnerships with NGOs and recycling companies

Our business activities



Underpinned by

- R&D innovation
- Ongoing planning, building & maintenance of infrastructure
- Partnerships with industry leaders
- Stakeholder engagement
- Customer centricity

↗ % increase vs. 2020 ↘ % decrease vs. 2020

% pts = percentage points

Outputs

- Robust state-of-the-art infrastructure
- Converged ICT solutions
- Reliable connectivity
- Exclusive premium content
- High-quality network
- End-to-end enterprise solutions
- Agile teams and processes
- Enhanced customer experience
- Sustained competitive advantage

Outcomes

Financial capital
- MUR 616M dividends paid ↗ 20%
- MUR 122M interest paid ↗ 32%

Human capital
- 75% Employee engagement score ↘ 4% pts
- Gender balance: 60% M and 40% F
- 3.2 average training hours per employee ↘ 13.5%
- Strong collaboration, team spirit and increased synergies across TMIT businesses

Intellectual capital
- Reputable household brands
- Market-leading capabilities
- Differentiated products and services, leading to a competitive advantage
- State-of-the-art converged solutions
- Trusted and reliable technological partner
- Cross-functional skills and cluster-wide knowledge

Relationship capital
- 40.6% market share of mobile customers ↘ 1.7% pts
- 56% market share of hospitality clients (Screenage) ↗ 32% pts
- 79.6% customer satisfaction score (Emtel):
- Strong relationships with stakeholders
- More accessible products and relevant services for customers
- Improvement in the customer experience and waiting time in showrooms
- Supplier/partner of choice
- Facebook community growth by 26,000+ customers (MCV+Emtel)
- 1,700+ followers on LinkedIn (Screenage and CINF)

Manufactured capital
- 365 GB daily average Total Data consumed on the network ↗ 28%
- 69.75 Gbps undersea cable capacity ↗ 134%
- 80 Gbps 4G data capacity
- 480 TB CDN Cache Capacity
- Enhanced network capacity and quality to support increased Internet traffic through upgraded infrastructure and systems

Social and Natural capital
- 66 tonnes e-waste recycled ↗ 281%
- 34.7 tonnes of paper/carton/plastic/oil recycled ↗ 72%

Refer to Our Environment & Sustainability strategy on pages 118-133

Real Estate
business model

Inputs

Financial capital
- MUR 1.4BN equity invested ↗49%
- MUR 89M net debt
- Solid financial structure and liquidity position with properties structured under a common shareholder vehicle

Human capital
- 33 employees
- MUR 17K invested in training
- The knowledge and experience of our teams

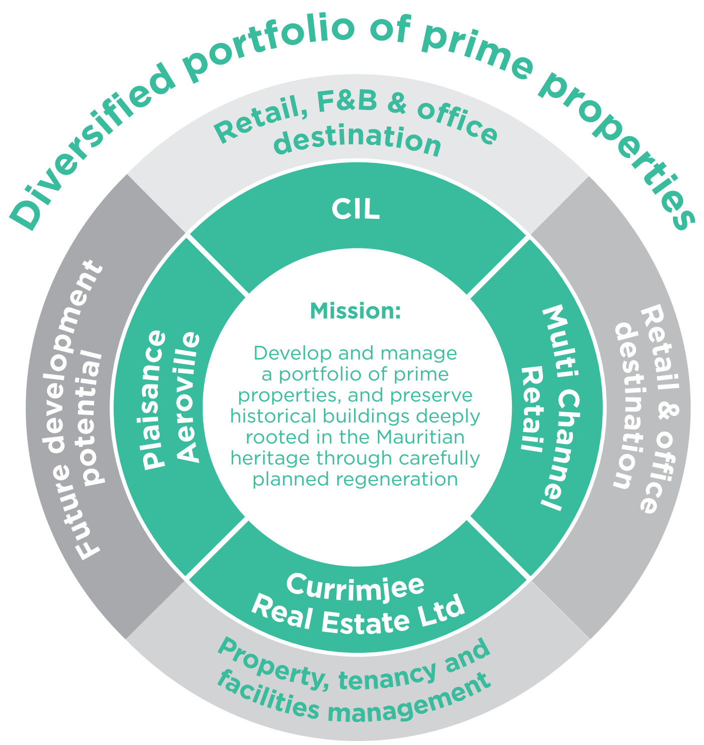
Intellectual capital
- Our growing brands: Les Arcades Currimjee, Quay 11 and Phoenix Central
- Our operational processes and systems, including an Integrated Property Management Software

Relationship capital
- Continuous meaningful engagement with our tenants and customers
- 85 tenants
- MUR 865K paid out in tenant relief plans

Manufactured capital
- MUR 1,798M in managed property assets value ↗2.6%
- 19,757m² in leasable area
- MUR 27M invested in renovation
- Deposit paid for the acquisition of 15 acres of additional land at L'Avenir for future development
- Property assets in prime urban locations
- Value propositions that cater for various customer segments
- Synergies with other clusters

Social and Natural capital
- Continuous commitment to sustainability initiatives across our properties
- MUR 234K invested in CSR activities

Our business activities



Underpinned by

Responsible management of assets	Centralised tenancy/facilities services	Promotion of sustainability

↗ % increase vs. 2020 ↘ % decrease vs. 2020

% pts = percentage points

Outputs

- A sizeable portfolio of prime properties
- Well-managed and well-maintained properties generating growing income
- Valorisation of the Mauritian heritage
- Regenerated and desirable urban centres to live and work in

Outcomes

Financial capital
- MUR 112.5M revenues ↗ 25%
- MUR 4.5M dividends paid ↘ 10%
- MUR4M interest paid

Human capital
- 77 % engagement score
- Gender balance: 76% M and 24% F
- 4.6 average training hours per employee

Intellectual capital
- Distinctive brand identity and value proposition for each property
- Improved facilities management

Relationship capital
- Positive and constructive relationships with the authorities and all our stakeholders, including the community at large
- Strong and enduring tenant relationships
- 2.46 years Weighted Average Lease Expiry
- Quick resolution of customer complaints

Manufactured capital
- MUR 1,798 fair value of assets
- 5% yields on developed properties
- Upgraded and well-maintained properties with the capacity to generate long-term returns
- Mixed-use office and retail spaces that deliver value to our tenants
- 90% occupancy rate ↘ 3%
- Balanced portfolio of tenants

Social and Natural capital
- CIL listed on the SEMSI and a member of the Green Building Council
- 1,405 KWh of solar energy generated

Refer to Our Environment & Sustainability strategy on pages 118-133

Tourism & Hospitality business model

Inputs

Financial capital
- MUR 2,119M equity invested ↗ **9.5%**
- MUR 1,693M net debt ↘ 6.9%
- Prudent cash flow management to improve operational efficiency and reduce foreign currency exposure

Human capital
- 185 employees at the cluster level
- 9522 hours invested in training
- A diverse and inclusive workforce
- Continuous training opportunities

Intellectual capital
- Our brands – IKO Mauritius, Anantara Resort and Silver Wings
- Long-term management contract with Minor International PCL
- Experience in hotel development and management
- Unique value proposition centred on wellness, sustainability and authentic local experiences
- Our technology and systems

Relationship capital
- Our privileged relationships with stakeholders, including our guests, our suppliers and our privileged local & international partners
- Member of the Global Hotel Alliance (GHA) Program

Manufactured capital
- A 164-room beachfront resort, Anantara iko Mauritius Resort & Villas with a value of MUR 2.6BN
- 8 luxury Anantara-branded villas for sale and part of a rental pool agreement
- Unique location in the Southeast of Mauritius, with a 100-metre setback from La Cambuse beach

Social and Natural capital
- 30 acres of leasehold land valued at MUR 950M providing access to 800 metres of pristine beachfront
- 70 acres of freehold adjoining the leasehold land with direct access to the beach

Our business activities

Underpinned by

- Strong service culture
- Partnership with MINOR hotels
- Facilities management
- Unique location
- Focus on wellness and healthy living

↗ % increase vs. 2020 / ↘ % decrease vs. 2020

% pts = percentage points

Outputs

- Innovative F&B concepts
- Authentic travel experiences
- Well-maintained and sustainable properties
- A distinct wellness offering
- World-class integrated coastal village
- Sustainable and low-impact stay
- Authentic local experiences
- Promotion of the Mauritian culture and natural heritage
- Empowered communities
- Socioeconomic development of the region

Outcomes

Financial capital
- MUR 83M interest paid ↘ **50%**
- Increase in property value ↗ **1%**

Human capital
- Gender balance: 58% M and 42% F
- 51 average training hours per employee

Intellectual capital
- Strong service culture
- Award-winning spa
- Anantara Customer loyalty programme (For villa owners)
- Anantara's experience and track record in the implementation of sustainability initiatives

Relationship capital
- Enhanced guest satisfaction
- Loyal customer base
- Engaged team members
- Positive interactions with suppliers, partners, the authorities and our communities
- Our satisfied and loyal guests and customers (Hotel Trip Advisor score 4.5/5)

Manufactured capital
- A 5-star resort with high international standards within an integrated coastal village
- 8 Anantara world-class villas with all modern amenities

Social and Natural capital
- Protection and preservation of Blue Bay Marine Park and the endemic flora and fauna in our natural surroundings
- Educational tools for guests and team members: a Coastal Lagoon Directory and a Flora & Fauna Directory are placed in each room
- Environmentally and socially conscious workforce
- 62% of workforce from the South

Refer to Our Environment & Sustainability strategy on pages 118-133

" Moving into

... a new role and taking on a new challenge, without having to change jobs or companies, is an incredible opportunity. In a way, it has made me more agile and put me in the driver's seat of my own development and growth. "

Zahraa Nuckcheddy
Manager - Financial Planning and Analysis
Emtel Limited

Boldly embracing the future
We are building customer-focused, digitally enabled and people-centred businesses, agile and ready for change at every turn.

Our Operating environment

Key trends impacting our business

A VOLATILE AND UNCERTAIN CONTEXT CAUSED BY COVID-19

Mauritius was hit by another wave of Covid-19 infections in March 2021, leading to a three-week lockdown and a slowdown in the economy. Despite a high vaccination rate, major economic indicators plummeted due to restrictions on international travel until October, coupled with the closure of public spaces, including schools, and the prohibition of gatherings. Interest rates remained low, financial institutions remained cautious in giving out credit, businesses experienced interrupted activities with high employee absenteeism, and consumer spending focused on essentials.

GDP growth ↘ **14.9%**

Inflation ↗ **4%**

Unemployment ↗ **9.4%**

Material risks

1, 3, 5, 8, 11, 13, 14, 21, 26

Strategic objectives

- **FINANCIAL RISK MANAGEMENT**
- **BUSINESS PORTFOLIO MANAGEMENT**
- **OPERATIONAL EFFICIENCY**

Our response

- → We obtained our work access permits quickly and activated business continuity protocols, resuming work with no interruption to our activities.
- → We introduced more accessible products and solutions to customers.
- → We continued lending support to our stakeholders through moratoriums and relief packages.
- → We reviewed our Group strategy, emphasising cash flow management and investments in favourable growth areas.
- → We demonstrated strong levels of resilience and remained well capitalised, liquid and profitable. This is largely driven by prudent risk management practices.

Main clusters impacted

Telecoms, Media and IT | Real Estate | Tourism and Hospitality | Commerce and Financial Services | Energy

Key trends impacting our business

A DEVASTATED TOURISM INDUSTRY

With travel bans and border closures still ongoing, the tourism and hospitality industries came to a near-halt. As labour-intensive sectors that contribute 20% to GDP and 50% to employment through ancillary businesses such as airlines, tour operators, restaurants, accommodation and shopping malls, the collapse in tourism led to negative spillovers in the entire economy, including a decline in foreign exchange. Tourist arrivals remained subdued even once borders reopened, partly due to France placing Mauritius on its Scarlet Red list for a few days.

Looking ahead, the war in Ukraine could also have a significant bearing on the industry's recovery.

Tourist arrivals ↘ **41.8%**

Forex ↘ **6%** (USD), **13%** (GBP), **9%** (EUR)

Material risks

1, 8, 9, 15, 21, 22, 23, 24

Strategic objectives

- **FINANCIAL RISK MANAGEMENT**
- **BUSINESS PORTFOLIO MANAGEMENT**

Our response

- → With the hotel remaining shut for most of the year, we used this time to strengthen our value proposition around sustainability and attract an increasing number of local guests
- → We are restructuring the Real Estate cluster to increase its strategic importance for the Group.
- → The weakened Mauritian Rupee significantly hiked up our costs in obtaining goods and services transacted in USD and Euros, prompting us to make judicious use of our financial resources.

Main clusters impacted

Telecoms, Media and IT | Real Estate | Tourism and Hospitality

Key trends impacting our business

DISRUPTED SUPPLY CHAINS AND INFLATION

Across the world, supply chains are facing severe disruptions with factories not running smoothly, airports remaining shut and shipping costs skyrocketing. Mauritius, like many other countries, is facing either shortages of essential products, or surges in the price of commodities. Inflation climbed to 4% in 2021, affecting the purchasing power of consumers, who are seeking every opportunity to reduce their spending in non-essential areas. Inflation is likely to further increase due to the war in Ukraine.

Freight cost ↗ **156%** between June 2020 and July 2021

Material risks

1, 3, 5, 14, 20, 21

Strategic objectives

- **FINANCIAL RISK MANAGEMENT**
- **BUSINESS PORTFOLIO MANAGEMENT**

Our response

- → We diversified our supply base to reduce our dependence on risky sources; we are also moving away from just-in-time inventory and carrying safety stock to ensure the uninterrupted supply of products and services. However, it will be challenging to find alternatives for sophisticated technology (microprocessors) generally sourced from China.
- → We are adapting our products and pricing to new local needs, as much as possible.

Main clusters impacted

Telecoms, Media and IT | Real Estate | Tourism and Hospitality | Commerce and Financial Services | Energy

Key trends impacting our business

ACCELERATION OF DIGITAL ADOPTION

Digital offerings have come to become an expectation in all industries, following restricted mobility imposed by authorities around the world. Businesses have had to adapt their business models and accelerate their digital transformation initiatives to meet the needs of today's customers, from offering omnichannel services and enhancing the customer experience, to automating internal processes and equipping their workforce with the tools to work remotely and service digital-savvy customers.

Material risks

3, 4, 5, 6, 13, 17, 18, 20

Strategic objectives

- **BUSINESS PORTFOLIO MANAGEMENT**
- **OPERATIONAL EFFICIENCY**

Our response

- → We pursued our transformation into a leaner, more agile organisation through a model of shared services and synergised processes across all clusters; most businesses are equipped with fit-for-purpose software to optimise their workflows and customer relationships.
- → We developed online payment platforms and ecommerce solutions, and strengthened our community engagement through social media platforms; we are developing a robust Fintech strategy for Emtel, which we will reveal in 2022.
- → We have been investing in upgrading our infrastructure and expanding our network resilience and capacity, as maintaining high network quality and coverage is more critical than ever to support the rapid increase in digital usage.
- → Continuous emphasis on training and skills to promote the development of an agile workforce.

Main clusters impacted

Telecoms, Media and IT | Real Estate | Tourism and Hospitality | Commerce and Financial Services

OUR OPERATING ENVIRONMENT

Key trends impacting our business

TRANSFORMATION OF THE WORLD OF WORK

How business is conducted, how people work and what employees expect have changed dramatically. Sectors like tourism and hospitality, for their part, are experiencing unprecedented levels of employee resignations. In 2021, waves of Covid-19 infections forced us to create rotating teams to minimise operational disruptions; remote working and hybrid work models have become the norm, leading to changes in office usage. In our second year of facing the pandemic, the workforce is dealing with poor mental health as they grapple with work, school, household duties and reduced incomes, all while facing uncertainty about the future. This context requires an agile approach to how we work and an increased focus on employee wellbeing and engagement.

Material risks

1, 2, 5, 8, 10, 13, 22

Strategic objectives

BUSINESS PORTFOLIO MANAGEMENT

OPERATIONAL EFFICIENCY

Our response

- We created and launched the CJ Employee Wellbeing Programme, which grants employees access to psychologists through a 24/7 hotline, fitness classes and a library of useful videos/ articles. This ensures high levels of fulfilment and engagement even while employees work remotely.
- Our teams across CJ Group collaborate on projects, which increasingly require inter-cluster knowledge and skills. To support this, the office environment has become more collaborative and cross-functional.
- We strive to create an inclusive and diverse workplace that promotes equality across genders, cultures and ages. We have a zero-tolerance approach to bias, harassment and discrimination.
- We relocated certain offices and renovated others to keep our teams inspired and motivated; we also make use of a co-working space, accessible to employees all across CJ Group

Main clusters impacted

Telecoms, Media and IT | Real Estate | Tourism and Hospitality | Commerce and Financial Services

Key trends impacting our business

EVOLVING ENVIRONMENTAL, SOCIETAL AND GOVERNANCE EXPECTATIONS

The pandemic has amplified the urgent need for businesses to play a more active role in tackling environmental and social challenges. As an island-nation, Mauritius is at the forefront of climate change; at the same time, Covid-19 has exposed the fragility of our social structure and has reversed much of the progress made in our communities over the last few years. Despite being removed from the FATF's grey list, Mauritius' reputation and credibility as a reliable international financial centre was seriously impacted.

Sound governance and compliance have become front and centre to restore the island's competitiveness and reputation as a compliant and trusted destination.

Material risks

2, 5, 8, 9 ,10, 22, 24

Strategic objectives

SUSTAINABILITY FOCUS

Our response

- We created Trampoline, a social impact accelerator designed to support businesses with social and environmental goals. We are also part of the Katapult Mauritius Accelerator programme, the first African accelerator focusing on the transformation of food systems in the region.
- ESG concerns form part of the Group's long-term strategy, adhered to by all business units. All of them invest in sustainable solutions to offset their negative impact, as much as possible. We also align ourselves with the highest international and local sustainability frameworks to meet our goals.
  Sustainability report on pages 118-133
- We proactively monitor the evolving regulatory landscape, and embed good corporate governance practices and ethics across our businesses. We have also enhanced our KYC and due diligence processes. We view this as an opportunity to future-proof our business.

Corporate Governance report on pages 142-179

Main clusters impacted

Telecoms, Media and IT | Real Estate | Tourism and Hospitality | Commerce and Financial Services | Energy

Delivering on our strategy

The Group performs annual strategic reviews to assess the relevance of our strategy against an extremely volatile operating environment, and whether our priorities address both near-term realities and future trends. This exercise confirmed that our strategic pillars remain more relevant and timely than ever.

During the year, we scaled up our digital capabilities and investments in our talents to ensure our operations were leaner and more efficient; we prudently balanced cost containment with our growth objectives, making targeted investments in the core areas that give us an edge in the markets we operate; we diversified our revenue streams by strengthening our existing portfolio, while exploring new customer and market segments; and we doubled down our efforts to use our leading position to catalyse the development of a more sustainable and inclusive Mauritius.

After years of steadily investing in the right structures, business models, digital capabilities and talents, we are well on our way to becoming a converged and more united Group, able to embrace disruption to drive positive and sustainable change.

STRATEGY 2022 - 2024

Operational efficiency

Achieve operational excellence and build organisational strength

- Build highly-engaged teams united around common values and a culture of continuous learning
- Centralise critical functions and implement a Group-wide shared services programme
- Accelerate digitalisation to improve the employee experience and customer interactions
- Embed a customer-centric culture in all aspects of our operations

Financial risk management

Ensure the financial resilience of the Group and rebalance our financial structure

- Improve leverage at the Holding company level through the realisation of identified assets
- Our existing bond programme allows CJ to take advantage of cash generation for targeted investments
- Strengthen each subsidiary's ability to achieve financial independence
- Collaborate within and between clusters to realise revenue and cost synergies
- Embed agility and risk management in every aspect of our business

Business portfolio management

Diversify our portfolio across assets and industries, and invest for future growth

- Pursue a convergence strategy by leveraging our businesses' collective strengths and capabilities
- Strengthen our competitive advantage and develop new sources of income by optimising existing investments
- Diversify our revenue streams through the development of innovative products and solutions
- Restructure our Real Estate structure and build scale in our businesses
- Execute our strategies in phases to better manage risks and seize opportunities

Sustainability focus

Make environmental and social sustainability an integral part of our way of doing business

- Embed sustainability best practices into our strategy, operations, value propositions and behaviours
- Reduce our environmental footprint and preserve our natural resources in alignment with the SDGs
- Help to build empowered and resilient communities
- Create an enabling ecosystem for social enterprises to thrive

Drivers of Strategic Actions

- Consolidate our core and grow
- Build scale
- Realise Group synergies
- Talent management and development
- Explore new opportunities in existing businesses
- Leverage technology and digital capabilities
- Increase liquidity of our investments

In conversation
with our Managing Director

"While our focus in previous years was on strengthening the building blocks and foundations of our strategic priorities, the past year saw their execution and the delivery of a number of milestones."

Operating Context

As we moved into 2021, the dominant view was that the worst was behind us, and that we were entering a new year with positive developments on the horizon, and a clearer and stronger roadmap for the future. Unfortunately, 2021 turned out to be equally unpredictable, made up of fluctuating periods of uncertainty, despair and optimism.

The year started slowly, with the economy facing strong headwinds in January and February due to the continued closure of borders since March 2020. In March 2021 came another lockdown, which, although shorter than the previous one, was a greater shock to many as we had been operating in a Covid-safe environment for months. The creation of 'red zones' threw business operations into disarray, with facilities in these areas opening and closing intermittently.

The gradual opening of the borders from 15th July, and the eventual full reopening on 1st October, provided much needed hope to tourism-related operators – whether large groups, independent businesses, entrepreneurs or self-employed professionals.

November, however, saw the sanitary crisis reach its highest point since 2020, putting hospitals under tremendous pressure. This was immediately followed by the onslaught of the Omicron crisis in early December, coupled with France's decision to place Mauritius on its 'Scarlet Red' list, banning all travel between both countries. This throttled the tourism resurgence and dented the positive economic momentum.

This year of doubts and worry also brought out the best in us at all levels. At the national level, 2021 shone a light on the importance and significance of the tourism industry for the country. The unprecedented collaboration between the private and public sector to spur the recovery of tourism demonstrates how much we can achieve if we work together for the common good.

The resolution of the 'Scarlet Red' episode with France illustrates, in equal measure, how deep ties with other countries can be leveraged for the benefit of the country.

At the Company level, our people showed exemplary compassion and generosity. Knowing that the pandemic had a serious impact on the wellbeing and mental health of our teams, we responded by investing in their emotional and physical wellbeing, working together as one big family to support one another. This was instrumental in getting us through the negative effects of the crisis.

Strategic Priorities

The last two years have provided us with numerous opportunities to re-evaluate our strategies. Following a diligent assessment at the Board level, we once again came to the conclusion that our strategic pillars, 1) Organisational efficiency, 2) Financial risk management, 3) Diversification of our portfolio and 4) Focus on sustainability were even more relevant to us in these times. While our focus in previous years was on strengthening the building blocks and foundations of our strategic priorities, the past year saw their execution and the delivery of a number of milestones.

Organisational Efficiency

Over the last few years, CJ has been continuously building a strong team aligned around common goals. This has been achieved through focused programmes on Engagement, Talent and Leadership Development, reviewing our organisational structures to make them more effective, and offering career advancement and training opportunities to our younger leaders. All of these were built upon a foundation of deeply-held values and principles.

To lend our support in these difficult times, we introduced Wellbeing programmes for all of our team members, ensuring our policies are flexible enough to support their various needs. We are proud that our efforts were well appreciated, earning us high Engagement and Enablement scores. Engagement, at its very basic, is a reflection of "How far is one willing to go for the company?" Our score gives us the confidence that a high percentage of our team members is committed and fulfilled at work. This also testifies to the strength of CJ's team spirit.

We formalised our customer-centric framework, which rests on four pillars: Customer Feedback and Measurements, Human Capital, Simplified and Digitised Processes, and Product/Service and Brand positioning. This framework sets out clear performance metrics, enabling us to track our improvement yearly. As a result, we have seen a measurable increase in our digital sales and digital interactions in all our B2C businesses, which sets the stage for other opportunities.

This initiative is led by a multidisciplinary team of young leaders from different units of the Group, who benefit from personal and professional development opportunities. As we move forward in this initiative, we hope to create a virtuous cycle whereby more engagement leads to more customer centricity, which, in turns, leads to better business outcomes.

A more streamlined organisational structure supports the delivery of all of these goals. During the year, we worked on making our structure flatter, better integrated and more reactive. These decisions are never easy, but are essential for the organisation's sustainable growth and development.

Financial Risk Management

The arrival of the pandemic put considerable strain on the balance sheet of all companies, including CJ. However, by virtue of our mix of businesses and diversity of our activities, we came out of the crisis relatively strong. Nevertheless, having drawn the right lessons from the crisis, we upheld our commitment to continuously review and enhance CJ's debt structure

IN CONVERSATION WITH OUR MANAGING DIRECTOR

and profile, thereby enhancing our financial resilience. During the year, we successfully raised Rs 2.2 billion of bonds to replace our short-to-medium bank debt. On the back of a strong A- Stable rating by CARE Ratings (Africa) Private Limited, our offer was oversubscribed, and we managed to lengthen the maturity profile of our debt with attractive interest rates, a substantial portion of them being fixed rates.

This enables CJ to focus more effectively on its businesses, while reducing yearly debt repayments in the short term, and aligning our debt repayments with our business goals.

Diversification of our Portfolio

Much work has gone into diversifying our existing clusters and enabling them to build scale, support their existing lines of activities, generate new business opportunities and offer more value to the customer. A number of noteworthy initiatives were set in motion in 2021.

On the Commercial front, Batimex opened a number of showrooms, renovated others, and won over a new customer segment by providing merchandising services to its wholesale customers. This has firmly set Batimex on a growth path, and in a strong position to lead developments in the retail segment.

On the Real Estate front, the team successfully launched the renovation of Les Arcades in Curepipe, which has received an outstanding response from existing and potential tenants. The leasing-out process has been very successful thus far. The newly-renovated Arcades will enable Compagnie Immobiliere Ltée to return to a strong recovery post Covid, and drive our initiatives to restructure a number of our properties under a common ownership, thus building scale and allowing the cluster to address new opportunities.

It is on the Technology front, through Emtel, that the most decisive steps were taken. Emtel obtained its 5G licence and spectrum in 2021, and accelerated its plans to develop a 5G network. At the end of the year, Emtel instigated its plans by placing the order for its network, setting a date of mid 2022 for the official launch.

Emtel has also been working with different local and international partners to launch its payment app. During 2021, we applied for a licence from the BoM, and made significant strides on this front by the end of the year. The development of the payment app progressed commendably, and by the end of the year, we began conducting tests with internal Beta users.

Both these initiatives, which had been in development over the last couple years, are now in an execution stage and seeing the light of day. They will allow Emtel to strengthen its existing telecommunication revenues, address new revenue segments within the Telecommunications field, and allow Emtel (together with other CJ businesses) to seize opportunities in e-commerce, payment systems, the distribution of financial services, and new content offerings, amongst many others.

Another major development was the launch of Emtel Technopolis, which will house a Satellite Ground Tracking Station for One Web. Emtel Technopolis has been set up to develop a Technology Park, with a focus on high-end knowledge- and capital-intensive activities.

Emtel Technopolis Ltd received its Premium Investor Certificate in late 2021 and is planning to start operating in Q1 2023. This will reinforce Emtel's position in the Enterprise Solution segment, and more importantly, make Mauritius even more attractive to international telecommunications operators.

Still in the Technology cluster, MC Vision faced another difficult year. It had to contend with a weak Mauritian Rupee, cut-throat competition and declining purchasing power, which drove down its subscriber base. With customers continuing to limit spending on essentials, of which entertainment does not form part, MC Vision focused on improving its existing products with innovative, value-adding features. Looking ahead, MC Vision is positioned as a strong content aggregator, and the increasing synergies with Emtel, which have been serving both companies well, are expected to yield positive results.

After two years of low activity, our Hotel segment prepared for the reopening of borders by enriching its value proposition, which appeals to post-Covid travellers looking to blend their wellness needs with sustainable and authentic experiences. An Active Wellbeing programme was developed and the hotel team was provided with all the training and motivation needed to do what they do best – offer guests warm and sincere hospitality. Alongside this, the preliminary feasibility of Phase II of Iko Coastal Village was kicked off.

Sustainability focus

At CJ, we understand that our perennity as a company relies on the sustainable development of our communities and natural environment. During the year, we made considerable efforts to improve our environmental performance, assiduously tracking and monitoring our use of resources. Anantara iko, which is rooted in the principles of sustainability, deployed a coral farming project at La Cambuse. Its ambition is to rehabilitate our coral reefs, which serve a crucial role in the stability of our marine ecosystems, and are an important source of income and food to the region's communities. Should this pilot project turn out to be successful, we intend to replicate it in other parts of the island.

We are also very proud that in April 2022, we made the decision to provide income support to CJ's people through a voucher scheme, designed for employees earning under Rs 20,000 per month. In these difficult times, we want our people to be as comfortable as possible, and relieve them of the worry of having to forgo basic necessities to meet the needs of their families. Our CSR activities and the Currimjee Covid Fund also focused heavily on social measures and food packs to help vulnerable members of our society.

Along the same lines, one of our proudest achievements is the launch of Trampoline, our social impact investment accelerator, through which we aim to contribute meaningfully to better socioeconomic conditions in Mauritius. I invite you to read more about it on page 139.

Main accomplishments and financial performance

Even against a very difficult operating environment, CJ's businesses stood on their own and progressed both from a strategic and financial viewpoint. Group turnover saw a growth of nearly 1.2%, driven by growth in all our businesses except for Emtel and MC Vision, both of which were impacted by the closure of the borders and other Covid-related regulations.

Given our effective control of operating costs and financial costs, CJ's loss before exceptional expenses was limited to MUR 24M. However, given the positive movement in our retirement obligations and improvements in our international quoted investments, the Group registered a Total Comprehensive Income of MUR 720M, substantially strengthening our balance sheet. The restructuring of our debt at CJ was a major accomplishment, which also positively impacted our operational performance.

More importantly, the Group's performance during the last quarter was very strong, which indicates that our businesses have a strong base, and responded well to the reopening of the borders.

Future Outlook

On the global front, we were lurched into another difficult year with the invasion of Ukraine by Russia. This is leading to increases in oil, food and other commodity prices, fuelling rapid increases in inflation worldwide, protective behaviours by countries, and further economic difficulties as global production is being impacted. Within Ukraine itself, a humanitarian crisis has unfolded in many areas as the citizens suffer from the ravages of the war.

Most countries countered by increasing interest rates, after years of a low-interest rate environment. This change will influence individual consumption patterns, with most experts forecasting recessions in western countries, which happen to be our main markets and main providers of FDI. Although the price of commodities has fallen from their peak over the past few weeks, the situation remains volatile.

At the national level, before tourism had a chance to recover from being placed on the 'Scarlet Red' list, two Class 4 cyclones hit Mauritius, not only causing physical damage, but also immediately driving up inflation, which reached 6.0% in March 2022, before rising to 9.6% in June. Large sections of our population are being affected, and many have been unable to meet basic requirements for comfortable and dignified living standards.

Against this challenging backdrop, the increase in tourism since July 2022 bodes well. This rebound is coinciding with the improvement in air connectivity, with the addition of an extra flight by Emirates. That being said, we are closely monitoring the uncertain environment, and will continue to move forward decisively, but carefully, always assessing risks.

Now more than ever, as a leader, employer and community member, we have to be even more attuned to the needs of society and of less fortunate people. We must not allow our short-term needs to overshadow the urgency of supporting our communities, and we intend to pursue the transformation and development of our businesses in a manner that also enables society to benefit. This has always been integral to our values, and it is inseparable from the history of our organisation, and the legacy we wish to leave behind.

My gratitude goes out to every employee, customer, supplier and business partner that continued to support us over the past year. Our success and legitimacy as a business can best be measured by the impact we have on our full breadth of stakeholders, whether financial, environmental or societal. Thanks to you all, CJ is continuing to grow into a trusted organisation that delivers lasting value for all.

Nurturing a culture that supports change

Over the last two years, as it became evident that the pandemic is a people-centred challenge, the Human Resources (HR) function has seen a dramatic shift in purpose. HR leaders have been central to the pandemic response, not just in helping employees transition to working from home, navigating health requirements and adapting to a new digital environment, but also in supporting them through personal challenges and achieving a work-life balance.

In many ways, the pandemic has reinforced HR's strategic value and re-emphasised the human aspect of Human Resources. The function holds strategic importance for CJ and its subsidiaries and has been a major enabler of our business strategy and of a strong culture of adaptability, flexibility and resilience.

We have defined four key drivers to achieve our objectives, all of which have contributed to a 75% employee engagement score for the Group.

Organisational Efficiency

Review of organisational structures

We continuously review our organisational structures at the Group level, cluster level and business unit level to ensure that they are fit to execute our business strategies. The last few years have seen a shift towards highly flexible and nimble structures that allow for synergies between activities and internal talent mobility, with the added benefit of cost-effectiveness. To ensure its success, we have a shared services model in place, where critical functions such as Accounting, Human Resources and IT are centralised, thus aligning all Group employees around common processes and behaviours.

In 2021, changes made in our structures led to the increased ability to address urgent HR challenges by quickly redeploying employees to other cross-functional roles or collaborative projects. In turn, this has enabled the Group to preserve jobs, unlock the untapped skills and potential of employees, and create learning opportunities for them in the process.

Digitalisation initiatives

Digital transformation has been underway at CJ for many years now, but has accelerated to sustain our operations in a volatile environment. While technology has been adopted for customer-facing interactions, 2021 was about using technology in a way that works for our employees. We continued automating and streamlining processes at the level of HR, Finance and Accounting during the year, with the aim of boosting productivity and enabling our resources to dedicate more time to value-added tasks. E-payslips and e-signatures for HR policies were put in place, and CJ and all its subsidiaries implemented the HRMS Sicorax system, aligning the entire Group around common HR processes and practices. The use of collaborative tools and internal communication tools has largely improved the employee experience and team spirit within the organisation, suggesting that we are operating as successfully remotely as we were in-house.

Customer Centricity

One of CJ's strategic objectives is to embed a strong customer centric culture within the organisation. To support the business units in this cultural transformation and in delivering memorable customer experience, a framework rooted in four work streams was developed, and which underpins any successful customer-focused initiative:

- **Human Capital** - work on nurturing an exceptional employee experience, which, in turn, drives an exceptional customer experience
- **Customer Data and Measurement** - continuously measure and track customer satisfaction through surveys and well-defined metrics
- **Digitisation, Process improvements and Data Analytics** - offer a seamless and personalised experience to customers across channels
- **Product, Brand and Value Proposition** - deliver compelling a value proposition that addresses the needs of customers

Learning & Competence Development

Learning & Competence Development

Building an agile and future-ready organisation, requires a strong culture of continuous learning. Learning and development were always front and centre at CJ, but the crisis has called for the acquisition of new skills, not just in the digital sphere, but also to deliver new business models. In 2021, we focused on strengthening the technical skills required to meet our immediate business needs and drive our strategy forward: this included data analytics and AI, risk-based AML/CFT and Fintech. Training was mainly conducted online, making it possible to scale learning efforts and reach a greater number of employees.

Talent Management & Development

Talent Management & Development

Talent management plays a key role in the execution of the Group's business strategy. The focus in 2021 was on business continuity plans and succession planning for key functions, and individual career and personal development plans, particularly for high-potential executives.

Performance Culture & Engaged Workforce

Engaged Workforce

Physical and Mental Wellbeing

The pandemic has further underscored the growing importance of employee wellbeing in the workplace, particularly as markers of stress are at an all-time high with remote working, balancing work and personal responsibilities, and an overwhelming sense of uncertainty. With this in mind, the CJ Employee Wellbeing Programme was launched in 2021 to support our workforce's physical and emotional wellbeing:

- the introduction of a comprehensive protocol document to ensure their preparedness in the event of an infection;
- regular and frequent communication on the evolving Covid-19 situation, vaccine information and best hygiene practices;
- special Covid-19 leaves and access to the company doctor via online sessions;
- free counselling sessions for mental wellbeing and a 24/7 hotline;
- awareness campaigns on mental health through webinars and articles;
- yoga sessions.

KEY OUTCOMES IN 2021

75%
Employee engagement score (above global and national benchmarks)

39%
female employees

180
average turnout for webinars on mental wellbeing

18,506
man/hrs training, of which 80% dedicated to technical training

Managing

our risks and seizing new opportunities

OVERVIEW

Risks, in all spheres, have the potential to impact our businesses, with consequences on our business performance, financial stability, regulations, human capital, health and safety, and our environmental and responsibilities towards the community at large.

Enterprise Risk Management (ERM) forms an integral part of conducting business at Currimjee Jeewanjee and Company Limited (CJ) and its business units. We have in place an effective risk management process, which contributes strongly to the achievement of our strategic objectives. Leveraging ERM as an effective tool for decision-making has allowed the Group to identify emerging risks in a volatile and uncertain environment as well as opportunities, when they arise.

The ERM process at CJ is carried out in a formal manner, with a combination of experience, knowledge, a systematic approach and good governance to ensure resilience and stability. Our disciplined approach has enabled us to effectively manage and report our risks, manage our resources and ensure value creation, even under challenging circumstances.

Nevertheless, as is the case for many businesses, our organisational objectives are increasingly influenced by certain key risks. The hospitality and tourism sector is still facing the adverse effects of the pandemic and the road to recovery may take longer than expected.

Throughout 2021, the key focus was on closely monitoring existing and emerging risks, especially those risks which have become more accentuated such as the economic downturn, cyber threats, the customer journey and experience, and societal risks. We had to address increasingly significant issues resulting from the changes in market conditions, the health crisis and social concerns. Substantial efforts were made to sustain our competitive advantage. We remained solid in maintaining our brand value and resilience, despite operating in a market environment where the dynamics are constantly changing.

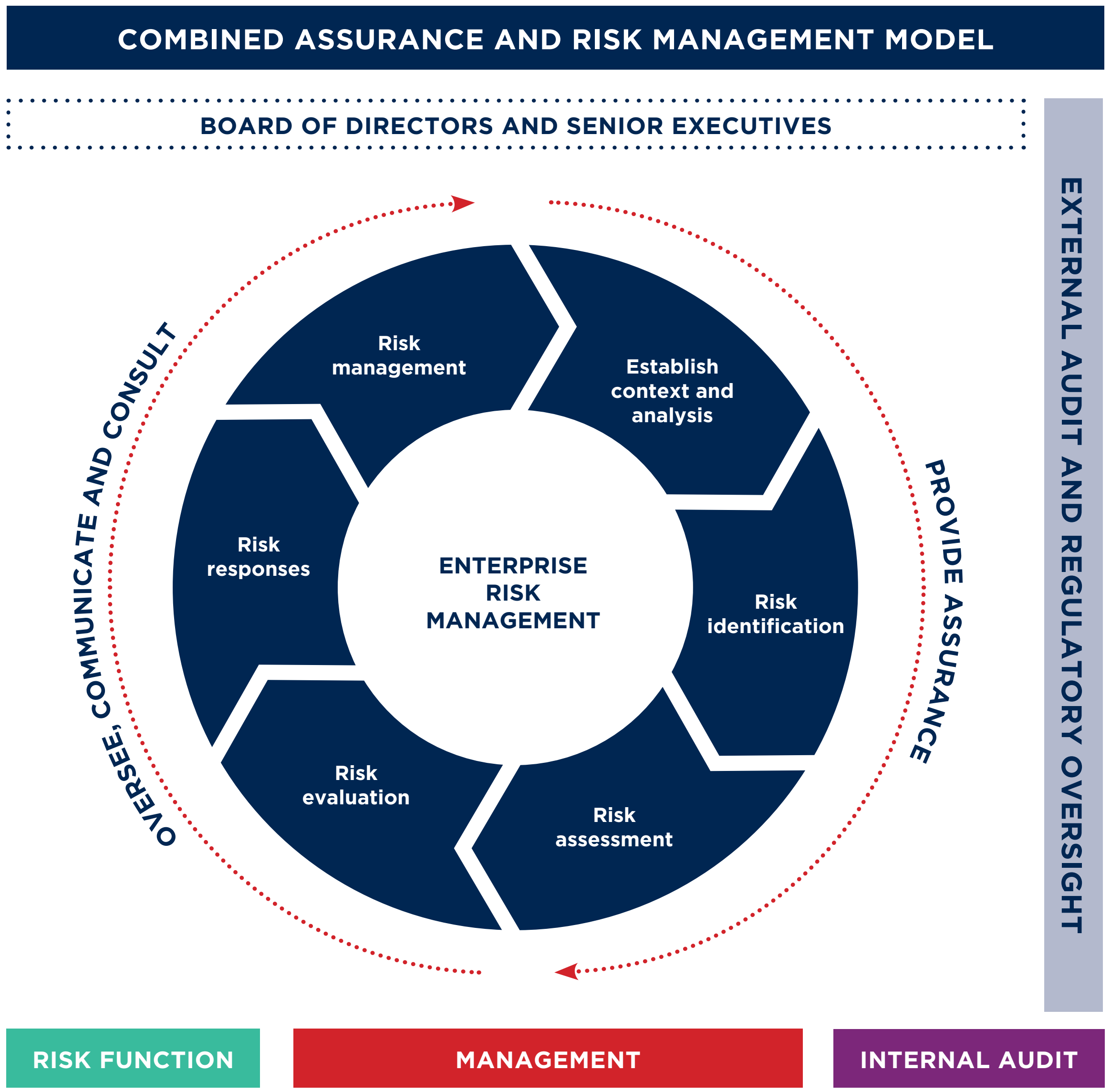
Our ERM framework, which is based on the globally recognised COSO framework, has guided us in tackling risks and uncertainties, including business adaptability and bounciness, in a rational manner. Compliance with the framework is ensured across the Group through a rigorous system of governance, risk committees, policies and tools.

RISK MANAGEMENT MODEL

As part of good corporate governance and a systematic approach to ERM, we have an established risk management model, which positions risk management as the responsibility of everyone in the organisation, across departments and roles. We embed a solid risk management process at all levels of our operations and in all aspects of our decision-making, encouraging our management team to use an integrated thinking approach.

Our risk management methodology is designed to analyse, identify, assess, evaluate, respond to and manage risks.

Appointed service providers provide independent assurance on the effectiveness of our risk management and internal control systems. During 2021, Ernst & Young (EY) was appointed to conduct a risk management maturity level assessment at CJ, with the objective of assessing the maturity level of the risk management activities, processes, systems and controls in place, as well as the roles of different stakeholders involved. CJ has benefitted from EY's deep understanding and experience on risk management in various sectors, coupled with the availability of its documented resources. The outcome of this exercise contributed to further strengthen our ERM process.



GOVERNANCE

We have a unified and dynamic governance structure at the level of CJ and its business units, encouraging an effective risk management process and a sound risk culture. We adopted the "Three Lines of Defence" approach, as follows:

- The first line of defence is made up of the Heads of business units and Risk Officers who own, manage and report on risks.
- The second line of defence consists of the CJ Risk Management function, which oversees the effectiveness of the development, implementation, and maintenance of risk management.
- Lastly, the third line of defence consists of the independent assurance providers, such as internal and external auditors.

The CJ Board of Directors is responsible for the overall approach to risk management to determine the types and extent of risks it is willing to take to achieve its objectives, by providing guidance, structure and clarity over expectations.

MANAGING OUR RISKS AND SEIZING NEW OPPORTUNITIES

The CJ Audit and Risk Committee was constituted by the CJ Board of Directors to ensure that there is an effective implementation and compliance of the risk management process across the Group. The CJ Audit and Risk Committee works closely with the CJ Risk Management function to ensure compliance with the risk management model.

The business units have their own Audit and Risk Committees, who report to their relevant Boards of Directors. These Committees work together with the CJ Risk Management function to oversee the implementation of the ERM Framework, monitor risks and track the mitigation plans.

All business units are also responsible for continuously updating their risk register and to ensure that:

- their main objectives (strategic, financial, operational, compliance and human capital) are communicated and understood across the respective companies;
- a robust risk management system is in place to enable the achievement of those objectives;
- policies and procedures are effectively complied with.

Meetings are held between the CJ Risk Management function and the Heads of business units / Risk Officers on a quarterly basis, and with the Finance Managers on a monthly basis.

GLOBAL CONCERNS

The aftershocks of the Covid-19 pandemic continue to affect the global economy. Following the shutdowns in 2020 and supply chain challenges of 2021, other waves of disruptions are now impacting businesses and communities around the world: rising costs of raw materials, accentuated inflation rates, fluctuations in exchange rates, poverty, unemployment, income inequalities, public health, young people's mental wellbeing and cyber risks. The risks affecting businesses have become more pronounced and have brought further uncertainty.

Within the hospitality and tourism industry, risks relating to macroeconomic factors remain present, albeit the sector'sslow recovery. As countries gradually lift travel restrictions and tourism resumes in many parts of the world, health must continue to be a priority and coordinated health protocols that protect workers, communities and travellers, while supporting companies and workers, must be firmly in place.

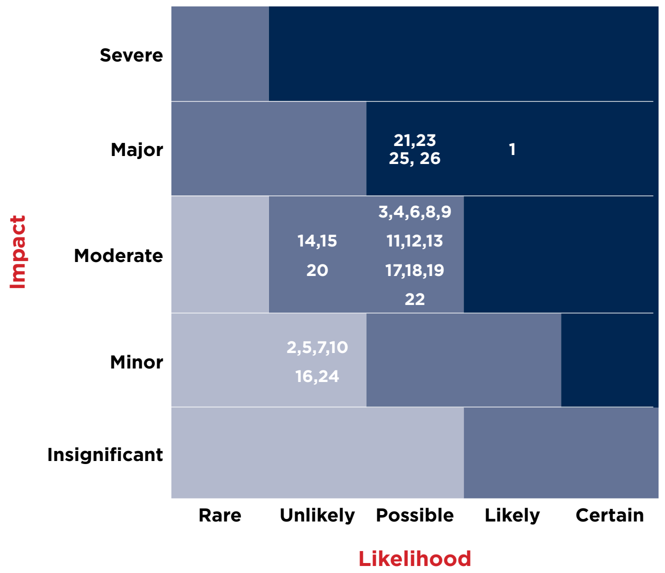
The economic measures taken by the Government of Mauritius to financially support local businesses were helpful. CJ Group benefitted from financial support from the Mauritius Investment Corporation and wage subsidies via the Government Wage Assistance Scheme.

On 24 February 2022, Russia started a war against Ukraine, which will no doubt have a global impact on the livelihood of communities, businesses and economies across the world.The setbacks suffered in terms of rising prices, unemployment and supply chain disruptions will become more prominent. In addition to this, fears over a potential food crisis, global health concern and socio-political instability are growing day by day.

The war is also expected to affect the Mauritian economy and its people. The rise in prices of fuel, medicines and commodities will put additional strain on the livelihoods of our people, and both businesses and communities need to be prepared to face difficult times ahead.

MANAGING KEY RISKS RELATING TO OUR BUSINESS AND INDUSTRY

The Group risk map and table below provide an overview of the key residual risks and the mitigating measures.



MANAGING OUR RISKS AND SEIZING NEW OPPORTUNITIES

	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
1	**Economic Downturn and Changing Market Conditions**	The world is facing a slowdown in economic activities, mainly due to the pandemic, with major impacts on both the international and local market conditions. The Russia/Ukraine war will aggravate the impacts of the economic slowdown in terms of global inflation, supply chain disruption, unemployment, social tension and poverty. Those effects will be felt locally. We anticipate that the hospitality and tourism industry, which is one of the pillars of the economy, may take longer to recover than expected. Our businesses run the risk of: • Disruptions in operations with consequences such as financial loss, increased costs, loss of loyal customers, etc. • Being exposed to an adverse economic environment impacting the ability to achieve set objectives and the sustainability of our businesses. • Reduced demand for our products and services due to the erosion of the purchasing power of Mauritians.	• Close monitoring of key international and national economic indicators. • SWOT analysis and re-assessment of the environment. • Regular review of strategic objectives at Strategic Committee level. • Identify potential opportunities for rebound. • Tighter controls on our businesses and better cash flow management. • Internal capacity to amend and adjust the business model. • Review and introduce new products and services and make them more accessible to our customers. • Continuously assess the resilience of the businesses by focusing on employees' health, safety and continuous engagement, customer retention measures and potential cost savings, without affecting the agility of the companies. • Adapt the business model to new situations which may arise. • Business continuity protocols deployed in case of a lockdown due to the pandemic; appropriate policies and controls are in place for the new work environment. • Avail of government support and incentives for the given situation. • Capitalise on positive disruptions in some areas of our businesses. • Synergies across business units which focus on major projects such as digitisation and customer centricity. • Leverage the knowledge and experiences gained from the global pandemic to build on organisational strengths for managing future exposures and selectively see where we can gain market share.		High	
2	**Corporate Culture**	A good corporate culture provides important benefits to organisations. The leadership style, shared beliefs, attitudes, common behaviours and actions taken have become major contributions to effective management of businesses. The influence of a good corporate culture is extensive on businesses. The main causes of an inadequate corporate culture are the non-alignment of core values, non-adherence to the Code of Conduct, an inappropriate leadership style, poor communication, and high staff turnover. These would bring the following risks: • No appropriate tone-from-top management. • Lack of consistent commitment to ethical and moral principles. • No common acceptance of the organisation's values. • No alignment between the organisation's values and actions taken. • No transparent and timely flow of information across the organisation. • No encouragement of learning from mistakes. • Good behaviour not encouraged. • Inappropriate behaviour not challenged and sanctioned. • Unpleasant workplace, leading to a less motivated workforce.	• Collaborative effort from leaders and team members working towards maintaining a corporate culture which can be valued and meaningful. • Convenient and pleasant workspaces and perks that people of all ages care about, and which contribute significantly to high morale. 2021 was a year of hope and engagement. • Aim at having a diverse group of passionate people trusted by all stakeholders. • Promote ethical behaviour as part of day-to-day activities, adherence to corporate values across all levels of the organisation and foster a sense of responsibility and accountability towards all stakeholders. • Ensure the right tone at the top, a consistent leadership style and a clear communication flow across the organisation. • Encourage the sharing of knowledge and learning from mistakes. • Ensure that customer centricity remains our focus. • Better engagement with our employees, with a view to increase their wellbeing and strengthen our corporate culture.		Low	

OPERATIONAL EFFICIENCY   BUSINESS PORTFOLIO MANAGEMENT   FINANCIAL RISK MANAGEMENT   SUSTAINABILITY FOCUS

FINANCIAL   HUMAN   INTELLECTUAL   RELATIONSHIP   MANUFACTURED   SOCIAL & NATURAL

	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
3	**Innovation**	Innovations provide great opportunities and are critical for the survival, economic growth and success of any company. It is imperative for us to remain agile in an ever-evolving landscape by adapting our operating model to changing market dynamics. To maintain a sustainable business, we must overcome the following challenges: • Lack of a targeted strategy on innovation. • Lack of skilled resources and our level of agility. • Not having a continuous improvement culture to ensure ongoing innovation. • Unable to find the right integrated solutions to effectively address the future requirements of our businesses.	Right enablers in place to ensure focus on innovation: **Policy and Processes** • Implement the right policies and processes across the organisation to foster innovation. • Digitisation of internal processes in key areas of business. **System** • Constantly aim to gain deeper insights into evolving customer behaviours and expectations, and implement resulting targeted strategies. • Invest in technologies, infrastructure and skills to support innovation. **Structure** • Innovation being critical to our survival, the Group has fostered a culture of innovation over time, and continues to reinforce it. • Leverage our relationship with our international strategic partners to be able to keep pace with the evolution in technologies and offer innovative products and services. • Setting up of a Group Cross Functional Digitisation Team to study the possibility of leveraging the best practices across the Group and to improve further (through a coordinated approach). • Extend our support to societal activities by introducing Trampoline, a social enterprise accelerator, specifically designed to help passionate entrepreneurs grow sustainable impact businesses.		Medium	
4	**Customer Satisfaction and Experience**	In a competitive marketplace where businesses compete for customers, the satisfaction and experience of customers are seen as a key differentiator. Businesses that succeed in these cut-throat environments are the ones that make customer satisfaction an integral element of their business strategy. Some of our businesses may not be able to sustain a customer-centric culture due to: • Lack of customer focus throughout the organisation. • Lack of skills, competencies and training of our personnel. • Lack of sound systems, policies and processes. • Lack of employee engagement. • Poor quality products and services. • Lack of support from suppliers. • Absence of formal customer feedback. • Service Level Agreement (SLA) not formalised with outsourced parties.	• Focus on the engagement of our human capital and strengthening our culture. • Enhance the customer journey to improve clients' satisfaction and unlock potential opportunities. • Constantly adjust our product offering to meet evolving customer expectations. • Improve the tracking and monitoring of our customer experience levels through regular surveys and a customer feedback system. • Carry out continuous training on product and service delivery in order to close the skills gap. • Ongoing monitoring of customer interfacing and touch points. • Establish clear SLAs with key stakeholders for deliverables, ensuring successful and mutually beneficial relationships with all our providers. • Leverage data analytics for effective decision-making. • Put in place skills, policies and structures that support improved customer experience with a focus on increased digitalisation of these processes. • A Customer Centricity Strategic Initiative was put in place to enable CJ to support its business units in their customer centricity journeys.		Medium	

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

FINANCIAL HUMAN INTELLECTUAL RELATIONSHIP MANUFACTURED SOCIAL & NATURAL

MANAGING OUR RISKS AND SEIZING NEW OPPORTUNITIES

	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
5	**Reputation and Brand Value**	The Group operates in a number of sectors through various companies and brands that are well known nationwide, thus resulting in an exposure to reputational and brand value risk. The protection of our reputation and brands remains one of our top priorities as it reflects how our companies and brands are perceived by various stakeholders such as customers, the media, employees, competitors, regulators and providers of capital. Damage to our image and brands could be the result of: • Not adhering to our values. • Lack of sound governance. • Non-compliance with applicable laws and regulations. • Non-conducive interaction with our stakeholders as a result of misrepresentation, unethical and fraudulent behaviour. • False promises on the delivery standard of products and services. • Lack of sound internal governance principles and risk management • system. • Unfounded negative comments on social media.	• The Group has a strong governance system in place. • The Group Code of Conduct is clearly defined and acknowledged by all employees and Board members yearly. • Constant reaffirmation and diffusion of our core values across the Group with clear behavioural guidelines. • A Whistleblowing policy was deployed across the Group. • Assurance exercises are carried out by both internal and external auditors on compliance matters. • Presence of a dedicated Communications department at the corporate level. • Presence of a relevant Public Relations cell that intervenes as and when required. • Prompt response to unwarranted representations across all media. • Monitoring of press and media releases on a daily basis. • Adoption of an Environmental and Sustainability framework. • Focus on the quality of products and services offered and on our customers' expectations to avoid distorting the perceived brand value. • Maintain our brand value by building a strong bond of loyalty with customers. • Company website and presence on social media for an enhanced effective interaction with our stakeholders.		Low	
6	**Cyber Threats**	Businesses continue to suffer from cyber threats with ever more sophisticated cyber attacks / crimes in the form of internal attacks, viruses, theft of data, ransomware, phishing and others. This has placed the data and assets of corporations at risk. Systems and technology failures may disrupt our businesses due to IT infrastructure breakdown, cybersecurity failure and technology governance failures. The main risks affecting our businesses are: • Loss of data, including personal data, impacting our businesses and reputational risk. There is also the risk of non-compliance with laws governing Data Protection. • Lack of investment in cyber security architecture, which may result in an array of cyber risks. • Disruption or halt in IT operations due to cyber threats. • Unavailability of network due to major unforeseen event. • Social media platforms being pirated or wrongly used.	• Implementation of a robust cybersecurity framework. • Continuous monitoring and upgrade of our IT activities, infrastructure & cloud environment. • Reliable anti-virus software and firewalls are installed and updated regularly across all systems. • Yearly drills and assessment of disaster recovery facilities. • Secured and controlled access to IT resources. • Regular awareness programmes are carried out on information security issues. • External and internal IT audit (including pen tests every year). • Network redundancy alternatives in place. • Our disaster recovery is structured around a state-of-the-art data centre belonging to one of the subsidiaries of the Group. • Training and upgrading skills of our team. • Leveraging IT skills across the Group.		Medium	
7	**Regulatory Compliance**	On account of its diversified investment portfolio, the Group is subject to various laws and regulations in areas such as insurance, health and safety, tourism and hospitality, telecommunications and media. Non-compliance with those laws and regulations may result in licence issues, disputes, litigations, severe fines and penalties.	• The process of complying with regulatory requirements is embedded in the internal control systems. • The Group has in-house legal resources, and also works closely with reputable law firms and other professional firms. • Strong corporate culture of respecting and complying with all legal and regulatory requirements. • Strong governance structure in place that provides assurance on legal and regulatory compliance.		Low	

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

FINANCIAL HUMAN INTELLECTUAL RELATIONSHIP MANUFACTURED SOCIAL & NATURAL

MANAGING OUR RISKS AND SEIZING NEW OPPORTUNITIES

	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
8	**Societal**	The world is faced with many social disturbances in the form of: • Infectious diseases • Social cohesion erosion • Youth disillusionment • Mental distress • Social inequality • Livelihood crisis / Eroding purchasing power • Social security collapse • Forced migration These social issues may heavily impact our businesses and cause major disruptions to our operations.	The following measures are being considered: • Assess the impact of those risks and plan on mitigating measures to address those risks. • Regular monitoring of the emergence of any event that could have a negative impact on society as well as on businesses, and take preventive measures required to avoid the risks. • Collaboration with governmental institutions for sustainable solutions. • Societal impacts are addressed as part of our business objectives. • Direct support to vulnerable groups in the society. • Encourage employees to participate in our sustainability efforts.		Medium	
9	**Climate Change**	Climate change threatens lives as well as businesses. Climate change is affecting the performance of a business' operational, financial, environmental and social activities. Disruptions in global climatic conditions have resulted in more frequent natural disasters. As a result of climate change and its geographical location, Mauritius is more exposed to flash floods, droughts, increases in temperature, erosion in coastal areas and more so, severe tropical storms, intense cyclones and thunderstorms. This situation can seriously affect our business properties and interrupt our operations, thus resulting in potential significant costs and reduction in revenues. More particularly, our businesses in the telecom and media sector will suffer the most as there could be damage to antennas and towers for TV broadcasting and telecommunication. Changes in the climatic conditions in the Indian Ocean are constantly affecting the weather in Mauritius. This could influence the decisions of tourists when selecting Mauritius as a holiday destination.	• More generators at our stations over time. • Increase fibre connectivity between towers, hence improving our network. • Strengthen our towers. • Educate our customers on managing their dishes by lowering them in case of deteriorating weather conditions. • Enhance our product offers and increase Enterprise Connection, Home Broadband and content over the Internet via OTT. • Minimum stock level to replace damaged items. • Cyclone process with an emergency team set up. • Provide relevant insurance covers.		Medium	

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

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	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
10	**Talent Management and Succession Challenges**	Our people are fundamental to driving our business performance. We may face a talent shortage, coupled with an inability to attract and retain key personnel and to secure backup resources for key positions as a result of: • Being an unattractive employer. • Not being able to generate, organise, develop and disseminate knowledge. • Inexistent or inadequately defined HR policies. • Poor talent management system. • Low employee engagement levels. • Lack of succession planning. • Lack of investment in talent development. • Wrong perception of the Group.	• A formal recruitment policy with clear guidelines is in place. • A yearly employee engagement survey is carried out and actions arising therefrom are being closely monitored. • HR policies have been defined pertaining to, amongst others, flexible working arrangements, diversity and inclusion. • Implementation of a formal Performance Management System. • Implementation of a formal Talent Development programme. • Implementation of a Business Continuity Plan (BCP) approved by the Boards, with clearly defined roles and actions to support the BCP and implementation of a succession planning system. • Salary benchmarking exercise conducted at regular intervals to ensure alignment with best market practices. • Implementation of leadership development initiatives through coaching plans and individual development plans. • Continuous investment to improve the work environment and therefore increase employee engagement. • An HR committee at the Board level is in place, which meets at defined intervals. There is a clear HR strategy focusing on making us an employer of choice. • A succession planning process is in place.		Low	
11	**Financial Stability**	A sound financial system is necessary to ensure financial stability. Our group companies operate independently without undue reliance on corporate support for financing. As such, the business units within the Group are expected to be self-financed. However, the inability to secure financial stability may be due to: • Economic recession and unforeseen economic shock. • Poor governance principles and strategies. • Mismatch in the leveraging of debt between the Holding company and its subsidiaries. • Absence of a dividend pay-out policy. • Erroneous financial reporting and breakdown of internal controls. • Change in the business environment impacting our product and services. • Foreign currency fluctuations.	• The Board's Strategy and Finance Committee meets quarterly to address financial planning and strategies. • Issues pertaining to financial matters are addressed at different forums such as management meetings, Board meetings, Committee meetings and also during the Annual Operating Plan exercise. • All projects are appraised through feasibility studies, which also include the assessment of proposed funding plans. • A dividend payout policy has been devised. • A Financial Internal Control framework has been designed and implemented within the Group, and regular assurance exercises are carried out to ensure compliance and effectiveness. • In the context of the Covid-19 pandemic, the Group continuously assesses its financial resilience and takes appropriate measures. • Adopt hedging techniques, as far as possible, to mitigate the volatility of foreign exchange movements. • The Group has refinanced its debt through a long-term bond issue in 2021. • Recourse made to government support, where available.		Medium	

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	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
12	**Portfolio Mix**	In this uncertain and volatile business environment, a broad mix of investments is necessary to ensure business sustainability. A balanced portfolio mix is critical for the Group to average its risk exposure. The inability to maintain an optimal mix of investment is due to: • A poor investment strategy. • Unbalanced weightage of specific business activities. • Risk appetite not conducive to growth and diversification. • Corporate culture is not favourable for innovation. • Lack of foresight.	• Diversification of investment is one of the Group's major strategic considerations and is subject to review on a regular basis at the Board's Strategy and Finance Committee. • Measures are being taken to provide for new revenue streams within our existing Telecom and Media sector. • Deepen our investment in other sectors, such as Real Estate, to build businesses with scale and with greater strategic opportunities. • Maintain our competitive edge by investing massively in our core competencies. • Structured approach to allocate capitals and resources.		Medium	
	Industry (Sector) Risks					
	Telecoms & Media					
13	**Technology**	Technologies are evolving rapidly, giving rise to new consumption patterns, business models, competitors and an accelerating digitalisation process. CJ and its technology companies need to ensure that it is sufficiently agile and innovative to respond to new customer expectations. CJ could potentially fail to adapt to these rapid changes and evolutions in technology due to: • Our inability to anticipate threats. • Our inadequate and/or limited knowledge of the evolving industry. • The emergence and presence of disruptive players. • Demographic shifts in our target customers and the new generation. • Our inability to attract the appropriate talent. • Our inability to leverage technological strengths to improve internal processes and customer interfaces.	• Leverage our network of international strategic partners and experts' knowledge of the industry. • Adopt new technologies ahead of the curve and build future-ready network capabilities to offer innovative products and services. • Planning and working towards the launch of a FinTech App and 5G, which will open up platforms for other services and opportunities. • Strong and resilient attitude of the management team. • The Talent Development programme, which is in place, supports our ability to attract and retain high-calibre talents across the Group. • Pursue the Group's digitalisation roadmap to enhance internal efficiencies and external interfaces. • There is a major move towards the convergence of strategies between the companies in the Telecom and Media sector by leveraging synergies and remaining dynamic in the evolving market. • Appropriate organisational structure with inbuilt agility to enable the transformation of businesses where required.		Medium	

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	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
14	**Execution of Strategic Projects**	Successful completion of strategic projects is key for business growth and attaining strategic objectives. As such, we may face the risks of: • No effective execution of projects for strategic growth. • Inability to monetise investments and generate more value to the Group.	• The financial returns of the projects are assessed prior to the execution of the projects. • Close monitoring of the effective implementation of strategic projects.		Medium	
15	**Loss of Competitiveness and Market Share Dilution**	Risk of losing market share due to an inability to maintain/improve our competitive advantage. We could be facing the following challenges: • Inability to sustain market share due to aggressive competitive pricing strategies. • Failure to achieve equilibrium between short-term growth & long-term value creation strategies, by lack of investment. • Inconsistent network quality resulting in negative customer experience, increased complaints & reputational loss.	• Develop new strategies and take appropriate action on a timely basis to ensure increase in market share. • Continuous monitoring of competitors and their offerings. Respond effectively to market trends. • Planning and working towards the launch of FinTech App and 5G. This will improve customer engagement as well as retention. • Investments into long-term objectives with strong focus on business performance, efficient monitoring of key KPIs and efficient governance. • Regular exercise undertaken with the aim of optimising network quality in regions with a high number of complaints by evaluating network status and implementing recommendations.		Medium	
16	**Content Rights**	The commercial success of the business depends on how consumers subscribe to various forms of content and the ability of the Company to propose premium and exclusive contents. The risks associated with securing content rights are: • Content providers are not able to renew their broadcasting rights. • Unavailability of substitute content. • Unfavourable pricing. • Sudden discontinuation of transmission of certain channels.	• Close monitoring of the evolution of content rights internationally. • Implementation of an adequate strategy for the management of rights. • Support from and strong long-term agreements with our content providers. • Seek potential alternate channels and forms of content as and when required. • Secure rights across platforms. • Communication to subscribers on changes to line-up.		Low	
17	**Consumption Pattern**	• Risks associated with the shift in content consumption, from linear transmission to "catch up" and "video on demand".	• Respond to the shift in customer consumption patterns by providing innovative OTT products (On Demand Content - Play & MyCANAL) and leverage broadband offerings. • Position ourselves as a major content aggregator. • Targeted investment in people, as well as building skills and the required infrastructure.		Medium	
18	**Content Piracy**	Technological advances and increased access to high-speed internet connections continue to enable computer, smartphone and tablet users to share content and facilitate piracy. The illegal provision of free or paid content in Mauritius is due to: • Access to technology to provide such content. • Lack of monitoring by regulatory authorities.	• Monitor and track illegal content providers. • Actions by telecom operators to ban access to illegal broadcasters in Mauritius. • Seek assistance from and request the intervention of regulatory authorities.		Medium	

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	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
	Real Estate					
19	**Property Competitiveness**	In a Real Estate market which is highly competitive, it is more likely that tenants would have various alternatives/options to consider. Our properties may be impacted in terms of their attractiveness and competitiveness in the market due to the structure, age, location, urban development and any other limiting factor. As a result, we are faced with the following risks: • Shift in customer preferences and behaviours. Many businesses are encouraging their employees to work from home rather than come to the office. This is causing a fall in demand for office space. This trend can be noted both internationally and locally. • Evolution in competitors' offerings. • Poor accessibility to the property. • Buildings are not technology-friendly. • Adverse changes in the surrounding/neighbourhood. • Inability to comply with environment-friendly initiatives. • Failure to generate expected yield on existing asset value.	• Strategic review of the property assets and the environment are carried out regularly. Any change required to adapt to the prevailing market conditions is considered. • Our facilities management unit embraces Green Building initiatives. One of the Group's properties is listed on the Stock Exchange of Mauritius Sustainability Index (SEMSI). • Being a member of the Green Building Council Mauritius, management is kept abreast of the green and sustainability best practices in real estate development. • Invest in new technologies and maintain the attractiveness of our properties. • Strengthen our facilities management team. • Continuous market assessment and customer needs. • Upgrading of the facilities to meet evolving customer expectations. Renovations undertaken at Les Arcades Currimjee and availability of new parking facilities. • Property maintenance plans in place and being implemented. • Keeping abreast of new developments and other factors that can impact our properties. • Improve tenant mix and quality of tenancy. • Use of a dedicated platform for the management of properties in the cluster.		Medium	
20	**Development Strategy**	Our development strategy should ensure that it meets customer demands and the expected sustainable long-term returns. It is therefore essential that we build the right products that meet both their current and future needs. The implementation should be timely, cost effective and of good standard to promote attractiveness. The risks associated with this objective are: • Not-well-thought strategy. • Market changes and time-to-market.	• The development of the Group property assets is being planned in a phased manner, while ensuring attractive yields. • The management team has been reinforced and restructured in order to redefine and implement new strategies pertaining to the property assets of the Group. • Use of property management software to enhance reporting and bring in more efficiency in the management of operations. • Management of projects using sound project management techniques. • Close monitoring of costs, deliverables from consultants and contractors through regular meetings and regular project update reporting.		Medium	

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	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
	Hospitality					
21	**Macro-economic Factors**	**Global Pandemic and War** The Covid-19 pandemic has heavily impacted the hospitality and tourism sector over the last two years. In addition, the war in Ukraine is causing more disturbances in terms of rise in prices of air fares, security concerns and uncertainty in the demand for travelling. **Changing Customer Patterns** There has been a change in the behaviour and patterns of travellers following Covid-19 and other global issues, namely: • Travellers shifting from long-distance to shorter distance travel. • Traditional holiday destinations are competing with new ones. • Increased attractiveness and competitiveness of other destinations in the region. • Perception of being an expensive destination. In addition to the above, other risks impacting the hospitality and tourism sector are: • Extreme weather conditions and natural disasters. • Restrictive policy on air access rights. • Threat of terrorism.	Government measures to enhance the attractiveness and protection of our destination are mainly focused on the following areas: • A disaster and crisis management protocol in the event of natural calamities and pandemic outbreaks. • Firm policy on the reopening of borders due to the pandemic. • Threats of terrorism are taken seriously. • Road shows by the Tourism Authority. • Diversification of source markets. Close interaction with the Government on two main issues: • Revision of the air access policy. • Position Mauritius as an attractive destination through business associations. Other initiatives in place are: • Insurance covers are in place to mitigate the losses associated with some of the aforementioned risks. • Continuous interaction with the Government on our response to the pandemic and changes affecting the industry.		High	
22	**Health and Safety**	Our aim is to maintain the appropriate health and safety standards for our guests and employees. However, there is a risk that the outbreak of an epidemic occurs and seriously harms our guests and employees, leading to a possible halt in operations.	• Standards and procedures are established to enhance our health and safety level. • Compliance with health and safety regulations is emphasised regularly. • Regular health and safety training. • Business continuity protocol in place in case of a crisis. • Vaccination programme adopted by the Government		Medium	
23	**Competition**	Constant changes and evolutions in market conditions on the local and international fronts are affecting the industry. Being a new entrant to this industry, it will take us time to reach the level of visibility as other traditional players have in the market. The most significant risks emerging from these changes are: • New customer expectations and behaviours resulting from the pandemic and other market changes. • Marketability and visibility of our hotel. • Presence of disruptive players such as Airbnb. • Unavailability of direct flights from certain countries to our destination.	• Assess and adjust our risk appetite in the context of the pandemic while awaiting the resumption of global travel. • Efforts are being made to attract travellers from Europe. • Leverage our hotel managers' expertise to carry out a sustainable marketing strategy and to remain competitive. • Leverage the Anantara brand and network as a reputed player in the wellness arena in some specific markets and strengthen our offer accordingly. • Review our offering in view of the pandemic to address the evolving market demand. • Constant focus on training and quality standards to remain aligned with international norms and the new normal.		High	

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	Risks Relating to our Businesses and Industries	Risk Context & Description	Response To Risks	Strategies Impacted	Residual Risk Rating	Capital(s) impacted
24	**Brand Protection**	The way hotels respond to the pandemic crisis will have long-term implications on how their brands are perceived both by customers and employees. With regard to Anantara, our brand may lose value over time if our handling of the crisis is not in line with the required norms and customers' exigencies and new expectations.	• Protocol in place to handle the crisis. • Vigilant about customer service mishaps. • Keep our employees engaged and ensure continuous awareness of new protocols to prevent reputational damage. • Strong emphasis on ethical conduct. • Leverage the partner's experience and expertise in managing such a crisis.		Low	
	Financial Services					
25	**Solvency**	Maintaining solvency is one of the top priorities for businesses in the financial services sector. A life insurance provider with a favourable solvency ratio is more likely to be financially stable and therefore, more equipped to pay out the insurance claims and stay in business over the long term. Hence, an insurer's solvency ratio is a direct indication of its ability to pay out claims. The potential challenges are: • The business objectives are not being met and as a consequence, the company becomes bankrupt. • Inability to meet financial obligations when they fall due. • Non-compliance with regulations and actions taken by the regulatory authorities. • Inability to restore the financial position of the business due to a major mismatch between assets and liabilities. • Capital injection required to cover the shortage of funds, which can be a major cost to shareholders. • Adverse effect on reputation.	• Constant monitoring of key parameters/causes affecting solvency. • Life actuary valuation conducted by the independent Certified Actuary on an annual basis. • Implement recommendations made by the independent Certified Actuary. • There is a formal investment Committee in place which meets regularly to review performance of investments. • Premium rates and profitability of products are reassessed on a yearly basis by the Actuary. • Monitor three-year business plan and projected solvency position on a yearly basis. • Compliance with regulations is ensured.		High	
26	**Investment**	All investments carry some degree of risk. Whether it is investment in shares, bonds, mutual funds and physical assets; these investments can lose value over time or may not generate enough returns, if market conditions turn sour. The main challenges faced by the company are: • Investment in non-performing assets. • Investments being inadmissible or above allowable concentration limits as per the regulatory authority. • Inability to have adequate returns on investments to meet policyholder liabilities.	• Regular review of investment portfolio mix. • There is a formal investment Committee in place which meets regularly to review performance of investments. • Dedicated function in place for management of investments. • Focus on fixed income investments to match capital intensive products and annuity products. • Asset and liability modelling exercise conducted every three years. • Newly appointed Investment Consultant during 2021 who will conduct the quarterly monitoring of investments, portfolio mix and assessment of compliance to regulations. • Newly appointed Investment Manager in 2021 for local investments. • Compliance with regulations is ensured.		High	

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"Innovating at

... Emtel isn't just about technology. It's a mindset. We innovate with purpose to make life easier. blink does just that. Payments are made simple so you can spend less time in queues, and more time on meaningful things."

Atul Bhatia (Head of PMO and Customer Experience) and
Veekash Aukhojee (Chief Information Officer - Telecom)
Emtel Ltd

Investing for growth
We play to our individual strengths and harness our Group-wide synergies to deliver strong performances.

Telecommunications
Media & IT

Cluster performance,
Outlook and Strategies

"The challenging conditions over the last two years have been an opportunity to reflect upon and accelerate our ambitions in various avenues, including 5G, Fintech and the space economy, and in doing so, diversifying our revenue streams. All of this is underpinned by a strong culture of excellence and high-performing teams."

Kresh Goomany,
CEO

Emtel

What we do

From the first cellular telephony operator in the Southern Hemisphere in 1989, Emtel has grown into one of the most technologically advanced operators in Africa. A one-stop ICT solutions provider, its mission is to improve lives by providing the latest telecommunications technologies to meet the needs of individuals, households and businesses of all sizes.

Emtel continuously invests in and upgrades its network infrastructure to stay ahead of the technological curve. It is the only operator in Mauritius that delivers international connectivity solutions via the 3 submarine cable systems that connect Mauritius to the world: SAFE, LION and METISS. While Emtel owns capacity on SAFE, it is a consortium member on LION and a founder member of METISS. Emtel's communications services include mobile and fixed telephony, high-speed internet, cloud services, connectivity, network and security solutions that are backed by 24/7 customer support and a state-of-the-art TIA-942 Tier 3-rated Data Centre to ensure business continuity for enterprises.

Driven by its innovative spirit, it continues to bring telecommunications to new heights, from being the first 3G network in Africa, the first 4G network in Mauritius and developing products such as the plug-and-play Airbox, high-speed wireless home Internet and Emtel Cash. Now, it is laying the foundations for the island's next-generation applications that will change the game for individuals, households, businesses and smart cities.

Our brands

EMTEL Feel Free | Airbox by EMTEL | blink by EMTEL

MUR 3,125M
1.2 % ↗

MUR 663M
Operating profit
14.9% ↘

Performance highlights in 2021

In 2021, Covid-19 continued to dictate behaviours and spending patterns. Sanitary restrictions were maintained across the country, with some regions clustered as red zones. The population remained prudent, avoiding entering stores or crowded places. This was exacerbated by Mauritius being placed on France's Scarlet Red list and the FATF's grey list, severely affecting tourist inflows, and by extension, our business. Our sim card sales and roaming revenues both declined. Our costs, for their part, increased by MUR 18M in the second quarter compared to the corresponding period in 2020, as a result of a weakened currency, investments in private transportation and other sanitary measures to protect our employees.

Schools in Mauritius were closed for most of the year, with students and families spending an increasing amount of time at home. Data volume ramped up as people stayed home browsing social media, using video conferencing apps and consuming content more than ever before on their already unlimited home Internet offer, hence impacting our data pack sales, as well as voice revenues. At the same time, inflation is influencing purchasing decisions towards essential products and services. While there is no doubt that the pandemic has strengthened the value and importance of telecommunications, this awareness has not translated into increased revenues.

All of this resulted in a lower operating profit compared to 2020.

Despite facing a difficult sanitary situation and closed borders for nine months, turnover increased by 1.2% year-on-year.

Investing in a robust network

The METISS cable became operational in March 2021, only a few days before Mauritius went into lockdown. The timing was fortunate, as the submarine cable's capacity, coupled with the robustness and reliability of our network, catered for the upsurge in traffic. Alongside this, the role of our data centre has crucially expanded: as businesses shift their model towards the cloud and business continuity plans, our data centre is providing them with the ability to store vast amounts of data and maintain their day-to-day operations seamlessly, even when working remotely. This gives us the impetus to continue investing in our existing data centre, and explore the creation of another one.

Venturing into the space economy

This year saw the first step towards venturing into a new area: the space economy. Emtel won the international tender for OneWeb, a London-based company with a mission to bridge the connectivity gap across the world through a global constellation of low-orbit satellites. As a result, we are building a ground station in the South of Mauritius, the first of its kind on the island and the region. Once operational, the ground station will provide gateway services to the entire Indian Ocean and to maritime and airborne communications, and provide the ground support necessary to reach even the most remote parts of the region. While Emtel is lending its on-the-ground expertise and resilient infrastructure to the project, we are collaborating with the Real Estate cluster on the development and management of the ground station.

Creating tailored packages for customer segments

Our strategy to offset our losses was centred on launching promotional campaigns for mobile data, unlimited data plans, Airbox to enable working from home, and a broadband package especially designed for students to have a separate Internet access at home for remote learning. To ensure the widespread adoption of these new packages, we increased our communication on social media channels to educate our customers and engage with them more frequently. Overall mobile data revenue grew by 7.2% YoY.

Accelerating our digital initiatives

Last year saw the development and implementation of digital offerings, including digital payments, digital customer service and digital recharges. We are now incentivising customers to use those channels to increase the adoption rate.

Laying the foundation for next-generation solutions

2021 was the year where we reviewed our strategy and way forward for 5G. We embarked on an RFP and evaluation of 5G offers during the year and will be ready to formally deploy it in 2022, along with a complete network modernisation. With the METISS cable in place, coupled with our fibre reach around the island, the foundations are in place to accelerate innovation in every field, enhance productivity and collaboration, and bring significant benefits to our society.

Leveraging Group synergies

We opened six new showrooms with MC Vision, where we have introduced bundled products that combine broadband, data and content. This convergence is even more critical as we roll out 5G to support an ecosystem of next-gen media entertainment solutions.

These synergies also involve our teams, who have benefitted from cross-training and the transfer of knowledge between businesses. The convergence of our teams is a work in progress whose success is dependent on the day-to-day interactions between our teams, not just one-off training sessions.

Strengthening employee engagement

We launched the Living The Brand (LTB) initiative, led by our CEO. By instilling the right behaviours, attitudes, discipline and a strong sense of team spirit across the business, the goal is to ensure that all employees become avid ambassadors of the company and its products and services, and in turn, deliver an excellent customer experience. We have embarked on a series of initiatives to disseminate the concept.

Improving our odds at Positive Disruption	Contribution to CJ's strategy
Innovation Diversification into 5G, Fintech and the Space economy; launch of METISS cable; ramped up capacity in data centre to better service the population; synergies with MCV and the Real Estate cluster.	Operational efficiency; Financial risk management
People-centred culture Launch of 'Living the Brand' initiative; appointment of 'champions' to ensure the success of the convergence of Emtel and MCV teams.	Business portfolio management
We Care Focus on environment-related initiatives: tree-planting, reduction of plastic, recycling of e-waste; ran a blood bank for Emtel employees.	Sustainability focus

Priorities for 2022

There is a strong sense of optimism for the forthcoming months as Mauritius progressively eases sanitary protocols, borders have reopened and the island as a destination is being promoted internationally by authorities.

Considering the limited and competitive local market we operate in, our strategy is to continue diversifying our revenue streams:

we aim to offer more relevant mobile packages to customers;

we intend to further expand our footprint of converged showrooms with MCV across the island;

we are in the process of creating a second data centre to cater to the needs of the country;

we intend to continue developing our 5G strategy to the the first of its kind in the country;

we have also developed a Fintech strategy, which will be launched with a state-of-the-art platform in 2022. Emtel will be the first mobile operator to offer a service that all customers will be able to experience, irrespective of which bank they are subscribed to.

Our ambitions are to support Mauritius in its vision to exploit the space and satellite economy. We aim to complete the civil works for the ground station in 2022. As we collaborate with OneWeb, a major international expert, we believe this will lead to the development of other related sectors and place Mauritius on the map as an innovation centre. With this in mind, we obtained the Premium Investor Certificate (PIC) from the Economic Development Board (EDB) to pursue the creation of Emtel Technopolis, an integrated technology park that will provide a conducive environment for R&D and innovation and facilitate our transition towards a knowledge-based economy.

Employee engagement will continue to remain one of our priority areas, on an ongoing basis. We aim to further strengthen the team spirit by nurturing LTB and inspiring employees to live the concept in their day-to-day activities.

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“Innovation has always driven our strategy: this means not just bringing fresh and exclusive content to Mauritians, but also offering multi-screen options, aggregating the best content on one single platform, and delivering a truly personalised viewing experience.”

Ghislaine Tchibozo,
CEO

MC Vision

What we do	Since its creation 20 years ago, MC Vision has consolidated its position as the undisputed leader in the Digital Pay TV market in Mauritius. The company is driven by its ability to constantly deliver the newest products and services in line with market evolutions, and continuously enhance the viewing experience of its subscribers. From pioneering Digital Satellite Television in 1999, MC Vision has evolved into a sophisticated provider of premium and exclusive content, available in linear and non-linear forms across platforms and devices. Thanks to strong strategic partnerships, it has acquired exclusive rights over channels like CANAL+ and Disney, and broadcasts the latest movies, series, sporting events and documentaries across 100 channels and a library of 60,000 on-demand titles. As a major content aggregator, it has also introduced streaming services such as Netflix and Disney+ to Mauritian viewers. To support its strategy of making content available anytime, anywhere and on any device, MC Vision has its own application, myCANAL, accessible on PC, tablets and smartphones, and Airbox+, an integrated television and internet offer.
Our brands	CANAL+ · myCANAL · Disney+ · MC Vision

MUR 1,278M
Turnover
6% ↘

MUR 60M
Operating profit
52% ↘

Performance highlights in 2021

MCV operated in an unsettling environment: the lockdown in March, and subsequent set-up of red zones around the island, hindered our teams from carrying out technical installations and interventions for three months. The devaluing Mauritian Rupee continued to have an impact on our costs. In parallel, waves of Covid-19 infections across Mauritius and among our teams led to major operating disruptions and the intermittent closure of our showrooms. Despite these challenges and customers' hesitance to visit physical showrooms, sales were up compared to the same period in 2020.

Our subscriber base shrank by 3,6%, impacting our financial performance.

Our performance took a turn for the better as from September, thanks to the undermentioned points. The reopening of the borders in October also allowed for the generation of hotel turnover, which had been non-existent for almost two years.

Innovating fiercely to adapt to new realities

MCV operates in a competitive environment, where we face the pressure of retaining subscribers who have more options, have grown savvier and are more cost-conscious. Our value proposition was reviewed with these realities in mind. We also believe that good content should be within everyone's reach. In August 2021, we reassessed our packages in a way that takes into account the declining spending power of customers, leading us to reduce our basic Canal+ package from Rs 800 to Rs 410 to enable all Mauritians to continue enjoying content without breaking the bank. Our various packages are now suited to every customer segment and every budget.

We introduced new features to the MyCANAL app, in line with our journey of continuous improvement. We simplified the customer journey and introduced individual user profiles to enable multiple members of a household to have personalised accounts and a tailored selection of viewing options, based on their unique preferences.

Another one of our achievements this year was the availability of MyCANAL and the 4K decoder on all networks, which were previously accessible to subscribers of Emtel only.

As from August 2021, we were able to announce the securing rights for the UEFA Champions League and the English Premier League. We are proud of this achievement, particularly as football plays a vital role in the lives of Mauritians. Subscribers are also able to watch these matches on MyCANAL. The response was extremely positive, with sales increasing by 100%. On the downside, as from December 2021, our competitors also obtained the rights to these sporting events.

To respond to consumer demand and increase our subscriber loyalty, we expanded our content library from 20,000 to 60,000 on-demand titles. We also fast-tracked the process of replacing our customers' decoders with the latest one, aiming to have 80% of our subscriber base equipped with the upgraded decoder by the end of 2022.

All of the above led to our activities picking up in the last quarter of the year, with 60% of our sales being realised during that period.

Realising synergies with Emtel

Our shared showrooms with Emtel have contributed to driving down our costs, while increasing the visibility of both brands. We opened six new shared showrooms during the year in strategic locations around the island. Our Finance and Human Resource teams have merged, while our Customer Service and Sales teams work in close collaboration. This has enabled us to offer a consistent level of customer service across both entities, and also optimise the costs of training.

Staying on top of technological trends

We completed a number of major digitisation projects during the year to enhance our efficiency. We automated several Accounting processes, upgraded our online payment gateway system, and automated internal processes.

Providing high image quality is essential for MCV. To achieve this, we started working on the replacement of our headend, which receives incoming programming. This headend has the latest technologies in terms of content encoding and security management, and provides a superior viewing experience to subscribers with better image quality. Moreover, this headend is future-proof and provides the flexibility needed to deploy new offers and features, such as live stream backups via OTT during cyclones.

Improving employee engagement to drive customer satisfaction

Employee engagement levels are key to creating a compelling customer experience. We relocated our headquarters to Les Arcades Currimjee in February 2022 and worked on fostering a more collaborative environment: our teams work in an open space to encourage the cross-fertilisation of ideas and knowledge.

We also hired key personnel in Sales and Marketing, two of our growth drivers, to boost our sales.

After bringing our social media operations in-house, we have observed a significant improvement in customer service. As we gain feedback and insights directly from our subscribers, our response rate has dropped to less than two hours.

Recycling and upcycling

Recycling and the responsible disposal of waste is part of our DNA. For now, e-waste is sent to Reunion for recycling but we are exploring local options, as much as possible, to carry out these actions.

This year, we took our actions a step further by partnering with Plastic Industries Mauritius to transform the plastic covers of our decoders into pen holders.

Improving our odds at Positive Disruption

Contribution to CJ's strategy

Innovation

Obtained broadcasting rights for football seasons; proposed myCanal on all Internet Service Providers; replaced decoders of all subscribers; reviewed product positioning and pricing; expansion of content library to over 60,000 titles.

People-centred culture

New headquarters for MCV with collaborative open spaces; addition of key personnel to strengthen the team; synergies with Emtel to boost the team spirit and cross-fertilisation of knowledge.

We Care

Reused all equipment from old offices when we relocated our headquarters; disposal of decoders and other e-waste to recycling plant in Reunion island; upcycling of plastic waste into new products; use of solar panels to reduce energy consumption.

Priorities for 2022

Our biggest priority is to reinforce our position as a premium content aggregator. At the same time, we are focusing on optimising costs through the digitalisation of subscriber-facing processes and internal processes.

A diversification strategy is key to our growth. We aim to expand our distribution network by opening three new merged showrooms, recruiting new retailers and exploring different distribution channels.

Equally important is the replacement of all decoders by 2022 to ensure maximum service usage and adoption. We also aim to complete the replacement of the headend this year.

We expect inflation to accelerate, particularly with the war in Ukraine upon us. Entertainment is expected to take a direct hit as consumers prioritise essential products and services. Knowing this, we aim to maintain our services at an affordable rate. Having spent the last few years introducing innovative products, we will now focus on ensuring their widespread adoption by our subscribers. 2022 will see renewed efforts in creating an exceptional customer experience around our existing products and services. This cannot be achieved without high employee engagement and effective talent management.

Over the medium term, we are aware of our unique position to leverage CJ Group's various entities to strengthen our value proposition. Content and connectivity go hand-in-hand, and we have major projects planned with Emtel to ensure that the back-end technology delivered by Emtel supports the high-resolution content offered by MC Vision.

OPERATIONAL EFFICIENCY | BUSINESS PORTFOLIO MANAGEMENT | FINANCIAL RISK MANAGEMENT | SUSTAINABILITY FOCUS

Screenage

> "Our intrinsic organisational agility has helped us come out safely from the Covid-19 turmoil. Combined with our people's expertise and passion, we swiftly responded to new market needs with smart technologies and expanded into non-hospitality verticals."

Rouben Soobrayen,
General Manager

What we do	Screenage provides the next-generation IT technologies and managed services that businesses need to embrace their digital vision. While the focus remains on hospitality, Screenage's solutions can be used across multiple verticals, including Healthcare, PDS, Smart-City, Retail and Corporate. Thanks to its exclusive privileged partnerships with world-leading technology vendors like Fortinet, HPE Aruba and Hoist, it offers clients a range of solutions in the realms of: • Content Management: IPTV system, Digital TV, Guest Engagement App • Network: LAN & Wi-Fi, Presence Wi-Fi Analytics, Structured Cabling System • Cybersecurity: Perimeter firewall, threat analytics-driven security management • Video Surveillance: CCTV with automated video Management system Screenage's ability to manage complexity, deliver a consistent level of reliability, and offer round-the-clock B2B support has made it the Managed Services Provider of choice for businesses across Mauritius and the Indian Ocean.
Our brands	SCREENAGE LIMITED

MUR 34.7M
Turnover
-0.5% ↘

MUR 1.7M
Operating profit
2020: Operating Loss: MUR8.7M

Performance highlights in 2021	Improving our odds at Positive Disruption	Contribution to CJ's strategy	Priorities for 2022

In 2021, Screenage performed well, recording a 20% gross profit growth over 2020 in spite of a challenging operating context due to Covid-19-related challenges::

- Mauritius went into an unexpected lockdown in March, delaying the reopening of borders from June to October. While they continued benefiting from the government's Wage Assistance Scheme, most hotels remained shut during, and after, the lockdown. Having seen their maintenance expenses skyrocket in 2020, even with no guests, most hotels rethought their strategies in 2021. In contrast to 2020, where they opened to the local market, hotels now chose to stop operating entirely, rather than operate with minimal revenue while continuing to incur exorbitant maintenance costs.
- France placed Mauritius on its Scarlet Red list of countries in October 2021. Flights to Mauritius were suspended due to concerns about the Omicron variant, leading to mass cancellations of reservations. Hotel occupancies, which were faring well at 70% after borders reopened, dropped to nil following the announcement. Though Mauritius was removed from the Scarlet Red list a few days later, it affected the island's reputation and hotel bookings did not pick up until December. Fears about the widespread Delta variant continued to deter tourists from travelling to long-haul destinations such as Mauritius.
- Since 2020, the world has been experiencing a massive shortage of semiconductors, which power all electronics. At the same time, demand for consumer electronics is spiking. This has left many businesses, including ours, without the inputs and supplies necessary to carry out their activities. Not only are we suffering from a significant backlog of orders, preventing us from receiving equipment on time, but our costs have also increased tenfold as a direct result of higher freight rates.

Pursuing our diversification strategy

We pursued our strategy to expand into non-hospitality businesses and onboarded two major clients for Wi-Fi deployment: Mahogany Shopping Centre and Victoria Urban Terminal.

In parallel, we welcomed a new hotel, LUX* Grand Baie, where we deployed IPTV services.

Launch of new solutions

Through Wi-Fi analytics, we have been providing Mahogany Shopping Centre with valuable data on their customer demographics, frequency of visits and traffic, among others, all of which can be used to develop more targeted marketing activities and transform the visitor experience.

We deployed an AI-powered Smart Perimeter Surveillance system at Anantara iko Mauritius Resort & Villas, whose goal is to increase security within and around the hotel through automated intrusion detection and sophisticated video analytics.

We enhanced our guest engagement app to elevate the guest digital experience, and deployed the latest version at Preskil Resort. Our app offers guests a digital self-service utility at their fingertips before, during and post their stay. The centralised dashboard manages all guests' requests in real time, allowing the hotel to streamline its operations. Our app also provides live guest experience analytics to hotel management, enabling it to quickly adjust the customer service strategy.

Improving operational efficiency

We progressed on our digital transformation roadmap, which aims to streamline our processes and increase efficiency. We digitalised our sales and project management, giving us deeper insights and allowing us to carry out more meaningful and targeted actions.

Upskilling our team

During and after the lockdown period, we remained committed to upskilling our team and providing training in areas that are critical to our business. Our efforts culminated in Screenage being upgraded to a Platinum Partner level at Fortinet, which confirms our expertise in cyber security and our ability to deliver exceptional service. This would not have been possible without the motivation of our teams.

Our employees are committed to giving back to society and are equally committed to Screenage's CSR projects: they contributed funds and their time to help students in a low-income school in Albion, as well as children who needed specialised medical treatment.

Innovation

Launch of innovative products (Wifi analytics, Smart Perimeter Surveillance), expansion of non-hotel client portfolio

People-centred culture

High employee engagement levels and upgrade of skills through continuous training, leading to the upgrade to Fortinet Engaged Advanced (platinum) Partner.

We Care

Voluntary participation of staff in social endeavours; through Trampoline, lending of support to Everbloom, an organisation engaged in sustainable agriculture.

We believe we will continue operating in a VUCA (Volatile, Uncertain, Complex and Ambiguous) environment in 2022. The semiconductor shortage is likely to heighten due to the war in Ukraine. Both Ukraine and Russia are important suppliers of the key raw materials required to manufacture semiconductors, such as copper and minerals. The impact will be felt across industries, and we expect supply shortages and price hikes to worsen. Depending on how the war evolves, it may also exacerbate the challenges facing the tourism industry and impact some of Mauritius' main markets in Europe.

Keeping these risks in mind, we intend to advance on our current strategy, which so far has given us a competitive advantage and proven successful:

- continue enhancing our existing products with new features, while also rolling out new products;
- focus on cybersecurity solutions, which will form part of the value proposition we offer all clients;
- the continuation of our internal digital transformation efforts, as well as our expansion strategy regionally and internationally, starting with Seychelles.

We also aim to work on repositioning Screenage as more than just another system integrator; rather, Screenage seeks to establish itself as a managed services provider that is a vital part of any business' value chain.

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

"We have embraced disruption with agility and positivity. This enables us to listen to our customers and build up the technological competencies that are relevant to their business growth."

Anousha Mahadea,
General Manager

CINF

Currimjee informatics Ltd

What we do	CINF is an established player in the IT landscape in Mauritius, with a footprint across the UK, Morocco, Dubai, Zanzibar, Reunion Island, Madagascar and Seychelles. A pioneer in the Business Intelligence space in Mauritius, CINF has also developed expertise in areas such as Business Application, Advanced Data Analytics, Digitisation Data Security, IT Consulting, Cloud Infrastructure and System Integrator and a 24/7 Technical Service Desk. It helps businesses embark and progress on their data and digital transformation journey. Underpinning its world-class products and solutions are a team of certified employees and an ecosystem of reputed international partners like HP, Oracle, IBM, Microsoft and Digital Guardian, among others.
Our brands	CINF CURRIMJEE INFORMATICS LTD

MUR 110.3M
Turnover
56% ↗

MUR 2.7M
Operating profit
134% ↗

Performance highlights in 2021

CINF operated in a dynamic and shifting environment in 2021. The silver lining to the pandemic is that it has opened businesses' eyes to the power of technology and the necessity of being digitally-enabled. On the downside, the upsurge in digitalisation is coming at a time of supply chain bottlenecks and product shortages, causing us to experience delays in the delivery of hardware.

This unfavourable context had limited impact on CINF by virtue of our large spectrum of software products and solutions, which allows us to not depend on a single product and therefore diversify our risks.

As a result, CINF recorded higher revenues than 2020, generating MUR 110.3M in 2021 (compared to MUR 70.7M in 2020).

From a strategic standpoint, we progressed on our objectives and achieved a number of milestones.

Refining our strategy

Our industry is facing the challenge of labour shortages in the IT space in Mauritius. With this in mind, we believe we have the right strategy of operating in a partnership model, rather than develop in-house products. We work with an ecosystem of world-leading partners, and by leveraging their expertise, we can instead focus on generating new revenue sources through the acquisition of new customers, cross-selling to existing clients and the delivery of a superior customer experience.

Expansion of our portfolio

The workplace has largely evolved, with remote working or flexible work arrangements becoming permanent for several businesses. We introduced solutions to enable this new work model, particularly in the area of data security, as employees are accessing sensitive company information remotely. Our Digital Guardian solution, which is a security tool that greatly reduces the risk of data loss, fared particularly well. We also added new components to our Data Analytics services to allow customers to have greater insights into their data. In parallel, we scaled up our capabilities by expanding our ecosystem of partners, onboarding Draycir, Digital Guardian and YOOZ Global Sign. We now represent over 50 brands across our portfolio of solutions.

In addition to adding more value to the businesses of our existing clients, we also acquired new customers during the year, thanks to our competitive advantage in Accounting services (forecasting and modelling, consolidation of accounts...) Being niche players in this sphere is serving as well, especially as the adoption of digital accounting services is accelerating around the world.

Our hardware sales, for their part, increased by 52%, driven by a high demand for peripheral devices such as laptops and monitors. However, the precarity of the market is causing businesses to delay major infrastructure investments and focus instead on essential OpEx solutions required for the day-to-day running of their operations.

Synergies with the TMIT cluster

As a technology cluster with expertise across telecommunications, media and business intelligence, amongst others, we are in the unique position to converge our portfolios of products/services and offer customers end-to-end IT solutions. A Technology Committee, constituted of members of CINF, Screenage, Emtel and MC Vision, was set up to continuously identify and capitalise on potential synergies, and establish the cluster as a one-stop IT service provider.

Regional expansion

We pursued prospecting clients in the region, leading to the acquisition of two new clients in Reunion and South Africa.

Ongoing upskilling of our staff

Operating in the digital sphere, which is ever changing, requires us to constantly upgrade our skills and capabilities. Ongoing training and continuous learning are therefore embedded in our culture. This year, our employees deepened their knowledge in data analytics and cloud services, both of which are gaining traction around the globe.

As a result of highly empowered employees, engagement levels rose to over 89% in 2021.

Improving our odds at Positive Disruption

Contribution to CJ's strategy

Innovation

Improvements in existing solutions, introduction of new solutions and expansion of ecosystem of technological partners.

People-centred culture

Flexible work arrangements to keep engagement levels and motivation high; continuous learning and ongoing training are offered to keep employees updated with new market trends at all times. Employee engagement levels over 89%.

We Care

Commitment to Group's sustainability endeavours through contributions to Currimjee Foundation.

Priorities for 2022

In light of a turbulent operating environment, we are remaining prudent and focusing on our unique strengths. Building on our success in 2021, we aim to continue strengthening our foothold in digital accounting, along with fast-growing solutions like data security and Infrastructure as a Service. At the same time, we will continue building up a strong ecosystem of products and partners and extending our market reach overseas.

In addition, we are in the process of developing a unique product for Screenage's hospitality clients, which we aim to launch mid-2022. We will continue to explore other potential opportunities for synergies with other business units in the cluster.

This year will also see increased efforts in creating a strong brand positioning for CINF. Through marketing and communication campaigns, we intend to increase awareness about who we are and what we do, and establish ourselves as the go-to technological partner for businesses.

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

Real Estate

Cluster performance, Outlook and Strategies

"We embarked on the renovation of our historic and flagship property, Les Arcades Currimjee, seeking to enhance our landmark positioning and improve our service offerings in Curepipe. This unique project will not only improve the customer experience and promote sustainable development, but it will also serve as a model of regeneration with a mission to upscale the urban fabric of our existing towns and cities, which are key to the Mauritian Culture and Heritage."

Sanjiv Mihidin,
CEO

Real Estate

What we do

The Group's real estate activities encompass the management and development of CJ's portfolio of properties, all grouped under Currimjee Real Estate Ltd. The properties, a combination of specialised and mixed-use spaces, are strategically located in prime urban locations across the island, enabling the cluster to meet its mission of increasing its property investment yields. By providing integrated real estate services which cut across the supply chain, from development and project management, to asset and property management and facilities management, it seeks to offer a consistent level of service excellence to tenants across all properties.

The cluster has been a strong advocate for urban regeneration and the preservation of the Mauritian heritage. It is committed to developing its properties in a way that values their cultural and historical significance, their natural surroundings and their communities.

Our brands

Currimjee Real Estate Ltd
Compagnie Immobilière Limitée
Multi Channel Retail Ltd
Plaisance Aeroville Ltd
QUAY 11
LA PLACE
PHOENIX CENTRAL
Les Arcades CURRIMJEE

MUR 113M
Turnover
25%

MUR 50M
Operating profit
82%

Performance highlights in 2021

The cluster operated in a high interest rate environment, which was not particularly conducive for the real estate market: the cost of capital increased. In parallel, inflation is seeing a progressive increase in the country, directly impacting the trading activities and revenues of tenants. To support our tenants and deal with rent arrears, we worked closely with them by providing relief measures and agreeing on repayment plans.

Despite the unfavourable context still dominated by Covid-19-related challenges,, the cluster saw an improved performance over 2020, driven by a series of innovations to build an optimal structure and upgrade our existing properties.

Optimising our structure

We initiated a restructuring exercise in 2021, with the goal of creating a robust Real Estate cluster with strategic importance for the Group. During the year, we completed the feasibility study to determine the most optimal structure and worked out the preliminary figures. We aim to execute this strategy by expanding our asset base, for which we will require further investment and are in the early stages of discussions with relevant parties.

We also explored avenues to further strengthen the cluster's assets base, either through acquisitions or developments. To this end, we acquired 15 acres of land in L'avenir, a precinct in Moka Smart City, to build a distribution centre. Other acquisitions are also in the pipeline.

Phoenix Central

Phoenix Central remains our main revenue generator, with 100% occupancy as at 31 December and **MUR 62M** in revenues for the year. And this despite the trend of working from home, which has driven down demand for office spaces.

We are also working to refresh the property's brand perception. We believe it offers numerous opportunities: beyond its strategic location close to the metro and with access to all major motorways, Phoenix Central features a large basement for underground parking with adequate infrastructure to protect from flooding and heavy rainfalls, which have been increasing in frequency and intensity.

We are considering other avenues to increase the revenue potential at Phoenix Central through the optimal use of the large common areas.

Les Arcades Currimjee

We embarked on a major overhaul and renovation of the retail section of Les Arcades Currimjee in July 2021 to enhance its attractiveness. We are extremely confident in our vision for the Arcades, having reviewed our tenant mix and repositioned the retail mall to become more upscale along with providing a customer experience geared towards history and culture. The top floors are dedicated to offices and a co-working space, while the ground floor hosts a combination of reputed retailers and F&B outlets. The redevelopment of the Arcades forms part of our ambitions to bring new life in the city centre of Curepipe. If executed well, we aim to position Les Arcades Currimjee as the flagship in our portfolio and replicate its success across our various properties, all with the aim of regenerating urban centres on the island. The response and feedback so far have been overwhelmingly positive, suggesting that there is demand for quality products in the region.

Renovation works meant a higher number of vacancies, which impacted CIL to the tune of **MUR 27M** due to lower revenues. We also extended relief measures worth **MUR 865K** to help our tenants facing financial difficulties. However, we are optimistic about turning this around in 2022 as we reap the benefits of our investment in revamping the Arcades.

Quay11

Quay 11 faced several challenges during the year, including floods and customers remaining hesitant to dine out amid pandemic fears. As a lunch destination, the mall has suffered a decline in footfall. This has led to a number of our smaller retailers exiting during the year, leading our occupancy to decrease to 50%. Luckily, this was somewhat offset by the presence of our stronger high street retailers such as Emtel, Canal+ and Silver Wings.

Creating a customer-centric experience

We exited from Security services during the year and shifted our focus on improving our facilities management operations. We introduced a digital platform that enables the recording of customer complaints on our integrated Property Management Software; the next phase will be to roll out online portal access to tenants. Regular meetings are being held with tenants to gather feedback for service improvement.

Improving our odds at Positive Disruption

Contribution to CJ's strategy

Innovation

Strategic use of social media to enhance visibility; agile transformation of spaces in accordance with shifting customer needs; promotion of the Mauritian heritage; synergies with other businesses in the Group.

People-centred culture

Provision of support measures throughout the year for needy team members; no salary deductions; implementation of remote working policies; we are considering the provision of new modern offices.

We Care

Generation of solar energy through photovoltaics, rainwater harvesting, use of smart lights to increase energy efficiency.

Priorities for 2022

As a next phase, we are considering restructuring our portfolio to create a efficient platform for future growth. We are also exploring other strategic moves that will position the Real Estate cluster as a major revenue and value generator for the Group.

One of our immediate priorities is to fill up the 14,600sqm office space at Phoenix Central. We are considering several options, including hybrid working spaces, and determined how best to leverage the adjacent Metro Station. We are also in the process of deploying a Customer Relationship Management system in Phoenix Central to offer a greater tenant experience.

Another one of our imperatives is to relocate the cluster's offices to a space that fosters collaboration and engagement, and drives productivity.

2022 will see a focus on refreshing the offer of Quay 11 and Phoenix Central through the development of communication plans that highlight their many positive features, and position them as attractive destinations offering unparalleled convenience to their respective segments.

As mentioned, Les Arcades Currimjee will become the flagship project of our urban regeneration ambitions. We are looking forward to launching the newly renovated Arcades in 2022, for which we are extremely optimistic. Now that we have repositioned the mall with the right mix of quality tenants, we are ready to move into the next phase of redevelopment, which will involve merging technology and history to showcase the unique features of the Arcades. We are also introducing online ordering and food delivery services.

As we increase our visibility to the investment community and to our tenants, continue engaging our employees, and optimise our structure, the outlook for 2022 is positive.

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

Tourism & Hospitality

Cluster performance, Outlook and Strategies

"Our value proposition has long been centred on sustainability and wellness. These concepts have taken on greater meaning since the pandemic: we have been designing F&B offerings, wellness programmes and digital interactions that meet the modern traveller's need for authenticity and meaningful connections, while also honouring the local culture and heritage."

Pascal Bertand,
General Manager of Anantara Iko Mauritius Resort & Villas

"The pandemic has solidified several ongoing trends over the past year, with home owners considering sustainability, flexibility and personalisation in their purchasing decisions. Our villas and residences not only cater to these needs, but are also the perfect combination of home-like comfort and privacy, with access to all the hotel's amenities and five-star service."

Jimmy Lan,
General Manager of IKO (Mauritius) Resort Village Ltd

Anantara IKO

What we do	IKO Mauritius is a mixed-use real estate project designed to be a world-class coastal resort village. Spread over 101 acres of land near the pristine Le Chaland beach, Mahebourg village and Blue Bay Marine Park, the project is being developed to harmoniously blend with the southeast region's natural elements and historical heritage. Sustainability and wellness permeate every aspect of the projects being developed, right from conception. The project includes the five-star Anantara Iko Mauritius Resort & Villas and eight luxury villas. Once completed, the project will also feature a mix of villas, residences, apartments and land parcels targeted to various local and international clients—making it an ideal destination for modern travellers seeking an authentic cultural journey and a unique tropical coastal lifestyle.
Our brands	IKO (Mauritius) Resort Village Ltd; ANANTARA IKO·MAURITIUS RESORT & VILLAS

MUR 88M
Turnover
66% ↗

MUR 134M
Operating loss
23% ↘

Performance highlights in 2021

Anantara Iko Mauritius Resort

The tourism and hospitality industries worldwide continued to bear the brunt of the pandemic, and Mauritius is no exception. The compounded effects of closed borders, suspended flights, Mauritius being placed on France's Scarlet Red list and tourists' unwillingness to travel have continued to devastate the local economy. Because Anantara Iko opened a few months before the pandemic hit, the resort was denied the time to carry out its marketing and communication activities to make the brand known. At the time of writing, flights from Asia—where Anantara is widely known and successful—are still suspended. In contrast, our competitors Seychelles and Maldives opened their borders as early as March 2021.

Operating in a difficult context for two years has provided us with an opportunity to rethink our strategies and be more agile in the new market.

Boosting the Anantara brand

The opening of our hotel coincided with the arrival of the pandemic, giving us no time to work on the brand positioning in Mauritius. Our strategy was to direct our communication efforts towards markets where the brand is already well established, such as Western Europe, Asia and the Middle East. Knowing that flights to India were about to resume, we also increased our communication to attract Indian tourists.

One of our biggest achievements this year was to sign a two-year contract with Emirates for their crew accommodation. Anantara Iko's ideal location next to the airport made it the perfect choice, and we believe the airline crew could serve as valuable brand ambassadors.

Tour operators have long played a key role in promoting hotels. However, being a new player in a fiercely competitive hospitality market, coupled with the fact that many hospitality brands have built close partnerships with tour operators over decades, we faced challenges leveraging them as a point of entry to reach tourists. Alongside penetrating other markets and customer segments, we worked on reinforcing our unique value proposition, which is centred on sustainability, wellness and authentic experiences.

Reinforcing our value proposition

Our efforts were geared towards strengthening our value proposition to distinguish ourselves in a cut-throat market. The closure of gyms and movement restrictions have nudged people to support their physical and mental health. With this in mind, we created an Active Wellbeing programme, offering 70 activities per week, accessible to all hotel guests at no additional charge. These include yoga, tai qi, meditation, nature walks, treks, wine tasting and cooking classes, amongst others. We have also added an osteopath to our team at the spa to complete our holistic wellness offering.

Through this programme, we saw the opportunity to create group activities and prompt guests to reconnect with one another. Our Active Wellbeing programme is displayed on TV screens in all the rooms and across the hotel to encourage guests to sign up together and explore common interests.

All our efforts in providing a world-class wellbeing experience were corroborated in 2021. Our spa was awarded Mauritius' Best Resort Spa at the prestigious 2021 World Spa Awards, which recognises excellence in spa tourism.

Our location in the wild South, set a few feet back from the beach, is also a unique differentiating factor. The hotel is surrounded by untouched nature, authentic villages and protected sites such as Blue Bay Marine Park and Ile aux Aigrettes. To encourage guests to explore the region, and help uplift the surrounding communities impacted by Covid-19 and the Wakashio spill, we partnered with activity operators in the region to promote the local culture: street food tours, visits to tea plantations, golfing. We also chose to work with local artists and photographers to promote our Active Wellbeing programme on social media.

Honouring Mauritians

In many ways, Mauritian guests saved the hospitality industry from crumbling as they stepped in for international tourists when borders were closed. At Anantara Iko, we are grateful for their support and wish to continue honouring them, even after international travel is back to normal. We designed packages especially for Mauritians to encourage them to continue visiting the resort.

Revamping the hotel

We also seized the opportunity to upgrade our existing facilities and services. We began by planting a five-acre garden, located between the hotel and the beach. This is allowing us to provide additional natural relaxing areas for our guests, who feel immersed in nature even on resort premises.

Food and beverages form an essential part of our value proposition. We appointed a new chef from India, set to join us in 2022, to meet the needs of our growing English and Indian guest base.

In parallel, keeping in mind the disruptions in global supply chains, which have hiked up the price of imported products, we are moving towards food self-sufficiency to combat the challenge of food shortages. We are in the process of building an organic vegetable garden, with ambitions to obtain the Bio certification.

Digital touchpoints have come to become a necessity in the post-pandemic world. During the year, we implemented QR codes for guests to access our menus and activities. We are almost ready to implement the Anantara App throughout the resort, which will allow our guests to digitally reserve activities, restaurants or spa treatments. At the same time, we believe digitalisation should enhance, and not replace, the human touch that hospitality is known for. We spent the year educating and training our staff on the importance of interacting meaningfully with guests, and on developing a culture where our employees have a heart for service. This will invariably translate into the five-star service we work hard to provide.

Hospitality Real Estate

During the year, we began operating the eight Anantara-branded luxury villas, which form part of the hotel's rental pool. Though we were not able to engage with prospective buyers and adequately promote the villas due to sanitary restrictions, we seized the opportunity to review our masterplan and value proposition. We enhanced owners' benefits by creating an exchange programme through which villa owners will have exclusive access to a global network of Anantara-branded accommodations, and the ability to choose from some of the most iconic destinations in the world. This is not only a more flexible alternative to a hotel or a vacation home, but owners will also be given all the benefits of a full-service hotel, including access to all amenities, the ongoing maintenance of the villa (repairs, housekeeping...) and five-star service levels.

Improving our odds at Positive Disruption

Innovation

Rose to meet the demand of today's clientele by creating an Active Wellbeing programme; integration of digital touchpoints across the hotel; creation of organic vegetable garden in response to international product shortages and rising prices.

People-centred culture

Continuous training and education on service excellence and the art of sincere hospitality; in-house team members welfare activities and recognition programme, which are key in succeeding in a demanding industry.

We Care

Promotion of the Mauritian culture through partnerships with neighbouring communities and encouraging guests to explore the region; employment of locals as much as possible; integration of sustainable elements in the design of the hotel (solar water heater, water reuse, organic vegetable garden); coral farming; transformation of used coffee capsules into cups.

Contribution to CJ's strategy

Priorities for 2022

Anantara Iko Mauritius Resort

In 2022, we will begin construction for the addition of a second pool to better accommodate our vacationing guests. Anantara Iko has all the elements to be successful. We are now working on positioning the resort to be more visible in our key markets, especially in the UK, France, Germany, South Africa India and the Middle East. Our communication efforts will be geared towards generating more bookings from these markets.

We intend to achieve this by building on our current value proposition and continuing to develop sustainability initiatives: coral farming, recycling, composting... To further strengthen this value proposition, we are working toward achieving the Green Growth certification, which moves beyond the current one-dimensional certifications and takes into account social, cultural and environmental factors.

One of the challenges facing the island is the shortage of labour in hospitality, with scores of employees moving to competing destinations for work. As a member of AHRIM (Association des Hôteliers et Restaurateurs de l'île Maurice), we are collaborating with stakeholders in the industry to make Anantara Iko an attractive place to work and tourism and hospitality industry.

Hospitality Real Estate

The sale of our villas is our biggest priority in 2022. Knowing that buying patterns have been increasingly influenced by convenience since the pandemic, we are confident that our villas remain as relevant as ever to the needs of today's buyers: they are ready-built, making them easily viewed and readily available for occupancy.

As we move on to the second phase of Iko Coastal Village, we are expanding our portfolio to include a collection of residences and apartments, which will also feature all the elements needed to satisfy the needs of the post-Covid-19 traveller.

As we progressively develop our project, we are focusing on ensuring a seamless and consistent experience between the hotel and villas, from the sustainability of the design and wellness offerings, to the quality of F&B options and service that is sincere and authentic. Only then will our vision of an integrated coastal village come to life.

With borders reopened as from October 2021, the industry is surely on the road to recovery. While it may not recover to pre-Covid levels for a few years, we are confident in our strategy and unique selling proposition. Mauritius remains an attractive destination in the eyes of the world. It is important for both the public and private sectors to work together and play their cards right at every level. Should we achieve a high level of coordination, we believe Mauritius can rebound high with brilliance.

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

> "The pandemic has reinforced the role of travel agencies when it comes to providing crucial information amid constant changes in travel regulations and entry requirements. Our customers turned to us for our savvy insider knowledge, flexible terms that take into account all possible scenarios, and for our support in ensuring their long-awaited trips go without a hitch."

Varsha Ramchurn,
General Manager

Silver Wings
Travels

What we do	Strategically located in the travel hub of Port Louis, Silver Wings Travels is a one-stop-shop for leisure and business travel. It offers individuals, families and businesses a wide range of services, from air tickets at competitive rates, to group travel packages and bookings for hotels, excursions and airport transfers worldwide. Silver Wings Travels is also a well-established Destination Management Company (DMC) offering comprehensive services in Mauritius for tourists from all over the world. Silver Wings Travels distinguishes itself by its commitment to a high level of service, delivered by a team of travel consultants. Their deep knowledge of all destinations and attention to detail enables them to craft an experience that is efficient and unique to each traveller
Our brands	SILVER WINGS TRAVELS

MUR 120M
Sales of Tickets
12% ↗

MUR 1.1M
Operating loss
94% ↘

Performance highlights in 2021	Improving our odds at Positive Disruption	Contribution to CJ's strategy	Priorities for 2022
Despite borders being shut between January and October 2021, we began the year on a positive note, driven by a strategy to diversify our customer base and service offerings: • We targeted local sales as from December 2020. Following successful marketing campaigns, we recorded a growth in bookings for local hotels compared to 2020 • Bookings to Rodrigues made up most of our revenue in the first quarter, which unfortunately came to an abrupt halt after commercial flights between Rodrigues and Mauritius were suspended until June 2021 • With over 20,000 foreign workers in Mauritius, we focused on offering safe travel solutions for this niche market • We found that high-net-worth individuals were not as hesitant to travel as other customer segments; similarly, business travel carried on almost normally. • Our activities accelerated significantly from October 2021, after the reopening of borders. We recorded revenues of MUR 40M between October and December 2021 alone, far exceeding our initial targets of MUR 20M for that period. On the downside, Mauritius was placed on France's Scarlet Red List in December 2021, which led to mass cancellations of bookings as travellers were reluctant to fly to Mauritius and risk getting stranded in the country • Our role as advisors took on greater meaning during the year. As travellers were anxious about navigating the changing sanitary protocols implemented in different countries (visas, quarantine, PCR tests, vaccination), our teams offered solutions to help with flight changes, refunds and travel insurance, and ensured to stay one step ahead of the latest travel regulations. • We developed and launched a B2B portal, designed to offer a centralised source of information for the overseas travel agencies we collaborate with. This has enabled quicker turnarounds in sales. We also automated our Finance and Accounting processes to enhance operational efficiency. • One of our biggest priorities during the year was to retain 100% of our workforce and maintain all salaries and allowances, despite facing a few months of little to no activity. We also continued benefitting from the government's Wage Assistance Scheme, which helped us offset at least 60% of our employee-related costs.	**Innovation** Diversified into niche markets such as expat workers and corporate travel for HNWI; strengthened our advisory role; deployed a B2B platform for our collaborators.	Business Portfolio Management; Operational Efficiency	We are extremely optimistic for 2022 and are expecting to generate revenues back to pre-Covid-19 levels. With international travel resuming, people more eager to travel than ever, and a diversified footprint across various market segments, Silver Wings is poised for a year of growth.
	People-centred culture Maintained salaries, benefits and 100% of the workforce.Employee engagement score increased to reach 82% .	Financial Risk Management	
	We Care - inclusive and sustainable Mauritius Voluntary employee participation in the Currimjee Covid Fund.		

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

Commerce & Financial Services

Cluster performance,
Outlook and Strategies

> "Creating a culture around customer experience is highly dependent on having motivated and engaged talent. Operating in a disruptive environment has prompted us to reboot the way we connect with our teams and cultivate a more open, more engaging, more fulfilling work environment."

Rishaad Currimjee,
CEO

Batimex

What we do	We supply quality building materials and finishes (floor coverings, sanitary ware, sanitary fittings ...) to the Retail and Wholesale markets. Through a network of Batimex and Metric showrooms located in strategic regions of the island, we offer products ranging from trusted world-leading brands (Imola, Rak, Villeroy & Boch, Marazzi...) to more accessible brands developed in-house (Aquavit and Dura). Our Projects team also works closely with builders, specifiers and architects, lending their expertise to projects of all sizes, including renovations, extensions, remodellings, and more.
Our brands (some owned by Batimex, others for which we have retail exclusivity)	Batimex – Passion for Quality; Metric – Votre Partenaire Batiment; Dura; Aquavit; fima Carlo Frattini; Villeroy & Boch 1748

MUR 324M
Turnover
44% ↗

MUR 30M
Operating profit
2020: MUR78K

Performance highlights in 2021

Batimex recorded a strong performance across its three segments: Retail, Wholesale and Projects. We met and/or surpassed all our targets set for the year, despite the fact that consumers are either delaying or cancelling construction decisions due to steep increases in prices and a lower spending power.

Launch of new product segments

- We introduced a range of bathroom fittings and accessories under our in-house brand, Aquavit.
- We also introduced a new product category, Quartz, a collection of modern premium countertops from India.
- We invested heavily in inventory to be able to meet demand and avoid stockouts. We are working on striking a careful balance between ensuring product availability at all times, without falling into the trap of overstocking.

Rebalancing our portfolio

- One of our major goals this year was to expand into our Wholesale and Projects segments, and rebalance our portfolio. Retail made up over 78% of our sales pre-Covid, with Wholesale and Projects contributing to the balance. After the pandemic hit, we focused our strategy on ensuring less dependency on one single client segment. Following the introduction of new talent and new sales strategies, we almost doubled our revenues from these two segments.
- We secured a partnership with Courts, launching our brands in five of their showrooms.

Improvement of employee engagement and the customer experience

- We strongly believe that an engaged workforce drives customer centricity and translates into an improved business performance. With this in mind, we continued building a strong culture of service by encouraging positive behaviours, reviewing our processes and strengthening the team spirit. As a result of more frequent get-togethers, a relentless focus on upskilling and training, and the introduction of a bonus scheme for non-sales employees, our engagement scores went up from 72% to 81% in 2021.
- We focused on enhancing the digital customer experience by engaging more frequently and qualitatively with our customers via social media. We reinforced our presence and sped up our responsiveness on social media platforms, and began using WhatsApp more actively to boost sales and offer quicker service.
- Our leadership team was strengthened with the appointment of a new Manager responsible for heading our network of Metric stores and our Customer Experience.

Improving our odds at Positive Disruption

Innovation

Expansion into new product segments, client segments and digital sales channels; improvement of supply chain management and inventory levels.

People-centred culture

A highly engaged workforce as a result of a more open work environment, the presence of senior management at all levels, continuous training in sales techniques, cross-functional team outings, a new bonus scheme and the addition of resources where needed.

We Care

Recycling of broken tiles for construction purposes, and of plastic and wood waste from imports; active role in mentoring at Trampoline.

Contribution to CJ's strategy

Priorities for 2022

As inflation increases and spending power free falls, we expect customers to cut back on non-essential spending. This will invariably impact our performance in 2022.

On account of the persisting uncertainties, our strategy is to identify the quick wins that will enable us to absorb the impact of freight costs. Our priorities in 2022 will be to:

- open the new Metric store in Rose Hill in January 2022, which was initially scheduled to open in 2021 but delayed due to Covid-related challenges;
- strengthen our in-house brands, especially Aquavit;
- continue to upskill our retail staff and keep them highly engaged;
- visit our suppliers and partners in Europe and elsewhere to explore new product categories;
- introduce e-billing and multiply our digital sales;
- continue to seek out partnerships in organised retail and wholesale to increase our visibility and meet our sales objectives;
- strengthen our second layer of management to reduce our operational risks and provide for business continuity alternatives;
- double down on our efforts to keep our workforce engaged and satisfied, and equip them with the skills and knowledge required for the future of retail.

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

"Having transformed ILA into a more resilient and fast-growing company through a strategic review carried out over the past two years, 2022 will be focused on taking advantage of the digitalisation initiatives being implemented at Group level to facilitate the onboarding process of new clients and enhance our customer experience."

Sailesh Koomar,
CEO

Island Life Assurance

What we do	ILA has been providing Mauritian individuals, families and corporates with a range of life insurance products for over 35 years. Since its inception, it has broadened its portfolio to meet evolving customer demands, offering insurance products designed to cater to various needs: Protection and Investment (Cash Back & Savings Plans), Pure Protection (Loan Cover and Protect Plans), Education and Retirement. The business is progressively transitioning to online services to rise to the challenge of the digital age, while keeping customer centricity, product innovation and integrity at the heart of its value proposition.
Our brands	ila ISLAND LIFE ASSURANCE

MUR 253M
Turnover
16% ↗

MUR 173M
Gross Premium 5.16% ↗

Performance highlights in 2021

ILA operated in a mitigated environment in 2021, with low interest rates negatively impacting the value of our liabilities and solvency. A second wave of Covid-19 infections in March 2021 dramatically slowed down our sales, as agents were unable to conduct face-to-face meetings with potential clients. The rise of Covid-19 cases and deaths in Mauritius also shifted client behaviours, causing them to remain prudent and avoid investing in Life Assurance, particularly towards the end of the year.

This unfavourable environment was, however, offset by a pick up in the local equity and foreign equity markets, coupled with a gradual rise in risk-free rates. As a result, our solvency improved and Return on Investment soared by over 94.5% to reach MUR 99.2M. In addition, ILA recorded a 7.2% return during the year, up by 91% (2020: 3.59%). Despite not meeting our target for the year, overall sales increased by 46.4% compared to 2020 and Gross Premium income increased by 5%. This was also enabled by a stronger sales team and the introduction of new incentives to engage them (monthly sales contests, Upselling Campaign, leads distribution through awareness campaigns...)

Along with this, we implemented customer-centric KPIs to appraise both customer satisfaction and employee performance more objectively, and increased training to deepen the knowledge and strengthen the skills of our workforce. Our Employee Engagement score increased by 4.5% to reach 69% (2020: 66%), suggesting that our initiatives are paying off and that we are on the right track.

Expanding our portfolio of products

Our Decreasing Term Assurance (DTA) product, which covers bank loans and protects purchased assets in the event of an unexpected situation, did particularly well during the year, accounting for over 60% of overall sales. In parallel, we obtained approval for our retirement savings, spouse retirement, and flexible savings plan, which added to our expanding portfolio of products. Critical to our ability to sell insurance plans is a high level of awareness among customers; to this end, we continued to communicate frequently with prospective and existing customers about the importance of adequate coverage.

Advancing our digitalisation endeavours

From a strategic standpoint, we identified the urgent need to digitise our sales process, leading us to hold off on other digital transformation initiatives that were in progress, such as the upgrade of our IT system. In collaboration with CINF, we embarked on the digitalisation of our sales platform to make our products more readily accessible to clients and offer an enhanced customer experience and after-sales service. We aim to complete and launch the new platform by mid-2022.

Branding

As announced last year, strengthening the ILA brand is one of our top priorities. We initiated our branding exercise in September through a revamp of our website, and a sustained communication campaign through social media channels and the radio.

Improving our odds at Positive Disruption

Innovation

Increased collaboration and synergies with CINF to digitally transform the business; introduction of customer-centric KPIs to better measure and improve the customer experience.

People-centred culture

Enhanced training to upskill the workforce; more frequent and qualitative communication; sales contests and Upselling Campaign to incentivise them.

We Care

Set targets to reduce paper and energy consumption.

Contribution to CJ's strategy

Priorities for 2022

Having performed well in loans-related products during the year, we aim to accelerate the sales of loan-related products in 2022. We also intend to progress on our branding exercise and digitalisation efforts.

We are optimistic about what next year holds for ILA. With a high vaccination rate across the island, the easing of Covid-19 restrictions, the right product mix and an engaged workforce, we are confident about meeting our sales forecasts.

The war in Ukraine, however, is casting a shadow on our forecasts for the year. With the price of basic commodities skyrocketing, we believe consumers will prioritise spending on essentials. We are therefore keeping a close eye on the evolving situation.

OPERATIONAL EFFICIENCY BUSINESS PORTFOLIO MANAGEMENT FINANCIAL RISK MANAGEMENT SUSTAINABILITY FOCUS

"Continuous improvement

... is in MC Vision's DNA. We gradually roll out new features and bring in exciting channels and content on myCANAL to make sure our subscribers have the best available entertainment and a second-to-none viewing experience."

Preetam Ramphul - Manager Technical Services and
Nundita Nundlall - Communication Manager
MC Vision Ltd

Building an inclusive and sustainable world
We care about having a meaningful and positive environmental and societal impact.

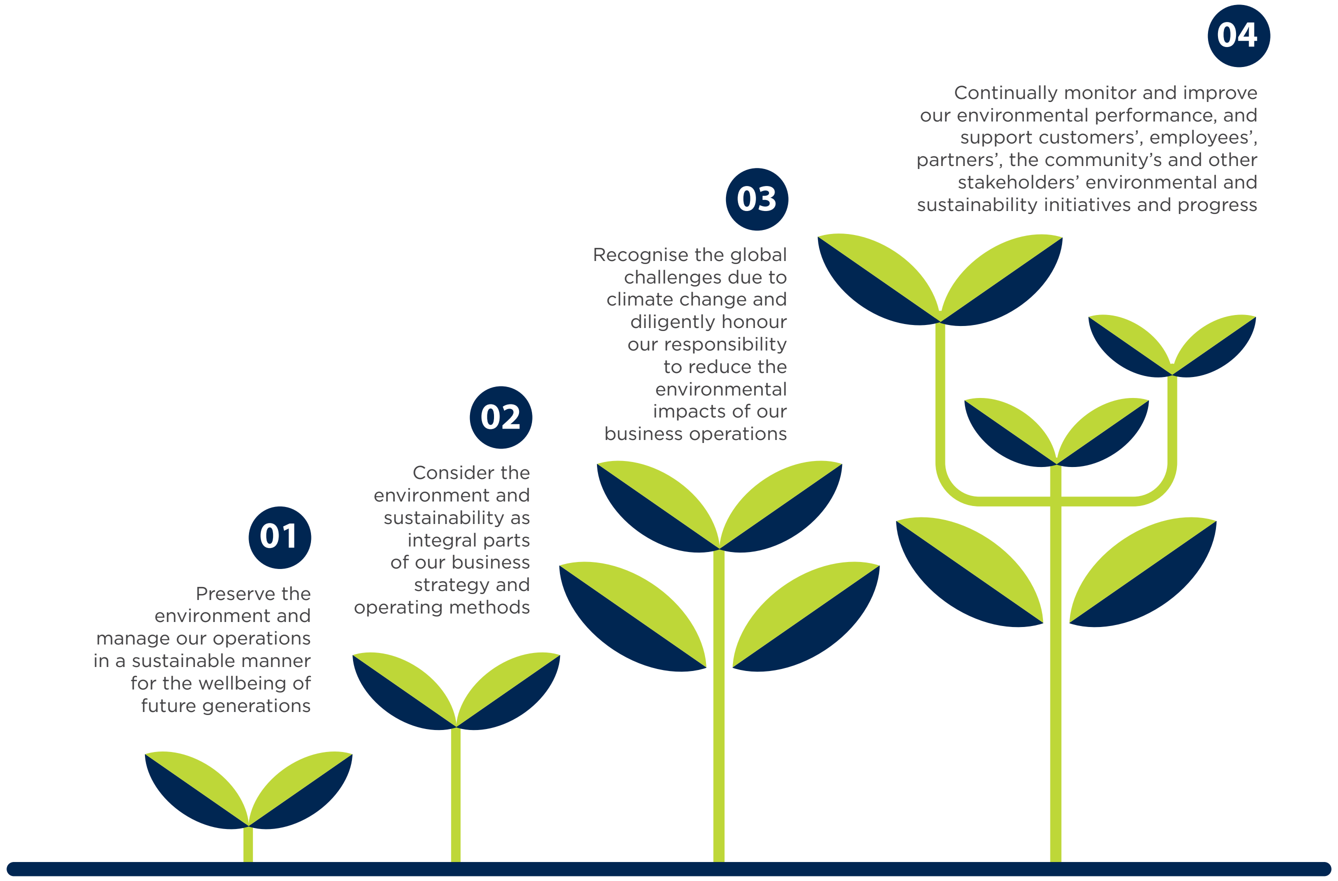
Our Environment

and Sustainability strategy

As a family-owned business, the notion of sustainability is embedded in the founding principles of Currimjee Group. All our actions and decisions are made keeping our future generations in mind. This perspective has guided us on a journey to balance our performance against our legacy, and maintain an equilibrium between doing the right thing for our business, the planet and the communities we serve.

In 2014, we made the decision to take it a step further and engage with a sustainability agenda in clear and measurable ways. We formalised and internalised an E&S strategy, which sets the direction for us to become a more sustainable and responsible business. Since then, we have progressively built the four pillars of our E&S framework into all aspects of our business, from our strategy and reporting practices, to our products, behaviours and daily actions.

Today, climate change has reached a tipping point and social inequalities have widened following the outbreak of Covid-19. The need to urgently protect people and the planet has been growing and the Group is committed to support with decisive actions.



OUR PLEDGE

Our pledge is aligned with the frameworks below to ensure we are adhering to the highest national and international standards and best practices.

United Nations Sustainable Development Goals (UN SDGs)	Stock Exchange of Mauritius Sustainability Index (SEMSI)	Led by Business Mauritius
Adopted since 2019	CIL listed since 2015 (91% score)	Member since 2020

ORGANISATION AND STRUCTURE

Delivering on our pledge is highly dependent on how deeply embedded our E&S commitments are in every business decision made, across all levels of the Group. In pursuing this ambition, our governance structure as presented below, helps the Group manage its goal-setting and reporting processes. Each committee has a formalised mandate with clear duties and responsibilities, and all employees are fully aware of their responsibilities and the sustainable behaviours that are expected of them.

CJ Board
Ultimately approves all Environment and Sustainability strategies, budgets and initiatives

Reports on E&S to boards of Directors

HROC (Human Resource Organisational Committee)
Approves E&S strategy, escalates important ESG matters to the Board, oversees the Group's E&S performance and ensures objectives are being attained

Presents E&S progress and strategies for CJ and subsidiaries

E&S function
Defines and leads Environmental & Social strategies for the Group

Reports on E&S perfomance & project progress (monthly basis)

Sustainability champions
Appointed sustainability ambassadors within each business unit
Responsible for disseminating sustainable behaviours on a day-to-day basis
Oversees the execution of E&S projects in their respective business units

Represented by sustainability champions for E&S and CSR functions

OUR ENVIRONMENT AND SUSTAINABILITY STRATEGY

DELIVERING ON OUR PLEDGE: OUR E&S FRAMEWORK

To meet our pledge, our E&S framework sets quantifiable targets across four pillars, which are also aligned with the UN SDGs. Setting tangible metrics enables us to accurately track the impact of our operations, measure our progress and hold ourselves accountable to achieve our targets. During the year, we reviewed the pillars of our framework to assess their suitability and relevance, and updated them to reflect our priorities. As demonstrated by the metrics on pages 122-126, we are proud to have made substantial improvements across most of our environmental indicators.

ADDRESSING CLIMATE CHANGE

- Photovoltaic installations
- Energy management
- Transport management
- Endemic revegetation project at The Citadel and Ebony Forest
- Mauritian Wildlife Foundation biodiversity preservation projects
- REEF Marine Study & Conservation projects
- Mangrove-planting activities

PRESERVING ECOSYSTEMS & NATURAL RESOURCES

- Digitalisation of processes
- Paperless office projects
- Rainwater harvesting
- Green procurement
- Coral study & restoration
- Good Agricultural Practices project with UOM

RESPONSIBLE WASTE MANAGEMENT

- Waste management policy
- Emtel National E-Waste Recycling Project
- Community clean-up campaigns
- War on plastic

ENVIRONMENTAL STEWARDSHIP

- Company induction on E&S
- Environment-related awareness sessions and activities for employees and the community at large
- Creating awareness on social media platforms

TRACKING AND MONITORING OUR KEY ENVIRONMENTAL INDICATORS

A CLOSER LOOK AT...

ADDRESSING CLIMATE CHANGE

> HOW WE MANAGE OUR ENERGY AND TRANSPORTATION

Energy

We aim to improve the energy efficiency of our operations across all our clusters. As much as possible, LED lights, natural light and solar panels are favoured. To date, a total capacity of 34 kW has been installed across CJ's businesses, with plans to significantly increase the photovoltaic panels capacity in coming years. The ultimate objective is to decrease our carbon footprint and i reduce our impact on climate change.

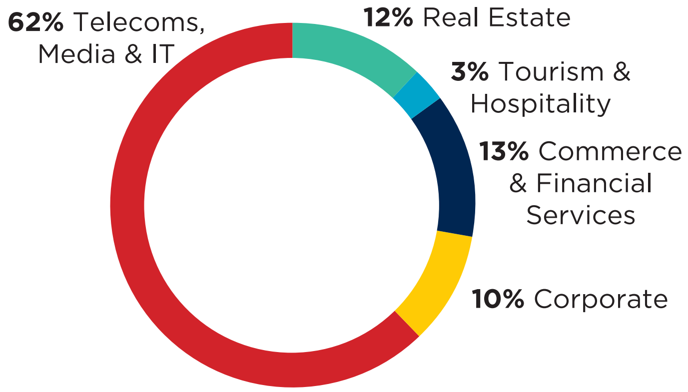
Despite a reduction in overall energy consumption due to the lockdowns in 2020 an 2021, Emtel's cell sites, the largest consumer of electricity of the Group, are committed to continuously reducing their consumption of energy. Certain measures have been put in place, such as the automatic switch-off of cell sites during low traffic periods and the conversion of conventional cell sites into outdoor cell sites.

In 2021, the Group recorded an overall 0.3% decrease in electricity consumption across all sites (excluding Emtel's technical sites), while Emtel's technical sites' consumption increased by 7%, attributable to the surge in network traffic and customers.

Transport

We continuously work towards decreasing our fuel usage through efficient fleet management. A work-from-home policy has been introduced on a more permanent basis, as well as eco-friendly car policies, to encourage our employees to switch to greener vehicles or modes of transportation to reduce the carbon impact of their daily commute. In 2021, usage of Fuel (Gasoline and Diesel) dropped by 13%.

ENERGY USAGE IN OFFICE BY CLUSTER (KWH) 2021



PROGRESS MADE IN 2021

0.3%

1,713,454 kWh

ELECTRICITY CONSUMED, EXCL. EMTEL BOUNDARY OFFICE, CELL SITES AND DATA CENTRE

7%

17,015,606 kWh

ENERGY CONSUMED BY EMTEL BOUNDARY OFFICE, CELL SITES AND DATA CENTRE

34 KW

PHOTOVOLTAIC SYSTEMS INSTALLED ACROSS CJ

27%

11,472 kWh

GREEN SOLAR ENERGY GENERATED

0.7%

ELECTRICITY CONSUMED AT OFFICES (OUT OF TOTAL USAGE)

1,194 endemic trees planted

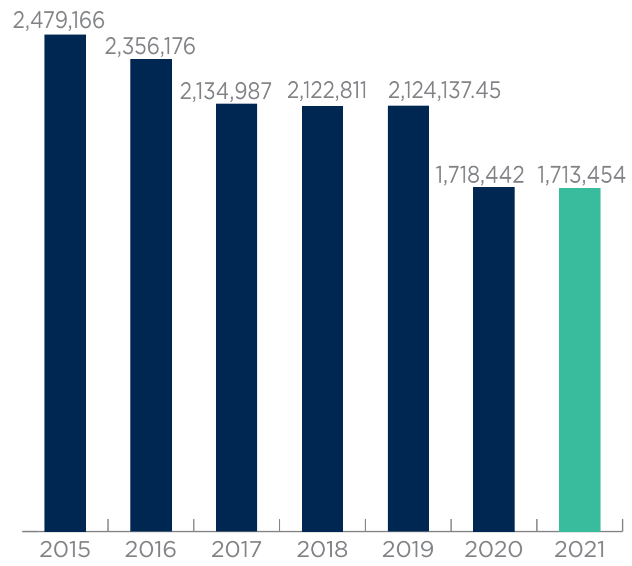
AT THE CITADEL AND EBONY FOREST TO INCREASE THE CARBON SEQUESTRATION CAPACITY OF MAURITIUS

13%

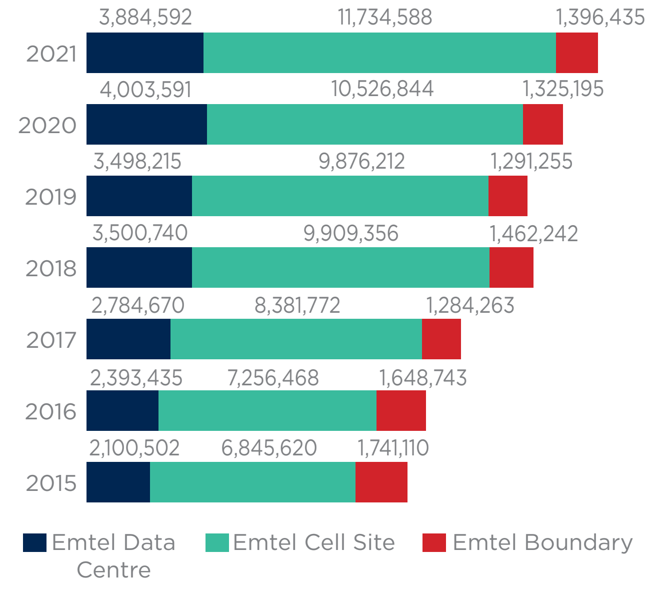
215,468 LITRES

FUEL USED FOR TRANSPORTATION

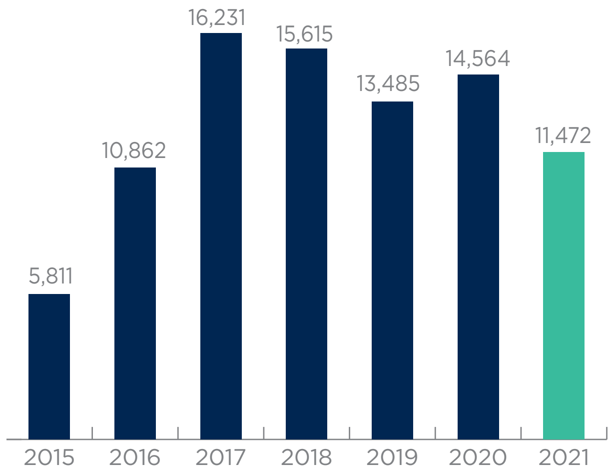
ENERGY USAGE IN OFFICES (KWH) 2015 - 2021



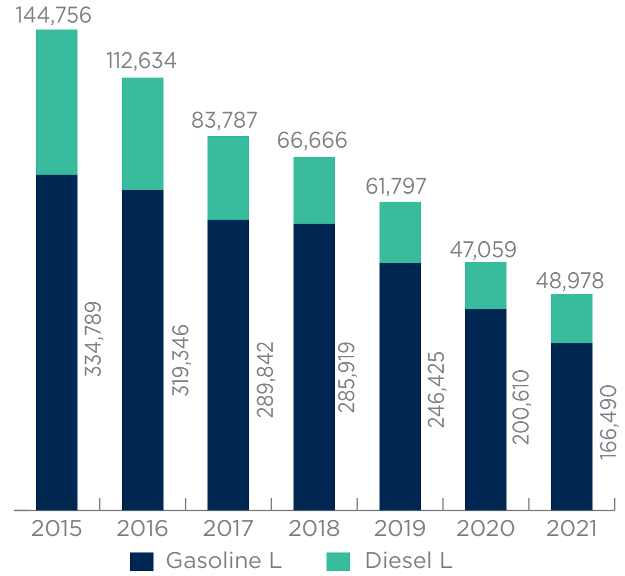
ENERGY USAGE FOR EMTEL TECHNICAL SITES (KWH) 2015 - 2021



RENEWABLE ENERGY GENERATED (KWH) 2015 – 2021



FUEL (GASOLINE & DIESEL) USAGE FOR TRANSPORT (L) 2015 - 2021



TRACKING AND MONITORING OUR KEY ENVIRONMENTAL INDICATORS

A CLOSER LOOK AT...

RESPONSIBLE WASTE MANAGEMENT

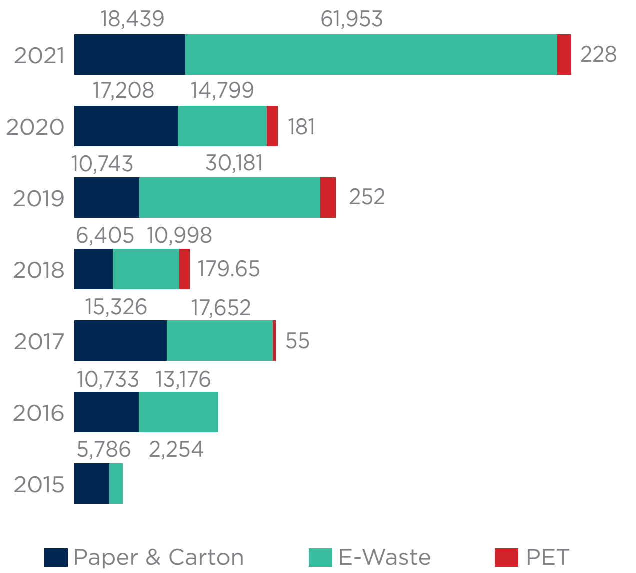
> HOW WE MANAGE OUR WASTE RESPONSIBLY

Recycling

The Waste Management policy has been deployed across the Group to ensure the responsible disposal of waste products. Paper, PET and electronic waste generated by our operations are segregated and disposed of through registered recyclers.

Since 2019, a national "e-waste take-back" programme has been implemented by Emtel in collaboration with the NGO Mission Verte. To this end, 51 collection points across Mauritius and one collection point in Rodrigues were set up to dispose of obsolete mobile phones, batteries and accessories. In 2021, 3,727 kg of e-waste was collected from the community. Batimex also responsibly disposed of 2.92 tonnes of ceramic waste during the year, through a construction waste recycling programme.

WASTE RECYCLED (KG) 2015 -2021



PROGRESS MADE IN 2021

3,727 KG
E-Waste
collected from the community

RECYCLED THROUGH EMTEL'S NATIONAL E-WASTE PROGRAMME

61,953 KG
E-Waste
recycled at CJCO

THROUGH RESPONSIBLE COLLECTORS & RECYCLERS

228 KG
PET Waste
recycled

THROUGH RESPONSIBLE COLLECTORS & RECYCLERS

18,493 KG
Office Paper and Carton Waste
recycled

THROUGH RESPONSIBLE COLLECTORS & RECYCLERS

150
Litres

KITCHEN OIL COLLECTED AND RECYCLED FROM REAL ESTATE F&B TENANTS

2.92 TONNES
Ceramic Waste recycled

THROUGH A CONSTRUCTION WASTE VALORISATION PROJECT

A CLOSER LOOK AT...

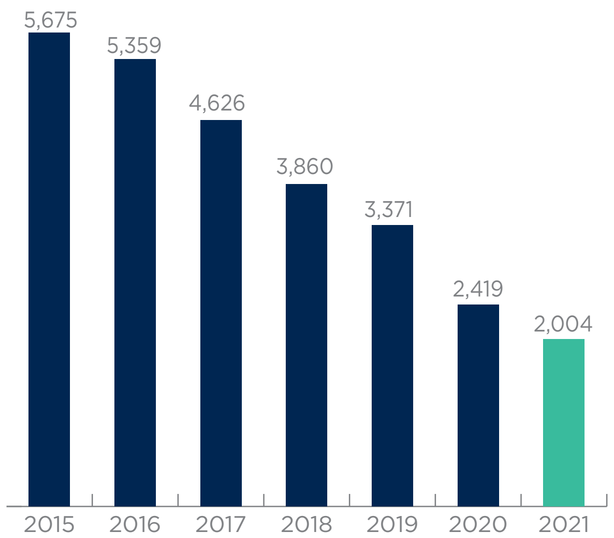
PRESERVING ECOSYSTEMS & NATURAL RESOURCES

> HOW WE MANAGE OUR PAPER RESPONSIBLY

Paperless initiatives

We ramped up our strategies to decrease our paper consumption, including the digitisation of processes, encouraging double-sided printing, using and sharing e-documents where possible, promoting e-media and e-communications, and only purchasing paper sourced from responsible forests (certified FSC, PEFC and ISO). All these initiatives have contributed to a 17% reduction in paper consumption in 2021.

PAPER USAGE (REAM) 2015 - 2021



PROGRESS MADE IN 2021

6.7%
21,755 M^3
WATER CONSUMED

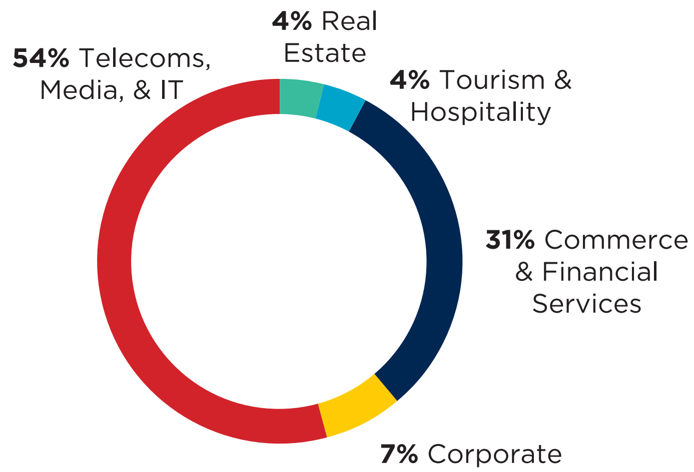
7.5%
515 M^3
RAINWATER HARVESTED AND USED

17%
2,004 reams*
A4 OFFICE PAPER USED

*1 ream = 500 sheets

1.5 HA
Endemic Forest
RESTORED AT LA CITADELLE AND EBONY FOREST

PAPER USAGE BY CLUSTER (%) 2021



TRACKING AND MONITORING OUR KEY ENVIRONMENTAL INDICATORS

A CLOSER LOOK AT...

PRESERVING ECOSYSTEMS AND NATURAL RESOURCES

> HOW WE MANAGE OUR WATER RESPONSIBLY

Water usage

Mauritius is classified as a water-stressed country by the World Bank. To ensure that our operations are not putting additional pressure on the local water supply system, the Group has set up water harvesting systems across the business units for non-potable purposes such as watering and cleaning. Over and above internal actions, CJ also encourages the community to harvest rainwater. In 2021, a system of 2,500 L was installed at St Jean Bosco School to supply their washrooms.

PROGRESS MADE IN 2021

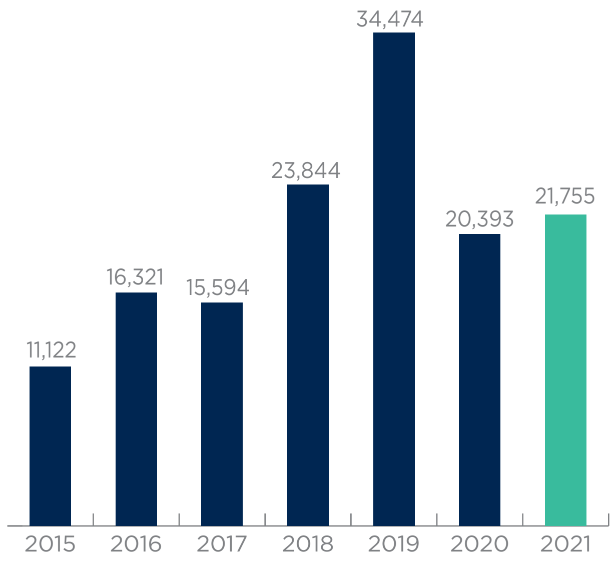
495
Staff participated in

CITADEL & EBONY FOREST REVEGETATION, WORLD ENVIRONMENT DAY, WORLD CLEAN-UP DAY

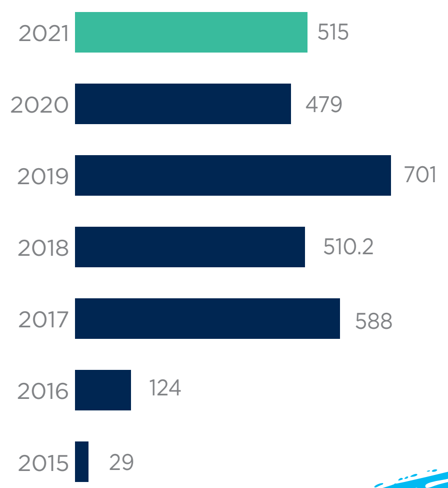
491

STAFF REACHED IN AWARENESS SESSIONS

WATER USAGE (M³) 2015 – 2021



RAINWATER HARVESTED (M³) 2015 - 2021



OUR CSR STRATEGY

Our CSR strategy is an intrinsic part of our overall Sustainability strategy. CJ's longstanding history and legacy were built on the close connections we have formed with our communities over the years. We aspire to reciprocate their invaluable contribution to our success by not just engaging in philanthropy or making donations, but by carrying out long-term projects that have a meaningful and positive impact on them. We carry out our CSR activities across five intervention areas—Education, Socio-economic, Environment, Health and Leisure-Sports—to ensure we empower our community. We strongly believe that incremental progress in these areas through our project and initiatives will lead to better socio-economic development.

To execute this strategy, we set up the Currimjee Foundation in 2009. All our subsidiaries contribute to the foundation, as per the Finance Act.

EDUCATION

Education, known as the great equaliser, is a stepping stone to economic and social inclusion. The skills and knowledge gained through education are key to opening doors to opportunities.

SOCIO-ECONOMIC

Social progress is the foundation for economic growth. By collaborating with the government and NGOs, we aspire to contribute to bridging the inequality gap in Mauritius.

ENVIRONMENT

As an island-nation, the prosperity of our country is tied to the sustainability of our natural resources. We are working hard to protect our biodiversity and responsibly manage the use of resources for the benefit of future generations.

HEALTHCARE

Good healthcare is synonymous with resilience. We are determined to address the healthcare needs of underserved populations through our contribution to NGOs engaged in preventive treatments.

LEISURE-SPORTS

Sports not only boost health, but also develop important life skills—discipline, respect, leadership, sportsmanship, concentration, confidence—that carry over into all aspects of life.

OUR CSR INITIATIVES IN 2021

KEY SOCIAL INDICATORS

MUR 3M
INVESTED THROUGH THE CURRIMJEE FOUNDATION

322 BENEFICIARIES
OF THE SPORTS PROMOTION PROGRAMME

635 PINTS OF BLOOD
COLLECTED DURING 3 BLOOD COLLECTION CAMPAIGNS ORGANISED BY THE GROUP

500 CHILDREN
RECEIVED SCHOOL MATERIALS

300 PEOPLE
BENEFITED FROM DRUG ABUSE PRIMARY PREVENTION CAMPAIGNS AND TREATMENT

OUR CSR INITIATIVES IN 2021

Area of intervention	Key initiatives	Partners	SDGs
Education	• **Mangalkhan Remedial School Project** ***Objective:*** Provide academic and psychological support to U-12 and PSAC players of the Mangalkhan Football Academy ***Outcome:*** 17 students from the region of Cité Mangalkhan were provided after-school classes and psychological follow-up to boost their academic performance.	Mangalkhan Sports Club	1 NO POVERTY 4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
	• **Support to Disabled Students** ***Objective:*** Provide adequate school infrastructure to physically disabled students ***Outcome:*** 60 disabled children from Rodrigues benefited from the renovation of the GPL Special Learning Centre. An ICT classroom was set up at Association Jeunes Inadaptés de Curepipe for the benefit of 84 disabled beneficiaries.	GPL Special Learning Centre Association Jeunes Inadaptés de Curepipe	
	• **Support to Vulnerable Groups** ***Objective:*** Improve infrastructure to provide better educational facilities to needy students ***Outcome:*** 480 students from St Jean Bosco RCA were provided with new and adequate class chairs and tables.	St Jean Bosco RCA	
	• **Support to Students Suffering from Epilepsy** ***Objective:*** Support EDYCS in its mission to provide education to children suffering from epilepsy ***Outcome:*** 25 children from the region of Port Louis were given access to formal education in a centre led by experts	EDYCS Epilepsy Group	

Area of intervention	Key initiatives	Partners	SDGs
Socio-economic	• **Support to the "Fighting of Corruption" Programme** ***Objective:*** Build a society free of corruption and fraud through programmes designed to that end ***Outcome:*** Publication of a Corruption Perception Index Support the implementation of anti-corruption policies in the private sector. Organised talks on Ethics, Integrity and Corruption in schools, colleges, universities and clubs. Launch of an Ethics Guide for police officers	Transparency Mauritius	1 NO POVERTY 2 ZERO HUNGER 10 REDUCED INEQUALITIES
	• **Support for "Interfaith Relations and Peace"** ***Objective:*** Support the Council in implementing the Intercultural Education (IE) project in lower secondary schools to promote interfaith knowledge and a unified, harmonious nation ***Outcome:*** Use of the ICE book in all lower secondary schools across Mauritius	Council of Religions	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	• **Support to Disabled Persons** ***Objectives:*** Support the Special Educational Needs School (SENS) of the Century Welfare Association in welcoming children with disabilities from poor families who cannot attend a special school To help the association carry out its mission of providing adequate education, care and life skills to the disabled children Enhance the self-esteem and self-confidence of the beneficiaries ***Outcome:*** Offered new exercising facilities to further promote the wellbeing of 60 disabled children from the region of Port Louis	Century Welfare Association	
	• **Enn Zenfan Enn Sourir** ***Objective:*** Share the spirit of Christmas with children ***Outcome:*** Christmas activities were organised for over 500 children and they benefited from school materials	Planète Enfants Vulnérables Light of Hope AFED Faith Drip Sa Nou Vize TESS Travayer Espoir Social Solidarité Association I Have A Dream Association pour le progrès d'Agalega Rotary Club of Rodrigues	

OUR CSR INITIATIVES IN 2021

Area of intervention	Key initiatives	Partners	SDGs
Environment	• **Preservation of the Mauritian Flora and Fauna** ***Objective:*** Support the MWF in its initiatives to preserve the fauna and flora in Mauritius and Rodrigues through awareness sessions and educational programmes ***Outcome:*** 61 physically disabled students from Trevor Huddleston School in Rodrigues participated in a plant awareness and potting activity at Grand Montagne Natural Reserve	Mauritian Wildlife Foundation	3 Good health and well-being 11 Sustainable cities and communities 13 Climate action 14 Life below water 15 Life on land
	• **Revegetation at Ebony Forest** ***Objective:*** Restore a native terrestrial ecosystem Promote biodiversity preservation Promote staff eco-consciousness through participation in revegetation activities ***Outcome:*** 0.5 Ha of ebony forest reserve restored Around 700 plants planted to promote biodiversity preservation 15 staff participated in an eco-conscious activity at Ebony	Ebony Forest Ltd	
	• **Coral Farming** ***Objective:*** Deploy on a pilot basis a coral farming project at La Cambuse Provide baseline data on coral farming techniques and coral species appropriate for the region ***Outcome:*** 4 species of corals (Acropora austera, Acropora muricata, Acropora microphthalma, Pocillopora damicornis) transplanted on 18 artificial structures at La Cambuse The survival and growth of corals are being monitored and will be reported in 2022	University of Mauritius	
	• **The Citadel Native Revegetation Project** ***Objectives:*** Provide visitors with a pleasant and green environment in contrast to the bustling urban life Study and showcase the feasibility of reforesting an ecologically degraded land in the heart of Port-Louis Recreate a fully functional and self-sustaining ecosystem and conserve the unique Mauritian biodiversity Reduce the frequency and severity of bushfires Decrease soil erosion and risks of flash floods in the surrounding areas Educate the community on the importance of forests and global environmental challenges ***Outcome:*** 5897 endemic trees planted on site as at end 2021 971 employees involved on site since 2015 76 employees participated in 2021	Friends of Environment	
	• **Rainwater Harvesting Project** ***Objectives:*** Supplement groundwater supplies during dry season Provide water for domestic purposes such as cleaning, watering and washrooms in business units and the community at large ***Outcome:*** A new rainwater harvesting system was implemented at St Jean Bosco School (2.5m^3) to supply their washrooms. Total capacity of 34.3 m3 of rainwater harvesting system was implemented in the business units and the community as at end 2021	St Jean Bosco RCA	
	• **Clean Up the World** ***Objectives:*** Unite community groups and our employees to address local environmental issues through community clean-ups ***Outcome:*** 4 clean-up campaigns organised by the Group (Ebene, Curepipe, Rodrigues and Agalega) 74 staff and 215 community members participated	Precious Plastic	

Area of intervention	Key initiatives	Partners	SDGs
Health	• **Disan Pa Pouss Lor Pye** ***Objectives:*** Supply the blood bank during shortage of blood and platelets Raise awareness about the importance of blood donation among youngsters via sensitisation talks Bring CJ and its companies' staff to work together for this laudable cause ***Outcome:*** 635 pints of blood were collected 3 blood donation events organised at Mc Vision in Wooton, Emtel World and Rodrigues A refrigerator was offered by Emtel to the Blood Bank of Rodrigues	National Blood Transfusion Service	1 No poverty 3 Good health and well-being 10 Reduced inequalities 11 Sustainable cities and communities
	• **Overseas Medical Treatment Scheme** ***Objectives:*** Full/partial funding of individuals for overseas treatment not available locally. ***Outcome:*** 11 individuals were provided financial aid for urgent medical treatment abroad		
	• **Bedridden Patients Scheme** ***Objectives:*** Provide medicine or diapers to bedridden and needy persons ***Outcome:*** 14 disabled persons benefited from the programme	Pharmacie de La Plaine Verte	
	• **Fighting Drug Propagation and Offering Drug Addiction Treatment and Support** ***Objectives:*** Reduce the incidence of drug use in Mauritius through primary prevention campaigns Provide treatment for people addicted to drugs ***Outcome:*** Annually, more than 300 people benefit from the different initiatives of the NGO	Dr Idrice Goomany Centre	

Area of intervention	Key initiatives	Partners	SDGs
Leisure-sports	• **Collectif Jeunesse Curepipien** ***Objectives:*** Promote football as a sport among youngsters to keep them away from "les maux de la société" and improve the quality of life in the region at Cité Malherbes ***Outcome:*** A U-12 team of 20 players was set up and CF provided them with sports attires.	Collectif Jeunesse Curepipien	3 Good health and well-being 10 Reduced inequalities
	• **Promotion of Youth Development** ***Objectives:*** Reduce the incidence of drug use in Vallée Pitot Create a sports culture in Vallée Pitot ***Outcome:*** 300 children benefited from initiation to sports such as football, karate and swimming Vallée Pitot is recognised to be one of the rare places where drug use has significantly diminished thanks to the devotion of the CSZVP.	Club Sportif Zeness Vallée Pitot (CSZVP)	

" By regenerating

... Les Arcades Currimjee, a building of great historical significance, we hope to make it a shared place for the community and, in a way, revive the soul of Curepipe. "

Deva Darmalingum
Senior Development Manager
Currimjee Property Management & Development Limited

Events

BUILDING STRONG BRANDS

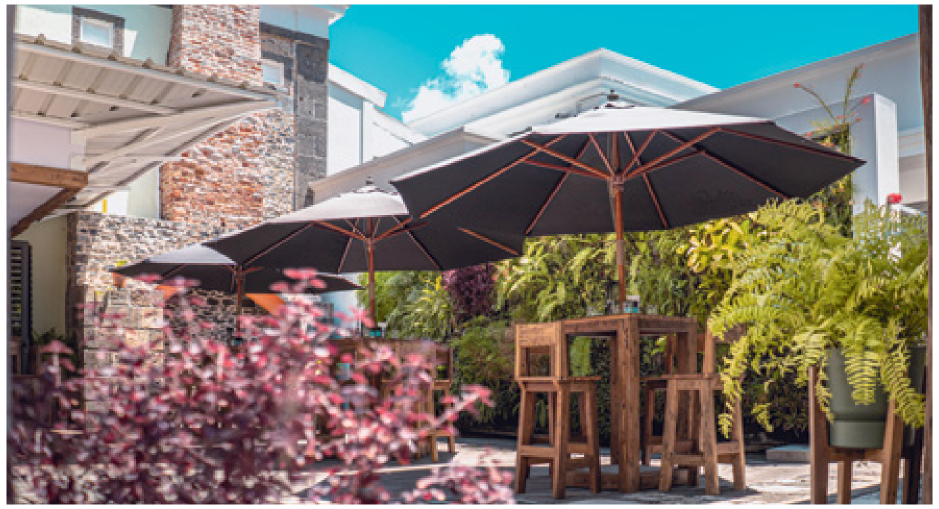
Events are an impactful way for us to make our brands known and to forge strong connections with stakeholders—including existing and potential employees, customers and partners—whose values align with ours. The pandemic has completely transformed how we connect with our audience, forcing us to reimagine how to host our events, and how to create memorable experiences for our stakeholders, even with social distancing measures still in force. To navigate this new landscape, we developed an omnichannel communications strategy, with certain events being carried out virtually, and others in person in restricted numbers to avoid large gatherings. It is worth noting that all our live events continue to respect strict sanitary protocols, which we communicate to our stakeholders well ahead of time.

Regardless of whether they were held digitally or physically, our events in 2021 were purposeful, supported our strategy, and strengthened our commitments to our colleagues, community members, country and the environment.

Regenerating our urban centres

La Place

Hidden from sight, yet centrally located between Sir William and Place d'Armes in Port Louis, La Place was conceived to exhibit convenience, coziness and good accessibility for working professionals in the capital. Designed by OGA Architects and managed by the Real Estate cluster, La Place is an open-air courtyard housing Wapalapam, one of the best-known eateries on the island, and a collection of shops. The property's basaltic stone walls, lush greenery and water fountains emit a haven-like feeling amid the daily hustle of Port Louis. The cluster is engaged in several plans to lead urban regeneration initiatives, as evidenced in La Place's seamless combination of a modern setup within a historic landmark. With its laid-back and refined atmosphere, the property is the perfect oasis of tranquility set at the heart of a bustling capital.



Les Arcades Currimjee

In spite of the current challenging situation, the Group remains strongly committed to the preservation and enhancement of long-term value creation. Leveraging its existing group of resilient tenants, along with Les Arcades Currimjee's central strategic location, we are pursuing our urban regeneration initiatives by repositioning the property as a historic building with a unique contemporary set up. The timing of this initiative coincides with the planned infrastructural improvement of Curepipe's urban fabric with the new Metro Urban Terminal and the Curepipe Regeneration Masterplan. In repositioning Les Arcades Currimjee, the Group demonstrated its ability to adapt to changing business environments and address new customer expectations.

With its eclectic mix of experiential showrooms, offices and F&B concepts, ranging from coffee shops and bistronomie to Korean barbecue, Les Arcades Currimjee is an upscale and modern destination in an iconic building with deep historical and cultural significance.

Launching fit-for-market products

The Anantara Villas iko Mauritius

The pandemic may have delayed the execution or delivery of certain projects, but it also presented an opportunity to confirm and/or review the suitability of our products in a market that has fundamentally shifted since 2020. Our iko luxury villas, which remain more relevant than ever today, were officially launched during the year, inviting families to own their own slice of heaven in the southeast of Mauritius. Designed by the award-winning Ground Kent Architects in Australia and OGA Mauritius, and tastefully decorated by interior design firm Abacus Design in Thailand, each one of the eight Anantara-branded villas comes with a private pool, perfectly manicured gardens, and an unpretentious yet refined style. Set in close proximity to the village of Mahébourg and Blue Bay Marine Park, they are an exclusive gateway to the authenticity of Mauritian culture and its natural wonders. Best of all, owners will enjoy the benefits of a unique investment opportunity, not just by being granted access to the hotel's five-star amenities and a dedicated concierge service, but also from high returns on their investment through the resort-managed rental pool.

MC Vision/CANAL+ Maurice rolls out user-focused experiences

Adding yet another feather to its crown in terms of innovation, MC Vision/CANAL+ Maurice's application, myCANAL, was enhanced with a suite of new features and functionalities, all aimed at offering a more user-friendly and more personalised experience. The app's new interface now includes an easy-to-navigate homepage, enabling subscribers to access their favourite live or on-demand programmes more easily. Separate user profiles were also set up to make it easier for people who live under the same roof to have a personalised account, with tailored recommendations based on their preferences. And that's not all. The app is also now available across all internet networks, so subscribers can enjoy their favourite programme where and when they want.

Similarly, the 4K-UHD decoder was enhanced with a new look and feel, and a more user-friendly and modern interface. It also largely expanded its library from 20,000 to over 70,000 on-demand titles, offering viewers more choice than ever to view their programmes at their convenience. The 4K-UHD decoder also enables CANAL+ subscribers to access Netflix and Disney+ on their television.

ILA encourages you to plan for the future

In September 2021, ILA introduced a Retirement Plan designed to help individuals between the ages of 18 and 60 set aside a comfortable amount to enjoy their golden years, while contemplating their family's advancement through life. An investment savings solution, this plan grants the flexibility to either make a single one-off contribution, regular monthly contributions, or a combination of both. The net amount of the premium is then invested, and policymakers can enjoy accumulated returns on investment—and secure their retirement.

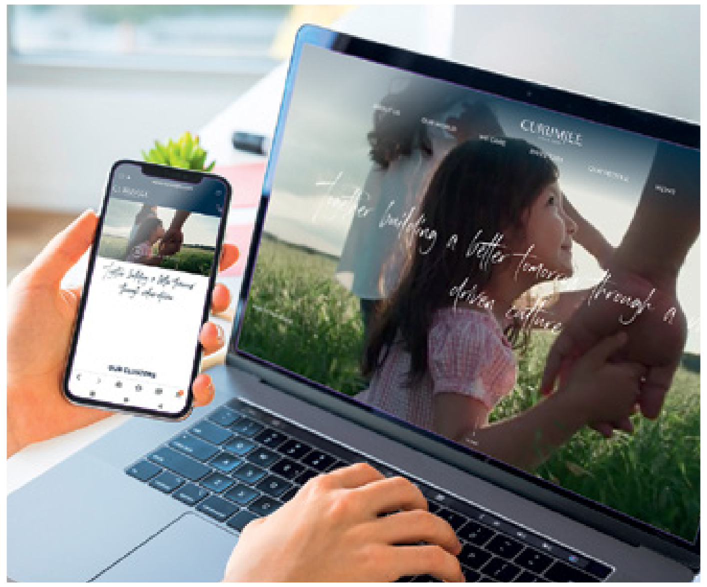
The plan is available in two versions:

- **The Island Retirement Savings Plan**, which provides benefits once the individual reaches the age of 65.
- **The Spouse Retirement Savings Plan**, designed to encourage individuals to save for their spouses' retirement.

It gets better: those who subscribed to the retirement plan before 30 June 2022 will be able to deduct the amount contributed to the retirement plan, up to a maximum of Rs 30,000 annually, from their chargeable income.

If the pandemic has taught us anything, it's that it is never too early to plan for changes that may lie ahead. Regardless of your income or your profession, a little planning goes a long way. Follow this link for more details: https://ila.mu/wp-content/uploads/2021/09/ILA-RETIREMENT-PLANS.pdf

Increasing our proximity with our stakeholders



CJ Group grows its online community

Building on our efforts to increase our proximity with our stakeholders, whether they are our customers, partners or potential clients, we are thrilled to have launched a new CJ website in December 2021. The refreshed website is a modern and helpful resource that reflects the Group's values, and shows the best we have to offer in terms of our products, services, culture and people. The aim was to build a more user-friendly and intuitive website that engages people and leads to insights that will improve both our business performance and enhance our visibility. Discover CJ's refreshed website here: www.currimjee.com.

We also launched a CJ Group LinkedIn page to engage with the professional community, showcase our job opportunities and hire top talents.

Preserving the environment

An integral part of embedding sustainability practices across the Group is to make sustainability everyone's responsibility. Several initiatives were carried out across CJ and its subsidiaries to engage our colleagues in our environmental commitments, and provide them with the knowledge and tools to make these practices a part of their own lives. Despite pandemic-related challenges, all business units participated in World Environment Day through a virtual educational quiz and a painting competition around the theme "Reimagine, Recreate, Restore". CJ and its businesses also organised several clean-up campaigns across Mauritius and Rodrigues on the occasion of World Cleanup Day. They, quite literally, got their hands dirty by participating in our key ecosystem restoration projects, such as Coral Farming, the Reforestation of Ebony Forest and the Native revegetation of Citadel. Virtual awareness sessions on a number of sustainability themes were also carried out all year round to promote environmental stewardship and inspire further volunteering among our employees.

More information can be found in the CSR section on pages 128-133.

Caring for our Employees

Keeping our colleagues engaged and providing them with a safe working environment took on greater importance in 2021, as we entered a second year of dealing with the pandemic. Mental wellbeing became an important aspect due to isolation, working from home and heightened uncertainty around Covid-19 and the future. To support our employees, we launched the Employee Wellbeing Programme, through which the services of a counselling psychologist were provided and webinars on mental wellbeing were carried out. Upon resuming work at the office, CJ and its subsidiaries went the extra mile to ensure that employees remained engaged through team building exercises, such as online game tournaments and photography contests, while ensuring that all sanitary measures were being followed.

Details about our other wellbeing initiatives can be found in the Human Capital section on pages 46-47.

Doing more and better for society

Trampoline - a little push goes a long way

2021 saw the birth of Trampoline, a project that is close to Currimjee Group's heart and that was set up in celebration of the Group's 125th anniversary. We have always been aware that our existence is closely tied to our communities, but the pandemic inspired us to take our actions to the next level. Trampoline, a social enterprise accelerator, was created to help passionate entrepreneurs grow their social businesses—in other words, businesses that are looking to tackle urgent environmental or social challenges facing Mauritius. As a nation with an inherently entrepreneurial spirit, we believe there is a pressing need to support ambitious entrepreneurs who may lack the resources, skills or confidence to pursue their businesses. Social enterprises face the additional challenge of trying to serve their primary purpose, while being financially viable. Trampoline accompanies them on their journey, by offering a nine-month structured programme that provides them with mentorship, funds, technical and management training, networking opportunities, and above all, a safe space to test and fail. Trampoline helps them scale their businesses and become financially sustainable, so they can, in turn, reinvest or donate their surpluses to keep the virtuous cycle going. In 2021, five entrepreneurs were selected for their promising plans in the areas of recycling, food security and sustainable retail models, amongst others.

A dedicated website, available here, as well as a Facebook page, communicate frequently on the projects we support, the impact they make, and how Trampoline is grooming a new generation of changemakers.

Katapult

The Katapult Mauritius Accelerator (commonly known as "Katapult") was developed as a partnership between CIEL, IBL, CJ and MCB—four of the island's most influential conglomerates. Launched at Ferney Agri-hub in April 2021, Katapult is an impact accelerator program focusing on Regenerative Food- and Agri-Tech for regional and international startups targeting the African markets. Simply, any business that contributes to building regenerable and equitable food and agricultural systems is considered a serious contender. This forms part of a larger plan to put Mauritius on the map as a meaningful example for sustainable innovation and transformation. Having screened over 1,000 applications, Katapult has selected seven highly scalable startups from countries like Nigeria, India, Tunisia and Ghana. Selected entrepreneurs will use Mauritius as a base, and have the opportunity to participate in Katapult's unicorn-honing impact programme, which includes a variety of workshops, training sessions and presentations, specifically designed to help them scale their businesses.

Speaking at the launch, Katapult's creator, Tharald Nustad, shared that "the guiding vision of Katapult is to build a thriving world for all. Through strong networks and partnerships in Mauritius, we not only have the opportunity to make a leap forward in this goal but to simultaneously foster innovation in Mauritius and grow the island's credentials as a launchpad for sustainable business."

"Embracing Technology

... has been a game-changer in the way we work and collaborate. It has ignited new conversations, exposed new possibilities and strengthened our team spirit."

Vikas Khanna - Chief Information Officer, Emtel Limited Hema Ramlochun - Head of IT Corporate, Currimjee Jeewanjee and Company Limited, Anousha Mahadea Sathan - General Manager, Currimjee Informatics Limited and Veekash Aukhojee - Chief Information Officer - Telecom, Emtel Ltd

Leading responsibly and with integrity
We set the tone from the top, guided by strong values, ethical behaviour and good governance.

Our Board of Directors

Our Board of Directors

1 BASHIRALI A CURRIMJEE

G.O.S.K

Mauritian Citizen & Resident

Chairman

Committee Membership:

- Chairman of Nomination & Remuneration Committee, Member of Corporate Governance Committee and Strategy & Finance Committee.

Qualifications:

- B.A. Arts, Major in Economics and Government, Tufts University, USA.
- OPM, Harvard Business School, USA.

Experience:

- Former President of the Mauritius Chamber of Commerce and Industry, Association of Mauritian Manufacturers and Joint Economic Council (now Business Mauritius).
- Former Director of the Bank of Mauritius and SBM Bank (Mauritius) Ltd.
- Held key executive positions within the Currimjee Group.
- Honorary Consul General for the Republic of Turkey in Mauritius from 1985 to 2016.
- Currently Chairman in a few companies of the Currimjee Group and Managing Director of Emtel Ltd.

Directorship in listed and public companies:

- None

2 ANIL C CURRIMJEE

Mauritian Citizen & Resident

Managing Director

Committee Membership

- Chairman of Strategy & Finance Committee and Member of Human Resources and Organisation Committee.

Qualifications:

- B.A. Liberal Arts, Williams College, Massachusetts, USA.
- MBA, London Business School, UK.

Experience:

- Former President of the Mauritius Chamber of Commerce & Industry.
- Former Director of The Mauritius Commercial Bank Ltd.
- Honorary Consul General of Japan in Mauritius from 2004 to 2016.
- Chairman of Joint Business Council Mauritius-India.
- Director of numerous companies within the Currimjee Group.
- Council Member and Vice President of Business Mauritius

Directorship in listed and public companies

- African Rainbow Capital Investments Limited, Compagnie Immobilière Limitée, Island Life Assurance Co Ltd and Sanlam Africa Core Real Estate Investments Limited.

3 KARIM BARDAY

French citizen - Non-Resident

Independent Director

Committee Membership:

- Human Resources and Organisation Committee.

Qualifications:

- Owner/President Management Program, Harvard Business School, USA.
- Executive MBA, HEC Paris.
- BSc. in Economics (Finance et Sciences Politiques), Wharton Business School, University of Pennsylvania.

Experience:

- Former Auditor at Salomon Brothers, New York, USA.
- Former member of Syndicat des Industries de Madagascar.
- Former Board Member and Vice Chairman, American School of Antananarivo.
- CEO of Basan Group in Madagascar
- Founder and Managing Director of Lecofruit, Madagascar.
- Managing Director of JB, Madagascar.
- Director of SICAM Group Madagascar (subsidiary of CFAO in Madagascar).

Directorship in listed and public companies:

- None

4 ASHRAF M CURRIMJEE

Mauritian Citizen & Resident

Non-Executive Director

Committee Membership:

- Corporate Governance Committee.

Qualifications:

- B.A. Economics, Williams College, Massachusetts, USA.

Experience:

- Managing Director of Soap & Allied Industries Limited, a company listed on the SEM.
- Director of a number of companies within the Currimjee Group.

Directorship in listed and public companies:

- Quality Beverages Limited, Soap & Allied Industries Limited, Mauritius Oil Refineries Ltd.

5 RIAZ A CURRIMJEE

Mauritian Citizen, Non-Resident

Non-Executive Director

Committee Membership

- Audit & Risk Committee and Strategy & Finance Committee.

Qualifications:

- BSc. Finance, Boston College, Wallace E Caroll School of Management, Massachusetts, USA.
- Fellow Member of the Institute of Chartered Accountants in England and Wales.

Experience:

- Has worked in the field of audit, consultancy, due diligence assignments and investigations at Arthur Andersen, UK.
- Former Senior Associate at Lazard Brothers, UK in mergers & acquisitions.
- Former partner at Arundel Partners, a hedge fund investment firm.
- Former founder and Managing Director of Surya Capital Limited, UK, a private placement and principal investment firm focused on Indian private equity.
- Currently the founder and CEO of Surya Capital Management, a principal investment firm focused on East Africa.

Directorship in listed and public companies:

- None.

6 AZIM F CURRIMJEE

Mauritian Citizen & Resident

Non-Executive Director

Committee Membership:

- Corporate Governance Committee, Human Resources and Organisation Committee and Strategy & Finance Committee.

Qualifications:

- B.A. Mathematics, Williams College, Massachusetts, USA.
- MBA, Trinity College, Dublin, Ireland.

Experience:

- Over 10 years' experience in the textile industry.
- Has held key executive positions in the Food and Beverages Cluster of the Currimjee Group for the last 20 years and is currently the Managing Director of Quality Beverages Limited, a company listed on the Stock Exchange of Mauritius.
- Former Manufacturing Director of Bonair Group of Companies.
- Director of numerous companies within the Currimjee Group.
- President of the Mauritius Chamber of Commerce and Industry ('MCCI') from 2016 to 2018. He also held this position in 2007 and 2008.
- Chairman of the Business Regulatory Review Council, set up under the aegis of the Ministry of Finance, Economic Planning and Development of Mauritius.
- Former Vice-President of COMESA Business Council.
- Former Vice-President of the Economic Development Board of Mauritius.
- Former Director of SBM Holdings, SBM Mauritius and SBM Kenya.
- Former Chairman of SBM India.

Directorship in listed and public companies:

- Quality Beverages Limited and Soap & Allied Industries Limited.

7 CHRISTOPHE DE BACKER

Knight of the National Order of Merit & Legion of Honour

French Citizen, Non-resident

Non-Executive Director

Committee Membership:

- Strategy & Finance Committee and Nomination & Remuneration Committee.

Qualifications:

Degree in Economics and Graduate of Institut Supérieur de Gestion, Paris.

Experience:

- Formerly held several key positions within the HSBC Group culminating in his appointment as CEO, HSBC France in 2010.
- Joined Banque Privée Edmond de Rothschild S.A as CEO in 2012 and was subsequently appointed Group CEO, Edmond de Rothschild Group and Edmond de Rothschild (France) until 31 January 2015.
- In 2016, appointed as Director and Member of the Global Executive Committee of HSBC Global Asset Management, and Director of HSBC Global Private Bank.
- Managing Partner at T&C Corporate Finance since May 2021.

8 SHAHRUKH D MARFATIA

Singapore Citizen, Non-resident

Non-Executive Director

Committee Membership:

- Chairman of Human Resources and Organisation Committee and Member of Nomination & Remuneration Committee.

Qualifications:

- Bachelor's Degree in Commerce.
- Diploma in Business Management.
- Master's Degree in Personnel Management.

Experience:

- Forty years' plus experience at senior and Vice-President level in Human Resources globally and in the Asia Pacific and Middle East regions, providing expertise in Business Strategy/Visioning, Strategic people management, Culture and Organisation Development/Effectiveness, Senior Talent Management & Succession planning, Change Management, Performance Management, Leadership Development and Executive Compensation.
- Director, Asia Pacific & Corporate Advisor of White Crow Research / Colvill Banks.
- Board Advisor, Energy Strat Asia and August.One
- Director of WhiteCrow Research in APAC countries ie Singapore, Hong Kong and Malaysia
- Director of Make A Wish Foundation, Singapore

Directorship in listed and public companies:

- None.

9 M IQBAL OOZEER

Mauritian Citizen & Resident

Executive Director

Committee Membership

- Corporate Governance Committee and Strategy & Finance Committee.

Qualifications:

- Fellow Member of the Association of Chartered Certified Accountants, UK.
- Attended a number of professional courses at Alliance Manchester Business School, Euromoney and INSEAD.

Experience:

- Audit Assistant at Kemp Chatteris Deloitte from 1982 to 1986.
- Accountant at Elf Antargaz (Maurice) Ltée from 1987 to 1988.
- Has held key executive positions in the Company for over thirty years.
- Currently Chief Finance Officer and Director of the Company.

Directorship in listed and public companies:

- Compagnie Immobilière Limitée and Island Life Assurance Co Ltd.

10 MANOJ K KOHLI

Indian Citizen & Non-Resident

Independent Director

Committee Membership:

- Strategy & Finance Committee

Qualifications:

- Degrees in Commerce, Law from Delhi University.
- MBA from Delhi University.
- Attended «Executive Business Program" at Michigan and "Advanced Management Program" at Wharton.

Experience:

- Currently Chairman of CII Council for Start-Ups development.
- Country Head - SoftBank India, responsible for supporting SoftBank Group, SoftBank Vision Fund and their over 20 portfolio companies' in India.
- Executive Chairman of SB Energy
- Managing Director and CEO, Bharti Airtel, for operations across Asia and Africa in 20 countries till 2015.
- Started his career in HR in 1979 with the DCM Shriram Group
- Previous Chairman of the Public Policy Committee and Board Member of GSMA.
- Previous Chairman of CII Task Force on Ease of Doing Business.
- Was adjudged "Telecom Man of the Year" in 2000, "Best Alumni" by SRCC Delhi University and "Lifetime Achievement Award" in 2020.

11 UDAY K GUJADHUR

Mauritian Citizen and Resident

Independent Director (Appointed on 19 February 2021)

Committee Membership:

- Chairman of the Audit & Risk Committee

Qualifications:

- Fellow Member of the Association of Certified Chartered Accountants (FCCA).

Experience:

- Over 40 years' experience in the fields of Tax Planning, Structuring, Auditing and Consulting.
- Former Partner of De Chazal Du Mée & Co, a leading firm of Chartered Accountants.
- Former CEO & Director of Multiconsult Ltd, the Offshore Management Company of De Chazal Du Mée & Co.
- Founder Member of the International Fiscal Association Mauritius Branch
- Fellow of the Mauritius Institute of Directors and member of the Institute of Directors, UK.
- Currently, resident Director of Essar Capital (Mauritius) Limited

Directorship in listed and public companies:

- Bravura Holdings Limited, Dacosbro, RHT Holding Limited, The Mauritius Commercial Bank Ltd.

12 AISHA C TIMOL

G.O.S.K – Mauritian Citizen & Resident

Independent Director

Committee Membership:

- Chairman of Corporate Governance Committee, Member of Audit & Risk Committee and Nomination & Remuneration Committee.

Qualifications:

- B.Sc. (Hons) Economics, University of St. Andrews, Scotland.
- Post Graduate Diploma (with Distinction) in Development Planning Techniques, Institute of Social Studies, The Hague, Netherlands.
- Diplôme d'Etudes Approfondies (D.E.A.) "Economie Mathématique et Econométrie, Université d'Aix-Marseille III, France.

Experience:

- Previously worked for the Government of Mauritius in various capacities (Director, Financial Services and Deputy Director of the Budget Bureau and the Economic Affairs Department) at the Ministry of Economic Planning and Development and at the Ministry of Finance.
- Former Senior Lecturer in Economics and Econometrics at the University of Mauritius.
- Former Director of Air Mauritius Limited and the Mauritius Revenue Authority and also Member / Chairman of their Board Committees.
- Former Director of the Financial Services Commission, the Mauritius Offshore Business Activities Authority, the Stock Exchange of Mauritius Ltd and the Insurance Advisory Committee of the Ministry of Finance.
- Former Member of the Council of Business Mauritius, Council of the Mauritius Chamber of Commerce and Industry, the Board of Directors of Global Finance Mauritius and the Court & Senate of the University of Mauritius.
- Chief Executive of the Mauritius Bankers Association from January 2003 to February 2018.
- Currently, Chairperson of the Board of Directors of a major domestic financial institution and an Independent Director on other cross-border funds.
- Fellow Member of the Mauritius Institute of Directors.

Directorship in listed and public companies:

- CIM Financial Services Ltd.

Our Corporate
Leadership team

1. M Iqbal Oozeer
Chief Finance Officer & Director

2. Marianne Caradec
Chief Communication and Marketing Officer

3. Anjana Bissessur-Conhye
Manager, MD's Office

4. Anil C Currimjee
Managing Director

5. Rishaad Currimjee
CEO Commercial and Development Projects

6. Vanesha Pareemamun
Chief Human Resource Officer

7. Ramanuj Sudhir Nathoo
Group Company Secretary

8. Nazima Mamode Ally
Senior Manager – Legal

Corporate Leadership team

1. M IQBAL OOZEER

Chief Finance Officer & Director

Please refer to Page 148 of the Integrated Report for Mr Oozeer's profile.

2. MARIANNE CARADEC

Chief Communication and Marketing Officer

Qualifications:

- Graduated from the European Business School, Paris with specialisation in International Affairs.

Experience:

- Started her career in HAVAS Group in 1993 where she was successively in charge of the set-up of Canal+ in the Caribbean, the media planning of Procter & Gamble in French overseas territories and the PR of BMW for Africa and Middle East. Appointed as Manager of Marketing and Communication of Canal+ for overseas territories in 1996.
- Appointed as General Manager, Marketing and Communication of Canal+ Overseas in charge of Africa and Overseas in 2002 and also worked as Consultant for Canal+ Poland.
- Appointed as General Manager, Digital and Communication Manager of CANAL+ International in 2009 and was in charge of the launch of Canal+ in Vietnam.
- Appointed General Manager Communication and Marketing of the Company in 2015 and currently manages corporate external communication & internal communication strategy & implementation.

3. ANJANA BISSESSUR-CONHYE

Manager, MD's Office

Qualifications:

- BSc (Hons) Economics from the University of Mauritius.
- Fellow of the Association of Chartered Certified
- MBA (with Merit) from the University of
- Leicester, UK.

Experience:

- Manager, MD's Office as from early 2015.
- Joined Currimjee Jeewanjee & Co Limited in 2011 as Manager Corporate Strategy and Projects.
- Manager Corporate Planning and Finance at Currimjee Limited in 2002.
- Anjana joined the Currimjee Group as Research Assistant in 1998 (after having worked for 8 months in a local bank).

4. ANIL C CURRIMJEE

Managing Director

Please refer to Page 146 of the Integrated Report for Mr Currimjee's profile.

5. RISHAAD CURRIMJEE

CEO Commercial and Development Projects

Qualifications:

- Bachelor of Arts from Williams College.
- Executive MBA (with distinction) from INSEAD.
- Level I of the Chartered Financial Analyst institute.

Experience:

- Joined the Company in 2014 as Business Development for the MD's Office.
- 4 years as council member of the Mauritius Chamber of Commerce and Industry, including being Chairman of its business school.
- Co-founded and was the Managing Director of CIDP India, a biotech research company.
- 10 years working in India in various roles - including heading M&A for Bharti Airtel, one of the largest telecom operators in India and Africa. CFO of an infrastructure company, building shared telecom towers pan-India.
- Began career with ING Asset Management in New York, spending 3 years in High Yield bonds.

6. VANESHA PAREEMAMUN

Chief Human Resource Officer

Qualifications:

- BSC in Economics and Management, University of Cardiff, UK
- MBA with specialisation in Human Resource Management, University of Mauritius.

Experience:

- Joined the Company as Chief Human Resource Officer in April 2017.
- Appointed as CJ Non-Executive Director of IKO (Mauritius) Resort Village Ltd, IKO (Mauritius) Hotel Ltd, Currimjee Real Estate Ltd and Facilicare Ltd, Currimjee Foundation and Trampoline Ltée.
- Previously worked for 10 years as an Economist for the Ministry of Economic Development before joining Business Parks of Mauritius Ltd as Manager Administration and HR.
- Worked for three years as Manager HR at Mauritius Housing Company Ltd.
- Joined Cim Finance as Head of HR in 2008 and was promoted to the position of Group Head of HR, Cim Group in 2013.
- Member of the Mauritius Institute of Directors.

7. RAMANUJ SUDHIR NATHOO

Group Company Secretary

Qualifications:

- Fellow of the Institute of Chartered Secretaries and Administrators ("ICSA"), UK
- MBA, University of Leicester (UK).

Experience:

- Joined the Currimjee Group since year 2000 as Company Secretary.
- Member of the Mauritius Institute of Directors and ICSA Branch Mauritius.
- Previously worked for over 10 years in the Global Business Sector.

8. NAZIMA MAMODE ALLY

Senior Manager – Legal

Qualifications:

- LLB (Honours) Degree, the University of Mauritius.
- Bar Vocational Examination, the Council for Legal Education of Mauritius.
- Called to the Mauritian Bar in 2000.
- Member of the Mauritius Bar Association.

Experience:

- Prior to joining the Company, Nazima was a tenant at the Chambers of Sir Hamid Moollan QC, where she practised as a Barrister for 17 years.
- She is a former part-time law lecturer at the University of Technology of Mauritius and the DCDM Business School (presently the Charles Telfair Institute).
- She has experience in various fields of law and the core of her private practice was in Arbitration, Competition, Construction, Corporate, Intellectual Property, Maritime & Shipping, Media & Entertainment, Mergers and Acquisitions and Telecommunications.
- Nazima joined the Company as Senior Manager – Legal in September 2017.

Our Business

Leadership team

1. Sanjiv Kumar Mihdidin
Chief Executive Officer – Real Estate Cluster

2. Jimmy Lan Keng Lun
General Manager IKO (Mauritius) Resort Village Ltd

3. Varsha Ramchurn
General Manager, Silver Wings Travels

4. Rishaad Currimjee
CEO Commercial and Development Projects

5. Rouben Soobrayen
General Manager, Screenage Limited

6. Ghislaine S Tchibozo
Chief Executive Officer, MC Vision Ltd

7. Sahoud Edoo
Chief Financial Officer, Emtel Limited

8. Sailesh Koomar
Chief Executive Officer &
Director Island Life Assurance Co. Ltd

9. Krishnaduth Goomany
Chief Executive Officer, Emtel Limited

10. Anousha Mahadea Sathan
General Manager, Currimjee Informatics Ltd

Business Leadership team

1. SANJIV KUMAR MIHDIDIN

Chief Executive Officer – Real Estate Cluster

Qualifications:

- BTech (1st Class Hons) in Civil Engineering, University of Mauritius
- MSc (Distinction) in Environmental Engineering, University of Newcastle Upon Tyne, UK
- MBA with specialisation in Finance, University of Mauritius
- Fellow of the Mauritius Institute of Directors.
- Property Development Programme, Graduate School of Business, University of Cape Town, South Africa
- Financing the Entrepreneurial Business, Executive Programme, London Business School, UK
- Strategy in the Age of Digital Disruption, Executive Programme, Insead

Experience:

- CEO – Currimjee Real Estate
- Managing Director – SM Art Property
- CEO – Xterra Capital Advisors
- CEO – Foresite Property, promoter, founder and manager of Ascencia Ltd (Rogers Enterprises)
- Team Leader, Property Development – Sugar Investment Trust Senior Project Engineer – Servansingh Jadav & Partners
- Assistant Engineer – Gibb Mauritius
- Former Council Member of the Mauritius Chamber of Commerce and Industry
- Former Founder and Chairman of the Real Estate Association (Mauritius) Ltd
- Director of listed company – Compagnie Immobilière Limitée

Membership:

- Fellow of the Mauritius Institute of Director.

2. JIMMY LAN KENG LUN

General Manager IKO (Mauritius) Resort Village Ltd

Qualifications

- Diploma in Manager Development – Damelin Management School (South Africa)
- B Com – University of Witwatersrand (South Africa)

Experience:

- 1994- 1998 - Marina Holiday Village
  - Administrative Manager
- 1998 – 2003 Le Coco Beach Ltd (Sun Resorts)
  - Night Manager
  - Sales Manager/Guest Relations Manager
  - Executive Assistant Manager
- 2003 -2007– Le Canonnier Hotel (Beachcomber)
  - Hotel Manager
  - In charge of Hotel Operations of 284 rooms
  - Full Renovation of Hotel in 2005
- 2007-2008 – Saint Anne Resorts Seychelles (Beachcomber)
  - General Manager
- 2008 – till now – Currimjee Jeewanjee Ltd
  - Renovation of Meridien Barbarons Seychelles
  - Rebranding and Renovation of Avani Barbarons Seychelles
  - Development of Anantara IKO Resorts and Spa Mauritius
  - Development of 8 IKO villas (Branded Anantara)

3. VARSHA RAMCHURN

General Manager, Silver Wings Travels Ltd

Qualifications:

- MBA, University of Surrey, UK.
- MSc, MS University, India.
- BSc, MS University, India.
- Advanced IATA Diploma, IATA, Geneva.
- Diploma in Sales and Marketing, University of Mauritius.

Experience:

- A rich experience of 30 years in the field of Travel and Tourism.
- 27 years at the helm of Silver Wings Travels, an IATA accredited travel agency ranking amongst the top 3 in Mauritius.
- President of MAITA – Mauritius Association of IATA Travel Agents.
- Director on the Board of UFTAA – Universal Federation of Travel Agents Associations.

4. RISHAAD CURRIMJEE

CEO Commercial and Development Projects

Please refer to Page 152 of the Integrated Report for Mr Rishaad's profile.

5. ROUBEN SOOBRAYEN

General Manager, Screenage Limited

Qualifications:

- Master in Business Administration with specialisation in Marketing – Charles Sturt University, Australia.
- Degree in "Informatique de Gestion", France

Experience:

- Appointed as General Manager of the Company in October 2016
- Hold more than 25 years of experience in the ICT industry with international involvement in the Middle East and the regions (Réunion Island, Seychelles)
- Experience in Business Development, Territory Development, C-Level Sales and Project Management
- Chief Operating Officer of the Company as from January 2013
- Joined Screenage Limited as Chief Program Officer in June 2010
- Former Senior Manager Business Development at Currimjee Informatics Ltd
- Joined the Currimjee Group in 2003 as Business System Executive at CJ-IT Division
- Started his career in 1996 as Information System Supervisor at Sun Resorts Ltd/One & Only Resorts

Membership:

- « Président du club APM Azur »

6. GHISLAINE S TCHIBOZO

Chief Executive Officer, MC Vision Ltd

Qualifications:

- Masters in Finance, Paris. Lincoln International Business School, Paris, France.
- Specialisation in Marketing, University of North Carolina Wilmington, USA.

Experience:

- CEO of MC VISION since October 2015.
- Former General Manager of Multi Contact Ltd.
- Former Customer Experience Manager of Canal+ Caraïbes.
- Former Operations Manager EOS Marketing. Has 30 years' experience in Project Management, Marketing, Sales, Entrepreneurship, International Development as well as Leadership.

7. SAHOUD EDOO

Chief Financial Officer, Emtel Limited

Qualifications:

- Association of Chartered Certified Accountants, UK
- Membership of Professional Bodies
- Fellow Member of Association of Chartered Certified Accountants - UK
- Member of Mauritius Institute of Professional Accountants

Experience:

- Chief Financial Officer at Emtel since November 2015
- Chief Financial Officer at Millicom Tanzania from August 2012 to October 2015
- Chief Financial Officer at Oasis sprl (Millicom DRC) from January 2011 to July 2012.
- Consultant at Millicom Ghana from August 2010 to December 2010
- Financial Analyst and Financial Controller at Emtel from December 1995 to July 2010
- Has over 26 years' of (local and international) experience in the telecommunications industry

8. SAILESH KOOMAR

Chief Executive Officer & Director Island Life Assurance Co. Ltd

Qualifications:

- Chartered Insurer
- Fellow of the Chartered Insurance Institute of UK (FCII)
- Master of Business Administration (MBA) from University of Surrey (UK).

Experience:

- Joined Island Life Assurance in August 2019 as Chief Executive Officer
- Over 33 years working experience in the insurance industry.
- Previously Chief Operating Officer of the State Insurance Company of Mauritius Limited Group (SICOM Group) heading the Life, Loans, Human Resources, and Business Development business units of the Group.
- Also worked as Life Manager for a composite insurance company Membership:
- Member of the Mauritius Institute of Directors (M.MiOD)

9. KRISHNADUTH GOOMANY

Chief Executive Officer, Emtel Limited

Qualifications:

- BEng (Hons) Degree in Electronic and Electrical Engineering, University of Birmingham, UK.
- MSc Telematics, University of Surrey, UK.
- MBA, Heriot-Watt University, UK. Membership of Professional Bodies
- CEng (Chartered Engineer with the Engineering Council - UK)
- MIET (Member of Institution of Engineering and Technology - UK)

Experience:

- Chief Executive Officer at Emtel since Jan 2021
- Deputy Chief Executive Officer at Emtel April 2018 – Dec 2020
- Chief Operating Officer at Emtel June 2015 – March 2018
- Consultant at Emtel August 2014 – May 2015
- Has over 29 years' of (local and international) experience in the Telecommunications industry
- Formerly held Senior Management roles at Mauritius Telecom, Cellplus Mobile Communications Ltd, Anglo African Ltd and Comviva Technologies Ltd.

10. ANOUSHA MAHADEA SATHAN

General Manager, Currimjee Informatics Ltd

Qualifications:

- B.Sc. (Hons) in Accounting
- B.Sc. (Hons) with distinction in information Technology
- Maîtrise en commerce et affaires internationales
- Certified Accountant from Association of Chartered Certified Accountants (ACCA)
- Certified Project Manager from Project Management Institute - Certificate in Digital Innovation for Finance
- ITIL Foundation Training

Experience:

- Joined the Group in November 2001 and has been holding different key positions and is currently the General Manger of Currimjee informatics Ltd. Started her career as Junior Accountant in the Distribution and Automotive sectors respectively

Corporate Governance report

INTRODUCTION

Currimjee Jeewanjee and Company Limited ('the Company') is a Public Interest Entity and the Board fully endorses the eight principles espoused by the National Code of Corporate Governance of Mauritius 2016 ('the Code'). Details on how the Company has applied the Code's principles are set out in this report, which forms part of the Integrated Report 2021, available on the Company's website: https://www.currimjee.com.

The Board, with the support of its Leadership Team and driven by the Company's five core values, Integrity, Foresight, Responsibility, Passion and Openness, is committed to maintaining and advocating an effective corporate governance framework while applying the principles of the Code.

2021 was yet another challenging year due to the Covid-19 pandemic and the emergence of variants, which are still looming in 2022. The Board continued to be proactive and has further strengthened the protocol put in place last year so as to ensure business continuity and the soundness of the Group's services and operations. In keeping with its sense of responsibility, the Company provided ongoing support to its employees and the community to help them emerge stronger.

Throughout this report, we highlight how the Company, supported by its strong governance structure, has navigated through the crisis, with the collaboration of our Leadership Team and our People.

PRINCIPLE 01: GOVERNANCE STRUCTURE

'All organisations should be headed by an effective Board. Responsibilities and accountabilities within the organisation should be clearly defined.'

Statement of Accountabilities

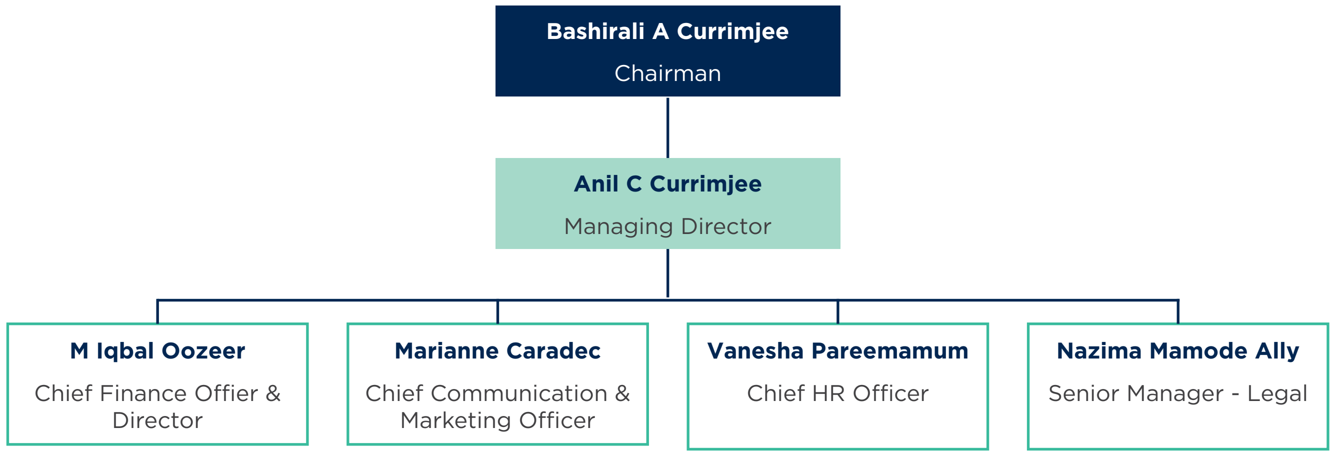
The Company is led by a unitary Board and is responsible for leading and controlling the organisation, as well as meeting all legal and regulatory requirements.

The Board's governance structure is set out in an approved Board Charter ('the Charter'), which defines the role, function and objective of the Board of Directors and its Board Committees, the Position Statements of the Chairman, the Managing Director and the Company Secretary. The Board Charter was revised during the year and approved by the Board on 02 December 2021.

The Company's Code of Conduct sets out Currimjee Group's ethical and professional standards of behaviours and attitudes to be adhered to by all employees and Directors.

The Charter, Code of Conduct, Position Statements of the Chairman, Managing Director and Company Secretary, and Organisational Chart of Key Executives are published on the website: https://www.currimjee.com.

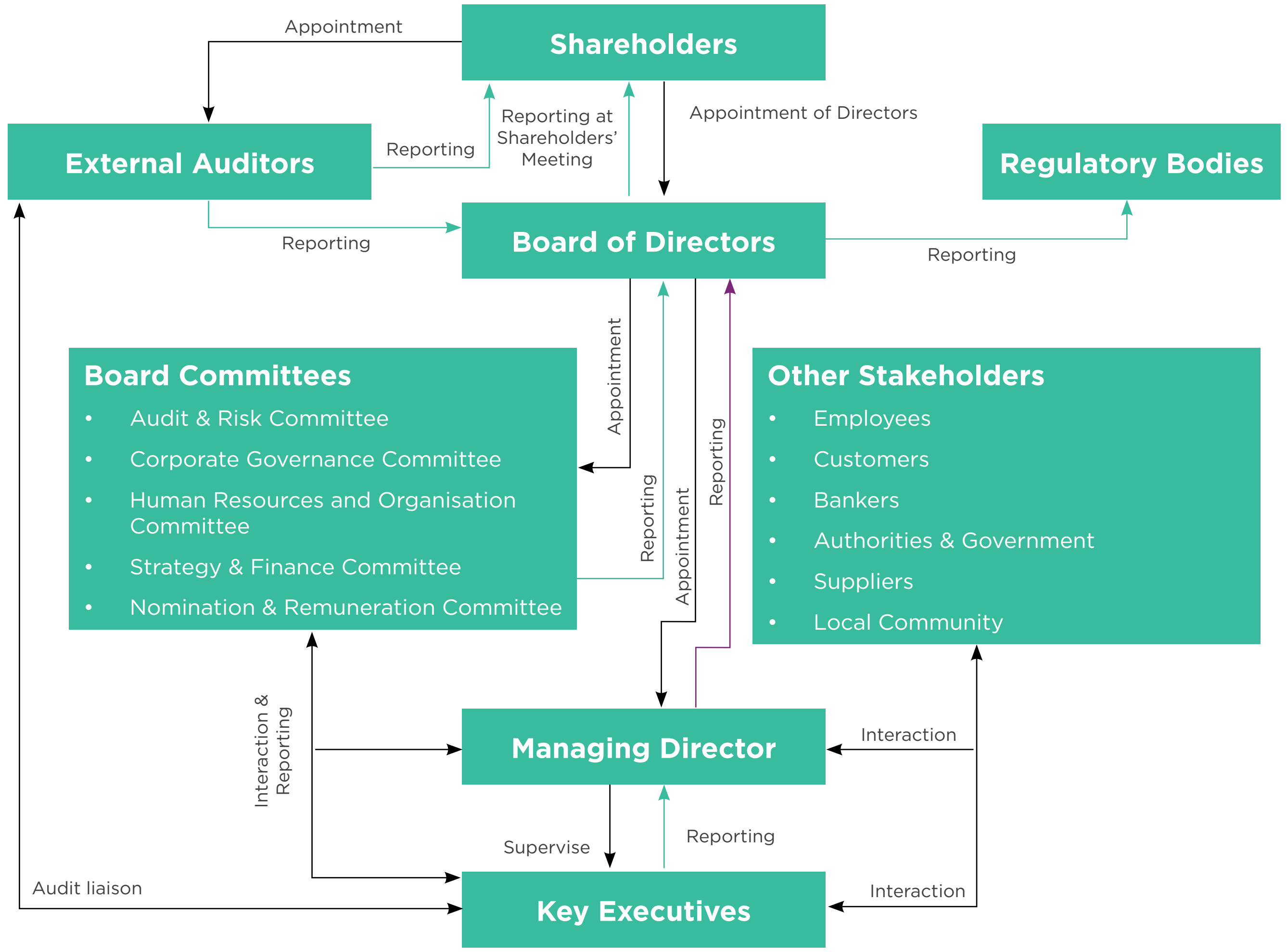
Organisational Chart – Key Executives



The profiles of the Key Executives are set out on pages 150-153 of the Integrated Report.

Corporate Governance Framework

The following illustration depicts the Company's corporate governance framework and outlines the lines of reporting for the Company, the Board of Directors and its Board Committees.



Delegation of Authority

The Board has an approved Delegation of Authority framework, which defines the decision-making authority and financial limits (where relevant) for the Board, the Managing Director, the various Board Committees and the Company's Chief Financial Officer. It also highlights decisions for which approval from the ultimate holding company, Currimjee Limited, is required.

PRINCIPLE 02: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

'The Board should contain independently-minded Directors. It should include an appropriate combination of executive Directors, independent Directors and non-independent non-executive Directors to prevent one individual or a small group of individuals from dominating the Board's decision-making. The Board should be of a size and level of diversity commensurate with the sophistication and scale of the organisation. Appropriate Board Committees may be set up to assist the Board in the effective performance of its duties.'

Size and Composition of the Board

The Company is a family-owned enterprise and is led by a unitary Board of 12 Directors, including 4 Independent Directors, 6 Non-Executive Directors and 2 Executive Directors.

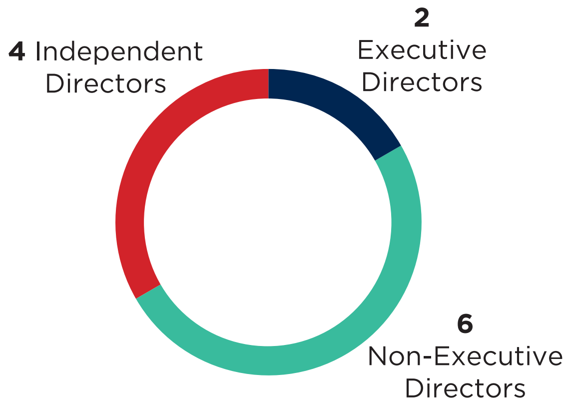
CORPORATE GOVERNANCE REPORT

Messrs Manoj Kohli and Uday Gujadhur were appointed as Independent Directors during the year under review. Following the amendment brought to the Companies Act 2001 with respect to the definition of Independent Directors, Mr Shahrukh Marfatia has been re-classified as a Non-Executive Director. Mr Uday Gujadhur has also relinquished his directorship in other companies where a cross-directorship was noted during the year, to restore his Independent Director status on the Board.

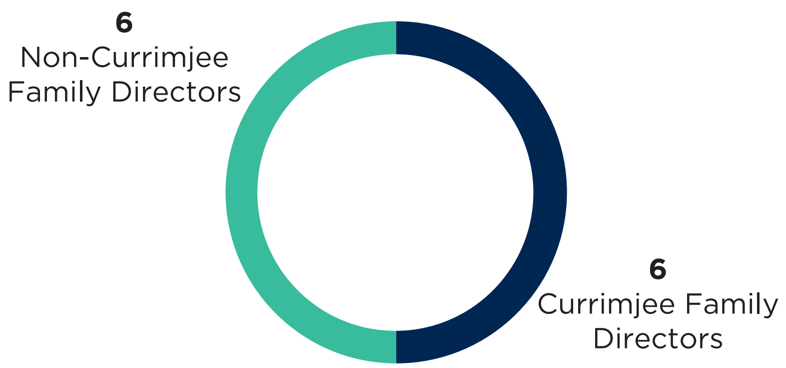
The Directors come from different industries and backgrounds with strong business, international and management experience, which are crucial given the nature and scope of activities of the Group and the number of Board Committees. The profiles of Directors are set out on pages 142-148 of the Integrated Report. Details of other directorships are available at the Company's registry.

The Board has ascertained that its current size, mix of skills, competencies, set of expertise, knowledge and gender representation is appropriate to enable it to carry out its duties and responsibilities in an effective and competent manner.

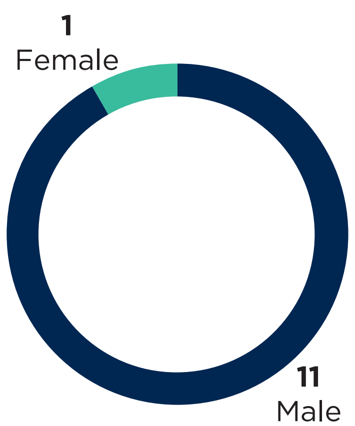
Board Composition



Currimjee Family Representation on the Board



Gender Diversity



12
Board Size

7
Board Meetings

9
decisions adopted by way of Written Resolutions of Directors

Company Secretary

Currimjee Secretaries Limited is the Company Secretary and is represented by Mr. Ramanuj Nathoo.

Mr Nathoo is a fellow Member of the Institute of Chartered Secretaries and Administrators, UK ('ICSA') and also holds an MBA from the University of Leicester. He is a Fellow Member of the Mauritius Institute of Directors and the ICSA Mauritius Branch. He also attended a professional course on Governance of Family Businesses at 'Institut Européen d›Administration des Affaires' (INSEAD).

Board Responsibilities

The Board is responsible for leading and controlling the Company, as well as meeting all legal and regulatory requirements and acting in the best interest of its Shareholders. The Board's key areas of responsibilities encompass the following:

Values, Vision & Strategy
To establish, communication and disseminate the Company's core values, and ensure that these values lead to a coherent vision in line with that of the Shareholders. The vision should drive the strategy & strategic plans, and serves to strengthen the business' competitive advantages while ensuring the optimal allocation of capital.

Board Structure & Board Governance
To be ultimately accountable & responsible for the performance andaffairs of the Company.

Performance Monitoring, Financial Planning & Business Monitoring
To ensure a proper system of financial & business planning, including periodic plans to achieve strategic objectives which cover organisational & financial processes.

Internal Control & Risk Management
To put in place & maintain a sound system of internal control & risk management.

Human Resource Planning, Systems and Management
To ensure that the Group's Human Resources, their management and development are given the proper thrust and importance, and that HR systems, policies and issues relating to human potential are discussed at the Board.

Communications / Corporate Stewardship
To ensure that the necessary systems are in place for the Board to discharge its duties for effective governance & stewardship towards all stakeholders through appropriate governance policies & regular communications.

Board Meeting Process

BOARD MEETING PROCESS

1. Planning of quarterly Board meetings at the start of the year, involving the Chairman, Managing Director, Chief Finance Officer and Company Secretary.
2. Setting of agenda in consultation with the Chairman and Managing Director well in advance of the Board Meeting.
3. Circulating notice, agenda and Board papers well in advance of the Board Meeting.
4. Day of Board Meeting - Company Secretary ascertains constitution of meeting and the Chairman proceeds with the business of the day.
5. Drafting of minutes and circulating to the Board. Follow up by Company Secretary / Management on Board decisions.

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

Board Focus Areas

The Board met seven times during the year under review. In view of the prevailing travel restrictions during the Covid-19 pandemic, Board meetings were mostly organised by videoconference to give the opportunity to all Directors to attend and participate, while respecting sanitary protocols.

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

Financial Matters

- Review and approval of the Annual Report for the year ended 31 December 2020.
- Approval of a bond issue.
- Update on medium term debt management.
- Quarterly review of the performance of the Company and the Group against budget, including operational and financial highlights.
- Approval of the Company Budget for year 2022.
- Declaration and payment of final dividend for the year ended 31 December 2021.
- Approval of banking facilities and provision of corporate guarantees.

Strategy & Risk

- Review the impact of the Covid-19 pandemic on the operations of the Group and responsive measures put in place to ensure business continuity and build resilience.
- Approval of the strategic objectives and initiatives for the year 2021.
- Monitoring and review of the strategic plan for the Company and the Group.
- Review of major projects.
- Approval of bond issue.
- Review of progress on major transactions.
- Approval of investments.

Governance

- Re-election of the Chairman of the Board, in accordance with the provisions of the Constitution.
- Appointment of two additional Directors on the Board and renewal of appointment for Directors.
- Review of composition of Board Committees.
- Receive the reports and the recommendations from the Board's Committees.
- Approval of revised Board Charter and Terms of Reference of Board Committees.
- Approval of Corporate Governance Report for the financial year 2020.
- Taking cognizance of the results from the evaluation of the Board and Board Committees and approve improvement action plan.
- Approval of Company policies.
- Review of fees for Independent & Non-Executive Directors for the Company and its subsidiaries.
- Review of Board composition of subsidiaries.
- Outsourcing of internal audit service.
- Planning of Board Meetings for year 2022.

Board Committees

The Board has established five Board Committees that are entrusted with specific responsibilities to oversee the affairs of the Company, and with powers to act on behalf of the Board in accordance with their respective terms of reference.

Audit & Risk Committee	**Corporate Governane Committee**	**Human Resources and Organisation Committee**	**Strategy & Finance Committee**	**Nomination & Remuneration Committee**

The Terms of Reference of the Board Committees are subject to annual/periodic reviews and are available as part of the Board Charter for consultation on the Company's website https://www.currimjee.com. During the year under review, the Terms of Reference of the Audit & Risk Committee, Corporate Governance Committee, and Human Resources and Organisation Committee were revised and approved by the Board.

Audit & Risk Committee	
Composition	Mr Uday K Gujadhur – Chairman *(appointed Member & Chairman on 25 February 2021)* Mr Riaz Currimjee Mrs Aisha C Timol Mr Christophe de Backer *(appointed Member on 28 July 2021)*
Main Terms of Reference	• Monitor the integrity of the financial statements and annual report, and review significant financial reporting issues and judgements therein; • Review the Company's internal controls related to financial reporting and disclosure controls and procedures, and monitor the effectiveness of the internal audit function; • Review the internal audit recommendations and monitor their implementation; • Make recommendations to the Board in relation to the appointment, re-appointment and removal of the External Auditor; • Agree with the External Auditor on the terms of their engagement, the scope of the audit and their fees (whether for audit or non-audit services); • Assess annually the independence and objectivity of the External Auditor, their expertise and resources, and the effectiveness of the audit process; • Advise the Board on the overall risk appetite, tolerance and strategy, ensuring that an overall risk management framework is in place, and review policies related to risk management; • Approve Related Party Transactions, as per the Related Party Transactions Policy.
Focus areas in 2021	• Review of Audited Financial Statements for the financial year 2020; • Review of External Auditors' client service report & letter of representation; • Appointment of Ernst & Young as Internal Audit service provider; • Approval of internal audit plan and review the implementation of audit recommendations; • Review of Enterprise Risk Management reports; • Appointment of External Auditors and approval of their engagement letter; • Approval of External Auditor's client service plan; • Review compliance with bank covenants; • Approval of the Information Security Management System policy; • Take note of Related Party Transactions; • Review of the Committee's Terms of Reference.

CORPORATE GOVERNANCE REPORT

Corporate Governance Committee	
Composition	Mrs Aisha C Timol - Chairperson Mr Bashirali A Currimjee Mr Ashraf M Currimjee Mr Azim F Currimjee Mr M Iqbal Oozeer
Main Terms of Reference	• Recommend to the Board of Directors the corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing corporate governance principles; • Ensure that the reporting requirements and disclosures made with regard to corporate governance, whether in the Annual Report or on an ongoing basis, are in accordance with the principles of the Code; • Determine, agree and develop the Company›s general policy on corporate governance in accordance with the Code; • Review the Company›s Corporate Governance policy and any other issues related to corporate governance, and make requisite recommendations to the Board for consideration and approval; • Advise the Board of CJ, as well as the Boards of subsidiary companies, on the composition of their Boards and Board Committees, including the balance between Executive, Non-Executive & Independent Directors that shall be appointed, in line with the Code.
Focus areas in 2021	• Recommendation on guiding principles and selection criteria for appointment of new Directors on subsidiary companies' Boards; • Review Board evaluation survey results of the previous year and recommend improvement actions to the Board; • Review of Board Assessment Questionnaire for the current year; • Recommendation on the process and frequency for evaluation of Board Committees and individual Directors; • Review of the composition of the Company's Board Committees; • Review of the Board Charter; • Review of the Committee's Terms of Reference; • Propose training for Directors; • Approval of policies; • Consider the implications of the new definition of Independent Director as per the Companies Act and make recommendations to the Board accordingly.

Strategy & Finance Committee	
Composition	Mr Anil C Currimjee - Chairman Mr Bashirali A Currimjee Mr Azim F Currimjee Mr Riaz Currimjee Mr Christophe de Backer Mr M Iqbal Oozeer Mr Manoj Kohli *(appointed Member on 28 July 2021)*
Main Terms of Reference	• Ensure an effective strategic planning process is in place; • Review and propose the strategic objectives and options to the Board, and monitor the effectiveness of strategies; • Approve and monitor large investments within limits of authority; • Review and monitor the IT policy, investments in IT and strategic assets; • Make recommendations to the Board on matters pertaining to capital structure, finance strategy, treasury operations, investment strategies and financial risk management; • Develop and recommend long-term financial objectives for the Company.
Focus areas in 2021	• Quarterly and annual performance reviews; • Review of investment opportunities for recommendation to the Board; • Monitoring of major projects and transactions at the level of subsidiaries; • Approval and monitoring of annual strategic objectives; • Approval of multi-currency note programme. • Medium-term debt management.

CORPORATE GOVERNANCE REPORT

Human Resources and Organisation Committee	
Composition	Mr Shahrukh D Marfatia – Chairman Mr Anil C Currimjee Mr Azim F Currimjee Mr Karim Barday Mrs Vanesha Pareemamun
Main Terms of Reference	• Ensure that the Group's human resources, their management and development, as well as their organisation, are given the proper thrust and importance by the Board; • Review and monitor existing policies and procedures, systems and structures; report on their implementation and make recommendations to the Board; • Review the Group HR Strategy, key HR policies and plans, delegation of authorities to management for Board approval; • Review and monitor appointments for key executive positions & approve appointments of all reportees to the Managing Director; • Review and monitor compensation policies for key executives & approve compensation decisions relating to all reportees to the Managing Director;. • Review the implementation of a Business Continuity Plan and Succession Planning System at the level of the MD, of his reportees and of key executives through an effective Talent Development Policy; • Formulate HR and Environment and Sustainability policies for Board approval and monitor their implementation; • Review of feedback from surveys on HR and Environment & Sustainability indices, including employee engagement, environmental and societal engagements; • Review the Safety and Health strategy, as well as compliance, and provide recommendations to the Board.
Focus areas in 2021	• Review of HR Dashboard; • Approval of HR policies; • Approval of HR action plan; • Talent review and Talent development; • Recruitment of key executives; • Review of organisational structures; • Succession Planning for Managing Director; • Customer-centricity initiatives; • Organisational efficiency initiatives; • Environment & Sustainability action plans; • Sustainability reports review.

Nomination and Remuneration Committee	
Composition	Mr Bashirali A Currimjee – Chairman Mr Shahrukh D Marfatia Mrs Aisha C Timol Mr Christophe de Backer
Main Terms of Reference	• Make recommendations to the Board on the appointment / replacement / removal of Executive Directors, Non-Executive Directors and Independent Directors; • Make recommendations to the Board on the appointment, replacement and removal of Directors on the Board of the Company's subsidiaries; • Make recommendations to the Board on succession planning for the Managing Director; • Making recommendations to the Board on Non-Executive and Independent Directors' fees.
Focus areas in 2021	• Make recommendations to the Board on the fees for Independent Directors for the Company and its subsidiaries; • Make recommendations to the Board on the appointment of Independent Directors on the Boards of subsidiary companies; • Succession Planning for the Managing Director.

Attendance at Board Meetings and Board Committees

The table below gives the records of attendance at the Company's Board and Committee meetings for the year under review:

Directors	Category of Director	Board Meeting	Audit & Risk Committee	Corporate Governance Committee	Strategy & Finance Committee	Human Resources & Organisation Committee	Nomination & Remuneration Committee
Number of meetings held during the year		**7**	**3**	**3**	**4**	**4**	**4**
Mr Bashirali A Currimjee	NED	7	n/a	3	4	n/a	4
Mr Anil C Currimjee[1]	ED	7	n/a	n/a	4	4/4	n/a
Mr M Iqbal Oozeer[2]	ED	7	n/a	3	4	n/a	n/a
Mr Ashraf M Currimjee	NED	6	n/a	3	n/a	n/a	n/a
Mr Azim F Currimjee	NED	7	n/a	2	4	4	n/a
Mr Riaz A Currimjee	NED	6	1	n/a	4	n/a	n/a
Mr Christophe de Backer[3]	NED	7	1	n/a	4	n/a	4
Mr Shahrukh D Marfatia	NED	7	n/a	n/a	n/a	4	4
Mrs Aisha C Timol	ID	7	3	3	n/a	n/a	4
Mr Karim Barday	ID	7	n/a	n/a	n/a	4	n/a
Mr Manoj K Kohli[4]	ID	5	n/a	n/a	-	n/a	n/a
Mr Uday K Gujadhur[5]	ID	7	3	n/a	n/a	n/a	n/a
Committee Member							
Mrs Vanesha Pareemamun		n/a	n/a	n/a	n/a	4	n/a

Key: ED: Executive Director NED: Non-Executive Director ID: Independent Director

Notes:

1: Mr Anil C Currimjee is in attendance at Audit & Risk Committee and Corporate Governance Committee Meetings.

2.Mr M Iqbal Oozeer is in attendance at Audit & Risk Committee Meetings.

3: Mr Christophe de Backer was appointed Member of the Audit & Risk Committee on 28 July 2021.

4: Mr Manoj K Kohli was appointed Director on 04 February 2021 & Member of the Strategy & Finance Committee on 28 July 2021.

5: Mr Uday K Gujadhur was appointed Director on 19 February 2021 and Member/Chairman of the Audit and Risk Committee on 25 February 2021.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 03: DIRECTOR APPOINTMENT PROCEDURES

There should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of Directors. The search for Board candidates should be conducted, and appointments made, on merit, against objective criteria (to include skills, knowledge, experience, and independence and with due regard for the benefits of diversity on the Board, including gender). The Board should ensure that a formal, rigorous and transparent procedure is in place for planning the succession of all key officeholders.

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

The Company is party to a Shareholders' Agreement ('SHA') which has provided for the setting up of a Nomination and Remuneration Committee at the level of Currimjee Limited ('CL'), and has agreed upon an overriding principle that the appointment, replacement and removal of Directors on the Board shall be approved by the Board of CL. Such appointments / replacements / removals shall first have been recommended by the Company's Board in consultation with the Company's Nomination and Remuneration Committee ('REMCO').

Professional Development of Directors

The Company provides regular updates to the Directors to best develop their knowledge and capabilities. The Board facilitates the professional development of Directors to enable them to continuously update their skills and knowledge to better fulfil their role on the Board and its Committees. Upon the recommendation of the Corporate Governance Committee, the Board has approved specific training topics for the Directors, which will be deployed this year.

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

Succession Planning

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

As part of their mandate, both the Company's Corporate Governance Committee and Nomination & Remuneration Committee recommend succession plans for Directors. They ensure that when the replacement of retired Chairman/Director is made, candidates with the requisite skills and experience are identified, taking into account the Company's current and future needs. The succession planning of the Managing Director is under the purview of the Nomination & Remuneration Committee of CL, with the support of the Company's Human Resources and Organisation Committee and Nomination and Remuneration Committee.

The Board has approved a business continuity plan for the two Executive Directors.

In accordance with the SHA, the appointment of a Director and the Chairman on the Board of the Company is addressed at the level of the Holding Company, Currimjee Limited. The dynamics of the interactions between the Company's Board and its Board Committees with Currimjee Limited provides assurance that the best candidates are appointed.

Succession planning for key executives is under the purview of the Human Resources and Organisation Committee.

PRINCIPLE 4 - DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE

Directors should be aware of their legal duties. Directors should observe and foster high ethical standards and a strong ethical culture in their organisation. Each Director must be able to allocate sufficient time to discharge his or her duties effectively. Conflicts of interest should be disclosed and managed. The Board is responsible for the governance of the organisation's information strategy, information technology and information security. The Board, committees and individual Directors should be supplied with information in a timely manner and in an appropriate form and quality in order to perform to required standards. The Board, committees and individual Directors should have their performance evaluated and be held accountable to appropriate stakeholders. The Board should be transparent, fair and consistent in determining the remuneration policy for directors and senior executives.

The Directors are aware of their fiduciary duties as laid out in the Companies Act. A specific training is being organised in the current year for the benefit of Directors to fully understand all their legal responsibilities under various pieces of legislation.

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

- Board Charter;
- Corporate details and high-level Company organigram;
- Governance framework;
- Code of Conduct;
- Company Constitution; and
- Information on the Company's strategy and financials.

Conflict of Interest and Related Party Transaction Policy

The Board Charter contains provisions to manage any potential conflict of interest. Each Director is required to disclose any actual or potential conflicts of interest and is not allowed to take part in any discussion or decision on transactions in which he/she has an interest.

The Related Party Transaction Policy outlines the approval process, disclosure and reporting requirements for related party transaction(s) and ensures transparency in the conduct of such transaction(s) in the best interest of the Company and its Shareholders. The Audit & Risk Committee is assigned the responsibility to monitor and report related party transactions outside the normal course of business to the Board. The Board ensures that all related party transactions are carried out at arm's length. Transactions with related parties are disclosed in the financial statements.

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

Information

The Chairman, with the assistance of the Leadership Team and the Secretary, ensures that Directors are provided with relevant Board papers in a timely manner so that they can participate effectively in Board deliberations and decisions.

Ongoing relevant information is also shared with Directors between two Board meetings to keep them abreast of developments.

Directors also have access to the Company's Leadership Team as and when required with the approval of the Chairman/Managing Director.

Information Technology and Information Security Governance

In the continued consolidation of its Information Security Framework, in 2021, the Company completed its IT policies based on the ISO 27001:2013 standard. The Audit & Risk Committee has approved a new ISMS policy that replaces the previous Computer policy. An explanatory session was carried out in December 2021 to the business Leadership Team and another one is planned in early 2022 for all users of subsidiaries falling under the responsibility of CJ.

A business impact assessment of the CJ Private Cloud system was carried out to evaluate risks to which it was exposed.

CORPORATE GOVERNANCE REPORT

From November 2021, the Company's IT operations were outsourced to Emtel Limited ('Emtel') and all IT staff, except the Head of IT, moved to Emtel. All IT operations are now being managed by Emtel and IT support staff in a combination of onsite/remote mode of operation. In terms of operations, in 2021, CJ acquired a new software that permits the replication of all files to the DR site on a live basis. The anti-spam appliance 'IronPort' reached end of life and was replaced by a virtual one on which all anti-spam services were migrated.

The digitalisation process was further enhanced in 2021 with the implementation of a middleware project to automate the transfer of data from SunSystems to Cognos Controller for consolidation purposes. B4B was also implemented for direct payment. A Digitalisation Team, composed of representatives from the Company, Currimjee Informatics Ltd and Emtel, was set up to look into digitalisation initiatives for the Company and its subsidiaries.

Board, Board Committee & Individual Director evaluation

The Board is evaluated on an annual basis. The exercise is carried out internally through the circulation of a questionnaire. The results are first presented at the Corporate Governance Committee, which recommends appropriate action plans for improvement to the Board.

The evaluation of individual Directors is carried out every two years. The last exercise was conducted in 2020.

Board Committees' evaluations are also carried out internally every two years. The evaluation of the Audit & Risk Committee, Corporate Governance Committee, Human Resources and Organisation Committee and Strategy & Finance Committee was conducted in 2020 and that of the Nomination and Remuneration Committee was undertaken in 2021.

Remuneration Philosophy

The Board of Currimjee Limited is delegated with the authority to determine the terms of employment and initial remuneration package/changes in structure of the package and the payment of performance bonuses for the Managing Director. This exercise is carried out in close collaboration with the Nomination and Remuneration Committee and the Board of the Company. The remuneration of the Managing Director is reviewed annually.

Independent and Non-Executive Directors' fees are approved by the Board, on the recommendation of the Nomination & Remuneration Committee. Independent and Non-Executive Directors (excluding retired Group Executive Directors and Executive Directors of Currimjee Group) are paid Committee fees, in addition to their Directors' fees. They are also remunerated for attendance at Board Meetings. Directors residing overseas are reimbursed for travelling expenses, including airfares, hotel accommodation and out-of-pocket expenses incurred in the performance of their roles and duties.

The Nomination and Remuneration Committee of Currimjee Limited also makes recommendations to the Board on the pension for Retired Executive Directors.

Remuneration and benefits received by Directors during the financial year under review from the Company were as follows:

Name of Director	Category of Director	Year 2021 Rs'000	Year 2020 Rs'000
Mr Bashirali A Currimjee – Chairman	NED	13,053	15,708
Mr Anil C Currimjee	ED	14,629	16,483
Mr M Iqbal Oozeer	ED	9,948	13,751
Mr Ashraf M Currimjee	NED	-	410
Mr Azim F Currimjee	NED	-	410
Mr Riaz A Currimjee	NED	625	350
Mr Christophe de Backer	NED	683	400
Mr Shahrukh D Marfatia	NED	1,473	1,153
Mr Karim Barday	ID	550	350
Mrs Aisha C Timol	ID	800	450
Mr Uday K Gujadhur	ID	633	-
Mr Manoj Kohli	ID	770	-
TOTAL		**43,164**	**49,465**

Key: ED: Executive Director NED: Non-Executive Director ID: Independent Director

Directors did not receive any remuneration and benefits from the Company's subsidiaries for the year under review. Non-Executive Directors have not received remuneration in the form of share options.

The Board has formal policies regarding Executive Directors' benefits, including Directors' Medical Policy, Directors' Business Travel Policy and Directors' Entertainment Policy.

The remuneration policy for employees is determined by the Human Resources & Organisation Committee.

Executive Directors' Service Contracts

The Executive Directors, namely Messrs. Anil C Currimjee and M Iqbal Oozeer have a service contract with the Company, with no prescribed expiry terms.

Directors' & Officers' Liability Insurance

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

Directors' interests in Shares

The Directors' indirect interests in the stated capital of the Company at 31 December 2021 were as follows:

Director	Indirect interests in the Company's shares through Currimjee Limited %
Mr Bashirali A Currimjee	0.10
Mr Anil C Currimjee	4.69
Mr Ashraf M Currimjee	6.97
Mr Azim F Currimjee	7.66
Mr Riaz A Currimjee	5.27

PRINCIPLE 5 - RISK GOVERNANCE AND INTERNAL CONTROL

The Board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management. The Board should ensure the maintenance of a sound internal control system.

Please refer to our comprehensive Risk Report on Pages 48-71

Internal Control

The Board affirms its responsibility for the Company's system of internal control and for ensuring that the system is functioning effectively. Appropriate processes, procedures and policies incorporating relevant internal controls have been designed and implemented to provide reasonable assurance that the control objectives are attained. The Board acknowledges that a system of internal control can only provide reasonable, but not absolute, assurance against the occurrence of misstatements, human error, losses, fraud and other irregularities.

Whilst retaining the overall responsibilities, the Board has entrusted the authority for monitoring and reviewing the effectiveness of the Company's internal control and compliance systems to the Audit & Risk Committee. The Board also relies on the internal audit function to highlight weaknesses in the internal control systems and make recommendations to Management and to the Audit & Risk Committee for appropriate actions.

Whistleblowing policy

The Company's Whistleblowing policy is communicated to the Directors and all employees. The Company expects its Directors, employees and anyone associated with the Company, who have concerns about any aspect of malpractices encountered within the Company to come forward and voice those concerns within a defined process without fear of reprisals. The policy ensures that the whistleblower's identity is treated with confidentiality.

PRINCIPLE 6 - REPORTING WITH INTEGRITY

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

The Board recognises that Environmental, Social and Good Corporate Governance ('ESG') is an evaluation of the Company's collective conscientiousness for social and environmental factors and has continued to integrate ESG into the Company's strategies.

Information regarding the Company's financial, environmental and performance outlook have been further disclosed in the Company's Integrated Report.

Health and Safety

The Company is fully committed to undertake its business in a way that minimises the risk of injury or ill health of its employees or damage to the property. The Company ensures that the safety and health of employees is an integral part of business decisions and that the provisions of the Occupational Safety and Health Act 2005 and all related legislations are complied with.

A Health and Safety Policy has been implemented and sets out recommendations for a safe working environment. A Safety and Health Consultant has been appointed to regularly inspect, audit and assess the Safety and Health standards of the working environment, and review, recommend and develop measures to control workplace hazards. A Safety and Health Committee, including representatives from management and employees, meets every two months to *inter-alia* discuss and make proposals to the Company on matters regarding the safety, health and welfare of employees, promote cooperation between the employer and the employees in achieving and maintaining safe and healthy working conditions, and ensure that health and safety issues raised are addressed. The Company ensures that employees are regularly briefed on safety and health-related matters.

The Company also makes sure that its employees are regularly briefed on safety and health requirements through regular awareness sessions, and empowers employees to act in emergency response situations through Safety and Health training (First Aid, Fire Safety) and emergency drill activities.

2021 was another challenging year due to the impact of the Covid-19 pandemic. The safety of all stakeholders was a key priority and a number of initiatives were implemented. These included the introduction of a comprehensive internal Covid-19 protocol, regular communication and updates on precautions and sanitary measures and the need to get vaccinated, 'work from home' arrangements, 'Work Access Permits' for staff, 'special Covid leave' arrangements for impacted staff, the regular cleaning of premises, the provision of Personal Protective Equipment (PPEs) and online training.

Employee Wellbeing Programme

The Company launched an Employee Wellbeing Programme in June 2021 to provide assistance to its employees on personal and professional challenges which they may face. The programme is part of the Group's wellness initiative to support employees throughout the year on counselling-related matters and consists of a face-to-face or virtual counselling service by a professional psychologist, a 24-hour helpline, regular circulation of mental health-related articles to employees and webinar sessions on work-related themes.

Environment & Sustainability

The Company is strongly committed to environmental and sustainable management. These commitments extend beyond compliance and one-off actions and are an integral part of the Company's strategy and operations.

An Environment and Sustainability Statement, which sets out its commitments and provides guiding principles to ensure that all business activities are in harmony with environmental preservation and sustainability, has been adopted.

The Company's environmental commitments are as follows:

- Endeavour to preserve the environment and manage its operations in a sustainable manner for the wellbeing of future generations.
- Consider environmental and sustainability aspects as an integral part of the business strategy and operating methods.
- Recognise the global challenges due to climate change and diligently honour the Company's responsibility to reduce the environmental impacts of its business operations.
- Continually monitor and improve its environmental performance and support customers', employees', partners', the community's and other stakeholders' environmental and sustainability initiatives and progress.

To put into action the Company's sustainability commitments, the following four strategic drivers have been identified together with a number of actions and initiatives, all aligned with the United Nations Sustainable Development Goals (UN SDGs):

- Addressing climate change;
- Preserving ecosystems & natural resources;
- Responsible waste management; and
- Environmental stewardship.

The Company reports on its environment and sustainability performance on pages 118-133 of this Integrated Report.

Corporate Social Responsibility

The operating companies of Currimjee Group provide their CSR contributions (or a part thereof) to the Currimjee Foundation, which manages and implements the Group's CSR projects. The Foundation, through its activities in the intervention areas of education, health, environment, socio-economic development and leisure/ sports, contributes to the UNSDG objectives. In 2021, the budget of the Foundation stood at Rs 4,783,217.

CSR Projects in 2021

Information on the key projects sponsored by the Currimjee Foundation is available for consultation on the Currimjee website: https://www.currimjee.com/social-environment/currimjee-foundation.html

Key initiatives/projects sponsored by the Foundation in 2021 in the different intervention areas include:

- Environment: La Citadelle Revegetation, Ebony Revegetation and the Coral Farming Project at La Cambuse.
- Health: Support to patients requiring overseas treatment, medical supplies to bedridden persons and blood donation campaigns.
- Education: School remedial class for students in collaboration with Mangalkhan Sports Club.

Donations

Donations made by the Company were as follows:

	Year 2021 (Rs'000)	Year 2020 (Rs'000)
Political donations	Nil	Nil
Non-political / charitable donations	415	6,529
TOTAL	415	6,529

The Currimjee Relief Fund/Covid-19 was set up in May 2020 to assist people most impacted by the Covid-19 pandemic in Mauritius. The beneficiaries were Group employees and their families, shelters, NGOs and local communities living in disadvantaged regions.

In 2021, the Currimjee Relief Fund provided food packs to more than 4,000 adults and about 5,000 children, from disadv£1antaged backgrounds. Meals and food items were provided to more than 560 homeless people and 10 shelters on a recurrent basis. In addition, school materials were distributed to over 800 vulnerable students.

In 2021, a total of Rs 4.3 million was spent on various actions, as shown below.

Shelters
MUR 600K
10 NGOs
Monthly food supply

- 10 Shelters (110 adults, 24 elders & 295 children) were provided a monthly food supply.
- Out of the 10 shelters, 7 were supported on a recurrent basis from January 2021 to July 2021.

Food Security
MUR 441K
1,317 Beneficiaries
30 Backyard Gardening
5 Family poultries

- An agreement was signed with Inclusion Mauritius to set up jointly organic gardens in 13 NGOs to promote food security for the entities and its boarders.
- 17 backyard gardening to encourage food self sufficiency and a side revenue for vulnerable families were set up.
- 5 backyard poultries were set up for needy families.

Support to staff
MUR 50K
1 Financial assistance for medical purposes

Food Packs for staff Aid for urgent medical purposes

- Food packs were donated to 5 needy Group employees
- A special grant of Rs 35,000 was provided on humanitarian ground to a a staff who had to go for an urgent medical surgery in private due to the current pandemic.

Homeless
MUR 264K
560 homeless
Daily Meals twice during lockdowns

- A collaboration with 4 NGOs allowed to 560 homeless persons to have a meal twice a day during the 2021 lockdown.

Education
MUR 345K
408 Students
School materials

- School materials (bags, school packs & shoes) were offered to a total of 1090 needy students.

Vulnerable Families
MUR 2,630K
2200+ Families in 90+ regions
Food packs to vulnerable families
Baby packs for infants

- Emergency food packs were channeled to 2000+ vulnerable families in more than 90 regions through a collaboration with 34 NGOs.
- 134 baby packs were donated to infants

PRINCIPLE 7 – AUDIT

Organisations should consider having an effective and independent internal audit function that has the respect, confidence and co-operation of both the Board and the management. The Board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organisation's auditors.

Internal Audit

The Board has decided to outsource the provision of internal audit services as from 2021. In this respect, a tender exercise was carried out, and upon the recommendation of the Audit & Risk Committee, the Board appointed Ernst & Young (E&Y) for the provision of internal audit services to the Company and its subsidiaries effective 2021.

As part of the delivery of internal audit services, the Internal Auditor will:

a. Review the risk assessment results of prior years to establish the Company's risk profile, which will enable a three-year risk based internal audit plan (IA plan) to be formulated and agreed upon by the Audit and Risk Committee.

b. Conduct internal audits as per the agreed IA plan and report on the audit outcomes to the Audit and Risk Committee.

c. Conduct internal audits using its qualified and competent staff, up to date technology and leading class risk-based methodology in line with IIA standards.

d. Perform data analytics enabled internal audits to provide greater coverage over entire populations of data and internal controls, and thereby provide greater insights into areas under review.

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

a. Key insights that enable the business to focus on the risks that matter and which aim to improve the quality and effect of work delivered.

b. Robust mechanisms to identify performance improvement opportunities (including the robustness and efficiency of operations, the quality of information for better decision-making, the optimal use of available resources such as technology).

c. Strategic insights that improve business performance.

d. Prioritisation of recommendations to facilitate implementation and sense of achievement.

In delivering internal audit services, the first workstream of the Internal Auditor has been to review and update the Company's Internal Audit Charter. In so doing, the latter has benchmarked the existing IA Charter against the guidelines provided by the Institute of Internal Auditors, and adapted it for the outsourced internal audit model. The Internal Auditor then delivered an updated Internal Audit Charter which was approved by the Audit & Risk Committee.

The primary objective of the Risk Assessment exercise is to establish a risk universe for each business unit and group from which the Internal Auditor can decide the areas to be audited, thereby ensuring the audit scope is correct. The Internal Auditor uses the existing risk registers at business unit level and applies their tools, knowledge, resources and experience to identify any additional risks that are relevant to the business units concerned. This forms the basis for crafting a three-year internal audit plan that focuses on the higher risk areas which will be subject to audits.

The deliverables for the above workstream are (1) the Internal Auditor's recommendations for additional risks that apply to each business unit in scope that are not captured in the existing risk registers of the business units; (2) list of top inherent risks ranked in terms of significance per cluster and at Group-level arrived at through a facilitated process with management; and (3) an internal audit plan for three years that targets the higher risk areas that lend themselves to internal audits.

Additionally, the Internal Auditor will review the design and operating effectiveness of the Company's controls in operation for the areas identified as part of the internal audit plan and submit as deliverable, an internal audit report to the Audit & Risk Committee for each internal audit visit, including their observations and agreed upon management actions to remediate control gaps.

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

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

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

External Audit

Following a tender exercise in 2020, PricewaterhouseCoopers was appointed as External Auditors of the Company. The re-appointment of PricewaterhouseCoopers for the financial year 2021 was approved by the Shareholders in June 2021.

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

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

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

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

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

The fees paid to the External Auditors for audit and other services were as follows:

	The Group		The Company	
	Year 2021 Rs 000	Year 2020 Rs 000	Year 2021 Rs 000	Year 2020 Rs 000
Audit	7,789	8,484	1,340	1,399
Non-Audit	3,382	5,069	1,286	2,800
Total	11,171	13,553	2,626	4,199

The non-audit services relate to fees paid for tax and advisory services.

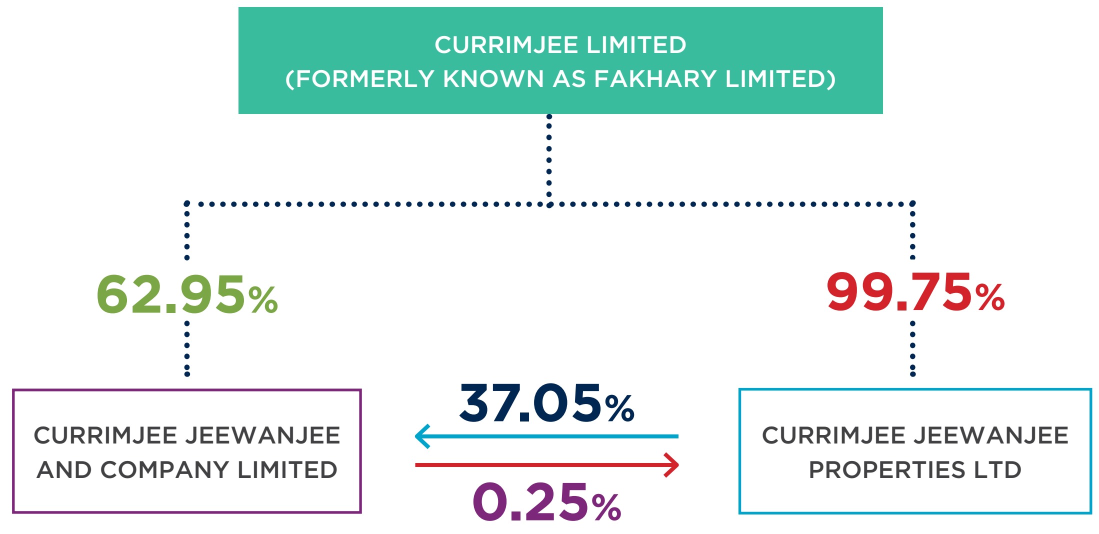
The Board ensures that provision of non-audit services by the External Audit firm are delivered by a team of officers that is completely independent from the external audit team, to ensure that the Auditor's objectivity and independence are safeguarded.

PRINCIPLE 8 - RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board should be responsible for ensuring that an appropriate dialogue takes place among the organisation, its shareholders and other key stakeholders. The Board should respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose.

Ownership Structure

As at 31 December 2021, the Company has issued 297,000 Ordinary Shares of Rs 100 each and the shareholding structure of the Company is set out below:



CORPORATE GOVERNANCE REPORT

Company's Key Stakeholders

The Company is committed to responding to the needs and expectations of its key stakeholders and takes into account their interests in its dealings with them. The Board ensures that information is delivered in an open, transparent, meaningful and regular manner to the stakeholders. It engages with its key stakeholders through existing communication platforms (Annual Report, Shareholders meetings, Website, Employee Engagement Surveys, Social Media, CJ News & Intranet, Communiqués). Regular presentations are also made to the Company's Bankers.

Calendar of key events

The calendar of key events for Shareholders is as follows:

31 December 2021	June 2022	June 2022
Financial Year End	Circulation of Annual Report to Shareholders	Approval of Annual Report by Shareholders

Shareholders' Agreement

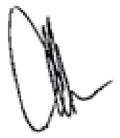
The Company is party to a Shareholders' Agreement amongst the Shareholders of the ultimate Holding Company, Currimjee Limited and its direct subsidiaries. The contents of the Agreement have not been disclosed due to their confidential nature.

Dividend Policy

The Company's policy is to propose dividends at 50% of Free Cash Flow to Equity, calculated after capex & investments, and servicing of both operating and investing loans. The Board of Directors ensures that dividends are authorised and paid out only if the Company shall, upon the distribution being made, satisfy the solvency test.

The Board has declared and paid a final dividend of Rs 112.5 million for the year under review (year 2020: Rs 43.5 million).

Approved by the Board of Directors and signed on its behalf on 27 April 2022.



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

Mr Anil C Currimjee
Managing Director

Statement Of compliance

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

Name of Public Interest Entity ("PIE"): Currimjee Jeewanjee and Company Limited

Reporting Period: 01 January 2021 to 31 December 2021

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

PRINCIPLE 8 – RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS.

The Company is party to a Shareholders' Agreement amongst the Shareholders of the ultimate Holding Company, Currimjee Limited and its direct subsidiaries. The contents of the Agreement have not been disclosed due to their confidential nature.

Mr Bashirali A Currimjee, G.O.S.K
Chairman
27 April 2022

Mr Anil C Currimjee
Managing Director

Secretary's Certificate

CURRIMJEE JEEWANJEE AND COMPANY LIMITED (the "Company")

UNDER SECTION 166(d) OF THE COMPANIES ACT 2001

We certify that the Company has filed with the Registrar of Companies, for the year ended 31 December 2021, all such returns as are required of the Company under the Companies Act 2001 of Mauritius.

Currimjee Secretaries Limited

Per Ramanuj Nathoo (Mr)
Secretary
27 April 2022

"By connecting

... with inspiring entrepreneurs who are committed to addressing complex social issues, Trampoline seeks to create new spheres of impact towards a more equitable and prosperous society."

Sophie Ganachaud - Lead Executive
Trampoline Ltée

Achieving financial resilience
We focus on long-term and sustainable growth.

DIRECTORS' REPORT

THE GROUP

2021 was a year of both, challenges and hope. With the COVID-19 crisis continued impacts, fundamental changes in consumer behaviour, supply chains, and routes to market have knocked companies off balance. The economic damage caused by the COVID-19 pandemic was largely driven by a fall in demand. This dynamic could be clearly seen in heavily affected industries such as travel and tourism. Despite the clear danger that the local economy was in, there were also reasons to be hopeful. The glimmer of hope came on two fronts namely; (i) the vaccination campaigns put in place by the government proved to be effective in containing the spread of the virus and (ii) our borders which remained closed since 19 March 2020 (a longer period than we initially expected) re-opened on 1 October 2021 and saw the arrival of tourists bring a spark of life to the Tourism and Hospitality Sector. The reopening of the borders was very important for our businesses, having direct impact on the performance of our investments in the Hospitality and Tourism sector.

The Group managed to keep its Turnover in line with the performance of 2020. In 2021, we saw a slight improvement of 1% on Group Revenue while Group Gross Profit Margin contracted by 3% as compared to last year, mainly attributable to the difficult economic environment prevailing and the efforts the companies made to remain resilient. In terms of other operating income, we noted a fall of 83% from 2020 to 2021, attributable to the Hospitality and Tourism sector. As a result of this, the Group achieved an operating Profit of RS 401M compared to RS 789M in 2020.

The Group has successfully completed a Bonds Issue in September 2021 for an amount of Rs. 2.2BN. The cash generated via the bonds issue has helped us reorganize our debt structure and make new investments. The gains, in subsequent years, will be in terms of a reduced finance costs and will also ease off the pressure on immediate capital repayments. The Bonds Issue will allow the Group to invest in new projects and also help subsidiaries where financing is required. Net Finance Costs for 2021 amounted to RS 415M as compared to RS 483M for 2020.

Share of profits of associates amounted to RS 60M in 2021 as compared to RS 5M in 2020, due improvement in the profit of associated companies operating within the Energy sector.

Financial assets at fair value through Other Comprehensive Income – an increase in share price of our quoted investments combined with a positive movement in exchange rate has yielded an upside in the value of our Financial Assets amounting to a gain of RS 330M in 2021.

Revaluation of properties has also brought a positive impact to the Group Results, with gains amounting to RS 273M in 2021 as compared to RS 11M in 2020.

The Group's liabilities on Retirement Benefits Obligations (RBO) also improved substantially in 2021. The increase in long term return on treasury bills impacting the discount rate used for calculation of the RBO liabilities has had a positive impact on the RBO liabilities for 2021. As a result, we have registered a gain in our Other Comprehensive Income for an amount of RS 136M pertaining to RBO 2021, as compared to a loss of RS 202M for 2020. Although operating profit was lower in 2021 as compared to 2020, the positive effects on the Group's Financial Assets at Fair Value along with the gains on revaluation of properties and a decrease in retirement benefit liabilities have resulted in a significant improvement the Total Comprehensive Income of the Group in 2021, reaching RS 720M compared to RS 79M in 2020.

THE COMPANY

On the Company's front, the dividend received from the subsidiaries in 2021 were higher than 2020, amounting to RS 445M for this year. Administrative expenses have gone down from RS 349M in 2020 to RS 237M in 2021 due to reversal of impairment on subsidiaries, upside on RBO charges and key initiatives around costs containment and efficiency. However, the NPAT for this year is significantly toned down to an amount of RS 153M as compared to RS 989M in 2020. This is due to an exceptional profit realised by the company in 2020. The remeasurement of our Retirement Benefit Obligations as at December 2021 brought a favourable impact to the Company's Other Comprehensive Income, generating a gain of RS 78M in 2021 as compared to a loss of RS 135M in 2020. Total Comprehensive Income of the Company in 2021 reached RS 231M compared to RS 854M in 2020. The company paid out a dividend of RS 112.5M in 2021 compared to RS 43.5M in 2020.

DIRECTORS

The following directors held office during the year ended 31 December 2021 and as at the date of this report:

Anil C Currimjee	Christophe de Backer
M. Iqbal Oozeer	Shahrukh D Marfatia
Ashraf M Currimjee	Aisha C Timol
Azim F Currimjee	Karim Barday
Riaz A Currimjee	Manoj K Kohli
	Uday K Gujadhur

DIRECTORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, 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 have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which 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 Mauritian Companies Act 2001. 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.

DONATIONS

During the year ended 31 December 2021, donations amounting to Rs 415,000 (2020- Rs 6,529,000) were made by the Group and the Company.

AUDITOR

The Auditor, PricewaterhouseCoopers, has indicated its willingness to continue in office. The directors shall propose their re-appointment at the Annual Meeting.

ACKNOWLEDGEMENT

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

Mr Bashirali A Currimjee, G.O.S.K	**Mr Anil C Currimjee**
Chairman	Managing Director

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CURRIMJEE JEEWANJEE AND COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our Qualified Opinion on the Consolidated Financial Statements

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the consolidated financial statements give a true and fair view of the financial position of Currimjee Jeewanjee and Company Limited and its subsidiaries (together the "Group") as at 31 December 2021 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

Our Opinion on the Separate Financial Statements

In our opinion, the separate financial statements give a true and fair view of the financial position of Currirnjee Jeewanjee and Company Limited (the "Company") standing alone as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

Currimjee Jeewanjee and Company Limited's consolidated and separate financial statements set out on pages 187 to 270 comprise:

• the consolidated and separate statements of financial position as at 31 December 2021;

• the consolidated and separate statements of comprehensive income for the year then ended;

• the consolidated and separate statements of changes in equity for the year then ended;

• the consolidated and separate statements of cash flows for the year then ended; and

• the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for Qualified Opinion on the Consolidated Financial Statements and Basis for Opinion on the Separate Financial Statements

The financial statements of the Group are prepared using IFRS 9 except for one of its subsidiaries, Island Life Assurance Co. Ltd (ILA) which meets the criteria for eligibility of a temporary exemption from the application of IFRS 9 until 2023. The exemption is only eligible at ILA level and the financial statements of the Group should have been prepared in applying IFRS 9 to all entities within the Group. However, the misstatements on the Group financial statements have not been quantified for the years ended 31 December 2021 and 2020. Our audit opinion on the financial statements for the year ended 31 December 2020 was also modified accordingly.

We conducted our audit in accordance with International Standards on Auditing (ISAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements and for our opinion on the separate financial statements.

Independence

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

Other Information

The directors are responsible for the other information. The other information comprises the directors' report, the corporate governance report, the statement of compliance and the secretary's report but does not include the consolidated and separate financial statements and our auditor's report thereon. Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualif ied Opinion, the financial statements of the Group should have been prepared in applying IFRS 9 to all entities within the Group. We have concluded that the other information is materially misstated for the same reason as mentioned in the Basis for Qualified Opinion section above.

In addition to the responsibilities described above and our work undertaken in the course of the audit, the Financial Reporting Act 2004 requires us to report certain matters as described below.

Corporate Governance Report

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

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate f inancial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if , individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

• Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

• Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate f inancial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated and separate f inancial statements, including the disclosures, and whether the consolidated and separate f inancial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CURRIMJEE JEEWANJEE AND COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Consolidated and Separate Financial Statements (Continued)

Mauritian Companies Act 2001

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

(a) we have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditor and tax advisor of the Company and auditor, tax advisor, business advisor and dealings in the ordinary course of business of some of its subsidiaries;

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

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

OTHER MATTER

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

PricewaterhouseCoopers

27 April 2021

Olivier Rey, licensed by FRC

CONSOLIDATED AND SEPARATE INCOME STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Revenue from contracts with customers (Note 4)	**4,880,069**	4,819,518	**931**	232
Cost of sales	**(2,842,815)**	(2,681,950)	**(874)**	(130)
Gross profit	**2,037,254**	2,137,568	**57**	102
Other operating income – net (Note 5)	**70,910**	407,725	**504,351**	1,479,189
Selling and distribution costs	**(415,001)**	(470,567)	**-**	-
Net impairment losses on financial and contract assets	**(16,088)**	(58,456)	**-**	-
Administrative expenses	**(1,276,227)**	(1,227,517)	**(237,219)**	(349,417)
Operating profit (Note 6)	**400,848**	788,753	**267,189**	1,129,874
Finance costs (Note 8)	**(436,657)**	(516,208)	**(152,065)**	(171,944)
Finance income (Note 8)	**21,792**	33,122	**38,011**	31,061
Finance costs – net (Note 8)	**(414,865)**	(483,086)	**(114,054)**	(140,883)
Share of profit of associates (Note 15)	**59,787**	5,170	**-**	-
Profit before taxation	**45,770**	310,837	**153,135**	988,991
Income tax expense (Note 9)	**(136,805)**	(110,452)	**-**	-
Profit for the year	**(91,035)**	200,385	**153,135**	988,991
Profit attributable to :				
Owners of the parent	**(192,733)**	8,077		
Non-controlling interest	**101,698**	192,308		
	(91,035)	200,385		

The notes on pages 194 to 270 form an integral part of the financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Profit for the year	**(91,035)**	200,385	**153,135**	988,991
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Revaluation of property, plant and equipment	**272,738**	11,102	**88**	-
Group share on revaluation of property, plant and equipment in associates	**-**	13,241	**-**	-
Group share of other comprehensive income in associates	**2,279**	-	**-**	-
Fair value gain/(loss) on financial assets at fair value through other comprehensive income (Note 16)	**330,397**	(23)	**-**	-
Remeasurement of post employment benefit obligations (Note 25)	**136,147**	(202,210)	**78,052**	(135,025)
	741,561	(177,890)	**78,140**	(135,025)
Items that may be subsequently reclassified to profit or loss				
Currency translation difference	**68,999**	56,946	**-**	-
	68,999	56,946	**-**	-
Other comprehensive income for the year, net of tax	**810,560**	(120,944)	**78,140**	(135,025)
Total comprehensive income for the year	**719,525**	79,441	**231,275**	853,966
Total comprehensive income for the year				
Attributable to:				
Owners of the parent	**598,583**	(99,856)		
Non-controlling interest	**120,942**	179,297		
	719,525	79,441		

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 9.

The notes on pages 194 to 270 form an integral part of the financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

31 DECEMBER 2021

	GROUP			COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	01.01.2020 Rs'000 Restated	**2021 Rs'000**	2020 Rs'000
ASSETS					
Non-current assets					
Freehold land and buildings (Note 10)	**2,344,980**	2,153,772	2,189,346	**8,404**	8,144
Property, plant and equipment (Note 10)	**3,403,814**	3,337,997	2,998,581	**64,902**	75,843
Investment properties (Note 11)	**2,810,597**	2,749,790	2,488,351	**242,974**	242,557
Intangible assets (Note 12)	**327,304**	343,058	402,570	**3,747**	5,986
Right of use assets Note 13(i)	**1,154,803**	1,076,447	1,161,731	**31,892**	38,335
Investments in subsidiaries (Note 14)	**-**	-	-	**5,307,325**	4,681,972
Investments in associates (Note 15)	**428,586**	420,720	387,440	**41,967**	41,872
Financial assets at fair value through OCI (Note 16)	**1,324,316**	986,760	717,568	**17,978**	14,978
Financial assets at fair value through profit or loss (Note 17)	**527,246**	341,985	402,362	**-**	-
Financial assets held at amortised cost (Note 18)	**397,764**	347,190	657,867	**272,069**	249,526
Deferred income tax asset (Note 19(i))	**-**	-	-	**-**	-
	12,719,410	11,757,719	11,405,816	**5,991,258**	5,359,213
Current assets					
Inventories (Note 20)	**162,074**	142,016	187,653	**-**	-
Financial assets held at amortised cost (Note 18)	**906,998**	458,978	595,504	**567,201**	968,950
Current tax asset (Note 9(a)(ii))	**81,117**	89,797	80,382	**-**	-
Cash and cash equivalents (Note 29)	**443,207**	639,895	601,847	**59,582**	4,091
	1,593,396	1,330,686	1,465,386	**626,783**	973,041
Assets held for sale (Note 21)	**317,460**	-	-	**-**	-
	1,910,856	1,330,686	1,465,386	**626,783**	973,041
Total assets	**14,630,266**	13,088,405	12,871,202	**6,618,041**	6,332,254

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

31 DECEMBER 2021 (CONTINUED)

	GROUP			COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	01.01.2020 Rs'000 Restated	**2021 Rs'000**	2020 Rs'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital (Note 22)	**29,700**	29,700	29,700	**29,700**	29,700
Revaluation reserve	**564,245**	301,263	278,981	**8,268**	8,180
Fair value reserve	**421,127**	88,534	73,066	**-**	-
Foreign currency translation reserve	**255,589**	184,311	127,347	**-**	-
Other reserves	**13,011**	13,011	13,011	**-**	-
Retained earnings	**113,367**	287,227	525,297	**2,147,352**	2,028,665
	1,397,039	904,046	1,047,402	**2,185,320**	2,066,545
Convertible debentures (Note 34)	**205,940**	-	-	**-**	-
Non-controlling interests	**209,289**	271,139	517,729	**-**	-
Total equity	**1,812,268**	1,175,185	1,565,131	**2,185,320**	2,066,545
LIABILITIES					
Non-current liabilities					
Life assurance funds (Note 23)	**834,580**	857,351	885,680	**-**	-
Borrowings (Note 24)	**7,433,230**	4,657,905	4,122,242	**3,354,030**	1,439,038
Deferred income tax liabilities (Note 19(ii))	**276,347**	240,248	223,146	**-**	-
Post -employment benefits (Note 25)	**653,800**	835,234	584,653	**519,889**	633,974
Provision for asset retirement obligations (Note 26)	**69,237**	73,799	49,612	**-**	-
Trade and other payables (Note 27(i))	**6,438**	8,067	6,825	**-**	-
Lease liabilities (Note 13)	**925,804**	840,809	890,300	**34,758**	41,821
	10,199,436	7,513,413	6,762,458	**3,908,677**	2,114,833
Current liabilities					
Life assurance funds (Note 23)	**95,982**	82,748	114,183	**-**	-
Trade and other payables (Note 27(i))	**1,273,181**	1,206,129	1,540,061	**51,690**	45,914
Deferred revenue (Note 27(iii))	**125,134**	118,103	116,163	**-**	-
Current income tax liability Note 9(a)(ii)	**43,999**	77,948	91,203	**-**	-
Borrowings (Note 24)	**867,512**	2,730,641	2,479,041	**463,192**	2,093,221
Lease liabilities Note 13(iii)	**165,430**	137,686	153,967	**9,162**	11,741
Provisions for other liabilities and charges (Note 27(ii))	**47,324**	46,552	48,995	**-**	-
	2,618,562	4,399,807	4,543,613	**524,044**	2,150,876
Total liabilities	**12,817,998**	11,913,220	11,306,071	**4,432,721**	4,265,709
Total equity and liabilities	**14,630,266**	13,088,405	12,871,202	**6,618,041**	6,332,254

Authorised for issue by the Board of directors on and signed on its behalf by: 27 April 2022

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

Mr Anil C Currimjee
Director

The notes on pages 194 to 270 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Attributable to owners of the parent									
	Share capital	Revaluation reserve	Fair value reserve	Foreign currency translation reserve	Other reserves	Retained earnings	Subtotal	Convertible debentures	Non-controlling interests	Total Equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
GROUP										
Balance at 01 January 2020 as originally presented	29,700	278,981	73,066	127,347	13,011	581,077	1,103,182	-	517,729	1,620,911
Correction of error	-	-	-	-	-	(55,780)	(55,780)	-	-	(55,780)
Restated total equity as at 01 January 2020	29,700	278,981	73,066	127,347	13,011	525,297	1,047,402		517,729	1,565,131
Comprehensive income										
Profit for the year	-	-	-	-	-	8,077	8,077	-	192,308	200,385
Other comprehensive income (net of tax)										
Revaluation of property (Note 10)	-	10,307	-	-	-	-	10,307	-	2,483	12,790
Deferred tax on revaluation (Note 9(c))	-	(1,266)	-	-	-	-	(1,266)	-	(422)	(1,688)
Group share of other comprehensive income in associates (Note 15)	-	13,241	-	-	-	-	13,241	-	-	13,241
Adjustment on disposal of financial assets held at fair value through OCI	-	-	15,461	-	-	(15,461)	-	-	-	-
Remeasurement of post employment benefits (Note 25)	-	-	-	-	-	(190,857)	(190,857)	-	(17,534)	(208,391)
Deferred tax on remeasurement of post employment benefits (Note 9(c)	-	-	-	-	-	3,671	3,671	-	2,510	6,181
Fair value gain on financial assets at fair value through OCI (Note 16)	-	-	7	-	-	-	7	-	(30)	(23)
Currency translation difference recognised directly in reserves	-	-	-	56,964	-	-	56,964	-	(18)	56,946
Total comprehensive income	-	22,282	15,468	56,964	-	(194,570)	(99,856)	-	179,297	79,441
Transactions with owners										
Adjustment on disposal of subsidiary	-	-	-	-	-	-	-	-	(251,001)	(251,001)
Adjustment on acquisition of subsidiary	-	-	-	-	-	-	-	-	(5,336)	(5,336)
Dividends paid (Note 30)	-	-	-	-	-	(43,500)	(43,500)	-	(169,550)	(213,050)
At 31 December 2020	29,700	301,263	88,534	184,311	13,011	287,227	904,046	-	271,139	1,175,185
Comprehensive income										
Profit for the year	-	-	-	-	-	(192,733)	(192,733)	-	101,698	(91,035)
Other comprehensive income (net of tax)										
Revaluation of property (Note 10)	**-**	**269,699**	**-**	**-**	**-**	**-**	**269,699**	**-**	**11,995**	**281,694**
Deferred tax on revaluation (Note 9(c))	**-**	**(6,717)**	**-**	**-**	**-**	**-**	**(6,717)**	**-**	**(2,239)**	**(8,956)**
Group share of other comprehensive income in associates (Note 15)	**-**	**-**	**-**	**2,279**	**-**	**-**	**2,279**	**-**	**-**	**2,279**
Remeasurement of post employment benefits (Note 25)	**-**	**-**	**-**	**-**	**-**	**129,289**	**129,289**	**-**	**11,378**	**140,667**
Deferred tax on remeasurement of post employment benefits (Note 9(c)	**-**	**-**	**-**	**-**	**-**	**(2,630)**	**(2,630)**	**-**	**(1,890)**	**(4,520)**
Fair value gain on financial assets at fair value through OCI (Note 16)	**-**	**-**	**330,397**	**-**	**-**	**-**	**330,397**	**-**	**-**	**330,397**
Currency translation difference recognised directly in reserves	**-**	**-**	**-**	**68,999**	**-**	**-**	**68,999**	**-**	**-**	**68,999**
Total comprehensive income	**-**	**262,982**	**330,397**	**71,278**	**-**	**(66,074)**	**598,583**	**-**	**120,942**	**719,525**
Transactions with owners										
Prior year audit adjustment	**-**	**-**	**-**	**-**	**-**	**4,714**	**4,714**	**-**	**-**	**4,714**
Adjustment on acquisition of subsidiary	**-**	**-**	**2,196**	**-**	**-**	**-**	**2,196**	**-**	**-**	**2,196**
Issue of bonds (Note 34)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**205,940**	**-**	**205,940**
Dividends paid (Note 30)	**-**	**-**	**-**	**-**	**-**	**(112,500)**	**(112,500)**	**-**	**(182,792)**	**(295,292)**
At 31 December 2021	**29,700**	**564,245**	**421,127**	**255,589**	**13,011**	**113,367**	**1,397,039**	**205,940**	**209,289**	**1,812,268**

The notes on pages 194 to 270 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	Share capital	Revaluation Reserve	Retained earnings	Total Equity
Company	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At 01 January 2020	29,700	8,180	1,218,199	1,256,079
Comprehensive income				
Profit for the year	-	-	988,991	988,991
Revaluation of property (Note 10)	-	-	-	
Remeasurement of post employment benefits (Note 25)			(135,025)	(135,025)
Total comprehensive income	-	-	853,966	853,966
Transactions with owners				
Dividends paid (Note 30)	-	-	(43,500)	(43,500)
At 31 December 2020	29,700	8,180	2,028,665	2,066,545
Comprehensive income				
Profit for the year	**-**	**-**	**153,135**	**153,135**
Revaluation of property (Note 10)	**-**	**88**	**-**	**88**
Remeasurement of post employment benefits (Note 25)	**-**	**-**	**78,052**	**78,052**
Total comprehensive income	**-**	**88**	**231,187**	**231,275**
Transactions with owners				
Dividends paid (Note 30)	**-**	**-**	**(112,500)**	**(112,500)**
At 31 December 2021	**29,700**	**8,268**	**2,147,352**	**2,185,320**

The revaluation reserve represents the revaluation surplus on freehold land and buildings.

The fair value reserve relates to revaluation surplus on financial assets at fair value through OCI.

The other reserves relate to the Group's share of reserves in associates and the acquisition of Silver Wings Travels Ltd, now a wholly owned subsidiary.

The foreign currency translation reserve consists of the exchange difference arising on the consolidation of subsidiaries whose functional currencies are denominated in foreign currencies.

The convertible debentures represents redeemable convertible bonds issued to a subsidiary of the Group, IKO (Mauritius) Hotel Ltd, by the Mauritius Investment Corporation Ltd, a wholly owned subsidiary of the Bank of Mauritius. Please refer to Note 34

The notes on pages 194 to 270 form an integral part of the financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	**2021 Rs'000**	2020 Rs'000
Cash flows from operating activities				
Cash generated from/(used in) operating activities (Note 28)	**1,045,269**	1,044,344	**172,142**	(216,878)
Interest received	**16,466**	19,770	**31,130**	21,028
Interest paid	**(252,246)**	(334,505)	**(127,974)**	(163,096)
Tax paid (Note 9)	**(148,915)**	(111,528)	**-**	-
Tax refund (Note 9)	**9,415**	-	**-**	-
Net cash generated from/(used in) operating activities	**669,989**	618,081	**75,298**	(358,946)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	**10,742**	15,666	**891**	480
Proceeds from disposal of financial assets at fair value through OCI	**65,678**	154,673	**-**	-
Proceeds from disposal of financial assets at fair value through profit or loss	**142,937**	44,466	**-**	-
Payments for purchase of property, plant and equipment (Note 10)	**(1,101,265)**	(989,095)	**(6,934)**	(32,888)
Payments for purchase of intangible assets (Note 12)	**(38,868)**	(11,431)	**(1,643)**	(2,225)
Payments for purchase of financial assets at fair value through OCI (Note 16)	**(45,531)**	(65,980)	**(3,000)**	(2,197)
Proceeds from disposal of investment in subsidiaries	**-**	-	**-**	700,000
Payments for additional investments in subsidiaries	**-**	-	**(197,051)**	(154,630)
Payments for purchase of investment properties	**(41,117)**	(79,498)	**-**	(708)
Payments for purchase of financial assets at fair value through profit or loss (Note 17)	**(254,177)**	(57,668)	**-**	-
Payments for purchase of investment in associates (Note 15)	**(95)**	(10,000)	**(95)**	(10,000)
Loans granted to subsidiaries	**-**	-	**(105,398)**	(51,600)
Loans repayments received	**14,420**	58,291	**28,751**	113,571
Loans granted to parent	**(282,543)**	(2,500)	**(282,543)**	(2,500)
Loans repayment from parent	**-**	-	**-**	-
Loans granted to other related parties	**(50,040)**	(30,780)	**(30,000)**	-
Deposits placed with financial institutions	**4,482**	(4,570)	**-**	-
Dividends received from subsidiaries (Note 5)	**-**	-	**390,879**	283,034
Dividends received from associates (Note 15)	**54,295**	9,613	**49,890**	-
Dividends received from other investments (Note 5)	**12,872**	12,863	**231**	-
Net cash generated from/(used in) investing activities	**(1,508,210)**	(955,950)	**(156,022)**	840,337

The notes on pages 194 to 270 form an integral part of the financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	**2021 Rs'000**	2020 Rs'000
Cash flows from financing activities				
Bank loans received	**5,742,700**	6,239,965	**150,000**	500,000
Bank loans repaid	**(7,249,153)**	(5,263,234)	**(2,051,197)**	(311,041)
Bonds raised	**2,650,000**	-	**2,200,000**	-
Bond issue transaction cost	**(12,173)**	-	**(11,000)**	-
Net proceeds from issue of convertible debentures	**205,940**	-	**-**	-
Import loans raised	**34,810**	50,380	**34,810**	50,380
Import loans repaid	**(37,609)**	(26,817)	**(33,695)**	(26,513)
Lease payments	**(149,560)**	(105,288)	**(12,062)**	(8,867)
Loans raised from subsidiaries	**-**	-	**85,000**	15,000
Loans repaid to subsidiaries	**-**	-	**(500)**	(395,184)
Loans raised from directors (Note 33)	**17,000**	-	**17,000**	-
Loans repaid to directors (Note 33)	**-**	(58,056)	**-**	(58,056)
Loans repaid to shareholders	**(999)**	(300,000)	**-**	(300,000)
Loans raised from other related parties	**93,521**	81,812	**93,521**	114,170
Loans repaid to other related parties	**(55,760)**	(74,863)	**(55,760)**	(104,543)
Dividends paid to group shareholders	**(112,500)**	(43,500)	**(112,500)**	(43,500)
Dividends paid to non-controlling interests	**(182,792)**	(169,550)	**-**	-
Net cash generated from/(used in) financing activities	**943,425**	330,849	**303,617**	(568,154)
Increase/(Decrease) in cash and cash equivalents	**105,204**	(7,020)	**222,893**	(86,763)
Cash and cash equivalents at beginning of year	**290,394**	297,414	**(168,425)**	(81,662)
Cash and cash equivalents at end of year (Note 29)	**395,598**	290,394	**54,468**	(168,425)

The notes on pages 194 to 270 form an integral part of the financial statements.

1 SIGNIFICANT ACCOUNTING POLICIES

General information

The principal activity of the Company is investment holding. The principal accounting policies applied in the preparation of these financial statements, are set out below. These policies apply to the Group and Company, and have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

In the separate financial statements, Currimjee Jeewanjee and Company Limited is referred to as the "Company" whereas the consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee applicable to companies reporting under IFRS except for IFRS 9 for one of its subsidiaries, Island Life Assurance Co. Ltd (ILA) which meets the criteria for eligibility of a temporary exemption from the application of IFRS 9 until 2023. The exemption is only eligible at ILA level and the financial statements of the Group should have been prepared applying IFRS 9 to all entities in the Group. The financial statements also comply with the Mauritian Companies Act 2001. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings, investment properties, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

During the year, the Group and the Company made a profit of **Rs 91,035,000** (2020 – Rs 200,385,000) and **Rs 153,135,000** (2020 - Rs 988,991,000) respectively. At the statement of financial position date, the Group and the Company's current liabilities exceeded their current assets by **Rs 707,706,000** (2020 - Rs 3,069,121,000). In 2020 the Company's current liabilities exceeded its current assets by **Rs 1,177,835,000** while in 2021, current assets exceeded its current liabilitites by Rs 102,739,000.

The financial statements have been prepared on the going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future and depends on the continued support of the Group's bank. The Group has stress tested its cash flows forecast for 2022 and 2023 and has taken some major decisions so as to be able to meet its obligations in the short term.

(a) Critical accounting estimates and assumptions

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

• Post-employment benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations. Critical assumptions are made by the actuary in determining the present value of retirement benefit obligations. These assumptions are set out in Note 25.

• Estimate of recoverable amount of investments in subsidiaries

The recoverable amount of investments in some subsidiaries has been determined based on value in use calculations and fair value less costs to sell. These calculations require the use of estimates, including discounted cash flows based on management's expectations of future revenue growth, operating costs and profit margins for each subsidiary. The bases of these calculations are set out in note 14.

• Life assurance fund (Note 23) - estimates of future benefit payments under the long-term insurance contracts

The determination of the liabilities under long-term insurance contracts is dependent on estimates made by the actuary. Estimates are made as to the expected number of deaths for each of the years in which the Group is exposed to risk. The actuary bases these estimates on standard industry mortality tables that reflect recent historical mortality experience, adjusted where appropriate to reflect the actuary's own experience. The estimated number of deaths determines the value of the benefit payments and the value of the valuation premiums. The main source of uncertainty is that epidemics such as AIDS and wide-ranging lifestyle changes, such as in eating, smoking and exercise habits, could result in future mortality being significantly worse than in the past for the age groups in which the Group has significant exposure to mortality risk. For contracts that insure the risk of longevity, appropriate but not excessively prudent allowance is made for expected mortality improvements. However, continuing improvements in medical care and social conditions could result in improvements in longevity in excess of those allowed for in the estimates used to determine the liability for contracts where the Group is exposed to longevity risk.

Long-term business technical provisions are computed using statistical or mathematical methods. The computations are made by the Group's actuaries on the basis of recognised actuarial methods, with due regard to the actuarial principles laid down by the law and by actuarial best practices. The methodology takes into account the risks and uncertainties of the particular classes of long-term business written and the results are certified by the actuaries undertaking the valuations.

For long-term insurance contracts with fixed and guaranteed terms, estimates are made in two stages. Estimates of future deaths, voluntary terminations, investment returns and administration expenses are made at the inception of the contract and form the assumptions used for calculating the liabilities during the life of the contract. A margin for risk and uncertainty is added to these assumptions. These assumptions are 'locked in' for the duration of the contract. New estimates are made each subsequent year in order to determine whether the previous liabilities are adequate in the light of these latest estimates. If the liabilities are considered adequate, the assumptions are not altered. If they are not adequate, the assumptions are altered ('unlocked') to reflect the best estimate assumptions.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Critical accounting estimates and assumptions (Continued)

• Life assurance fund (Note 23) - estimates of future benefit payments under the long-term insurance contracts (Continued)

The reasonableness of the estimation process of future benefit payments is tested by an analysis of sensitivity under several different scenarios. The analysis enables the Group to assess the most significant assumptions and monitor the emerging variations accordingly.

Liabilities in relation to death and disability benefits are amortised by reinsuring the yearly sums at risk above the retention limit against payment of respective reassurance premiums. The sensitivity analysis has been disclosed in Note 3(d).

• Provision for asset retirement obligation

In one of the Group's subsidiaries the directors have estimated the costs of dismantling, removing antennas and restoring the leased sites to their original conditions which have been provided in full in the financial statements. This assumes that the effect of the inflationary increase on the costs will be minimised on discounting such costs to their present values. These assumptions and the sensitivity analysis are set out in Note 26.

• Fair value estimates of property, plant and equipment

The fair value at 31 December 2021 comprises the best estimate of market value by independent valuations performed by external property valuers. The best evidence of fair value is the current price in an active market for similar properties as set out in Note 10.

• Fair value estimates of investment properties

The fair value at 31 December 2021 comprises the best estimate of market value by independent valuations performed by external property valuers. The best evidence of fair value is the current price in an active market for similar properties, please refer to Note 11.

• Income taxes

The Group is subject to income taxes at an average tax rate **17%** (2020 – 17%). Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. The Group has a current tax receivable of **Rs 93.4 million** (2020 - Rs 93.4 million), please refer to Note 9(a)(ii) and Note 18.

• Fair value of financial instruments

For financial instruments traded in active markets, the determination of fair values of financial assets is based on quoted market prices. This includes listed equity securities and quoted debt instruments on major stock exchanges. The quoted market price used for financial assets held by the Company is the current bid prices.

If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs. The sensitivity analysis is set out on Note 2.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The carrying value of trade receivables and trade payables are assumed to approximate their fair values.

(b) *Critical judgements in applying the entity's accounting policies*

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

Changes in accounting policy and disclosures

(i) New standards, amendments to existing standards and interpretation issued and effective for the first for the financial year beginning on 01 January 2021.

In the current year, the Group and Company have assessed all of the new standards, interpretations by the International Accounting Standards Board ("IASB") that are relevant to their operations and effective for accounting periods beginning 01 January 2021. There are no new standards and amendments to standards and interpretations that are effective for annual period beginning on 01 January 2021 that would be relevant or have a material impact on the financial statements.

(ii) New standards, amendments and interpretations issued but not effective for the financial year beginning after 1 January 2021 and not adopted early

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2021, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of:

• discounted probability-weighted cash flows

• an explicit risk adjustment, and

• a contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the income statement or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach the entity's share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. The standard is effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. The directors have not yet assessed the impact of this standard on the financial statements.

Other standards, not yet effective, are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Consolidation

• Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation (Continued)

• Subsidiaries (Continued)

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

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains and losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

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

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

• Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

• Disposal of subsidiaries

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

• Associates

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

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

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation (Continued)

• Associates (Continued)

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

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

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

Investment in subsidiaries and associates in the Company's separate financial statements

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

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

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

Foreign currency translation

• Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in thousands of Mauritian rupee.

In the separate financial statements of the Company, items are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The separate financial statements are presented in thousands of Mauritian rupee, which is the Company's functional currency.

• Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income - net'.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as financia assets at fair value through other comprehensive income are included in other comprehensive income.

• Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

• assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;

• income and expenses for each income statement are translated at average exchange rate, unless the average exchange rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction date, in which case income and expenses are translated at the dates of the transactions; and

• all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings, are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation (Continued)

• Transactions and balances (Continued)

Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, financial assets held at amortised cost and financial assets at fair value through other comprehensive income. The classification depends on the purpose for which the financial assets were acquired. The directors determine the classification of its financial assets at initial recognition.

• Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

• Financial assets held at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'loans and receivables' and 'cash and cash equivalents' in the statements of financial position.

• Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Financial assets – classification and measurement

The Group classifies its financial assets in the following categories: at amortised cost, at fair value through profit or loss and at fair value through other comprehensive income. The classification depends on the business model and whether the Group's business model is to hold these for collection of contractual cash flows, and the cash flows represent solely payments of principal and interest on the principal amount, or for sale or both. The Group determines the classification of its financial assets on initial recognition.

Subsequent measurement

Financial assets held at amortised cost

Financial assets held at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's financial assets held at amortised cost comprise 'trade receivables' in the statement of financial position. Subsequent measurement of financial assets held at amortised cost is at amortised cost given that these are assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income 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 comprehensive income.

Equity instruments

The Group subsequently measures all equity investments at fair value. The Directors have elected to present fair value gains and losses on equity investments in statement of other comprehensive income and there is no subsequent reclassification of fair value gains and losses to the statement of comprehensive income following the derecognition of the investment. Dividends from such investments are to be recognised in the statement of comprehensive income as other income when the Group's right to receive payments is established.

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

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

Impairment of financial assets

The Group applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables.

Trade receivables have been grouped based on shared credit characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over the last 3 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified Gross Domestic Product (GDP) to be the most relevant factor, and accordingly adjusts the historical loss rates.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired include observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;

b. a breach of contract, such as a default or past due event;

c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

e. the disappearance of an active market for that financial asset because of financial difficulties; or

f. the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Property, plant and equipment

Freehold land and buildings and buildings on leasehold land are shown at fair value, based on a periodic but at least triennial valuation by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the assets, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

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

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings and buildings on long leasehold land	2.0% to 5.0%
Plant, equipment and other assets	10.0% to 50.0%
Motor vehicles	20.0% to 33.0%
Furniture and fittings	5.0% to 22.0%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Property, plant and equipment which have been funded through finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group or the Company, are classified as investment properties. Investment properties comprise office buildings and retail outlets leased out under operating lease agreements.

Some properties may be partially occupied by the Group, with the remainder being held for rental income or capital appreciation. If that part of the property occupied by the Group can be sold separately, the Group accounts for the portions separately. The portion that is owner-occupied is accounted for under IAS 16, and the portion that is held for rental income or capital appreciation or both is treated as investment property under IAS 40. When the portions cannot be sold separately, the whole property is treated as investment property only if an insignificant portion is owner-occupied. The Group considers the owner-occupied portion as insignificant when the property is more than 95% held to earn rental income or capital appreciation. In order to determine the percentage of the portions, the Group uses the size of the property measured in square metre.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably. This is usually when all risks are transferred.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost has incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the year in which they arise. Subsequent expenditure is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is calculated on the basis of recent transactions in similar properties adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers.

The Group only enters as lessor into lease agreements that are classified as operating leases (IAS 17). A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. The properties leased out under operating leases are included in 'Investment properties'. Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term. The Group makes payments to agents for services in connection with negotiating lease contracts with the Group's lessees. The letting fees are capitalised within the carrying amount of the related investment property and depreciated over the lease term.

Right of use assets

Following the adoption of IFRS 16, the Group has presented the right of use assets separately in the statement of financial position. Alternatively, the Group may choose to resent right of use assets that do not meet the definition of investment property within property, plant and equipment.

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

• the amount of the initial measurement of lease liability

• any lease payments made at or before the commencement date less any lease incentives received

• any initial direct costs, and

• restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the group.

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

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Insurance contracts

(a) Classification

One of the Group's subsidiary issues contracts that transfer insurance risk. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

(b) Recognition and measurement

The Group issues long-term insurance contracts with fixed and guaranteed terms. These contracts insure events associated with human life (for example death, or survival) over a long duration. Premiums are recognised as revenue when they become payable by the contract holder. Premiums are shown before deduction of commission.

Benefits are recorded as an expense when they are incurred.

A liability for contractual benefits that are expected to be incurred in the future is recorded when the premiums are recognised. The liability is determined as the sum of the expected discounted value of the benefit payments and the future administration expenses that are directly related to the contract, less the expected discounted value of the theoretical premiums that would be required to meet the benefits and administration expenses based on the valuation assumptions used (the valuation premiums).

The liability is based on assumptions as to mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued. A margin for adverse deviations is included in the assumptions.

The liabilities are recalculated at each reporting date using the assumptions established at valuation date.

(c) Minimum capital requirement test

As required by the Long Term Insurance Solvency Rules, an insurer shall at all times maintain a solvency margin that is at least equal to the Minimum Capital Requirement. The Minimum Capital Requirement for an insurer shall be determined by its actuary as the higher of a stress test requirement determined in accordance with guidelines issued by the Financial Services Commission to ensure that the long-term insurer remains solvent or the higher of an amount of Rs 25 million or an amount representing 13 weeks' operating expenses. The purpose of the set stress requirement is to quantify the minimum level of assets in excess of liabilities so as to enable the insurer to meet all the obligations as and when they are due and to provide sufficient cushion against adverse deviations in experience in any of the variables used in the valuation of liabilities. Stress Test Requirements equals the higher of the "Termination Capital Adequacy Requirements" (TCAR) and the "Ordinary Capital Adequacy Requirements" (OCAR).

As set out in (b) above, long-term insurance contracts with fixed terms are measured based on assumptions set out at the valuation date.

(d) Reinsurance contracts held

Contracts entered into by one of the Group's subsidiaries with reinsurers under which the subsidiary is compensated for losses on one or more contracts issued by the subsidiary and that meet the classification requirements for insurance contracts in (a) above are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the subsidiary under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021 (CONTINUED)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Insurance contracts (Continued)

(d) Reinsurance contracts held (continued)

The benefits to which the subsidiary is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of short-term balances due from reinsurers (classified within loans and receivables), as well as longer term receivables (classified as reinsurance assets) that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract.

Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. In certain cases a reinsurance contract is entered into retrospectively to reinsure a notified claim under the subsidiary's property or casualty insurance contracts. Where the premium due to the reinsurers differs from the liability established by the subsidiary for the related claim, the difference is amortised over the estimated remaining settlement period.

The subsidiary assesses its reinsurance assets for impairment on a quarterly basis. If there is objective evidence that the reinsurance asset is impaired, the subsidiary reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in profit or loss. The subsidiary gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is also calculated following the same method used for these financial assets.

(e) Receivables and payables related to insurance contracts

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Company reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in profit or loss. The Company gathers the objective evidence that an insurance receivable is impaired using the same process adopted for loans and receivables. The impairment loss is also calculated under the same method used for these financial assets.

Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Computer software costs

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software.

These costs are amortised over their estimated useful life (5 years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

(c) Patent rights and licences

Separately acquired patents and licences are initially recognised at cost. Subsequently, they are carried at cost less amortisation. Amortisation is calculated using the straight-line method to allocate the cost of patent and licences over their useful lives of 5 – 15 years.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (continued)

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

Capacity purchased on an Indefeasible rights of use ("IRU") basis is shown under non-current assets. The IRU is amortised on a straight-line basis over the contract period of 15 years from the effective date of the IRU's purchase. Remaining useful life is approximately is 8 years.

Impairment of non-financial assets

Intangible assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Trade receivables

Trade receivables are amounts due from customers for goods and services sold in the ordinary course of the business. They are generally due for settlement within 30 and 90 days 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, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Group and Company apply the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables

Trade receivables have been grouped based on shared credit characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over the last 3 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Company has identified Gross Domestic Product (GDP) to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the average cost ("AVCO") method and includes all costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work-in progress comprises purchase price, materials and all applicable expenses. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Property held for resale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Share capital

Ordinary shares are classified as equity.

Trade payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is done within one year or less. If not they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan 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 capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provision for asset retirement obligations

This provision relates to the estimated cost of dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located to its original condition. The Group provides for the anticipated costs associated with the restoration of leasehold property to its original condition at inception of the lease, including the removal of items included in plant and equipment that is erected on leased land.

The Group only recognises these decommissioning costs for the proportion of its overall number of sites for which it expects decommissioning to take place. The expected percentage has been based on actual experience in the respective operations.

A provision is made for the present value of the estimated future decommissioning costs at the end of the life of the site/expected lease term. When this provision gives rise to future economic benefits, an asset is recognised, otherwise the costs are charged to profit or loss. The estimated cost is discounted at a pre-tax rate that reflects current market assessments of the time value of money. The increase in the decommissioning provision due to the passage of time is recognised as a finance cost.

Employee benefits

(a) Pension obligations

The Group has both defined benefit and defined contribution plans. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

• Defined benefit pension

Group companies operate various pension schemes for employees eligible for a defined benefit schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

Where employees are not covered under defined pension scheme, the present value of severance allowances calculated on the basis the enacted laws in the countries where the respective entity operates has been provided for. The present value of severance allowances has been disclosed within unfunded obligations under retirement benefit obligations.

• Defined contribution plan

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (continued)

(b) Other post-employment obligations

Some group companies provide post-retirement healthcare and other benefits apart from pensions to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

(c) Termination benefits

Termination benefits are payable when employment is terminated by a group entity before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(d) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Leases

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance leases or operating leases. From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Until 31 December 2018, leases of property, plant and equipment where the group, as lessee, had substantially all the risks and rewards of ownership were classified as finance leases. Finance leases were capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, were included in other short-term and long-term payables. Each lease payment was allocated between the liability and finance cost. The finance cost was charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases was depreciated over the asset's useful life, or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Revenue from contract with customers recognition

Revenue from contract with customers is recognised to the extent that it is probable that the economic benefits will flow to the Group and revenue can be reliably measured. The following specific criterias must also be met. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and upon customer acceptance if any, or performance of services, net of value added taxes and discounts. The Group's turnover reflects the invoiced value derived from operations.

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers recognition (Continued)

Revenues from pre-paid phone cards are recognised based on actual usage by the customers.

Other revenues earned by the Group are recognised on the following bases:

(i) Dividend income is recognised when the shareholder's right to receive payment is established.

(ii) Interest income is recognised using the effective interest method. Interest income includes accrued discount on Treasury Bills.

(iii) Commitment fee is recognised at the time of the signature of the lease agreement.

(iv) Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its customers, the cost of incentives are recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Life assurance fund

At the end of every year the amount of the liabilities of the life assurance fund is established. Effective from the year 2004, the adequacy of the fund is determined annually by actuarial valuation. Under current legislation, an annual actuarial reporting is required by Financial Services Commission. Based on the annual actuarial valuation, the actuary recommends the bonus declaration and the amount of actuarial surplus that can be transferred from profit or loss.

Dividend distribution

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

2 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out under policies approved by the Board of directors.

(a) Market risk

• Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar ("USD"), Euro ("EUR"), Great Britain Pound ("GBP") and Indian rupee ("INR"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

Foreign exchange risk (Continued)

Group companies individually manage foreign exchange risk against their functional currency by:

(i) Forecasting their requirements for foreign currencies and retaining, wherever possible, such amounts necessary to settle amounts denominated in foreign currencies.

(ii) Buying foreign currencies at forward rates or negotiated spot rate with commercial banks. Selling excess foreign currencies on the local market.

Sensitivity analysis

The profitability of the Group and Company is sensitive to foreign exchange gains/losses on translation of fair value through OCI, loans and receivables, cash and cash equivalents, net of borrowings and trade and other payables. The tables below depicts the sensitivity of the Group's and Company's post tax profit to changes in the exchange rates of the major currencies to which the Group and Company is exposed.

	USD	EUR	GBP	INR
Group - 2021	**%**	**%**	**%**	**%**
Hypothetical rate of appreciation/(depreciation) of the Mauritian rupee against the foreign currency	**(10)**		**(9)**	**(8)**
	USD	**EUR**	**GBP**	**INR**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Hypothetical effect on group post tax profit:				
Increase/(Decrease) in post tax profit for the year ended 31 December 2021	**(22,047)**	**4,628**	**(47,665)**	**(37,001)**
Group - 2020				
Hypothetical rate of appreciation/(depreciation) of the Mauritian rupee against the foreign currency	(8)	(19)	(12)	(5.5)
Hypothetical effect on group post tax profit:				
Increase/ (decrease) in post tax profit for the year ended 31 December 2020	(20,633)	81,619	(34,989)	(16,731)

	2021		2020	
	USD	**EUR**	USD	EUR
	%	**%**	%	%
Company				
Hypothetical rate of appreciation/(depreciation) of the				
Mauritian rupee against the foreign currency	**(10)**	**(1)**	(8)	(19)
	USD	**EUR**	USD	EUR
	Rs'000	**Rs'000**	Rs'000	Rs'000
Increase/(Decrease) in post tax profit for the				
year ended 31 December	**(71)**	**(6)**	(62)	(126)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Price risk

The Group is exposed to equity securities price risk in respect of the financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. The Group is not exposed to commodity price risk. The Group's strategy for its financial assets at fair value through OCI is to hold them for long term capital appreciation and is not influenced by short term market fluctuations. However, the Directors monitor the equity markets on a daily basis and the Board of Directors meet on a regular basis to review the performance of these investments.

The financial assets at fair value through other comprehensive income consists primarily of investment in a company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange. During the year ended 31 December 2021, the market price of this investment has gained **34%** (2020 – 11.7%) of its value compared to the market price in 2020. At 31 December 2021, if the price of the investment had increased / decreased by a further **34%** (2020 – 11.7%), with all variables held constant, equity would have been **Rs 158 million** (2020 – Rs 37 million) higher/ lower.

The value of quoted shares held at fair value through profit or loss would have increased/decreased by **Rs 41 million** (2020 – Rs 25 million) if a change of 10% occurred in the share price. The value of unquoted shares held at fair value through profit or loss would have increased/decreased by **Rs11 million** (2020 – Rs 9 million) if a change of 10% occurred in the share price.

The Group is not exposed to any other significant price risk at 31 December 2021.

• Interest rate risk

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on with respect to its interest bearing assets and liabilities.

The significant interest-bearing assets include loans, hire purchase debtors and cash at bank. The loans arising on the life assurance business are on a fixed interest rate basis and are not subject to interest rate fluctuations. Interest on hire purchase debtors is fixed by law and is also not subject to interest rate fluctuations. The effective interest rate on cash and cash equivalents was **0.02%** (2020 – 0.05%); the impact of a 0.75% shift would cause a maximum shift in the post tax profit of **Rs 2,756,000** (2020 – Rs 3,983,000).

With respect to interest-bearing liabilities, significant interest rate risk arises on the Group bank loans which are at variable rates. The effective interest charge on bank loans was **2.7%** (2020 – 3.3%); the impact of a 0.75% shift would cause a maximum shift in post tax profit of **Rs 49,274,000** (2020 – Rs 42,095,000).

The Company's effective interest charge on bank loans was **3.6%** (2020 – 4.7%); the impact of a 0.75 % shift would cause a maximum shift in post tax profit of **Rs 20,938,000** (2020 – Rs 19,078,000).

(b) Credit risk

Credit risk arises from cash and cash equivalents, loans and receivables and financial assets at fair value through OCI.

For cash and cash equivalents, the Group and Company transacts with only highly reputable financial institutions. The Directors have assessed that the credit risk associated with cash and cash equivalents is insignificant based on the historical information of the financial strengths of the financial institutions.

Due to the diversity of the Group's activities, the credit risks associated with each type of receivables are managed according to their nature and are described below. The credit quality of these receivables is provided in Note 18.

The credit quality of financial assets at fair value through OCI is disclosed in Note 16. Credit risk is managed by the Board of each subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Trade receivables

The Group has policies in place to control the level of debts to ensure that sale of products and services are made to customers with an appropriate credit history. Such policies include credit vetting before sale, setting up credit limits, disconnection (cellular phone and pay TV subscribers) and subscription payments through direct debits amongst others.

Loans and other loans receivable

Exposure to credit risk for loans receivable is managed through analysis of the ability of borrowers to meet interest and capital repayment obligations and by changing the lending limits where appropriate. Exposure to credit risk is also managed by obtaining collaterals and guarantees, fixed charges are sought from mortgage borrowers.

Hire purchase debtors

Hire purchase debtors comprise of a wide variety of customers buying on hire purchase facilities and are from different sectors of the economy. The Group has no significant concentrations of credit risk and has policies in place to ensure that the vetting criteria are assessed and reviewed in order to take into consideration economic realities. All credit applications go through a rigorous vetting process and material contracts are subject to management approval. At the level of operations, outstanding debts are continuously monitored and relevant provisions/diminution in value is recognised as and when they become apparent.

The maximum exposure to credit risk is represented by the book values of the receivables carried in the statement of financial position without taking into account the value of any collateral obtained. Hire purchase debtors are secured over the hire purchase assets and the latter's fair values approximate the carrying amounts of hire purchase debtors at the reporting date.

Rating of assets bearing credit risks

Credit Ratings	2021 Rs'000	2020 Rs'000
A+	**-**	8,755
A	**4,525**	12,191
A-*	**-**	2,362
AA-	**-**	53,681
BBB+	**-**	13,627
BBB-*	**-**	8,601
Baa1**	**-**	300,011
Baa3**	**697,565**	-
CARE MAU AA	**34,212**	28,216
CARE MAU A+	**2,000**	10,000
CARE MAU A+*	**16,829**	10,327
CARE MAU A*	**25,547**	17,465
CARE MAU A-	**-**	2,363
CARE MAU AA*	**8,253**	7,241
CARE MAU AA_*	**10,946**	-
CARE MAU AAA	**-**	31,338
CARE MAU BBB+	**1,000**	

The remaining assets bearing credit risks are unrated. *The ratings for foreign investments were taken from ratings provided by Standard & Poor's. ** The ratings for local equity (MCB and SBM) and for government treasury bills and notes were taken from ratings provided by Moody's. *** The ratings for local equity were taken from ratings provided by Care Ratings. The unrated assets consist of equity investments, secured housing and policy loans, unsecured and secured loans receivable from related parties, other receivables, fixed deposits from financial institutions and cash balances.

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Prudent liquidity risk management policies implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the finance department aims at maintaining flexibility in funding by keeping committed credit lines available.

The tables below analyses the Group's and Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Trade and other payables are due within 12 months and therefore approximate their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Group					
At 31 December 2021					
Borrowings	**1,186,686**	**1,118,013**	**4,561,179**	**2,973,365**	**9,839,243**
Lease liabilities	**219,428**	**204,527**	**451,715**	**912,168**	**1,787,838**
Trade and other payables	**1,069,444**	**3,312**	**3,126**	**-**	**1,075,882**
Life assurance funds	**95,982**	**136,401**	**162,646**	**535,533**	**930,562**
	2,571,540	**1,462,253**	**5,178,666**	**4,421,066**	**13,633,525**
At 31 December 2020 (Restated)					
Borrowings	3,038,638	757,137	2,500,895	2,523,397	8,820,067
Lease liabilities	199,519	181,297	385,440	1,031,985	1,798,241
Trade and other payables	1,017,990	8,067	-	-	1,026,057
Life assurance funds	82,748	69,440	240,575	547,336	940,099
	4,338,895	1,015,941	3,126,910	4,102,718	12,584,464

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Company					
At 31 December 2021					
Borrowings	**557,299**	**122,443**	**2,221,999**	**1,558,485**	**4,460,226**
Lease liabilities	**25,933**	**11,525**	**8,542**	**5,478**	**51,478**
Trade and other payables	**51,690**	-	-	-	**51,690**
Guarantees	**297,773**	-	-	-	**297,773**
	932,695	**133,968**	**2,230,541**	**1,563,963**	**4,861,167**
At 31 December 2020					
Borrowings	2,255,522	401,097	1,227,427	92,621	3,976,667
Lease liabilities	15,096	13,748	24,055	13,766	66,665
Trade and other payables	45,914	-	-	-	45,914
Guarantees	313,041	-	-	-	313,041
	2,629,573	414,845	1,251,482	106,387	4,402,287

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Fair value estimation

The fair value of financial assets at fair value through OCI that are traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group and Company is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, unquoted shares) is determined using valuation techniques. The Group and Company use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long term debt. Other techniques, such as discounted cash flows, are used to determine the fair value of the remaining instruments.

The carrying amounts of loans and receivables less impairment provision are assumed to approximate their fair values. The carrying values of financial liabilities also approximate their fair values.

- Fair values hierarchy

In accordance with the amendment to IFRS 13, the Group and Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Group and Company. Management considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table presents the Group's and Company's assets measured at fair values at 31 December 2021 and 2020:

	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Group – 2021				
Assets				
Financial assets at fair value through profit or loss				
- Trading securities	**412,385**	**-**	**114,861**	**527,246**
Land and buildings	**-**	**2,344,980**	**-**	**2,344,980**
Financial assets at fair value through OCI				
- Equity securities	**1,004,100**	**-**	**17,975**	**1,022,075**
- Debt securities	**-**	**302,241**	**-**	**302,241**
Total assets	**1,416,485**	**2,647,221**	**132,836**	**4,196,542**

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Fair values hierarchy (Continued)

	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Group - 2020				
Assets				
Financial assets at fair value through profit or loss				
- Trading securities	252,898	-	89,087	341,985
Land and buildings	-	2,153,772	-	2,153,772
Financial assets at fair value through OCI				
- Equity securities	580,201	-	14,975	595,176
- Debt securities	-	391,584	-	391,584
Total assets	833,099	2,545,356	104,062	3,482,517
Company – 2021				
Assets				
Financial assets at fair value through OCI				
- Equity securities	**3**	-	**17,975**	**17,978**
Land and buildings	-	**8,404**	-	**8,404**
Total assets	**3**	**8,404**	**17,975**	**26,382**
Company – 2020				
Assets				
Financial assets at fair value through OCI				
- Equity securities	3	-	14,975	14,978
Land and buildings	-	8,144	-	8,144
Total assets	3	8,144	14,975	23,122

The Group is exposed to equity securities and debt securities price risks. If the fair value of the investments increases/decreases by 5%, other factors remaining unchanged, the Group's profit for the year and financial assets (at fair value through profit or loss and financial assets at fair value through OCI) would increase/decrease by **Rs 92,662,000** (2020 – Rs 66,437,250).

The Group's financial assets valued at fair value through profit or loss are directly related to the fair valuation of the investee entity. The investee entity uses various valuations methods to value its underlying investment assets. Level 3 includes all investments classified as financial assets at fair value through profit or loss. The investments have been valued using the share of net asset value ("NAV") and dividend yield of the respective investee companies. At 31 December 2021, had the fair value increased/decreased by **1%** (2020 - 1%), valuation would have increased/decreased by **Rs 3,010,845** (2020 – Rs 894,071).

The Group is exposed to equity securities and debt securities price risks as described in Note 2(a).

The Level 3 financial assets at fair value through OCI have been valued at cost and they approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Fair values hierarchy (Continued)

The following table presents the changes in Level 3 instruments for the years ended 31 December 2021 and 2020:

	Financial asset at fair value through profit or loss	Financial assets at fair value through OCI	Total
	Rs'000	Rs'000	Rs'000
Group - 2021			
Balance at 01 January 2021	**89,087**	**14,975**	**104,062**
Total loss recognised in profit or loss	**(1,579)**	**-**	**(1,579)**
Purchases	**45,280**	**3,000**	**48,280**
Sales/Transfers	**(17,927)**	**-**	**(17,927)**
Balance at 31 December 2021	**114,861**	**17,975**	**132,836**
Total losses for the period included in profit or loss for assets held at the end of the reporting period	**-**	**-**	**-**
Change in unrealised gains for the period included in profit or loss for assets held at the end of the reporting period	**(1,579)**	**-**	**(1,579)**
Group - 2020			
Balance at 01 January 2020	111,401	12,778	124,179
Total gains recognised in profit or loss	(20,541)	-	(20,541)
Purchases	27	2,197	2,224
Sales/Transfers	(1,800)	-	(1,800)
Balance at 31 December 2020	89,087	14,975	104,062
Total gains for the period included in profit or loss for assets held at the end of the reporting period	-	-	-
Change in unrealised gains for the period included in profit or loss for assets held at the end of the reporting period	(20,541)	-	(20,541)

	2021	2020
	Rs'000	Rs'000
Company		
Financial assets at fair value through OCI		
Balance at 01 January	**14,975**	12,778
Purchases	**3,000**	2,197
Balance at 31 December	**17,975**	14,975

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Financial instruments by category

	Financial assets held at amortised cost	Financial assets at fair value through profit or loss	Financial assets at fair value through OCI	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Group -2021				
Financial assets per statement of financial position:				
Financial assets held at amortised cost excluding non-financial assets	**1,115,736**	**-**	**-**	**1,115,736**
Financial assets at fair value through OCI	-	-	**1,324,316**	**1,324,316**
Financial assets at fair value through profit or loss	-	**527,246**	-	**527,246**
Cash and cash equivalents	**443,207**	-	-	**443,207**
Total	**1,558,943**	**527,246**	**1,324,316**	**3,410,505**
Group - 2020				
Financial assets per statement of financial position:				
Financial assets held at amortised cost excluding non-financial assets	700,509	-	-	700,509
Financial assets at fair value through OCI	-	-	986,760	986,760
Financial assets at fair value through profit or loss	-	341,985	-	341,985
Cash and cash equivalents	639,895	-	-	639,895
Total	1,340,404	341,985	986,760	2,669,149

All financial assets at fair value through profit or loss are designated in this category upon initial recognition since the directors have no express intention of disposing those investments within the next 12 months.

Financial liabilities for the Group are all carried at amortised cost and are as follows:

	2021	2020
	Rs'000	Rs'000
		Restated
Group		
Financial liabilities per statement of financial position:		
Borrowings	**8,300,742**	7,388,546
Lease liabilities	**1,091,234**	978,495
Trade and other payables (excluding non- financial liabilities)	**1,075,882**	1,026,057
Life assurance fund	**930,562**	940,099
	11,398,420	10,333,197

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Financial instruments by category (continued)

	Financial assets held at amortised cost	Financial assets at fair value through OCI	Total
	Rs'000	**Rs'000**	**Rs'000**
Company - 2021			
Financial assets per statement of financial position:			
Financial assets at fair value through OCI	**-**	**17,978**	**17,978**
Financial assets held at amortised cost-excluding non financial assets	**835,648**	**-**	**835,648**
Cash and cash equivalents	**59,582**	**-**	**59,582**
Total	**895,230**	**17,978**	**913,208**
Company - 2020			
Financial assets per statement of financial position:			
Financial assets at fair value through OCI	-	14,978	14,978
Financial assets held at amortised cost-excluding non financial assets	1,215,723	-	1,215,723
Cash and cash equivalents	4,091	-	4,091
Total	1,219,814	14,978	1,234,792

Financial liabilities for the Company are all carried at amortised cost and are as follows:

	2021	2020
	Rs'000	Rs'000
Company		
Financial liabilities per statement of financial position:		
Borrowings	**3,817,222**	3,532,259
Lease liabilities	**43,920**	53,562
Trade and other payables (excluding non- financial liabilities)	**51,690**	45,914
	3,912,832	3,631,735

(e) Capital risk management

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

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings') as shown in the statement of financial position less cash and cash equivalents. The Group regards 'equity' as shown in the statement of financial position as being capital. Total capital is calculated as capital plus net debt.

The Board of Directors assesses the impact of each significant new investment on the gearing of the Group and Company as part of the investment appraisal process. The gearing ratios at 31 December 2021 and 2020 were as follows:

	GROUP		COMPANY	
	2021	2020	**2021**	2020
	Rs'000	Rs'000	**Rs'000**	Rs'000
Net debt	**7,857,535**	6,748,651	**3,757,640**	3,528,168
Capital	**1,812,268**	1,175,185	**2,185,320**	2,066,545
Total capital	**9,669,803**	7,923,836	**5,942,960**	5,594,713
Gearing ratio	**81.3%**	85.2%	**63.2%**	63.1%

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Financial risk arising in the Life Assurance Business subsidiary (the "LABS")

The following relate to the LABS which is the subsidiary that operates a life assurance business.

The LABS exposes the Group to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long-term its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts. The most important components of this financial risk are interest rate risk, equity price risk, foreign currency risk and credit risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the LABS and the Group face are primarily interest rate risk and equity price risk.

The LABS manages financial risks via its Investment Committee which is mandated to achieve long-term investment returns in excess of its obligations under insurance and investment contracts. The principal technique of the Investment Committee is to match assets to the liabilities arising from insurance and investment contracts by reference to the type of benefits payable to contract holders. For each distinct class of liabilities, a separate portfolio of assets is maintained. The LABS has not changed the processes used to manage its risks from previous periods.

Fixed and guaranteed insurance contracts

Insurance contracts with guaranteed and fixed terms have benefit payments that are fixed and guaranteed at the inception of the contract. The financial component of these benefits is usually a guaranteed fixed interest rate (for the insurance contracts, this rate may apply to maturity and/or death benefits) and hence the LABS's primary financial risk on these contracts is the risk that interest income and capital redemptions from the financial assets backing the liabilities is insufficient to fund the guaranteed benefits payable.

Liquidity risk

Liquidity risk is the risk that the LABS is unable to meet its obligations when they fall due as a result of policyholder benefit payments, cash requirements from contractual commitments, or other cash outflows, such as debt maturities. Such outflows would deplete available cash resources for operational, trading and investments activities. In extreme circumstances, lack of liquidity could result in reductions in the statement of financial position and sales of assets, or potentially an inability to fulfil policyholder commitments. The risk that the LABS will be unable to do so is inherent in all insurance operations and can be affected by a range of institution-specific and marketwise events including, but not limited to, credit events, systemic shocks and natural disasters.

The LABS is exposed to daily calls on its available cash resources with regard to claims and maintains a certain level of cash resources in the bank to service the daily claims. Investments are also made in certain liquid investments such as Government Treasury bills and investments in equity shares that are traded in active markets and can be readily disposed of. The Company has also made arrangements in its reinsurance programme to cater for large claims whereby its reinsurers will pay their share of these losses within a short period of time through cash calls.

Mismatch risk

All insurance liabilities are asset backed. Mismatch risk arises when the nature, term and currency of backing assets are different from the nature, term and currency of liabilities. Nature of liabilities refers to whether they are fixed, indexed or variable (DPF) at the LABS's discretion.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Financial risk arising in the Life Assurance Business subsidiary (the "LABS") (Continued)

Mismatch risk (Continued)

The following tables indicate the estimated amount and timing of cash flows arising from the insurance liabilities and the extent of duration-matching for these contacts. They summarise the LABS's exposure to interest rate risk for these assets and liabilities. When debt securities mature, the proceeds not needed to meet the liability cash flows will be re-invested in floating rate securities. The reinvestment of these net positive proceeds in the earlier years will fund the negative cash flows displayed in the table below for the later years.

At 31 December 2021		Estimated cash flows (undiscounted)			
	Carrying amount	**0 – 5 yrs**	**5 – 10 yrs**	**10 – 15yrs**	**>15 years**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Liabilities					
Life insurance – life	**923,714**	**236,609**	**196,884**	**157,968**	**195,639**
Outstanding claims	**24,224**	**24,224**	-	-	-
Trade and other payables	**72,454**	**72,454**	-	-	-
Total	**1,020,392**	**333,287**	**196,884**	**157,968**	**195,639**

At 31 December 2020		Estimated cash flows (undiscounted)			
	Carrying amount	0 – 5 yrs	5 – 10 yrs	10 – 15yrs	>15 years
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Liabilities					
Life insurance – life	933,072	266,864	200,248	164,279	192,701
Outstanding claims	17,487	17,487	-	-	-
Trade and other payables	52,036	52,036	-	-	-
Total	1,002,595	336,387	200,248	164,279	192,701

The liability period analysis does not agree with the total carrying amount due to the fact that the period analysis is undiscounted whilst the total carrying amount is discounted.

The LABS intends to manage the net cash outflows position arising from Year 5 onwards as follows:

- Investments at FVOCI would be reinvested in similar instruments at maturity;
- The value of investment portfolio classified as "financial assets at fair value through profit or loss" is expected to increase in the future as the LABS realises the fair value gain upon sale of investments and proceeds are reinvested in similar instruments;
- Amount of loans disbursed is expected to increase and hence, the interest income generated from these loans would increase.

Minimum capital requirements

The LABS has to comply with capital requirements as set out by the Financial Services Commission for insurance companies. The law requires that an insurance company manages its capital on a basis at least 100% of its minimum capital requirement ("MCR").The MCR for the LABS stands at **111%** for the year ended 2021 (2020 : 0.2%). As a result of the previous MCR ratio being below 100%, the Holding Company injected capital of Rs 74.53 million in 2020 and Rs 150 million in 2021. The amount injected during 2021 was based on targeting an MCR ratio of 125% as at 31 December 2020.

The MCR ratio being above the statutory limit as at Balance Sheet date, no capital injection is envisaged for the financial year 2022. Management is targeting an MCR ratio of 125% over the next 3 to 4 years through an improvement of the solvency position on the basis of several actions initiated by the LABS. This includes a focus on increasing new business volumes on the series of new products, which is expected to reduce expense losses and add to the LABS' profits, as well as maintaining satisfactory investment yields.

3 MANAGEMENT OF INSURANCE RISK

The LABS issues contracts with the following risk characteristics:

- Transfer of mortality/morbidity risks, with partial transfer of investment risks (participating policies);
- Transfer of mortality/morbidity risks only (pure protection policies);
- Transfer of mortality/morbidity and investment risks (guaranteed savings type policies) and
- Transfer of longevity risks (pension policies).

MORTALITY/MORBIDITY RISKS

These are risks that higher than expected deaths/disability claims are paid out by the LABS. Management of these risks is by way of:

(i) Growing the portfolio

Law of large numbers implies that predictability of claims (in aggregate) increases as the portfolio grows. This reduces the LABS's exposure to extreme variability in claims pay-out.

(ii) Underwriting

This refers to the identification of risk at various landmark of the policy lifetime. In particular, the following main types of underwriting are used:

- At inception, medical underwriting (as per Grid) is carried out to ensure that the prospect adheres to the minimum health requirements set by the LABS and its reinsurer;
- At inception, financial underwriting is carried out to identify the paying capacity of prospects as well as the justification for insurance;
- At inception, pastime underwriting and/or occupation underwriting identifies risky activities and ensures that the premiums charged is commensurate with the risk at hand; or
- Claims underwriting, as the name suggests, examines the conditions of the death/disability claims and whether any breach of policy conditions may exist.

(iii) Actuarial assumptions

These are set based on the LABS's actual mortality/morbidity experience and are reviewed on an annual basis.

(iv) Reinsurance

Variability in claims pay-out is mopped up by reinsurers who participate in claims above the LABS's retention limit. The LABS uses individual surplus reinsurance and all amounts in excess of Rs 500,000 are reinsured. The split between gross and net of reinsurance sums assured is given below:

	2021 Rs'million	2020 Rs'million
Individual Business Sum Assured		
Gross of Reinsurance	**7,709**	6,802
Net of Reinsurance	**2,941**	2,995
Group Business Sum Assured		
Gross of Reinsurance	**1,581**	1,542
Net of Reinsurance	**618**	661

LONGEVITY RISKS

This is the risk of the insured living longer than expected. The LABS manages such risks by using conservative actuarial assumptions where it is typically assumed that the insured lives live longer than the life expectancy as per the South African mortality tables (SA 85/90). Annual checks are also carried out to ensure that pension is being paid to pensioners who are still alive.

INVESTMENT RISKS

This is the risk that investment returns are lower than expected. The LABS manages this risk by:

- Holding a diversified investment portfolio;
- Adopting a long term investment strategy approved by the actuary;
- Keeping a matched investment position (e.g. guaranteed products are backed by fixed income and bond type investments);
- Setting the investment return target in accordance with the pricing and reserving assumptions;
- Smoothing of bonuses by using a 3-year declaration period and
- Adjusting bonuses to reflect actual market performance.

3 MANAGEMENT OF INSURANCE RISK (CONTINUED)

Long term insurance contracts

Insurance risk relates to the LABS.

For long term insurance contracts, where the insured event is death, the most significant factors that could negatively impact the insurance claims submitted to the LABS are diseases like heart problems, diabetes, high blood pressure or changes in lifestyle, such as eating habits, smoking and lack of exercise, resulting in higher claims being submitted to the LABS.

For contracts where survival is the insured risk, the most significant factor is continued improvement in medical science and social conditions that would increase longevity. The liabilities in terms of insurance contracts are based on recommendations of the LABS's Actuary.

The table below presents the concentration of insured benefits across five bands of insured benefits per individual life assured.

Benefits assured per life assured at the end of 2021	**Total benefits insured**			
	Before reinsurance		**After reinsurance**	
Rs	**Rs**	**%**	**Rs**	**%**
0 - 200,000	**1,370,566,427**	**8%**	**1,370,566,427**	**18%**
200,000 - 400,000	**1,924,770,805**	**11%**	**1,924,770,805**	**26%**
400,000 - 800,000	**2,012,743,578**	**12%**	**1,862,278,147**	**25%**
800,000 - 1,000,000	**466,078,905**	**3%**	**269,000,000**	**4%**
More than 1,000,000	**11,508,469,920**	**67%**	**2,020,000,000**	**27%**

Benefits assured per life assured at the end of 2020	**Total benefits insured**			
	Before reinsurance		**After reinsurance**	
Rs	**Rs**	**%**	**Rs**	**%**
0 - 200,000	970,759,828	7%	970,759,828	15%
200,000 - 400,000	1,680,101,393	12%	1,680,101,393	26%
400,000 - 800,000	1,935,880,216	14%	1,783,376,696	28%
800,000 - 1,000,000	471,220,257	3%	272,000,000	4%
More than 1,000,000	9,075,428,422	64%	1,725,500,000	27%

The following table for annuity insurance contracts illustrates the concentration of risk based on bands that group these contracts in relation to the amount payable per annum as if the annuity were in payment at the year end. The LABS does not hold any reinsurance contracts against the liabilities carried for these contracts.

	Total annuities payable per annum			
Annuity payable per annum per life insured	**2021**		2020	
Rs	**Rs**	**%**	Rs	%
0 - 20,000	**3,148,305**	**7%**	3,260,599	7%
20,000 - 40,000	**4,374,130**	**9%**	4,454,542	9%
40,000 - 80,000	**10,476,925**	**22%**	10,932,810	22%
80,000 - 100,000	**1,766,396**	**4%**	1,663,723	3%
More than 100,000	**28,094,493**	**59%**	28,899,381	59%

Insurance risk for contracts disclosed in this note is also affected by the policyholders' right to pay reduced or no future premiums, to terminate the contract completely, or to exercise a guaranteed annuity option. As a result, the amount of insurance risk is also subject to policyholders' behaviour. On the assumption that policyholders will make decisions rationally, overall risk can be assumed to be aggravated by such behaviour.

3 MANAGEMENT OF INSURANCE RISK (CONTINUED)

Long term insurance contracts (Continued)

Insurance risk relates to the LABS. (Continued)

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the LABS faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The LABS has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

(a) Frequency and severity of claims

Insurance risk for contracts disclosed in this note is also affected by the contract holders' right to pay reduced or no future premiums, to terminate the contract completely, or to exercise a guaranteed annuity option. As a result, the amount of insurance risk is also subject to contract holder behaviour. On the assumption that contract holders will make decisions rationally, overall insurance risk can be assumed to be aggravated by such behaviour. For example, it is likely that contract holders whose health has deteriorated significantly will be less inclined to terminate contracts insuring death benefits than those contract holders remaining in good health. This results in an increasing trend of expected mortality, as the portfolio of insurance contracts reduces due to voluntary terminations.

The actual mortality claim experience versus expected are shown below:

Year	Actual no of death Claims	Actual Death Claim (Rs)	Expected Death Claim (Rs)	Actual Claim/ Expected Claim (%)
2011	41	3,575,562	8,191,451	44
2012	31	3,848,552	10,868,957	35
2013	39	4,709,953	12,334,995	38
2014	29	4,784,529	15,479,908	31
2015	34	10,795,677	19,588,505	55
2016	38	4,625,979	23,432,984	20
2017	41	12,770,307	10,308,235	124
2018	40	6,600,452	10,060,485	66
2019	30	5,965,709	7,525,000	79
2020	42	8,307,955	6,500,000	128
2021	53	12,995,233	7,300,000	178
Overall	418	78,979,908	131,590,520	60

The LABS has factored the impact of contract holders behaviour into the assumptions used to measure these liabilities associated with long term insurance contracts.

Claim Frequency & Reinsurance Recoveries

The table below shows the number of death/morbidity claims and reinsurance recoveries.

	2021	2020
No of death/morbidity claims		
Individual Life*	**49**	41
Group	**4**	1

*Number of total permanent disability included above is (2021 - 2)

	2021	2020
Reinsurance recoveries	**Rs'000**	Rs'000
Individual Life	**5,750**	1,025
Group	**-**	7,288

In relation to the portfolio at risk, the incidence of death/morbidity claims has been stable, as evidenced by the actuarial assumptions used for the year end valuation.

3 MANAGEMENT OF INSURANCE RISK (CONTINUED)

Long term insurance contracts (Continued)

(b) Sources of uncertainty in the estimation of future benefit payments and premium receipts

Uncertainty in the estimation of future benefit payments and premium receipts for long-term insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behaviour.

The LABS uses appropriate base tables of South African mortality tables (SA 85/90). An investigation into the actual experience of the LABS over the last three years is carried out, and statistical methods are used to adjust the crude mortality rates to produce a best estimate of expected mortality for the future.

Where data is sufficient to be statistically credible, the statistics generated by the data are used without reference to an industry table. Where this is not the case, the best estimate of future mortality is based on standard industry tables adjusted for the LABS overall experience.

For contracts that insure survival, an adjustment is made for future mortality improvements based on trends identified in the data and in the continuous mortality investigations performed by independent actuarial bodies. The impact of any historical evidence of selective termination behaviour will be reflected in this experience. The LABS maintains voluntary termination statistics to investigate the deviation of actual termination experience against assumptions. Statistical methods are used to determine appropriate termination rates. An allowance is then made for any trends in the data to arrive at a best estimate of future termination rates.

The LABS currently monitors default premiums by sending default reminder notices to clients requesting for payment of unpaid premium. Besides policyholders are also given the option to revive their policies for which certain conditions have to be met according to the revival policies and guidelines.

Pricing of all new products is determined by the actuary after thorough consideration of the mortality tables as per actuarial guides.

(c) Process used to decide on assumptions

Assumptions used to work out future liabilities under long-term insurance contracts are estimated by the LABS and its actuaries. Firstly, best estimate assumptions are worked out based on past experience and expectations of future developments. These are then adjusted with prescribed margins, as per the FSC solvency rules and actuarial guidance notes.

• Mortality

Estimates are made as to the expected number of deaths for each of the years in which the LABS is exposed to risk. These estimates are based on South African mortality tables (in the absence of local ones), adjusted where appropriate (e.g. for AIDS) to reflect the local experience. For contracts that insure the risk of longevity, prudent allowance is made for expected mortality improvements. Prescribed and additional margins are built into these estimates to allow for future uncertainty.

• Morbidity

Given the low financial significance of morbidity on the LABS and its predictability, morbidity tables are not used to model morbidity claims. A simpler approach used by the actuaries is to compare morbidity premiums against morbidity claims and work out any inadequacy in the premiums charged. For the last three years, this exercise has shown that the premiums are enough to cover expected claims. Any major change to morbidity experience in the industry will however be modeled differently.

Morbidity risk is managed by ensuring proper underwriting and ensuring that proper reinsurance treaties are in place that limit risk to what is acceptable according to the LABS's Risk Appetite Statement.

• Expenses

Expenses are estimated on a going concern basis. Per policy, expenses are split between acquisition and renewal expenses. Expenses incurred for the benefit of policies to be sold in the future are amortised over the relevant future period. Provision is made for the impact of future business volumes and inflation on expenses. The risk of expense overruns is managed by proper budgeting process, constant monitoring of expenses against budget throughout the year and by ensuring sufficient volumes are sold and/or acquired to support the expense base.

• Investment Income

Future investment return is estimated for each asset class and split between income return and capital gains. The starting point for this estimate is the risk free rate of return (government bonds), reflecting expectations of future economic and financial developments. The risk premium corresponding to the different asset types is then added based on the various risk profiles, asset term, capital growth and comparable yielding investments.

• Inflation

Investment income and inflation assumption are inter-twined. The gap between risk free returns and inflation over the last 20 years is worked out and projected into the future.

• Persistency

Policy lapse/surrenders are estimated from historical company and industry available data. These are adjusted to reflect changes in the legal, tax and business environment (e.g. removal of tax incentives or inability to surrender pension plans). Uncertainty in the estimation of future benefit payments and premium receipts for long-term insurance contracts arises from the unpredictability of long term changes in overall levels of mortality and the variability in contract holder's behaviour.

3 MANAGEMENT OF INSURANCE RISK

Long term insurance contracts (Continued)

(c) Process used to decide on assumptions (Continued)

• Persistency (Continued)

The LABS uses South African mortality base tables (SA85/90) according to the type of contract being written. An investigation into the actual experience of the LABS is carried out, and the LABS's actuary use statistical methods to compare the fit of the mortality tables with the actual claims experience. Adjustments to the selected standard mortality table are then worked out to optimise the fit of the mortality model.

• Uncertainty in premium income

The LABS's actuary builds in provision for non-receipts of future premiums (arising from deaths, withdrawals, surrenders, defaults, etc.) due in his valuation basis. This basis is used to determine the position of the life fund every year. Further, cost of all new products is determined by the actuary after thorough consideration of the key assumptions.

Uncertainty in payment of benefits

Uncertainty in benefit payments arises from changes in underlying mortality trends (e.g. mortality improvement, increasing life expectancies) and the economic environment. The actuary builds in margins in his valuation assumptions that reflect mortality improvements/deterioration, as warranted by the particular policy being valued. For example, for endowment plans, higher deaths than expected will be a source of uncertainty in benefit payouts while for annuities; uncertainty arises from higher life expectancy. Bonus rates are used to reduce uncertainty in payouts due to changes in the economic environment. Bonus rates are not guaranteed and are reviewed in line with current and future market prospects.

(d) Sensitivity analysis

At 31 December 2021, the actuarial liability in respect of the business issued by the LABS amounted to **Rs 1,140,336,000** (2020 - Rs 1,152,591,000) as assessed by the LABS's actuary.

The following table presents the sensitivity of the value of insurance liabilities to movements in the assumptions used in the estimation of insurance liabilities.

Assumptions	Change in Variable	**Change in liability**	Change in liability
		2021	2020
		Rs'000	Rs'000
Worsening of mortality	+ 5% p.a.	**1,322**	(917)
Drop in interest rate on investments	- 2% p.a.	**169,658**	198,994
Worsening of renewal expense rate	+ 10% p.a.	**12,480**	11,444
Worsening of lapse rate	+ 10% p.a.	**(15,400)**	(14,891)

The LABS's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The LABS's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the LABS.

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

	GROUP		COMPANY	
	2021	2020	**2021**	2020
	Rs'000	Rs'000	**Rs'000**	Rs'000
Sale of services	**4,298,988**	4,336,065	**931**	232
Sale of goods	**508,516**	423,069	**-**	-
Rental income	**72,565**	60,384	**-**	-
	4,880,069	4,819,518	**931**	232
Timing of revenue recognition				
At a point in time	**713,617**	533,091	**-**	-
Over time	**4,166,452**	4,286,427	**931**	232
	4,880,069	4,819,518	**931**	232

5 OTHER OPERATING INCOME – NET

	GROUP		COMPANY	
	2021	2020	**2021**	2020
	Rs'000	Rs'000	**Rs'000**	Rs'000
Other operating income:				
Dividend income	**12,872**	12,863	**445,405**	283,034
Net fair value gains on investment properties (Note 11)	**14,397**	102,391	**417**	92
Management fee income	**1,515**	3,102	**40,115**	43,943
Rental income	**6,387**	9,114	**10,968**	13,082
Other fee income	**5,881**	5,726	**17,880**	17,067
Profit on disposal of property, plant and equipment	**8,040**	6,649	**637**	480
Profit on disposal of subsidiaries	**-**	251,001	**-**	1,129,750
Net foreign exchange gain – non-financing activities	**219**	-	**-**	-
Other operating income	**35,926**	34,896	**148**	-
Income from life assurance business	**252,854**	219,189	**-**	-
Transferred from life assurance fund (Note 23)	**9,537**	59,764	**-**	-
	347,628	704,695	**515,570**	1,487,448
Other operating expenses:				
Management fee expense	**(6,630)**	(4,801)	**(9,351)**	(7,584)
Rental expense	**(3,370)**	(3,412)	**-**	-
Other fee expenses	**(4,327)**	(3,286)	**(1,868)**	(675)
Net foreign exchange loss – non financing activities	**-**	(6,518)	**-**	-
Net fair value loss on investment properties (Note 11)	**-**	-	**-**	-
Total expenses of life assurance business	**(262,391)**	(278,953)	**-**	-
	(276,718)	(296,970)	**(11,219)**	(8,259)
Other operating income – net	**70,910**	407,725	**504,351**	1,479,189

6 OPERATING PROFIT

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
The following items have been charged/(credited) in arriving at operating profit:				
Profit on disposal of property, plant and equipment	**(8,040)**	(6,649)	**(637)**	(480)
Depreciation on property, plant and equipment (Note 10):				
- owned assets	**771,867**	684,576	**14,049**	11,822
- leased assets	**4,913**	4,422	**3,400**	2,911
Depreciation on right of use assets (Note 13)	**185,829**	163,952	**5,855**	5,940
Cost of inventories expensed	**458,397**	391,370	**-**	131
Staff costs (Note 7)	**872,396**	950,832	**133,731**	194,982
Fees paid to auditors:				
- audit services	**7,789**	8,484	**1,340**	1,399
- tax and advisory services	**3,382**	5,069	**1,286**	2,800
Amortisation of intangible assets (Note 12)	**55,604**	70,073	**3,882**	2,639
Provision for impairment of doubtful debts (Note 18)	**16,088**	58,456	**-**	-
Repairs and maintenance costs	**116,039**	104,321	**7,296**	5,765
Write offs of property, plant and equipment (Note 10)	**13,346**	4,191	**-**	-
Donations	**415**	6,529	**415**	6,529

7 STAFF COSTS

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Wages and salaries	**564,439**	629,571	**74,904**	84,362
Social security costs	**33,969**	27,699	**5,269**	3,324
Pensions cost - defined benefit plans (Note 25)	**57,531**	107,722	**24,173**	82,373
Other short term benefits	**216,457**	185,840	**29,385**	24,923
	872,396	950,832	**133,731**	194,982
	Number	Number	**Number**	Number
Number of employees at year end : Full time	**983**	1,005	**71**	77
Part-time	**-**	-	**-**	-

8 FINANCE COSTS – NET

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Finance costs:				
Interest expense on:				
Bank overdrafts	**12,826**	12,336	**6,358**	4,174
Bank borrowings	**210,648**	221,957	**122,513**	142,702
Debentures	**98,420**	71,246	**-**	-
Loans from subsidiaries (Note 33)	**-**	-	**4,187**	5,918
Loans from related parties (Note 33)	**15,710**	13,117	**14,046**	8,732
Shareholder's loan (Note 33)	**32**	3,414	**-**	3,414
Loan from directors (Note 33)	**805**	2,775	**805**	2,775
Import loans	**4,229**	4,713	**-**	-
Interest on lease liabilities from:				
Subsidiaries	**-**	-	**633**	710
Shareholders	**-**	92	**-**	-
Related parties	**2,655**	3,078	**1,731**	1,942
Third parties	**56,018**	55,634	**771**	1,039
Bank charges	**14,853**	13,264	**654**	514
Amortisation of bond issue transaction cost	**3,822**	3,428	**347**	-
Unwinding of asset retirement obiligations	**4,901**	-	**-**	-
Foreign exchange loss arising on financing activities	**20,396**	109,692	**-**	-
Others	**(8,658)**	1,462	**20**	24
	436,657	516,208	**152,065**	171,944
Finance income:				
Interest income on:				
Short term bank deposits	**(67)**	(346)	**-**	-
Loans to shareholders (Note 33)	**(16,095)**	(20,185)	**(16,095)**	(20,185)
Loans to subsidiaries (Note 33)	**-**	-	**(20,874)**	(1,603)
Loans to related parties	**(304)**	-	**(264)**	-
Unwinding of asset retirement obligations	**-**	(595)	**-**	-
Others	**(680)**	(291)	**-**	-
Foreign exchange gain arising on financing activities	**(4,646)**	(11,705)	**(778)**	(9,273)
	(21,792)	(33,122)	**(38,011)**	(31,061)
Finance costs – net	**414,865**	483,086	**114,054**	140,883

9 INCOME TAX EXPENSE

The Group is liable to income tax on its profits, as adjusted for income tax purposes at the average tax rate of 17% (2020 – 17%), of which 2% relates to Corporate Social Responsibility Fund. At 31 December 2021, the Group and Company had accumulated tax losses of Rs 784,411,000 (2020 – Rs 753,464,000) and Rs 605,817,000 (2020 – Rs 528,093,000) respectively.

Solidarity levy is calculated at the rate of 5 per cent of the "book profit" of Emtel Ltd and 1.5 per cent of its turnover and is payable in the following year.

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Charge for the year				
Based on the profit for the year, as adjusted for tax purposes	**83,750**	98,961	**-**	-
Over provision in previous year	**4,950**	(39,958)	**-**	-
Solidarity levy	**25,482**	29,854	**-**	-
Deferred income tax charge (Note 19)	**22,623**	21,595	**-**	-
	136,805	110,452	**-**	-

9 INCOME TAX EXPENSE (CONTINUED)

A reconciliation between the actual income tax charge and the theoretical amount that would arise using the applicable income tax rate for the Group and Company follows:

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Profit before taxation	**45,770**	310,837	**153,135**	988,991
Tax calculated at domestic tax rates applicable to profits in respective countries	**62,912**	229,321	**26,033**	168,128
Impact of:				
Dividend income	**-**	-	**(75,719)**	(48,116)
Other exempt income	**(27,697)**	(248,752)	**(11,484)**	(196,579)
Non-allowable expenses and impairment charge	**66,050**	88,481	**42,067**	45,370
Share of profits of associates	**(10,164)**	(879)	**-**	-
Under provision of income tax in previous year	**-**	255	**-**	-
Unrecognised deferred tax written off during the year	**15,717**	30,464	**15,717**	4,828
Deferred income tax not provided in current year	**3,849**	-	**3,386**	26,369
Under provision of deferred tax in previous year	**-**	26,635	**-**	
Utilisation of tax loss brought forward	**-**	(252)	**-**	-
Deemed foreign tax credit applicable to certain subsidiaries	**(1,435)**	(1,109)	**-**	-
Solidarity levy	**26,975**	(10,221)	**-**	-
Other permanent differences	**598**	(3,491)	**-**	-
	136,805	110,452	**-**	-

(a) i) Current income tax liability

	2021 Rs'000	2020 Rs'000
At 01 January	**77,948**	91,203
Transfer to current tax asset	**735**	(844)
Charge for the year	**109,232**	88,633
Adjustment prior year	**4,987**	-
Paid during the year	**(148,915)**	(101,044)
Exchange difference	**12**	-
At 31 December	**43,999**	77,948

ii) Current income tax asset

	2021 Rs'000	Restated 2020 Rs'000
At 01 January	**(89,797)**	-
Transfer from current tax liability	**(735)**	844
Transfer from receivables	**-**	(80,382)
Charge for the year	**-**	225
Paid during the year	**-**	(10,484)
Refund received during the year	**9,415**	-
At 31 December	**(81,117)**	(89,797)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

9 INCOME TAX EXPENSE (CONTINUED)

(b) Expiry dates of tax losses

The tax losses are available for set off against future taxable profits as follows:

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Up to year ending:				
Prior years	**-**	913	**-**	-
31 December 2021	**-**	183,686	**-**	120,851
31 December 2022	**250,993**	129,672	**201,816**	80,966
31 December 2023	**124,416**	116,866	**100,972**	100,972
31 December 2024	**180,771**	180,665	**123,355**	123,355
31 December 2025	**25,800**	133,311	**(5,711)**	101,949
31 December 2026	**202,361**	8,351	**185,385**	-
31 December 2027	**70**	-	**-**	-
	784,411	753,464	**605,817**	528,093

(c) Tax on other comprehensive income

	Before tax Rs'000	**Tax credit Rs'000**	**After tax Rs'000**
Group – 2021			
Fair value gain on financial assets at fair value through OCI	**330,397**	-	**330,397**
Revaluation of property, plant and equipment	**281,694**	**(8,956)**	**272,738**
Remeasurement of post employment benefits	**140,667**	**(4,520)**	**136,147**
Currency translation differences	**68,999**	-	**68,999**
Group share on revaluation of property, plant and equipment in associates	**2,279**	-	**2,279**
Other comprehensive income	**824,036**	**(13,476)**	**810,560**
Current tax		-	
Deferred tax (Note 19(ii))		**(13,476)**	
		13,476	
Group – 2020			
Fair value loss on financial assets at fair value through OCI	(23)	-	(23)
Revaluation of property, plant and equipment	12,790	(1,688)	11,102
Remeasurement of post employment benefits	(208,391)	6,181	(202,210)
Currency translation differences	56,946	-	56,946
Group share on revaluation of property, plant and equipment in associates	13,241	-	13,241
Other comprehensive income	(125,437)	4,493	(120,944)
Current tax		-	
Deferred tax (Note 19(ii))		4,493	
		4,493	

10 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and buildings	Plant, equipment, and other assets	Motor vehicles	Furniture and fittings	Asset in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2021						
At Cost	-	7,892,208	102,520	408,896	715,273	9,118,897
At valuation	2,328,665	-	-	-	-	2,328,665
	2,328,665	7,892,208	102,520	408,896	715,273	11,447,562
Accumulated depreciation	(174,893)	(5,463,244)	(84,033)	(233,623)	-	(5,955,793)
Net book amount	2,153,772	2,428,964	18,487	175,273	715,273	5,491,769
Year ended 31 December 2021						
Additions	11,320	569,931	2,927	11,778	505,309	1,101,265
Disposals	-	(1,664)	(254)	(784)	-	(2,702)
Revaluation	281,694	-	-	-	-	281,694
Transfer to inventories	-	-	-	-	(2,171)	(2,171)
Transfer to intangible assets (Note 12)	-	-	-	-	(749)	(749)
Transfer to right of use assets (Note 13)	-	-	(700)	-	-	(700)
Transfer to asset held for sale (Note 21)	-	-	-	-	(317,460)	(317,460)
Reclassification	(58,369)	446,556	-	13,918	(402,105)	-
ARO adjustment	-	(12,026)	-	-	-	(12,026)
Write offs	(4,092)	(7,883)	-	251	(1,622)	(13,346)
Charge for the year	(39,345)	(696,422)	(6,951)	(34,062)	-	(776,780)
Closing net book amount	2,344,980	2,727,456	13,509	166,374	496,475	5,748,794
At 31 December 2021						
At cost	-	8,887,122	104,493	434,059	496,475	9,922,149
At valuation	2,559,218	-	-	-	-	2,559,218
	2,559,218	8,887,122	104,493	434,059	496,475	12,481,367
Accumulated depreciation	(214,238)	(6,159,666)	(90,984)	(267,685)	-	(6,732,573)
Net book amount	2,344,980	2,727,456	13,509	166,374	496,475	5,748,794

The revaluation surplus net of applicable deferred income taxes was credited to revaluation reserves.

No property, plant and equipment is pledged as security for borrowings. For security on borrowings, see note 24.

The write offs under asset in progress relate to assets which will not be available for use in the future due to obsolescence.

Asset in progress consists of project cost capitalised relating to technical equipment acquired by Emtel Limited and Emtel Technopolis Ltd which were not available for use at 31 December 2021.

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land and buildings	Plant, equipment, and other assets	Motor vehicles	Furniture and fittings	Asset in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2020						
At Cost	-	7,088,298	99,958	397,790	542,384	8,128,430
At valuation	2,326,292	-	-	-	-	2,326,292
	2,326,292	7,088,298	99,958	397,790	542,384	10,454,722
Accumulated depreciation	(136,946)	(4,858,155)	(74,557)	(197,137)	-	(5,266,795)
Net book amount	2,189,346	2,230,143	25,401	200,653	542,384	5,187,927
Year ended 31 December 2020						
Additions	2,699	606,350	2,653	12,296	365,097	989,095
Disposal of subsidiary	(9,355)	-	-	-	-	(9,355)
Disposals	(1,786)	(5,839)	(91)	(1,301)	-	(9,017)
Revaluation	9,932	-	-	-	2,858	12,790
Revaluation recognised in life assurance fund	883	-	-	-	-	883
Transfer to inventories	-	-	-	-	(5,647)	(5,647)
Transfer to intangible assets (Note 12)	-	-	-	-	(3,593)	(3,593)
Transfers	-	182,991	-	271	(183,262)	-
ARO adjustment	-	24,439	-	-	-	24,439
Other adjustments	-	-	-	-	(2,564)	(2,564)
Write offs	-	(4,031)	-	(160)	-	(4,191)
Charge for the year	(37,947)	(605,089)	(9,476)	(36,486)	-	(688,998)
Closing net book amount	2,153,772	2,428,964	18,487	175,273	715,273	5,491,769
At 31 December 2020						
At cost	-	7,892,208	102,520	408,896	715,273	9,118,897
	2,328,665	-	-	-	-	2,328,665
	2,328,665	7,892,208	102,520	408,896	715,273	11,447,562
Accumulated depreciation	(174,893)	(5,463,244)	(84,033)	(233,623)	-	(5,955,793)
Net book amount	2,153,772	2,428,964	18,487	175,273	715,273	5,491,769

The revaluation surplus net of applicable deferred income taxes was credited to revaluation reserves.

No property, plant and equipment is pledged as security for borrowings. For security on borrowings, see note 24.

The write offs under asset in progress relate to assets which will not be available for use in the future due to obsolescence.

Asset in progress consists of project cost capitalised relating to hotel construction in the books of IKO (Mauritius) Hotel Limited, construction of villas in the book of Eight IKO Villas Ltd and technical equipment acquired by Emtel Limited which was not available for use at 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Freehold land and buildings	Plant, equipment, and other assets	Motor vehicles	Furniture and fittings	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2020					
At Cost	-	56,722	25,239	31,372	113,333
At valuation	8,545	-	-	-	8,545
	8,545	56,722	25,239	31,372	121,878
Accumulated depreciation	(401)	(28,258)	(16,191)	(11,196)	(56,046)
Net book amount	8,144	28,464	9,048	20,176	65,832
Year ended 31 December 2020					
Additions	-	24,634	2,424	5,830	32,888
Revaluation	-	-	-	-	-
Charge for the year	-	(9,146)	(3,166)	(2,421)	(14,733)
Closing net book amount	8,144	43,952	8,306	23,585	83,987
At 31 December 2020					
At Cost	-	81,356	27,663	37,202	146,221
At valuation	8,545	-	-	-	8,545
	8,545	81,356	27,663	37,202	154,766
Accumulated depreciation	(401)	(37,404)	(19,357)	(13,617)	(70,779)
Net book amount	8,144	43,952	8,306	23,585	83,987
Year ended 31 December 2021					
Additions	**-**	**3,872**	**2,928**	**134**	**6,934**
Disposals	**-**	**-**	**(254)**	**-**	**(254)**
Revaluation	**88**	**-**	**-**	**-**	**88**
Reclassification	**172**	**144**	**-**	**(316)**	**-**
Charge for the year	**-**	**(11,118)**	**(3,400)**	**(2,931)**	**(17,449)**
Closing net book amount	**8,404**	**36,850**	**7,580**	**20,472**	**73,306**
At 31 December 2021					
At Cost	**-**	**85,372**	**30,337**	**37,020**	**152,729**
At valuation	**8,805**	**-**	**-**	**-**	**8,805**
	8,805	**85,372**	**30,337**	**37,020**	**161,534**
Accumulated depreciation	**(401)**	**(48,522)**	**(22,757)**	**(16,548)**	**(88,228)**
Net book amount	**8,404**	**36,850**	**7,580**	**20,472**	**73,306**

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

	GROUP		COMPANY	
	2021	2020	**2021**	2020
	Rs'000	Rs'000	**Rs'000**	Rs'000
Cost	**454,735**	454,735	**5,181**	5,181
Accumulated depreciation	**(142,430)**	(129,201)	**(400)**	(400)
Net book value	**312,305**	325,534	**4,781**	4,781

Net book value of property, plant and equipment held under finance leases:

	Plant, equipment and other assets	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000
Group			
At 31 December 2021	**322**	**8,080**	**8,402**
At 31 December 2020	7,759	11,959	19,718
Company			
At 31 December 2021	**-**	**7,580**	**7,580**
At 31 December 2020	5,962	8,305	14,267

Fair Values of land and buildings

The Group's land and buildings were revalued, based on fair value model, on 31 December 2021 by the directors and by an independent valuer, Noor Dilmohamed & Associates, Fellow of the Australian Property Institute. The valuation was arrived at taking into consideration recent sale for comparable properties in the region and with reference to open market values.

The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown in revaluation reserves' in shareholders' equity.

2021	Significant other observable inputs (Level 2)	
Recurring fair value measurements	**Group**	**Company**
	Rs'000	**Rs'000**
Land	**105,064**	**4,349**
Buildings	**2,239,916**	**4,055**

2020	Significant other observable inputs (Level 2)	
Recurring fair value measurements	Group	Company
	Rs'000	Rs'000
Land	91,256	4,261
Buildings	2,062,516	3,883

Level 2 fair values of land and buildings have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter.

11 INVESTMENT PROPERTIES

	GROUP		COMPANY	
	2021	2020	**2021**	2020
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 01 January	**2,749,790**	2,488,351	**242,557**	241,757
Additions	**41,117**	164,923	**-**	708
Fair value gains/(loss) recognised in income statement (Note 5)	**14,397**	102,391	**417**	92
Fair value gains recognised in the income statement of Life Assurance Business	**12,731**	11,383	**-**	-
Impairment	**(7,438)**	(9,596)	**-**	-
Adjustments	**-**	(7,662)	**-**	-
At 31 December	**2,810,597**	2,749,790	**242,974**	242,557

The fair value of the investment properties at 31 December 2021 has been arrived at on the basis of a valuation carried out by Noor Dilmohamed & Associates, an independent valuer, not related to the Group, based on fair value model, taking into consideration recent sale for comparable properties in the region. Noor Dilmohamed & Associates hold recognised and relevant professional qualifications and has recent experience in the locations of properties valued.

Significant other observable inputs (Level 2)

Recurring fair value measurements	GROUP		COMPANY	
	2021	2020	**2021**	2020
	Rs'000	Rs'000	**Rs'000**	Rs'000
Land	**2,187,932**	2,168,491	**162,140**	162,140
Buildings	**622,665**	581,299	**80,834**	80,417

The fair values of land and buildings have been derived from observable sales prices of comparable land and buildings in close proximity and are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter.

Investment properties value as at 31 December 2021 included project costs incurred by a subsidiary in prior years amounting to Rs 76,734,347 which were for the real estate development project. Due to delays in the start of the project, the project costs capitalised were reviewed at the end of the current year and management has carried out an impairment assessment. Based on a fair value less costs to sell computation, an impairment of **Rs 7,437,948** (2020 - Rs 9,595,645) was deemed appropriate and recognised for the year ended 31 December 2021. The total amount of impairment recognised as at 31 December 2021 amounts to Rs 68,897,801.

Rental income and operating expenses from investment properties were as follows:

	GROUP		COMPANY	
	2021	2020	**2021**	2020
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rental income	**6,387**	9,114	**10,968**	13,082
Direct operating expenses arising from investment properties that generated rental income	**21,397**	17,719	**3,650**	3,156
Direct operating expenses from investment properties that did not generate rental income	**7,161**	11,559	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021 (CONTINUED)

12 INTANGIBLE ASSETS

Group	Patent rights and licences	Computer software	Indefeasible rights of use	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Cost:				
At 1 January 2020	78,027	102,291	660,156	840,474
Additions	1,944	9,216	271	11,431
Transfer from property, plant and equipment	-	3,593	-	3,593
Write offs	-	-	(5,497)	(5,497)
At 31 December 2020	79,971	115,100	654,930	850,001
Additions	**34,042**	**4,826**	-	**38,868**
Disposals	-	**(2,551)**	-	**(2,551)**
Transfer from property, plant and equipment	**-**	**749**	**-**	**749**
Write offs	**-**	**(4,831)**	-	**(4,831)**
At 31 December 2021	**114,013**	**113,293**	**654,930**	**882,236**
Amortisation:				
At 1 January 2020	51,026	86,987	299,891	437,904
Amortisation for the year	5,598	8,217	56,258	70,073
Write offs	-	-	(1,034)	(1,034)
At 31 December 2020	56,624	95,204	355,115	506,943
Amortisation for the year	**6,638**	**10,141**	**38,825**	**55,604**
Disposals	**-**	**(2,551)**	**-**	**(2,551)**
Write offs	**-**	**(4,831)**	-	**(4,831)**
Adjustments	**-**	**(233)**	**-**	**(233)**
At 31 December 2021	**63,262**	**97,730**	**393,940**	**554,932**
Net book value:				
At 31 December 2021	**50,751**	**15,563**	**260,990**	**327,304**
At 31 December 2020	23,347	19,896	299,815	343,058

12 INTANGIBLE ASSETS (CONTINUED)

Company	Rs'000
Cost:	
At 01 January 2020	27,297
Additions	2,225
At 31 December 2020	29,522
Additions	**1,643**
At 31 December 2021	**31,165**
Accumulated amortisation:	
At 01 January 2020	20,895
Amortisation for the year	2,641
At 31 December 2020	23,536
Amortisation for the year	**3,882**
At 31 December 2021	**27,418**
Net book value:	
At 31 December 2021	**3,747**
At 31 December 2020	5,986

The intangible asset above relates to computer software. The amortisation charge for the year is included in profit or loss within the 'administrative expenses' line.

13 LEASES

This note provide information where the Group and the Company are lessees.

(i) Right of use assets

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
At 01 January	**1,076,447**	1,161,731	**38,335**	44,275
Additions	**274,462**	89,367	**-**	-
Transfer from property, plant and equipment	**700**	-	**-**	-
Depreciation	**(185,829)**	(163,952)	**(5,855)**	(5,940)
Derecognition	**(28,249)**	(10,699)	**(588)**	-
Revaluation	**17,272**	-	**-**	-
At 31 December	**1,154,803**	1,076,447	**31,892**	38,335
Split by asset category				
Land	**850,190**	864,714	**-**	-
Building	**287,590**	198,735	**31,892**	38,335
Motor vehicle	**17,023**	12,998	**-**	-
	1,154,803	1,076,447	**38,335**	38,335

(ii) Costs associated to lease

Costs associated to lease

The costs associated to lease consist of expenses incurred by the Company to comply with Article 21 of the Industrial Site Lease Agreement with respect to relocation of National Coast Guard, construction of public access road, re-routing of existing services and upgrading of public beach. The costs incurred are amortised with effect from the date of handing over to the relevant authorities over the remaining life of the lease.

Prepaid operating lease

In 2004, a subsidiary (Emtel Ltd), entered into a land lease agreement with Business Parks of Mauritius Ltd for the lease of 2 acres of land at Ebene CyberCity for a period of 30 years, renewable at the lessee's option for two further consecutive periods of 30 years.

In 2010, a subsidiary (Le Chaland Hotel Limited), deposited Rs 25 million as contribution to the Tourism Fund in connection with the Group's hotel project at La Cambuse. During the year ended 31 December 2015, the Company deposited an additional Rs 23,690,060 to the Tourism Fund, as required by the revised State Land Act. The contribution acts as an up-front payment to the revised land lease agreement dated June 2015, starting as from January 2015. In previous years, the lease rental was being amortised based on the draft lease agreement dated 2010. Upon signature of the revised lease agreement in June 2015, the previous amortisation reserve has been written back and amortisation is being recorded as from January 2015, over a period of 60 years to 2074.

13 LEASES (CONTINUED)

(iii) Lease Liabilities

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
At 01 January	**978,495**	1,044,267	**53,562**	62,428
Additions	**253,885**	63,925	**3,000**	2,115
Derecognition	**(29,535)**	-	**(715)**	-
Interest expense	**58,673**	58,804	**3,135**	3,691
Payments	**(170,284)**	(188,501)	**(15,062)**	(14,672)
At 31 December	**1,091,234**	978,495	**43,920**	53,562
Current	**165,430**	137,686	**9,162**	11,741
Non-current	**925,804**	840,809	**34,758**	41,821
At 31 December	**1,091,234**	978,495	**43,920**	53,562
The statement of comprehensive shows the following amount relating to leases:				
Depreciation charge of right of use assets	**185,829**	163,952	**5,855**	5,940
Interest expense (included in finance costs)	**58,673**	58,804	**3,135**	3,691
Expenses relating to leases of low value assets that are not shown as short term leases accounted in administrative expenses	**3,370**	3,412	**232**	205
Expense relating to variable lease payments not included in lease liabilities	**23,293**	33,967	**-**	-

The total cash outflow for the Group and Company leases in 2021 amount to **Rs 170,284,000** and **Rs 15,062,000** (2020 - Rs 188,501,000 and Rs 14,672,000) respectively.

14 INVESTMENTS IN SUBSIDIARIES

	2021 Rs'000	2020 Rs'000
Company		
Cost:		
At 01 January	**5,031,638**	4,806,497
Additional equity injections into existing subsidiaries	**642,474**	245,391
Subordinated loan given to subsidiary	**70,000**	-
Disposals	**-**	(20,250)
At 31 December	**5,744,112**	5,031,638
Impairment charge/(write back)		
At 01 January	**349,666**	308,429
Charge for the year	**119,821**	84,918
Write back for the year	**(32,700)**	(43,681)
At 31 December	**436,787**	349,666
Net book amount:		
At 31 December	**5,307,325**	4,681,972

14 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

At 31 December 2021, the directors have reviewed the carrying amounts of investments in subsidiaries. An impairment loss is recognised for the amount by which the investments' carrying amount exceeds its recoverable amount. Recoverable amount is the higher of the fair value less cost to sell or value in use determined for each individual subsidiary.

Fair value less cost to sell

Fair value less cost to sell is the amount obtainable from sale in an arm's length transactions between knowledgeable willing parties, less cost to sell.

For Batimex Ltd, the fair value less cost to sell calculations use post-tax cash flow projections based on financial forecast approved by the directors covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates stated below. No impairment was recognised for year 2021.

The key assumptions used for the fair value less cost to sell in the year 2021 and 2020 for Batimex Ltd were as follows:

Gross margin – **38%** (2020 -39%)

Growth rate – **3%** (2020 -3%)

Discount rate – **13%** (2020 - 13%)

For Plaisance Aeroville Ltd, the investments in the holding Company exceeded the net assets of the subsidiaries due to a drop in performance and the excess amount was impaired. For Multi Channel Retail Limited, the net assets of the subsidiary exceeded the investment in the holding Company as a result of better performance and the excess amount was written back.

A subordinated loan of Rs 70M was given by the holding Company to Silver Wings Travel Ltd during the year ended 31 December 2021.

Details of the Group's direct subsidiary companies, which principal place of business and incorporation is Mauritius, are:

Name	Description of shares held	% holding 2021	% holding 2020	Principal activity
L'Avenir Precinct Ltd	Ordinary	**100**	-	Real estate activities with rental of own or leased property
Batimex Ltd	Ordinary	**100**	100	Trading in building materials and sanitary products
CH Management Ltd	Ordinary	**100**	100	Professional and Management Consultancy Services
CJ Investments Ltd	Ordinary	**100**	100	Dormant
Compagnie Immobilière Limitée	Ordinary	**66.81**	66.81	Renting of property
Currimjee Informatics Limited	Ordinary	**100**	100	Supply and installation of computer hardware and software
Currimjee Property Management & Development Ltd	Ordinary	**100**	100	Property development and management
Emtel Limited	Ordinary	**75**	75	Cellular phone operator
E-Skills Ltd	Ordinary	**100**	100	Provider of HRD services
Facilicare Ltd	Ordinary	**100**	100	Web portals (E-Commerce, on line sale, marketing, via mail or internet)
Island Life Assurance Co. Ltd	Ordinary	**100**	100	Long term insurance business
IKO (Mauritius) Resort Village Ltd	Ordinary	**100**	100	Land promoter and developer
Lux Appliances Ltd	Ordinary	**100**	100	Sale of vacuum cleaner
Mauritius Properties Ltd	Ordinary	**100**	100	Dormant
Multi Channel Retail Limited	Ordinary	**100**	100	Property development and management
Plaisance Aeroville Hotel Limited	Ordinary	**100**	100	Own and operate a hotel and all related facilities
Plaisance Aeroville Ltd	Ordinary	**100**	100	Land promoter and developer
Screenage Limited	Ordinary	**80**	80	Technology driven solutions and advisory services.
Seejay Cellular Limited	Ordinary	**100**	100	Investment holding
Silver Wings Travels Ltd	Ordinary	**100**	100	Travel agent and tour operator
Zac Investments Ltd	Ordinary	**50**	50	Investment in properties

14 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Group, indirectly, holds investments in the following subsidiaries:

NAME	Principal place of business	Description of shares held	Effective % Holding 2021	Effective % Holding 2020	Principal activity
Eight IKO Villas Ltd	Mauritius	Ordinary	**100**	100	Land promoter and developer
Emtel MFS Co Ltd	Mauritius	Ordinary	**75**	75	Mobile financial services
Emtel Technopolis Ltd	Mauritius	Ordinary	**75**	-	Land and infrastructure for satellite farming project
EM Vision Ltd	Mauritius	Ordinary	**67**	67	Investment holding
Island Investment Properties Limited	Mauritius	Ordinary	**100**	100	Investment in properties
IKO (Mauritius) Hotel Limited	Mauritius	Ordinary	**100**	100	To own and operate a hotel
IKO (Mauritius) Property Development Limited	Mauritius	Ordinary	**100**	100	Development of building projects for sale
MC Vision Ltd	Mauritius	Ordinary	**35.73**	35.73	Operator of Pay TV broadcasting
Multi Contact Ltd	Mauritius	Ordinary	**51**	51	Call centre and BPO services
Zac Properties Ltd	Mauritius	Ordinary	**50**	50	Investment in properties

All subsidiaries have year-end of 31st of December except for Mauritius Properties Ltd, which is 30th of June.

Summarised financial information on subsidiaries with material non-controlling interests

Summarised statement of financial position as at 31 December 2021 and 2020:

	Emtel Limited		MC Vision Ltd	
	2021 Rs'000	2020 Rs'000 Restated	**2021 Rs'000**	2020 Rs'000
Current				
Assets	**801,152**	773,205	**160,798**	259,415
Liabilities	**(1,153,537)**	(1,689,165)	**(316,985)**	(409,935)
Total net current (liabilities)/assets	**(352,385)**	(915,960)	**(156,187)**	(150,520)
Non-Current				
Assets	**5,137,043**	4,714,016	**487,698**	449,659
Liabilities	**(3,400,284)**	(2,556,552)	**(247,820)**	(151,761)
Total non-current net assets	**1,736,759**	2,157,464	**239,878**	297,898
Net Assets	**1,384,374**	1,241,504	**83,691**	147,378
% ownership held by Non-controlling interest at 31 December	**25%**	25%	**64.27%**	64.27%
Non-controlling interest	**346,094**	310,376	**53,788**	94,720

14 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

SUMMARISED FINANCIAL INFORMATION ON SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

Summarised income statement for the year ended 31 December 2021 and 2020:

	Emtel Limited		MC Vision Ltd	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Revenue from contracts with customers	**3,128,630**	3,091,239	**1,277,689**	1,357,374
Profit before income tax	**509,310**	651,293	**32,250**	99,598
Income tax expense	**(128,970)**	(99,172)	**(5,385)**	(8,913)
Post tax profit from operations	**380,340**	552,121	**26,865**	90,685
Other comprehensive income	**278,650**	(13,722)	**9,448**	(17,219)
Total comprehensive income	**658,990**	538,399	**36,313**	73,466
Profit attributable to non-controlling interest	**95,085**	138,030	**17,266**	55,065
Total comprehensive income allocated to non-controlling interest	**164,748**	134,600	**23,338**	43,998
Dividend paid to non-controlling interest	**129,030**	91,080	**64,270**	96,405

Summarised statement of cash flows as at 31 December 2021 and 2020:

	Emtel Limited		MC Vision Ltd	
	2021 Rs'000	2020 Rs'000 Restated	2021 Rs'000	2020 Rs'000
Cash flows from operating activities				
Cash generated from operations	**1,183,064**	1,333,507	**207,140**	261,572
Interest paid (net)	**(140,299)**	(115,711)	**(9,056)**	(3,675)
Income tax refund/(paid)	**(145,394)**	(92,936)	**8,170**	(15,209)
Contributions made for post-employment benefits	**(11,014)**	(4,368)	**(4,982)**	(6,814)
Net cash generated from operating activities	**886,357**	1,120,492	**201,272**	235,874
Net cash used in investing activities	**(996,814)**	(1,383,549)	**(188,346)**	(134,059)
Net cash used in financing activities	**(41,187)**	371,247	**(105,016)**	(43,969)
Net (decrease)/increase in cash and cash equivalents	**(151,644)**	108,190	**(92,090)**	57,846
Cash and cash equivalents at beginning of year	**183,635**	81,445	**191,252**	131,105
Effect of exchange rate changes	**(1,538)**	(6,000)	**(10,121)**	2,301
Cash and cash equivalents at end of year	**30,453**	183,635	**89,041**	191,252

The Group controls MC Vision Ltd by virtue of its shareholders agreement which allows Currimjee Jeewanjee and Company Limited to nominate the chairman of the board who has a casting vote.

15 INVESTMENTS IN ASSOCIATES

	2021 Rs'000	2020 Rs'000
Group		
Equity accounting:		
At 01 January	**420,720**	387,440
Share of profit after tax for the year	**59,787**	5,170
Dividends paid	**(54,295)**	(9,613)
Additions	**95**	10,000
Share of loss recognised in revaluation reserves	**-**	13,241
Exchange difference	**2,279**	14,482
At 31 December	**428,586**	420,720
Company		
At 01 January	**41,872**	31,872
Additions	**95**	10,000
At 31 December	**41,967**	41,872

15 INVESTMENTS IN ASSOCIATES (CONTINUED)

Set out below are the associates of the Group as at 31 December 2021, which, in the opinion of the directors, are material to the Group. The associates as listed below have share capital consisting solely of ordinary shares which are held directly by the Group; the country of incorporation is Mauritius.

Nature of investment in associates 2021 and 2020:

Name	Place of business	Description of shares held	Proportion of ownership %	Principal activity
Ceejay Gas Ltd	Mayotte	Ordinary	33.33	Investment holding and trading in liquefied petroleum gas.
Total Mauritius Limited	Mauritius	Ordinary	24.98	Import and distribution of petroleum products, lubricants and liquefied petroleum gas.
Abana (Mauritius) Ltd	Mauritius	Ordinary	29.33	Online platform for buyers and sellers in the Textile & Apparel sector across Africa

Financial information of the Group's associates, all of which are unquoted, are set out below:

Summarised statement of financial position as at 31 December 2021 and 2020:

	Total (Mauritius) Ltd		Ceejay Gas Ltd	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Current				
Cash and cash equivalents	**171,325**	56,863	**261,930**	265,625
Other current assets	**1,100,609**	999,599	**102,253**	75,211
Total current assets	**1,271,934**	1,056,462	**364,183**	340,836
Financial liabilities excluding trade payables	**320,444**	291,055	**13,418**	17,036
Other current liabilities including trade payables	**1,314,906**	1,202,847	**252,540**	233,019
Total current liabilities	**1,635,350**	1,493,902	**265,958**	250,055
Non-current				
Assets	**1,961,400**	2,026,582	**644,312**	639,431
Other liabilities	**260,309**	257,925	**478,952**	478,675
Net Assets	**1,337,675**	1,331,217	**263,585**	251,537

Summarised statement of comprehensive income for the year ended 31 December 2021 and 2020:

	Total (Mauritius) Ltd		Ceejay Gas Ltd	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Revenue from contracts with customers	**6,169,668**	5,822,829	**510,934**	406,391
Cost of sales	**(5,321,155)**	(5,171,823)	**(193,138)**	(126,111)
Gross profit	**848,513**	651,006	**317,796**	280,280
Depreciation and amortisation	**7,914**	(209,899)	**(75,354)**	-
Other income	**10,928**	27,045	**23,893**	15,033
Interest expense	**(22,189)**	(35,028)	**(27,670)**	(22,686)
Other expenses	**(611,624)**	(391,626)	**(196,423)**	(262,517)
Profit before tax from continuing operations	**233,542**	41,498	**42,242**	10,110
Income tax expense	**(36,725)**	(10,747)	**(8,937)**	(2,032)
Profit after tax	**196,817**	30,751	**33,305**	8,078
Other comprehensive income	**-**	2,848	**-**	-
Total comprehensive income	**196,817**	33,599	**33,305**	8,078

15 INVESTMENTS IN ASSOCIATES (CONTINUED)

Reconciliation of summarised financial information

	Total (Mauritius) Ltd	Ceejay Gas Ltd
	Rs'000	Rs'000
Opening net assets 01.01.20	1,244,613	229,202
Profit for the period	30,751	8,078
Exchange difference	-	43,445
Increase in revaluation reserves	53,005	-
Remeasurement of post employment benefits	2,848	
Dividend paid	-	(29,188)
Closing net assets 31.12.20	1,331,217	251,537
Profit for the period	**196,817**	**33,305**
Exchange difference	**-**	**6,836**
Remeasurement of post employment benefits	**(10,991)**	**-**
Dividend paid	**(179,368)**	**(28,093)**
Closing net assets 31.12.21	**1,337,675**	**263,585**

	Total (Mauritius) Ltd	Ceejay Gas Ltd	Abana (Mauritius) Ltd	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Interest in associates (24.98%, 33.33% and 29.33%)				
2021	**337,111**	**87,853**	**3,622**	**428,586**
2020	331,672	83,846	5,202	420,720

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at fair value through other comprehensive income are carried at fair value and can be analysed follows:

	2021	2020
Group	**Rs'000**	Rs'000
Non-current		
Current	**1,324,316**	986,760
	-	-
	1,324,316	986,760

Group	Quoted shares	Unquoted shares	Overseas bonds	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2020	630,462	12,778	74,328	433,252
Additions	-	2,197	63,783	430,216
Net fair value gain transferred to equity	588	-	(611)	202,676
Net fair value gain transferred to life fund	-	-	62,558	1,663
Foreign currency translation adjustment	51,552	-	-	24,796
Disposals	(102,401)	-	(52,272)	(375,035)
Transfer from financial assets held at amortised cost (Note 18(iv))	-	-	243,798	243,798
At 31 December 2020	**580,201**	**14,975**	**391,584**	**986,760**
Additions	**24,200**	**3,000**	**18,331**	**45,531**
Net fair value gain/(loss) transferred to equity	**330,262**	**-**	**181**	**330,443**
Net fair value gain transferred to life fund	**-**	**-**	**(42,178)**	**(42,178)**
Foreign currency translation adjustment	**69,438**	**-**	**-**	**69,438**
Disposals	**-**	**-**	**(65,678)**	**(65,678)**
At 31 December 2021	**1,004,101**	**17,975**	**302,240**	**1,324,316**

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

The bonds and securities attract interest at rates between **1.375%** and **6.8%** (2020 - 1.375% and 6.8%). These financial assets are denominated in the following currencies below:

	2021	2020
	Rs'000	Rs'000
Indian rupees	**465,524**	300,011
Mauritius rupees	**311,645**	374,961
United States dollars	**8,571**	31,598
Great Britain pound	**538,576**	280,190
	1,324,316	986,760

	Quoted shares	Unquoted shares	Total
	Rs'000	Rs'000	Rs'000
Company			
Cost:			
At 01 January 2020	3	16,018	16,021
Additions	-	2,197	2,197
At 31 December 2020	**3**	**18,215**	**18,218**
Additions	**-**	**3,000**	**3,000**
At 31 December 2021	**3**	**21,215**	**21,218**
Impairment charge:			
At 01 January 2020 and 2021	-	(3,240)	(3,230)
Charge for the year	-	**-**	**-**
At 31 December 2020 and 2021	-	**(3,240)**	**(3,240)**
Net book amount			
At 31 December 2021	**3**	**17,975**	**17,978**
At 31 December 2020	3	14,975	14,978

All the financial assets at fair value through other comprehensive income of the Company are denominated in Mauritian rupees. The directors have reviewed the carrying amounts of these financial assets at 31 December 2021 and noted no additional impairment is required.

The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets at fair value through other comprehensive income.

The directors assess the credit quality of each investment at a subsidiary level and ensure that appropriate procedures made to ensure credit quality.

None of these financial assets is either past due or impaired.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021 (CONTINUED)

17 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Quoted shares	Unquoted shares	Total
	Rs'000	**Rs'000**	**Rs'000**
Group			
Domestic			
At 01 January 2020	230,226	111,401	341,627
Additions	24,679	27	24,706
Disposals	(22,568)	(1,800)	(24,368)
Net fair value loss	(56,282)	(14,967)	(71,249)
Net loss on disposal	(8,908)	(5,574)	(14,482)
At 31 December 2020	**167,147**	**89,087**	**256,234**
Additions	**2,043**	**8**	**2,051**
Disposals	**(13,237)**	**(17,927)**	**(31,164)**
Net fair value gain/(loss)	**46,103**	**(5,926)**	**40,177**
Net loss on disposal	**(1,330)**	**655**	**(675)**
At 31 December 2021	**200,726**	**65,897**	**266,623**
Foreign			
At 01 January 2020	60,735	-	60,735
Additions	32,962	-	32,962
Disposals	(20,098)	-	(20,098)
Net fair value gains	12,088	-	12,088
Net gain on disposal	64	-	64
At 31 December 2020	**85,751**	**-**	**85,751**
Additions	**206,854**	**45,272**	**252,126**
Disposals	**(111,773)**	-	**(111,773)**
Net fair value gains	**6,515**	**3,692**	**10,207**
Net gain on disposal	**24,312**	-	**24,312**
At 31 December 2021	**211,659**	**48,964**	**260,623**
Total			
At 31 December 2021	**412,385**	**114,861**	**527,246**
At 31 December 2020	252,898	89,087	341,985

All financial assets at fair value through profit or loss are included in non-current assets since the directors have no express intention of disposing of those investments within the next 12 months.

Included in quoted shares is an amount of **Rs 4,525,404** (2020 - Rs 4,669,458) in respect of investments in related companies.

18 FINANCIAL ASSETS HELD AT AMORTISED COST

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	**2021 Rs'000**	2020 Rs'000
Financial assets held at amortised cost:				
Not later than one year	**906,998**	458,978	**567,201**	968,950
Later than one year	**397,764**	347,190	**272,069**	249,526
	1,304,762	806,168	**839,270**	1,218,476

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	**2021 Rs'000**	2020 Rs'000
Loans				
Loans receivable arising on life assurance business (Note (i))	**67,706**	52,424	**-**	-
Loans to subsidiaries (Note 33(iii)(c))	**-**	-	**64,638**	416,201
Loan to parent (Notes (ii) and 33(iii)(a))	**532,069**	249,526	**532,069**	249,526
Loans to directors (Note 33(iii)(b))	**347**	347	**347**	347
Loans to other related parties (Notes (ii) and 33(iii)(a))	**31,006**	1,006	**30,006**	6
Loans to third parties	**4,344**	4,344	**-**	-
	635,472	307,647	**627,060**	666,080
Trade and other receivables				
Trade receivables (Note (iii))	**265,179**	256,744	**51**	755
Receivable from:				
Subsidiaries (Note 33(iv)(e))	**-**	-	**179,613**	526,015
Associates (Note 33(iv) (a))	**5,022**	5,334	**4,473**	4,824
Shareholders (Note 33(iv) (b))	**1,785**	19	**1,633**	3
Directors (Note 33(iv) (c))	**390**	1,674	**390**	1,674
Other related parties (Note 33(iv) (d))	**10,444**	6,198	**6,691**	4,058
Deposits with financial institutions (Note (v))	**3,320**	7,802	**-**	-
Amount receivable from MRA *	**13,079**	13,079	**-**	-
Prepayments	**96,869**	65,406	**3,622**	2,753
Deposits	**75,758**	19,372	**-**	-
Other receivables	**197,444**	122,893	**15,737**	12,314
	669,290	498,521	**212,210**	552,396
	1,304,762	806,168	**839,270**	1,218,476

The loans to related parties bear interest at the rate of **3.25%** (2020 – 5.35%). The carrying values of the loans to related parties approximate their fair values. The fair values are within level 2 of the fair value hierarchy.

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

* Emtel Ltd (a subsidiary) has objected against the Income Tax re-assessment by the MRA for the year of assessment 2006/2007 and 2007/2008 (based on the year 2005 and 2006 accounts respectively). The MRA pointed out that Emtel Ltd had wrongly applied the tax rate of 15% in the years 2005 and 2006 (instead of 25% for the year 2005 and 22.5% for the year 2006) as there has been amendment to the Income Tax Act 2001. The total amount claimed inclusive of penalties and interest was Rs 80.4 million of which Emtel Ltd has already paid Rs 36.5 million at the time of objection and Rs 43.9 million in October 2014 by virtue of section 21(3) of the MRA Act 2004 in accordance with the decision of the Committee. The ARC gave its decision on 14 November 2013 maintaining MRA's assessment and on 04 Dec 2013, Emtel Ltd has appealed to the Supreme Court against that decision. In parallel to those appeals, Emtel is contesting before the Supreme Court the MRA's refusal to allow it to join the VDIA Scheme for those same years. Pending the determination of those cases, the payments made to the MRA have been recorded as a receivable from the MRA as the Board of the Company is confident that the matter shall be resolved positively. Matter has been heard on 13 March 2018 and judgement is awaited.

(i) **Loans receivable arising on life assurance business**

	GROUP	
	2021	2020
	Rs'000	Rs'000
Secured loans (at amortised cost):		
At 01 January	**70,558**	99,069
Loans granted	**38,906**	29,780
Interest	**170**	-
Loans refunded	**(25,241)**	(58,291)
At 31 December	**84,393**	70,558
The movement in loss allowance is as follows:		
At 01 January	**(18,134)**	(18,134)
Reversal during the year	**1,447**	-
At 31 December	**(16,687)**	(18,134)
Carrying amount:		
At 31 December	**67,706**	52,424

The estimated fair values of the loans are the discounted amount of the estimated cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value. The effective interest rates were in the range of **3%** to **14%** (2020 – 5% to 14%).

The fair values of the loans approximate their carrying amounts.

At 31 December 2021, loans amounting to **Rs 31,820,875** (2020 - Rs 26,276,331) were overdue which includes impaired and not impaired. These overdue loans receivables are secured by mortgaged properties.

Loans arising on life assurance business, **Rs 143,298,887** (2020 – Rs 111,387,198), are considered neither past due nor impaired when loan instalments are overdue for less than three months. When they are overdue for more than three months, they are tested for impairment individually and are considered impaired when the value of their mortgaged property is less than the carrying value of the loan receivable. The loans are secured against mortgaged properties.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021 (CONTINUED)

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

(i) Loans receivable arising on life assurance business (Continued)

The ageing analysis of the loans arising on the life assurance business which are considered overdue and not impaired were as follows:

	GROUP	
	2021	2020
	Rs'000	Rs'000
Between 6 months to 1 year	**9,091**	3,025
Between 1 to 2 years	**1,399**	1,745
More than 2 years	**5,316**	6,806
Total overdue but not impaired originated loans	**15,806**	11,576

The amount of impaired loans amount to **Rs 16,687,030** (2020 – Rs 18,134,510). The other classes within loans and receivables do not contain impaired assets.

Included in the loans are **Rs 446,067** (2020 – Rs 537,687) in respect of loans made to directors and key management personnel.

(ii) Other loans

The loan to the parent, Currimjee Limited (ex Fakhary Ltd), is unsecured and bears interest at **4.25% to 6.5%** (2020 – 6.5%).

All the other loans bear interest between **3.25%** and **6.5%** (2020 – 5.35% to 6.5%)

There are no overdue or non-performing loans.

At 31 December 2021, the carrying values of all loans receivable approximate their fair value.

The directors assess the credit quality of each receivable at a subsidiary level and ensure that appropriate procedures made to ensure credit quality.

(iii) Trade receivables

At 31 December 2021, trade receivables include provision of impairment on receivables amounting to **Rs 156,516,917** (2020 – Rs 149,988,505):

	GROUP	
	2021	2020
	Rs'000	Rs'000
Trade receivables – net	**265,179**	256,744
Provision for impairment	**156,517**	149,989
Gross amount receivable	**421,696**	406,733
Neither past due nor impaired	**188,908**	203,418
Past due but not impaired	**76,271**	53,326
Past due and impaired	**156,517**	149,989
Total past due	**232,788**	203,315
Gross amount receivable	**421,696**	406,733

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

(iii) Trade receivables (Continued)

The movement in provision for impairment of receivables is as follows:

	2021 Rs'000	2020 Rs'000
At 01 January	**149,989**	146,499
Bad debts written off	**(1,804)**	(1,873)
Charge reversal for the year	**(17,473)**	(53,093)
Charge for the year	**25,805**	58,456
At 31 December	**156,517**	149,989

The Group and Company apply IFRS 9 simplified approach in measuring the expected credit losses which uses a lifetime expected loss allowance for all its trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are passed on the payment profiles of sales over a period of 36 months before 31 December 2021 or 31 December 2020 respectively and the corresponding historical credit losses experienced within this period. The Company has established a linear relationship of the bad debts with respect to its revenue per year based on historical data adjusted by the growth rate in the percentage of the bad debts on its revenue.

On that basis, the loss allowance as at 31 December 2021 and 31 December 2020 was determined as follows for the trade receivables:

	Current	30 to 60 days	60 to 90 days	More than 90 days	Total
2021					
Expected loss rate	**0% to 22%**	**0% to 34%**	**0% to 45%**	**0% to 99%**	
Gross carrying value	**160,689**	**50,886**	**4,428**	**205,693**	**421,696**
Loss allowance	**3,294**	**2,804**	**1,162**	**149,257**	**156,517**
2020					
Expected loss rate	0% to 21%	0% to 39%	0% to 79%	3% to 100%	
Gross carrying value	178,460	53,126	12,446	162,701	406,733
Loss allowance	2,477	1,653	6,334	139,525	149,989

The Group assessed the recoverability of trade receivables based on the debtors capacity to repay their debts. Amount which are considered doubtful are specifically provided for. In addition, a provision under the expected credit loss model is recognised to account for the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the assets as at the reporting date with the risk of default at date of initial recognition. It considers available reasonable and supportive forward looking information. The Group defines the risk of default as being significant losses in the time value of money.

(iv) Debt securities

The debt securities may be analysed as follows:

	GROUP 2021 Rs'000	GROUP 2020 Rs'000
At 01 January	**-**	243,976
Interest accrued	**-**	(178)
Transfer to financial assets at fair value through other comprehensive income (Note 16)	**-**	(243,798)
At 31 December	**-**	-
Due within 1 year	**-**	-
Due after more than 1 year	**-**	-
	-	-

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

(v) Deposits with financial institutions

Deposits placed with financial institutions have maturities ranging from 1 - 2 years and earn interest at the rate of **2.6%** (2020 – 2.6%) per annum for the year ended 31 December 2021. Placement is made through a fund manager who ensures the credit quality of these deposits.

At 31 December 2021, statutory deposits comprised of fixed deposit certificates of **Rs 10,000,000** (2020 – Rs 10,000,000).

(vi) The other classes of financial assets held at amortised cost do not contain impaired assets.

(vii) The maximum exposure to credit risk at reporting date is the carrying value of each class of loans and receivables mentioned above.

(viii) The Group does not hold any collateral as security other than already disclosed in note 18(i) and 18(iv).

(ix) Currency profile of financial assets held at amortised cost

The carrying amounts of the Group's and Company's loans and receivables are denominated in the following currencies:

	GROUP 2021 Rs'000	GROUP 2020 Rs'000	COMPANY 2021 Rs'000	COMPANY 2020 Rs'000
Mauritian Rupees	**1,041,474**	674,436	**835,648**	1,215,723
US Dollars	**28,585**	13,813	**-**	-
Euros	**38,515**	12,097	**-**	-
Great Britain Pounds	**7,162**	163	**-**	-
	1,115,736	700,509	**835,648**	1,215,723

Financial assets at amortised cost exclude deposits with financial institutions, amount receivable from MRA, prepayments and deposits.

19 DEFERRED INCOME TAX

(i) Assets

	GROUP 2021 Rs'000	GROUP 2020 Rs'000	COMPANY 2021 Rs'000	COMPANY 2020 Rs'000
At 01 January	**-**	-	**-**	-
Income statement charge	**-**	-	**-**	-
At 31 December	**-**	-	**-**	-

19 DEFERRED INCOME TAX (CONTINUED)

(ii) Liabilities

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
At 01 January	**240,248**	223,146	**-**	-
Income statement charge/(credit)	**22,623**	21,595	**-**	-
(Credit)/charge to other comprehensive income (Note 9(c))	**13,476**	(4,493)	**-**	-
At 31 December	**276,347**	240,248	**-**	-

The movement in deferred income tax assets and liabilities is as follows:

Group - 2021

	At 01 January 2021 Rs'000	**Charge/ (credit) to income statements Rs'000**	**Charge to other comprehensive income Rs'000**	**At 31 December 2021 Rs'000**
Deferred income tax liabilities:				
Accelerated capital allowances	**249,021**	**27,036**	-	**276,057**
Unrealised exchange gain	**77**	**(77)**	-	**-**
Revaluation of property, plant and equipment	**40,172**	-	**8,956**	**49,128**
	289,270	**26,959**	**8,956**	**325,185**
Deferred income tax assets:				
Provision for impairment of receivables	**(23,465)**	**(3,140)**	-	**(26,605)**
Allowance for tax losses	**(5,124)**	**2,099**	-	**(3,025)**
Retirement benefit obligations	**(13,286)**	**(167)**	**4,520**	**(8,933)**
Lease liabilities	**(7,147)**	**(3,128)**	**-**	**(10,275)**
	(49,022)	**(4,336)**	**4,520**	**(48,838)**
Net deferred income tax liabilities	**240,248**	**22,623**	**13,476**	**276,347**

19 DEFERRED INCOME TAX (CONTINUED)

(ii) Liabilities (Continued)

Group - 2020

	At 01 January 2020 Rs'000	Charge/ (credit) to income statements Rs'000	Charge to other comprehensive income Rs'000	At 31 December 2020 Rs'000
Deferred income tax liabilities:				
Accelerated capital allowances	219,028	29,993	-	249,021
Unrealised exchange gain	(19)	96	-	77
Revaluation of property, plant and equipment	38,484	-	1,688	40,172
	257,493	30,089	1,688	289,270
Deferred income tax assets:				
Provision for impairment of receivables	(23,859)	394	-	(23,465)
Allowance for tax losses	-	(5,124)	-	(5,124)
Retirement benefit obligations	(6,857)	(248)	(6,181)	(13,286)
Lease liabilities	(3,631)	(3,516)	-	(7,147)
	(34,347)	(8,494)	(6,181)	(49,022)
Net deferred income tax liabilities	223,146	21,595	(4,493)	240,248

The directors have not recognised a deferred income tax asset attributable to the following as future taxable profits may not be available against which the temporary differences can be utilised:

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Tax losses carried forward	**138,049**	136,622	**102,989**	89,776
Accelerated capital allowances	**2,446**	19,030	**(5,483)**	6,366
Provision for retirement benefit obligations	**96,796**	121,044	**88,617**	107,805
Provision for bad and doubtful debts	**3,418**	4,612	**-**	-
Others	**2,010**	1,468	**456**	470
	242,719	282,776	**186,579**	204,417

20 INVENTORIES

	GROUP 2021 Rs'000	2020 Rs'000
At cost:		
Finished goods and goods for resale	**106,281**	62,121
Telephone sets, related spares and accessories	**36,484**	60,948
Spare parts and consumables	**1,570**	3,632
Goods in transit	**9,822**	13,710
Work in progress	**7,389**	146
	161,546	140,557
At net realisable value:		
Telephone sets, related spares and accessories	**528**	1,459
	162,074	142,016

21 ASSETS HELD FOR SALE

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Group				
At 01 January	**-**	-	**-**	-
Transfer from Work in progress (Note 10)	**317,460**	-	**-**	-
At 31 December	**317,460**	-	**-**	-

The asset held for sale relates to a subsidiary, Eight IKO Villas Ltd. The construction of the villas was completed by July 2021. They are being actively marketed and the sale of all villas is expected to be completed by the end of December 2022.

22 SHARE CAPITAL

Group and Company

	2021 Number	2020 Number	**2021 Rs'000**	2020 Rs'000
Authorised:				
Ordinary shares of Rs 100 each	**300,000**	300,000	**30,000**	30,000
Issued and fully paid:				
Ordinary shares of Rs 100 each	**297,000**	297,000	**29,700**	29,700

23 LIFE ASSURANCE FUNDS

	2021 Rs'000	2020 Rs'000
Group		
At 01 January	**940,099**	999,863
Transfer of (deficit to)/surplus from life assurance business revenue account (Note 5)	**(9,537)**	(59,764)
At 31 December	**930,562**	940,099
Non-current	**834,580**	857,351
Current	**95,982**	82,748
	930,562	940,099

23 LIFE ASSURANCE FUNDS (CONTINUED)

The Group's actuary for its life insurance business is QED Actuaries and Consultants (Pty) Ltd. The Group's actuary for pension business is Aon Hewitt Ltd.

The Group has provided the breakdown of life assurance fund due within 1 year and more than 1 year based on best estimates available.

At 31 December 2021, the adequacy of the life assurance fund has been assessed based on the following assumptions:

- Interest rate of **6.21%** (2020 - 5.39%);
- Assumed lapse rates of **20%, 10%, 7.5% and 7.5%** for years 1,2,3 and 4+ (2020 - 27%, 11%, 8% and 8%);
- Expense inflation rate of **2.68%** (2020 - 1.55%); and
- Mortality table **27% SA 85/90** (2020 - 27% SA 85/90)

24 BORROWINGS

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Non-current				
Bank loans – secured	**3,097,926**	2,965,231	**1,163,500**	1,439,038
Bonds	**4,350,000**	1,700,000	**2,200,000**	-
Unamortised transaction cost	**(14,696)**	(7,326)	**(9,470)**	-
	7,433,230	4,657,905	**3,354,030**	1,439,038
Current				
Bank overdrafts (Note 29)	**47,609**	349,501	**5,114**	172,516
Bank loans – secured	**467,497**	2,097,049	**-**	1,625,659
Unamortised transaction cost	**(3,282)**	(2,301)	**(1,183)**	-
Import loans	**34,724**	37,523	**24,981**	23,867
Accrued interest	**36,695**	8,766	**23,839**	-
Loans payable to subsidiaries (Note 33(v)(d))	**-**	-	**136,958**	52,458
Loans payable to related parties (Note 33(v) (a))	**267,269**	229,508	**256,483**	218,721
Loans payable to shareholders (Note 33(v) (b))	**-**	999	**-**	-
Loans payable to directors (Note 33(v) (c))	**17,000**	-	**17,000**	-
Other loans	**-**	9,596	**-**	-
	867,512	2,730,641	**463,192**	2,093,221
Total borrowings	**8,300,742**	7,388,546	**3,817,222**	3,532,259

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The borrowing rate is between **3.77%** and **6%** (2020 – 3% and 7%).

24 BORROWINGS (CONTINUED)

Bank overdrafts

The bank overdrafts and other banking facilities are secured by floating charges on all of the assets of the Company.

Bank loans

The bank loans are secured by floating charges on the assets of the Group and the Company and also by the pledge of shares and can be analysed as follows:

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Current				
Within one year	**467,497**	2,097,049	**-**	1,625,659
Non-current				
After one year and before two years	**597,822**	494,777	**-**	295,770
After two years and before five years	**1,833,654**	1,958,685	**1,163,500**	1,054,672
After five years	**666,450**	2,211,769	**-**	88,596
	3,097,926	4,665,231	**1,163,500**	1,439,038
Total bank loans	**3,565,423**	6,762,280	**1,163,500**	3,064,697

The denomination and effective interest rates of the bank loans are as follows:

	3.27% to 7.00% Rs'000	**7.01% to 8.25% Rs'000**	**Total Rs'000**
Group - 2021			
Mauritian rupees	**3,047,472**	**-**	**3,047,472**
Euros	**517,951**	-	**517,951**
	3,565,423	-	**3,565,423**
Group - 2020			
Mauritian rupees	6,273,000	6,306	6,279,306
Euros	482,974	-	482,974
	6,755,974	6,306	6,762,280
Company – 2021			
Mauritian rupees	**1,163,500**	-	**1,163,500**
Company – 2020			
Mauritian rupees	3,064,697	-	3,064,697

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

24 BORROWINGS (CONTINUED)

Bank loans (Continued)

The bank loans are scheduled for payment as follows:

	2022 Rs'000	**2023 Rs'000**	**2024 Rs'000**	**2025 Rs'000**	**2026 Rs'000**	**Later than 2026 Rs'000**	**Total Rs'000**
Group – 2021							
Mauritian rupees	**429,426**	**546,027**	**1,389,728**	**157,291**	**131,250**	**393,750**	**3,047,472**
Euros	**38,071**	**51,795**	**51,795**	**51,795**	**51,795**	**272,700**	**517,951**
	467,497	**597,822**	**1,441,523**	**209,086**	**183,045**	**666,450**	**3,565,423**
Company - 2021							
Mauritian rupees	**-**	**-**	**1,163,500**	**-**	**-**	**-**	**1,163,500**

	2021 Rs'000	2022 Rs'000	2023 Rs'000	2024 Rs'000	2025 Rs'000	Later than 2025 Rs'000	Total Rs'000
Group – 2020							
Mauritian rupees	2,097,049	494,777	342,792	1,268,908	346,985	1,728,795	6,279,306
Euros	-	-	-	-	-	482,974	482,974
	2,097,049	494,777	342,792	1,268,908	346,985	2,211,769	6,762,280
Company - 2020							
Mauritian rupees	1,625,659	295,770	150,672	739,614	164,386	88,596	3,064,697

Bonds

The bank bonds facilities are secured by floating charges on the Company's assets and have been contracted at fixed interest rate which range between 2.20% and 5.15% for the Group and 2.20% and 4.05% for the Company.

	Group			Company		
	Current Rs'000	**Non-Current Rs'000**	**Total Rs'000**	**Current Rs'000**	**Non-Current Rs'000**	**Total Rs'000**
Bond	**-**	**4,350,000**	**4,350,000**	**-**	**2,200,000**	**2,200,000**
Unamortised transaction cost	**(3,282)**	**(14,696)**	**(17,978)**	**(1,183)**	**(9,470)**	**(10,653)**
Interest on bonds	**35,654**	**-**	**35,654**	**23,839**	**-**	**23,839**
	32,372	**4,335,304**	**4,367,676**	**22,656**	**2,190,530**	**2,213,186**

The transaction cost incurred on the issue of bonds and the amount recognised under borrowings are as follows:

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
At 1 January	**9,627**	5,332	**-**	-
Bond issue transaction costs incurred	**12,173**	7,723	**11,000**	-
Amortisation	**(3,822)**	(3,428)	**(347)**	-
At 31 December	**17,978**	9,627	**10,653**	-

The bonds are scheduled for payment as follows:

	2022 Rs'000	**2023 Rs'000**	**2024 Rs'000**	**2025 Rs'000**	**2026 Rs'000**	**Later than 2026 Rs'000**	**Total Rs'000**
Group - 2021							
Mauritian rupees	**-**	**250,000**	**500,000**	**1,100,000**	**500,000**	**2,000,000**	**4,350,000**
Company - 2021							
Mauritian rupees	**-**	**-**	**-**	**800,000**	**-**	**1,400,000**	**2,200,000**

24 BORROWINGS (CONTINUED)

Net debt reconciliation

This section sets out an analysis of the net debt and the movements in net debt of each of the periods presented.

	GROUP		COMPANY	
	2021	2020	2021	2020
	Rs'000	Rs'000	Rs'000	Rs'000
Cash and cash equivalents including bank overdraft	**(395,598)**	(290,394)	**(54,468)**	168,425
Borrowings	**8,253,133**	7,039,045	**3,812,108**	3,359,743
Lease liabilities	**1,091,234**	978,495	**43,920**	53,562
Net debt	**8,948,769**	7,727,146	**3,801,560**	3,581,730
Cash and cash equivalents	**(443,207)**	(639,895)	**(59,582)**	(4,091)
Gross debt with fixed interest rates	**2,541,815**	2,098,112	**150,000**	150,000
Gross debt with variable interest rates	**6,850,161**	6,268,929	**3,711,142**	3,435,821
Net debt	**8,948,769**	7,727,146	**3,801,560**	3,581,730

	Group			Company		
	(Cash)/ bank overdraft	Borrowings	Lease liabilties	Cash/ bank overdraft	Borrowings	Lease liabilties
Net debt as at 01 January 2020	(297,414)	6,296,850	1,044,267	81,662	3,875,531	62,428
Recognition/acquisition	-	-	63,925	-	-	2,115
Cash flows	7,020	742,195	(129,697)	86,763	(515,788)	(10,981)
Net debt as at 31 December 2020	**(290,394)**	**7,039,045**	**978,495**	**168,425**	**3,359,743**	**53,562**
Acquisition	**-**	**-**	**253,893**	**-**	**-**	**3,000**
Cash flows	**(105,204)**	**1,214,088**	**(141,154)**	**(222,893)**	**452,365**	**(12,642)**
Net debt as at 31 December 2021	**(395,598)**	**8,253,133**	**1,091,234**	**(54,468)**	**3,812,108**	**43,920**

25 POST - EMPLOYMENT BENEFITS

Defined benefit pension plan

	GROUP		COMPANY	
	2021	2020	2021	2020
	Rs'000	Rs'000	Rs'000	Rs'000
Amounts recognised in the statement of financial position:				
Present value of funded obligations	**536,721**	609,317	**189,528**	231,205
Fair value of plan assets	**(317,064)**	(280,948)	**(103,782)**	(104,096)
Deficit of funded plans	**219,657**	328,369	**85,746**	127,109
Present value of unfunded obligations	**434,143**	506,865	**434,143**	506,865
Liability in the statement of financial position	**653,800**	835,234	**519,889**	633,974

25 POST - EMPLOYMENT BENEFITS (CONTINUED)

The Group operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. Pensions in payment are generally updated in line with the inflation rate and benefit payments for funded obligations are from ILA managed Pension Fund.

The movement in the defined benefit obligation over the year is as follows:

Group

	Present Value of obligation	Fair value of plan assets	Total
	Rs'000	Rs'000	Rs'000
At 01 January 2021	**1,116,182**	**(280,948)**	**835,234**
Current service cost	**36,653**	**-**	**36,653**
Interest cost	**29,009**	**(7,988)**	**21,021**
Past service cost	**(143)**	**-**	**(143)**
	1,181,701	**(288,936)**	**892,765**
Remeasurements:			
Return on plan assets excluding amount included in interest expense	**-**	**(19,702)**	**(19,702)**
Gain from change in financial assumptions	**(51,132)**	**-**	**(51,132)**
Experience gains	**(69,833)**	**-**	**(69,833)**
	(120,965)	**(19,702)**	**(140,667)**
Contribution -Employers	**-**	**(82,242)**	**(82,242)**
Payment from plans –Benefit payments	**(92,573)**	**76,517**	**(16,056)**
Other movements	**2,701**	**(2,701)**	**-**
	(89,872)	**(8,426)**	**(98,298)**
At 31 December 2021	**970,864**	**(317,064)**	**653,800**

The movement in the defined benefit obligation over the year 2020 is as follows:

Group

	Present Value of obligation	Fair value of plan assets	Total
	Rs'000	Rs'000	Rs'000
At 01 January 2020	850,561	(265,908)	584,653
Current service cost	30,806	-	30,806
Interest cost	40,107	(13,859)	26,248
Past service cost	50,796	(128)	50,668
	972,270	(279,895)	692,375
Remeasurements:			
Return on plan assets excluding amount included in interest expense	-	2,645	2,645
Gain from change in financial assumptions	137,401	-	137,401
Experience gains	68,345	-	68,345
	205,746	2,645	208,391
Contribution -Employers	-	(60,121)	(60,121)
Payment from plans –Benefit payments	(64,518)	60,751	(3,767)
Other movements	2,684	(4,328)	(1,644)
	(61,834)	(3,698)	(65,532)
At 31 December 2020	1,116,182	(280,948)	835,234

25 POST - EMPLOYMENT BENEFITS (CONTINUED)

Company

	Present Value of obligation	Fair value of plan assets	Total
	Rs'000	Rs'000	Rs'000
At 01 January 2021	738,070	(104,096)	633,974
Current service cost	11,054	-	11,054
Interest cost/ (Income)	18,002	(2,490)	15,512
Past service cost	(2,393)	-	(2,393)
	764,733	(106,586)	658,147
Remeasurements:			
Return on plan assets excluding amount included in interest expense	-	(6,672)	(6,672)
Gain from change in financial assumptions	20,586	-	20,586
Experience gains	(91,966)	-	(91,966)
	(71,380)	(6,672)	(78,052)
Contribution -Employer	-	(55,879)	(55,879)
Payment from plans –Benefit payments	(69,682)	65,355	(4,327)
	(69,682)	9,476	(60,206)
At 31 December 2021	623,671	(103,782)	519,889

The movement in the defined benefit obligation over the year 2020 is as follows:

	Present Value of obligation	Fair value of plan assets	Total
	Rs'000	Rs'000	Rs'000
At 01 January 2020	570,079	(100,232)	469,847
Current service cost	11,029	-	11,029
Interest cost/ (Income)	25,854	(4,582)	21,272
Past service cost	50,200	(128)	50,072
	657,162	(104,942)	552,220
Remeasurements:			
Return on plan assets excluding amount included in interest expense	-	4,306	4,306
Gain from change in financial assumptions	62,502	-	62,502
Experience gains	68,217	-	68,217
	130,719	4,306	135,025
Contribution -Employer	-	(48,999)	(48,999)
Payment from plans –Benefit payments	(49,811)	45,539	(4,272)
	(49,811)	(3,460)	(53,271)
At 31 December 2020	738,070	(104,096)	633,974

25 POST - EMPLOYMENT BENEFITS (CONTINUED)

The significant actuarial assumptions were as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Discount rate	4.4% to 4.8%	2.5% to 3.1%	4.5% to 4.8%	2.5% to 2.7%
Salary growth rate	1.0% to 3.8%	2.0%	2.0% to 3.0%	2.0%
Pension growth rate	1.0%	1.0%	1.0%	1.0%

Average life expectancy in years for a pensioner retiring at age 63 to 65

Retiring at the end of the reporting period

	GROUP		COMPANY	
	2021	2020	2021	2020
Male	11.2 to 17.3	12.3	11.4 to 11.5	12.3
Female	12.9 to 21.7	13.5	13.2 to 13.3	13.5

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Group - 2021			
Discount rate	1%	118,700	153,323
Salary growth rate	1%	51,400	42,745
Group - 2020			
Discount rate	1%	115,540	138,669
Salary growth rate	1%	60,527	51,251
Company - 2021			
Discount rate	1%	56,727	71,476
Salary growth rate	1%	12,161	10,895
Company - 2020			
Discount rate	1%	68,409	82,869
Salary growth rate	1%	18,785	16,826

25 POST - EMPLOYMENT BENEFITS (CONTINUED)

Plan assets are comprised as follows:

2021	Group			Company		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs'000	Rs'000	Rs'0000	Rs'000	Rs'000	Rs'000
Equities -Overseas	19,024	-	19,024	6,227	-	6,227
Equities -Local	101,460	9,512	110,972	33,210	3,113	36,323
Fixed interest securities- Local	22,194	66,584	88,778	7,265	21,794	29,059
Cash and others	-	98,290	98,290	-	32,173	32,173
	142,678	174,386	317,064	46,702	57,080	103,782

2020	Group			Company		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Equities -Overseas	33,714	-	33,714	12,491	-	12,491
Equities -Local	81,475	8,428	89,903	30,188	3,123	33,311
Fixed interest securities-Overseas	19,666	-	19,666	7,287	-	7,287
Fixed interest securities- Local	28,095	75,856	103,951	10,410	28,106	38,516
Cash and others	-	33,714	33,714	-	12,491	12,491
	162,950	117,998	280,948	60,376	43,720	104,096

The Group and Company operate a final salary defined benefit pension plan for its employees. The plan exposes the Group and Company to normal risks associated with defined benefit pension plans, such as investment, interest, longevity and salary risks.

Investment risk: The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk: The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

The Company's expected employer contribution for the next year is **Rs 54,860,000** and the weighted average duration of the defined benefit obligation is between 7 and 15 years.

26 PROVISION FOR ASSET RETIREMENT OBLIGATIONS

The provision is in respect of the dismantling and removal of equipment from leased cell sites for the period if the operating lease is not renewed.

	GROUP	
	2021 Rs'000	2020 Rs'000
At 01 January	73,799	49,612
Additional provision during the year	2,757	1,108
Disposal adjustments	(194)	(758)
Impairment adjustments	(12,026)	24,432
Finance charge	4,901	(595)
At 31 December	69,237	73,799

The above has been calculated based on these assumptions:

Life of the assets – **5 to 24 years** (2020 - 5 to 25 years)

Interest rate – **4.04%** (2020 – 1.93%)

A change in the rate of interest of 1% higher/lower than the actual rate would have decreased/increased the finance charge by **Rs 692,375** (2020 – Rs 737,989).

27 TRADE AND OTHER PAYABLES, PROVISION FOR OTHER LIABILITIES AND CHARGES AND DEFERRED REVENUE

(i) TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	2021 Rs'000	2020 Rs'000
Not later than one year	1,273,181	1,206,129	51,690	45,914
Later than one year	6,438	8,067	-	-
	1,279,619	1,214,196	51,690	45,914
Bills payable (secured)	51,503	51,544	-	-
Trade payables	234,185	251,317	237	243
Other payables and accruals	714,546	582,412	40,354	37,954
Subscription received in advance (pay TV subscribers)	88,620	90,621	-	-
Deposits	84,121	78,595	-	-
Amount due to subsidiaries (Note 33(vi)(e))	-	-	7,207	6,069
Amount due to other related parties (Note 33(vi)(c))	36,429	60,546	2,824	157
Amount due to associates (Note 33(vi)(a))	131	132	98	96
Amount payable to shareholder (Note 33(vi) (d))	347	-	-	-
Amount due to directors(Note 33(vi) (b))	970	1,395	970	1,395
Income received in advance	30,996	18,923	-	-
Dividends payable	37,771	78,711	-	-
	1,279,619	1,214,196	51,690	45,914

27 TRADE AND OTHER PAYABLES AND PROVISION FOR OTHER LIABILITIES AND CHARGES (CONTINUED)

(ii) PROVISION FOR OTHER LIABILITIES AND CHARGES

The Group provision for other liabilities and charges relates to solidarity levy charge on revenue. The movement in provision is shown below:

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
At 01 January	46,552	48,995	-	-
Charge for the year	47,324	46,552	-	-
Adjustment for prior year	(183)	-	-	-
Paid during the year	(46,369)	(48,995)	-	-
At 31December	47,324	46,552	-	-

(iii) DEFERRED REVENUE

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	2021 Rs'000	2020 Rs'000
At 01 January	118,103	116,163	-	-
Net movement on services	7,031	1,940	-	-
At 31 December	125,134	118,103	-	-

This represents mainly airtime sold to distributors for which revenue will be recognised once it is purchased and consumed by the end customer.

28 CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	2021 Rs'000	2020 Rs'000
Profit before taxation	**45,770**	310,837	**153,135**	988,991
Adjustments for:				
Depreciation on property, plant and equipment (Note 10)	**776,780**	688,998	**17,449**	14,733
Depreciation on right of use assets (Note 13(i))	**185,930**	163,952	**5,855**	5,940
Amortisation of intangible assets (Note 12)	**55,604**	70,073	**3,882**	2,641
Profit on disposal of property, plant and equipment (Note 5)	**(8,040)**	(6,649)	**(637)**	(480)
Write offs of property, plant and equipment (Note 10)	**13,346**	4,191	**-**	-
Write offs of intangible assets (Note 12)	**-**	4,463	**-**	-
Profit on disposal of subsidiaries (Note 5)	**-**	(251,001)	**-**	(1,129,750)
Net impairment charge on investment in subsidiaries (Note 14)	**-**	-	**(25,100)**	41,237
Fair value (gain)/loss on investment properties (Note 11)	**(14,397)**	(102,391)	**(417)**	(92)
Impairment on investment properties (Note 11)	**7,438**	9,596	**-**	-
Other adjustment on investment properties (Note 11)	**-**	7,662	**-**	-
Dereognition of lease liabilities (Note 13)	**(1,286)**	-	**(127)**	-
Unrealised foreign exchange differences	**(439)**	(9,088)	**-**	-
Unwinding of asset retirement obligation (Note 26)	**4,901**	(595)	**-**	-
Depreciation adjustment on ARO	**2,563**	350	**-**	-
Impairment charge on financial assets held at amortised cost	**16,088**	58,456	**-**	-
Share of profit of associated companies (Note 15)	**(59,787)**	(5,170)	**-**	-
Dividend income (Note 5)	**(12,872)**	(12,863)	**(445,405)**	(283,034)
Finance costs – net	**263,041**	366,945	**131,188**	149,005
Amortisation of bond issue transaction costs	**3,822**	-	**347**	-
Difference on exchange	**-**	-	**-**	(8,636)
	1,278,462	1,297,766	**(159,830)**	(219,445)
Working capital changes				
Decrease/(increase) in inventories	**(17,887)**	51,284	**-**	-
Decrease/(increase) in trade and other receivables	**(193,654)**	37,774	**376,481**	2,276
(Decrease)/increase in trade and other payables	**65,423**	(332,691)	**(8,475)**	(28,812)
(Decrease)/ increase in provision for other liabilities	**772**	(2,443)	**-**	-
Decrease in deferred revenue	**7,031**	1,940	**-**	-
Movement in retirement benefits obligations	**(40,767)**	42,190	**(36,034)**	29,103
(Decrease)/increase in life assurance funds and liabilities of life assurance company	**(54,111)**	(51,476)	**-**	-
	(233,193)	(253,422)	**331,972**	2,567
Cash generated from/(used in) operations	**1,045,269**	1,044,344	**172,142**	(216,878)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

29 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following amounts:

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000 Restated	2021 Rs'000	2020 Rs'000
Cash and cash equivalents	**443,207**	639,895	**59,582**	4,091
Bank overdrafts (Note 24)	**(47,609)**	(349,501)	**(5,114)**	(172,516)
	395,598	290,394	**54,468**	(168,425)

30 DIVIDENDS

	COMPANY	
	2021 Rs'000	2020 Rs'000
Proposed and paid		
Rs 378.79 per share (2020 – Rs 146.46)	**112,500**	43,500

31 CAPITAL COMMITMENTS

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Capital commitments for property, plant and equipment:				
Authorised and contracted for	**181,414**	396,379	**-**	-

32 (I) CONTINGENCIES

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Guarantees				
On loans and bank overdraft facilities of subsidiaries, associates and related companies	**1,084,727**	1,125,280	**1,084,727**	1,125,280
Bank guarantees	**82,267**	45,072	**2,361**	2,361

At 31 December 2021, the Group and Company had contingent liabilities in respect of bank guarantees in the ordinary course of business amounting to **Rs 82,267,000** (2020 – Rs 45,072,000) and **Rs 2,361,000** (2020 – Rs 2,361,000) respectively, from which it is anticipated that no material liabilities will arise.

32 (II) CONTINGENT ASSETS AND LIABILITIES

Emtel v/s ICTA, Mauritius Telecom (MT), Cellplus Mobile Communications and Ministry of Telecommunications

Emtel has lodged a claim for damages in excess of Rs 1 billion (plus interest and costs) against the ICTA, MT, Cellplus and the Ministry of Telecommunications for losses incurred as a result of inter alia failure by the authorities to ensure a level of playing field and unfair competitive practices. The matter was heard over the course of six weeks in May and June 2016. On 9 and 10 August 2017, the Supreme Court handed down its judgment in favour of Emtel awarding it a total amount of Rs 554,139,900 with interest at the legal rate and costs to be paid by all Defendants except the Ministry of Telecommunications. Each of the ICTA, MT and Cellplus have appealed against the judgment to the Court of Civil Appeal. Those three appeals were heard in November 2019, February 2020 and March 2020. On 17 November 2021, the Court of Civil Appeal reversed the judgment of the trial court and dismissed Emtel's claim for damages in two separate judgments. Emtel has appealed against those two appeal judgments to the Judicial Committee of the Privy Council.

Silver Wings Ltd was subject to a fraud by the previous accountant. The matter is being handled by Silver Wings's lawyers and a minimum re-imbursement of Rs 20M is expected from the previous accountant, out of which Rs 3M has already been re-imbursed.

Emtel v/s Data Communications Ltd (DCL)

Emtel has sued DCL for unpaid services supplied by Emtel. In the course of the case, DCL has counter claimed the sum of Euros 1.5 million from Emtel for allegedly failing to supply an uninterrupted data service in respect of an International Private Line leased from Emtel. The case is not yet in shape for trial as DCL was subject to both an insolvency process and a receivership. In February 2021, the Court was informed that DCL is no more in receivership. An extension of time was requested to obtain the permission of the Court to proceed against DCL which is in liquidation. The matter is therefore still at pleadings stage. At this point the Board of Directors does not believe that Emtel will be required by the Court to settle the amount claimed by DCL.

33 RELATED PARTY TRANSACTIONS

The Group is directly controlled by Currimjee Limited which owns 62.95% of the Company's shares.

The particulars of the significant transactions carried out with related parties are presented below.

The other receivables from related parties are receivable within 1 year. The terms of loans receivable from and loans payable to related parties are also disclosed below.

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
(i) Sales of goods and services				
Associates	**2,437**	2,643	**-**	-
Shareholders	**809**	125	**-**	-
	3,246	2,768	**-**	-
Rental income				
Subsidiaries	**-**	-	**6,272**	5,591
Management fee income				
Subsidiaries	**-**	-	**38,600**	43,017
Shareholders	**-**	1,529	**-**	104
Associates	**1,515**	823	**1,515**	822
Entity significantly influenced by the directors of the Company	**-**	750	**-**	-
	1,515	3,102	**40,115**	43,943
(ii) Purchases of goods and services				
Purchases of goods				
Associates	**5,601**	5,756	**-**	-
Entity significantly influenced by the directors of the Company	**754,141**	698,806	**-**	-
	759,742	704,562	**-**	-

33 RELATED PARTY TRANSACTIONS (CONTINUED)

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
Management fee expense excluding Currimjee Limited				
Subsidiaires	**-**	-	**2,721**	2,783
Interest expense				
Subsidiaries	**-**	-	**7,844**	5,918
Related parties	**15,710**	13,117	**10,389**	8,732
Shareholders	**32**	3,414	**-**	3,414
Directors	**805**	2,775	**805**	2,775
	16,547	19,306	**19,038**	20,839
Interest income				
Subsidiaries	**-**	-	**20,874**	1,603
Related parties	**264**	-	**264**	-
Shareholders	**16,095**	20,185	**16,095**	20,185
	16,359	20,185	**37,233**	21,788
Currimjee Limited (common directorships)				
Management fees	**1,238**	1,313	**1,238**	1,313
	1,238	1,313	**1,238**	1,313
Key management compensation				
Salaries and other short term employee benefits	**159,360**	187,885	**81,553**	99,590
Post employment benefits	**7,185**	20,844	**-**	-
	166,545	208,729	**81,553**	99,590

Key management personnel of the Company refers to directors (executive and non-executive) and members of the senior management team of the Company as disclosed in the Corporate Governance report. Key management personnel of the Group refers to key management personnel of the Company and key management personnel of subsidiaries.

		GROUP		COMPANY	
		2021 Rs'000	2020 Rs'000	**2021 Rs'000**	2020 Rs'000
(iii)	**Loans receivable (Note 18):**				
(a)	*Loans to related parties*				
	Parent company	**532,069**	249,526	**532,069**	249,526
	Subsidiaries of sister Company	**30,000**	-	**30,000**	-
	Entity significantly influenced by the directors of the Company	**1,006**	1,006	**6**	6
		563,075	250,532	**562,075**	249,532

The above loans to related parties are unsecured, repayable at call, bearing interest of **3.25%** to **6.5%** per annum (2020 – 5.35%).

33 RELATED PARTY TRANSACTIONS (CONTINUED)

		GROUP		COMPANY	
		2021	2020	**2021**	2020
		Rs'000	Rs'000	**Rs'000**	Rs'000
(iii)	**Loans receivable (Note 18) (Continued):**				
(b)	*Loan to directors*	**347**	347	**347**	347
	The above loan to directors are unsecured, interest free and repayable at call.				
(c)	*Loans to subsidiaries*	**-**	-	**134,638**	416,201
	The loans to subsidiaries are repayable at call and bears interest rates as follows:				
	Interest free loan	**-**	-	**-**	397,809
	Interest rate of **3.85% to 6.5%** (2020 - 6.1% to 6.5%)	**-**	-	**134,638**	18,392
		-	-	**134,638**	416,201
(iv)	**Amounts receivable from (Note 18):**				
(a)	*Associates*				
	At 01 January	**5,334**	5,099	**4,824**	4,114
	Movement during the year	**(312)**	235	**(351)**	710
	At 31 December	**5,022**	5,334	**4,473**	4,824
(b)	*Shareholders*				
	At 01 January	**19**	15,532	**3**	15,525
	Movement during the year	**1,766**	(15,513)	**1,630**	(15,522)
	At 31 December	**1,785**	19	**1,633**	3
(c)	*Directors*				
	Amount receivable from directors	**390**	1,674	**390**	1,674
(d)	*Other related parties*				
	Entities significantly influenced by the Group	**-**	-	**-**	-
	Other related parties	**10,444**	6,198	**6,691**	4,058
		10,444	6,198	**6,691**	4,058
(e)	*Subsidiaries*				
	Amounts receivable from subsidiaries	**-**	-	**179,613**	526,015

33 RELATED PARTY TRANSACTIONS (CONTINUED)

		GROUP		COMPANY	
		2021	2020	**2021**	2020
		Rs'000	Rs'000	**Rs'000**	Rs'000
(v)	**Loans payable to (Note 24):**				
(a)	*Related parties*				
	Entities significantly influenced by the Group	**7,500**	7,500	**-**	-
	Shareholders of the ultimate parent	**141,966**	116,408	**141,966**	116,408
	Close family members of shareholders of the ultimate parent	**117,803**	105,600	**114,517**	102,313
		267,269	229,508	**256,483**	218,721

- The loan payable to entities significantly influenced by the Group are unsecured, repayable within one year and interest payable at the rate of **6%** (2020 – 6% to 7%) per annum.

-The loan payable to the shareholders of the ultimate parent are unsecured, repayable at call and bear interest at the rate of **5.35%** (2020 – 4.85% to 5.35%) per annum.

-The loan payable to close family members of shareholders of the ultimate parent are unsecured, repayable at call and bear interest at the rate of **5.35%** (2020 – 4.85% to 5.35%) per annum.

		GROUP		COMPANY	
		2021	2020	**2021**	2020
		Rs'000	Rs'000	**Rs'000**	Rs'000
(b)	*Shareholders*				
	At 01 January	**999**	300,999	**-**	300,000
	Repaid during the year	**(999)**	(300,000)	**-**	(300,000)
	At 31 December	**-**	999	**-**	-
	-The loan payable to shareholders are unsecured, repayable at call and bear no interest (2020 – 6.35%) per annum.				
(c)	*Directors*				
	At 01 January	**-**	58,056	**-**	58,056
	Raised during the year	**17,000**	-	**17,000**	-
	Repaid during the year	**-**	(58,056)	**-**	(58,056)
	At 31 December	**17,000**	-	**17,000**	-
	-The loan payable to directors are unsecured, repayable at call and bear interest at the rate of 5.35% (2020 – 4.85% to 5.35%) per annum.				
(d)	*Subsidiaries*				
	Loan payable to subsidiaries	**-**	-	**136,958**	52,458

-The loan payable to subsidiaries are unsecured, repayable at call and bear interest at the rate of 6% to 7% (2020 – 6%) per annum.

33 RELATED PARTY TRANSACTIONS (CONTINUED)

		GROUP		COMPANY	
		2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
(vi)	**Amounts due to (Note 27):**				
(a)	*Associates*	**131**	132	**98**	96
(b)	*Directors*	**970**	1,395	**970**	1,395
(c)	*Other related parties*				
	Entities significantly influenced by the Group	**32,508**	58,918	**-**	-
	Other related entities	**3,921**	1,628	**2,824**	157
		36,429	60,546	**2,824**	157
(d)	*Shareholders*	**347**	-	**-**	-
(e)	*Subsidiaries*	**-**	-	**7,207**	6,069

34 CONVERTIBLE DEBENTURES

	GROUP		COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
At 01 January	**-**	-	**-**	-
Bonds issued during the year	**208,000**	-	**-**	-
Fees attributable to convertible bonds	**(2,060)**	-	**-**	-
At 31 December	**205,940**	-	**-**	-

During the financial year ended 30 June 2021, a subsidiary of the Group, IKO (Mauritius) Hotel Ltd (IHL), has signed a subscription agreement with the Mauritius Investment Corporation Ltd ("MIC"), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds for a total amount of Rs 312 million comprising of 312 bonds of Rs 1 million each. One of the main objectives of the MIC is to provide financial support to companies impacted by the Covid-19 pandemic and in particular to the tourism sector which had the worst impact due to the full border closure. The MIC support is in the form of redeemable convertible bonds to companies which required urgent working capital to sustain its viability. IHL has issued 208 (in two equal tranches of 104 each) 3.5% redeemable convertible bonds in favour of MIC as at 31 December 2021. The last tranche of Rs 104m (104 convertible bonds) will be issued in April 2022. The maturity date is 9 years from first disbursement of the first tranche of the subscription proceeds.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021 (CONTINUED)

35 CORRECTION OF PRIOR PERIOD ERRORS

The accounts of one of the subsdiaries namely, Emtel Ltd, have been restated with regards to the following:

a) Emtel Ltd, previously reported current tax receivable as part of trade and other receivables. Under IAS 1 'Presentation of financial statements', current tax receivable should be disclosed as a separate line item on the face of the statement of financial position. Given the nature and magnitude of the amount, this error has been corrected. Refer to Note 17 for details on the nature of the balance.

b) Emtel Ltd disclosed cash outflows for solidarity levy on revenue as part of taxation cash flows. Solidarity levy on revenue does not fall in the scope of IAS 12 "Income taxes" and as such, any payment of solidarity levy on revenue does not form part of taxation cash flows. This has been corrected and the prior year restated accordingly to exclude solidarity levy on revenue from taxation cash flows.

c) Emtel Ltd previously reported restricted cash balance separatey from cash and cash equivalents on the face of the statement of financial position. The restricted cash meets the definition of "cash and cash equivalents" as defined in IAS 7 'Statement of cash flows' since the cash is available to settle short term liabilities arising from services obtained from a specific supplier. This error has been corrected by reclassifying restricted cash as part of cash and cash equivalents on the statement of financial position.

d) As per IAS 16, 'Property, plant and equipment', assets of a similar nature and use in an entity's operations are grouped into one class. Emtel Ltd previously grouped assets relating to technical equipment, office equipment and furniture and fittings under land and buildings. This has been corrected by reclassifying these assets from land & buildings amounting to Rs 96 million to their respective classes. The resulting impact on the depreciation were not material to restate the prior year and the adjustment on depreciation has been corrected in the current year.

e) Emtel Ltd previously reported deferred revenue under trade and other payables. Deferred revenue meets the definition of a contract liability in terms of IFRS 15, however does not need to be disclosed separately and a voluntary change in disclosure has been brought about to provide more insight and relevant information to the users of the financial statements. This has been corrected and the prior year restated accordingly to reclassify deferred revenue from trade and other payables and shown separately on the statement of financial position.

f) Emtel Ltd previously reported interest paid on leases under lease payment in the cash flow statement. As per IAS 7, the interest payment should be disclosed in the cash flow statement under net cash from operating activities. This has been corrected and the prior year restated accordingly to reclassify interest payment from financing activities and included in interest payment.

g) The tables below summarise the impact of the adjustments:

	01 January 2020		
	As previously stated	Adjustments	As restated
	Rs000	Rs000	Rs000
Statement of financial position (extract)			
Trade and other receivables (a)	675,886	(80,382)	595,504
Current tax asset (a)	-	80,382	80,382
Restricted cash (c)	138,226	(138,226)	-
Cash and cash equivalents (c)	463,621	138,226	601,847
Trade and other payables (e)	1,656,224	(116,163)	1,540,061
Deferred revenue (e)	-	116,163	116,163

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2021 (CONTINUED)

35 CORRECTION OF PRIOR PERIOD ERRORS (CONTINUED)

	31 December 2020		
	As previously stated	Adjustments	As restated
	Rs000	Rs000	Rs000
Statement of financial position (extract)			
Trade and other receivables (a)	539,360	(80,382)	458,978
Current tax asset (a)	9,415	80,382	89,797
Restricted cash (c)	80,329	(80,329)	-
Cash and cash equivalents (c)	559,566	80,329	639,895
Trade and other payables (e)	1,324,232	(118,103)	1,206,129
Deferred revenue (e)	-	118,103	118,103

	31 December 2020		
	As previously stated	Adjustments	As restated
	Rs000	Rs000	Rs000
Statements of cash flows (extract)			
Decrease in provisions (b)	-	(2,443)	(2,443)
Increase/(Decrease) in trade and other payables (e)	(330,751)	(1,940)	(332,691)
Decrease in deferred revenue (e)	-	1,940	1,940
Taxation paid (b)	(111,528)	2,443	(109,085)
Interest paid (f)	(295,353)	(39,152)	(334,505)
Cash flow from financing activities			
Lease payment (f)	(144,440)	39,152	(105,288)

36 SUBSEQUENT EVENTS

There are no material events after the reporting period which should require disclosure of adjustments to the financial statements for the year ended 31 December 2021.

37 PARENT AND ULTIMATE PARENT

The directors regard Currimjee Limited (previously known as Fakhary Limited), a company incorporated in Mauritius, as the Company's parent and ultimate controlling party.

38 INCORPORATION AND REGISTERED OFFICE

The Company is a private limited company incorporated and domiciled in Mauritius. The registered office and place of business of the Company is at 38, Royal Street, Port Louis.

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