
**COMPAGNIE
IMMOBILIERE
LIMITEE**



Annual Report 2019

Contents

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Notice of Annual Meeting

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Notice is hereby given that the Annual Meeting of Compagnie Immobilière Limitée ("the Company") will be held at the Boardroom of Le Nénuphar, 1st Floor, Arcades Currimjee, 256, Royal Road, Curepipe on the 23rd of September 2020 at 14.30 hours to transact the following business:

RESOLUTIONS TO BE VOTED AS ORDINARY RESOLUTIONS

- To adopt the Minutes of the Annual Meeting of Shareholders held on 26th June 2019 as true proceedings of the meeting.
ORDINARY RESOLUTION I
"RESOLVED that the Minutes of the Annual Meeting of Shareholders held on 26th June 2019 be adopted as true proceedings of the meeting."
- To consider the Annual Report for the year ended 31st December 2019.
- To receive the Auditors' Report for the year ended 31st December 2019.
- To consider and adopt the Audited Financial Statements for the year ended 31st December 2019.
ORDINARY RESOLUTION II
"RESOLVED that the Audited Financial Statements for the year ended 31st December 2019 be adopted."
- To re-appoint Mr Anil C. Currimjee as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION III
"RESOLVED that Mr Anil C. Currimjee be hereby re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders."
- To re-appoint Mr Raffi Currimjee as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION IV
"RESOLVED that Mr Raffi Currimjee be hereby re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders."
- To re-appoint Mr Anwar A H Moollan as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION V
"RESOLVED that Mr Anwar A H Moollan be hereby re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders."
- To re-appoint Mr Yusuf H A Aboobaker as Director of the Company, to hold office until the next Annual Meeting of Shareholders, in accordance with Section 138(6) of the Companies Act 2001.
ORDINARY RESOLUTION VI
"RESOLVED that Mr Yusuf H A Aboobaker be hereby re-appointed as Director of the Company in accordance with Section 138(6) of the Companies Act 2001, to hold office until the next Annual Meeting of Shareholders."
- To confirm the appointment of Mr Sanjiv K Mihdidin as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION VII
"RESOLVED that the appointment of Mr Sanjiv K Mihdidin as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed."
- To confirm the appointment of Mr M Iqbal Oozeer as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION VIII
"RESOLVED that the appointment of Mr M Iqbal Oozeer as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed."
- To confirm the appointment of Mrs P Vanesha Sannasee Pareemamun as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION IX
"RESOLVED that the appointment of Mrs P Vanesha Sannasee Pareemamun as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed."
- To confirm the appointment of Mr Reshan K Rambocus as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION X
"RESOLVED that the appointment of Mr Reshan K Rambocus as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed."

Notice of Annual Meeting

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- To confirm the appointment of Mr Saleem Karimjee as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION XI
"RESOLVED that the appointment of Mr Saleem Karimjee as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed."
- To appoint, on recommendation of the Board, Messrs BDO & Co as Auditors of the Company for the year ending 31st December 2020 and to authorise the Board of Directors to fix their remuneration.
ORDINARY RESOLUTION XII
"RESOLVED that Messrs BDO & Co be appointed as Auditors of the Company for the year ending 31st December 2020 and that the Board of Directors be authorised to fix their remuneration."

RESOLUTION TO BE VOTED AS SPECIAL RESOLUTION

SPECIAL RESOLUTION I

- To consider and if thought fit, to approve, on recommendation of the Board, with or without modifications, as special resolution, the alteration of the Constitution of the Company pursuant to Section 44(2) of the Companies Act 2001 as follows:

To amend Clause 23.1 of the Constitution to read as follows:

A director who has declared his interest in accordance with this clause 23.1 of the Constitution, shall not be present at that part of the Board Meeting in which any matter relating to the transaction or proposed transaction in which he/she is interested is discussed, and should not participate in the debate, vote or indicate how he/she would have voted on the transaction, at the Board Meeting.

By Order of the Board

31st August 2020



Currimjee Secretaries Limited
Per Ramanuj Nathoo
(Secretary)

Notes:

- A member entitled to attend and vote at this Annual Meeting may appoint a proxy, whether member or not, to attend and vote on his or her behalf. A proxy needs not be a member of the Company.
- The proxy forms, duly signed, to be effective, must be deposited at the Registered Office of the Company - Attention: the Secretary, at 38, Royal Street, Port Louis, not less than 24 hours before the Annual Meeting of Shareholders.
- For the purpose of this Annual Meeting, the Directors have resolved, in compliance with section 120(3) of the Companies Act 2001, that the Shareholders entitled to receive notice of the meeting and attend such meeting shall be those Shareholders whose names are registered in the share register of the Company as at 31st August 2020.
- The Minutes of the Annual Meeting of Shareholders held on 26th June 2019 are available for consultation by the Shareholders during office hours, at the Registered Office of the Company.
- The Annual Report of the Company will be available at the Registered Office of the Company as from 09th September 2020. Shareholders who wish to receive a copy of the Annual Report by email or any other electronic means or a hard copy should send their request to the Secretary. The Secretary shall do the needful within 2 working days of the request.

*This Communiqué is issued pursuant to:
Rule 14 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.
Practice Directions No. 4 and 5 pursuant to section 20A of the Companies Act 2001.*

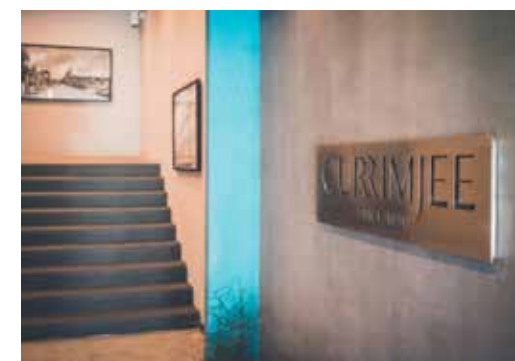
Dear Shareholder,

The Board of Directors is pleased to present the Annual Report of **Compagnie Immobilière Limitée** (the "Company") for the year ended 31 December 2019. This report was approved by the Board of Directors on 08th May 2020.

On behalf of the Board of Directors, we invite you to join us at the Annual Meeting of the Company to be held on **23rd September 2020 at 14:30 hours** at the Boardroom of the Le Nénuphar, 1st Floor, Arcades Currimjee, 256, Royal Road, Curepipe.

Sincerely,

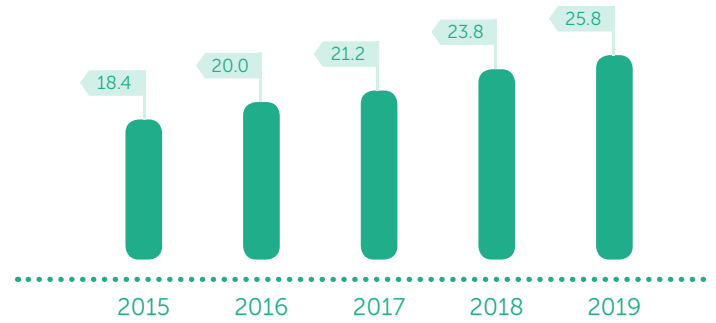
Anil C Currimjee
Chairman



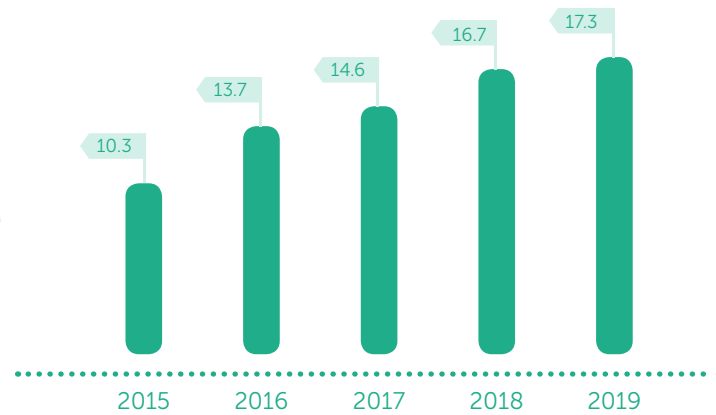
Financial highlights

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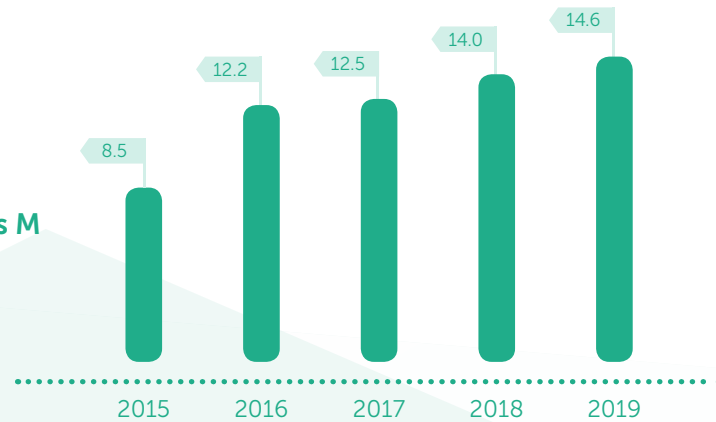
Revenue - Rs M



Operating Profit - Rs M



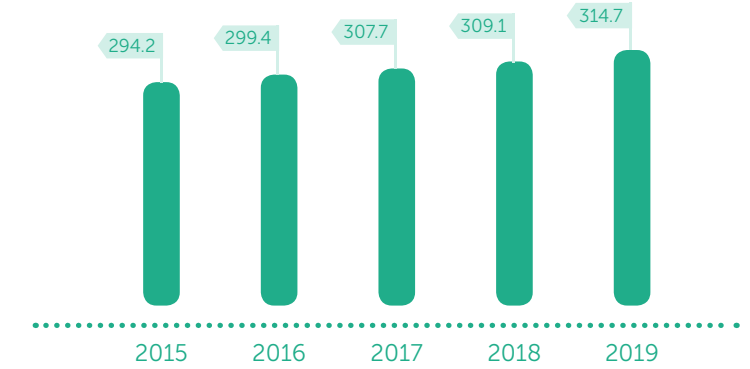
Net Profit After Tax - Rs M



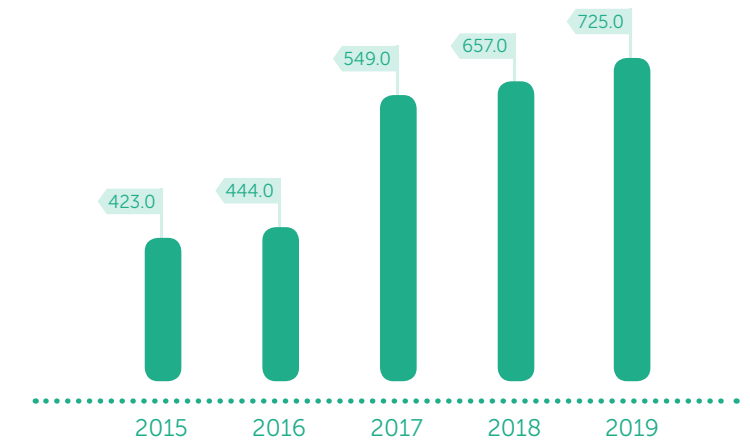
Financial highlights

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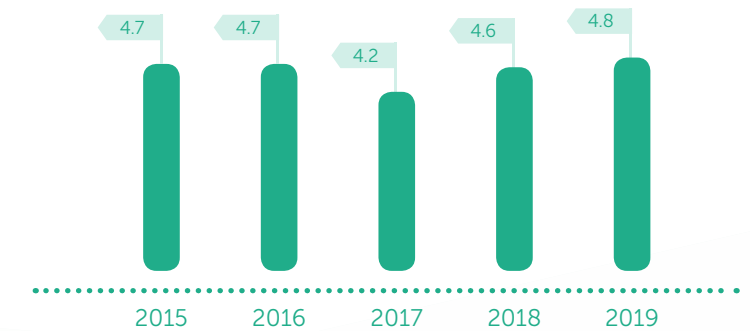
Investment Property Value - Rs M



Share Price - Rs



Dividend Yield - %



Business Model

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Our capitals to create value

Financial Capital

Creating and sustaining value across the whole market through management of equity and debt amongst others

- Equity:
Rs 311.4M (2018: Rs 306.1M)
- Net Debt:
Rs 1.6 M (2018: Rs 1.4M)

Human and Intellectual Capital

- Our growing brand: Arcades Currimjee
- Experience and expertise of the asset managers and employees
- Digital capabilities

Relationship Capital

- Our relationships with stakeholders, including our tenants, customers, the local authorities and our partners
- Meaningful engagement with our tenants

Manufactured Capital

- Arcades Currimjee, centrally located as a mixed use property including retail, food and office spaces
- Property assets value:
Rs 314.7M (2018: Rs 309.1M)
- Investments during the year:
Rs 5.3M (2018: Rs 0)

Social and Natural Capital

- Investment in CSR activities:
Rs 267K (2018: Rs 223K)
- Continued upkeep of our environmental friendly installations at Arcades Currimjee

Our value creating attributes

Asset Management

Strategic asset manager sets strategies and objectives for the property manager to implement. It covers the tenancy mix, rental rates, marketing, competitive analysis, financial management and cost controls which is escalated down for the property manager to execute. The asset manager also advises on any refurbishment and major capex initiative.

Property Management

Property Management includes Tenancy and Facilities Management. The property manager is equipped with the appropriate tools and knowledge to execute its tasks for example a dedicated property management software.

We select our tenants based on a comprehensive due diligence exercise, which helps us build the right mix of tenants. We engage with them in a proactive, meaningful and consistent way to identify the areas of concern and enhance their experience. We also focus on growth in renewal rentals to improve our property yield over time.

Facilities management is perceived as more than a support function. Its strategic value lies in the efficient day-to-day management and maintenance of Arcades Currimjee. Facilities team are mandated to deliver and sustain an improved service level delivery through utility management intervention.

Sustainability Management

Compagnie Immobilière Limitée adheres to the Group environmental and sustainability initiatives by focusing on a number of areas such as judicious energy management, rainwater collection, disposal of waste and minimisation of ecological footprint. We also favour relationship with environmentally responsible suppliers.

Business Model

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Output and Outcome

Financial Capital

Dividends paid
Rs 9.3M (2018: Rs 9.1M)

Interest paid
Rs 0 (2018: Rs 123k)

Net Profit After Tax
Rs 14.6m

Human and Intellectual Capital

- Tenant Mix; **Food outlets 8%, Services 12%, Retail 20% and Offices 60%**
- Brand – Distinctive brand identity (Arcades Currimjee)
- Capability and capacity reinforcement at the level of the managers
- Introduction of MDA Property Management Software

Relationship Capital

- Positive and constructive relationship with stakeholders
- Meaningful relationships with our tenants
- Weighted average lease expiry: **2.5 years**

Manufactured Capital

Net Leasable Area
5,115 m2

Net Operating Income
Rs 17.3m

Increase in property value
1.8% (2018: 0.4%)

Net yield on developed properties
5.48% (2018: 5.40%)

Occupancy
85%

Social and Natural Capital

- CSR contribution; **Rs 0.3m**
- CIL has been awarded the Mauritius Stock Exchange of Mauritius Sustainability Index (SEMSI) since 2015 and commended in 2019.
- The company is a member of the Green Building Council since 2016
- Continued investment in energy solutions
- Procurement – Environmentally responsible suppliers are favoured

Chairman's Statement

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Dear Shareholder,

I am pleased to present to you the Annual Report of Compagnie Immobilière Limitée ("the Company" or "CIL") for the year 2019.

Arcades Currimjee, owned by CIL, is a landmark and historical building strategically located in the centre of Curepipe. It is a mixed-use destination with retail shops, restaurants, and offices. Since the launch of the food precinct in 2014, it has established itself as a preferred destination in Curepipe.

OVERVIEW OF THE BUSINESS ENVIRONMENT

As we finalise this annual report, the world is witnessing one of its worst economic downturns with the unforeseen Covid-19 pandemic. Our island has not been spared with a total lockdown from mid-March to end May 2020. Although the lockdown measures have been lifted, the country's borders are still closed. This impacts our economy negatively. Furthermore, the recent unprecedented ecological disaster resulting from the oil spill in the

south east of the Island is adding to the already difficult economic and social situation. This crisis has had its toll on the local stock market, various economic sectors and very with serious negative impacts on the Hospitality sector. The country has witnessed downward salary reviews and job losses in the Hospitality and Manufacturing sectors. Consequently, it is anticipated that consumption will be negatively affected with the decrease in disposable income. With the advent of Work from Home during the lockdown period, businesses are reviewing their work methods thus relying less and less on traditional office spaces. Certain retail tenants who were barred from trading during the lockdown are finding it difficult to sustain business in the new economic context.

Within the above context and with an ever increasing competitive landscape together with changing customer behaviours, we have swiftly reviewed our business models in defining tenant retention strategies, reviewing our product offerings and product mix for the benefit our stakeholders. The managers are now equipped with a dedicated Property Management Software for increased efficiency and we have introduced a digital marketing platform leveraging on social media to market the Arcades Currimjee. Other marketing initiatives, such as regular themed events will be implemented to increase footfall.

We are pursuing our initiatives and remain confident to sustain our business despite the difficulties to predict any upturn within a foreseeable future. This confidence is based upon our location at the heart of Curepipe, our continued investments over the years and a number of leading tenants.

OUR FINANCIAL PERFORMANCE

The dynamic business strategy adopted and investments made over the last few years together with cost control measures have contributed towards improving the performance of the Company. The revenue in 2019 reached Rs 25.8M, up by 8.4% on previous year.

The Company recorded a profit after tax of Rs 14.6M in 2019 as compared to Rs 14M, last year, representing an increase of 4.1%. The profit after tax was inclusive of a fair value gain of Rs 0.3M (2018: Rs 1.3M).

Chairman's Statement

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DIVIDEND

The Company declared and paid a dividend of Rs 35 per share in 2019 (Year 2018 – Rs 30 per share).

GOVERNANCE AND BOARD MATTERS

At CIL, we strongly believe that a robust governance framework contributes towards improving the efficiency of the Board, enhancing business performance, sustaining growth, maximizing returns to Shareholders and protecting their long-term interests. We strive to ensure that the highest standards of corporate governance are upheld at all levels within the organisation and embedded in our culture. The Board composition has been reviewed taking into account the Code's recommendation in terms of appointment of Independent Director(s) and the diversity in gender representation on the Board. Mrs. Vanesha Pareemamun has been appointed as Non- Executive Director on 24 April 2020 and Messrs. Reshan Rambocus and Saleem Karimjee as Independent Directors on 24 April 2020 and 06 July 2020 respectively.

I am delighted to report that the Company has applied all the principles of the National Code of Corporate Governance of Mauritius (2016) ("the Code") and has complied with the material aspects of the Code. The Corporate Governance Report that follows sets out how CIL is applying the Code's principles.

SUSTAINABILITY INITIATIVES

CIL has been awarded SEM Sustainability Index since 2015. It is also a member of the Green Building Council Mauritius since 2016. We are proud to report that the Company has increased its overall Integrated Performance as per the SEMSI report from 75 % to 80 % in 2019.

The Company maximises the use of natural light and ventilation in the design and renovation of its various components. Since September 2016, Arcades Currimjee is lit with 100% LED lights. Currently nearly 50% of the electrical energy utilised in the common areas on the ground floor of the Arcades is produced through photovoltaic energy. Further investments have been initiated with a view to supplying 100% of common areas energy needs through solar energy.

Moreover, rainwater harvesting is being used for housekeeping purposes since 2015. The total rainwater harvesting capacity has been increase from 11,000 litres to 13,500 litres in 2019.

Segregation and safe disposal of waste is an equally important sustainability endeavour of the Company. In 2018, a new initiative was launched for the recuperation and recycling of used kitchen oil from Food outlets in the Arcades. In 2019, the company has collected about 50 litres of used oil for recycling.

THE WAY FORWARD

The challenges within a Covid-19 context will be the main focus for this year and will continue beyond 2020. Management will continue to closely monitor the situation alongside the tenants to reinforce its retention initiatives whilst also exploring new strategies to improve occupancy and review the brand position of the Arcades.

Growth opportunities will be explored to build a diversified portfolio both sectoral and geographically.

ACKNOWLEDGEMENTS

I take this opportunity to thank my fellow Directors and Board Committee Members for their unflinching support, guidance and advice during the year.

I further extend my appreciation to our Management team for their continued hard work and dedication to the Company and our valued stakeholders and shareholders for their continuous support.

Anil C Currimjee
Chairman

31 August 2020

Directors of the Company

Chairman & Non-Executive Director

Mr. Bashirali A Currimjee, G.O.S.K. (ceased to be Chairman and Director on 08 April 2020)
Mr Anil C Currimjee (appointed as Chairman on 08 May 2020)

Non-Executive Directors

Mr. Carrim A Currimjee, G.O.S.K. (ceased to be Director on 08 April 2020)
Mr. Ashraf M Currimjee (ceased to be Director on 08 April 2020)
Mr. Mazahir F E Adamjee (ceased to be Director on 14 February 2020)
Mr. Raffi Currimjee
Mr. Anwar Moollan, SC
Mr. Yusuf Hassam Aboo Baker, SC
Mr. Sanjiv Kumar Mihdidin (appointed on 01 August 2019)
Mr. Mohammad Iqbal Oozeer (appointed on 24 April 2020)
Mrs. Vanesha Pareemamun (appointed on 24 April 2020)
Mr. Reshan Rambocus (appointed on 24 April 2020)
Mr. Saleem Karimjee (appointed on 06 July 2020)

Secretary

Currimjee Secretaries Limited

Registered Office

38, Royal Street
Port Louis

Principle Place of Business

Les Arcades Currimjee, 256 Royal Road
Curepipe

External Auditor

PricewaterhouseCoopers
PwC Centre,
Avenue de Telfair,
Telfair 80829,
Moka

Bankers

The Mauritius Commercial Bank Ltd
SBI (Mauritius) Ltd



WHO WE ARE

Compagnie Immobilière Limitée is a Development and Enterprise Market (DEM) listed company which comprises of Arcades Currimjee in Curepipe and part of an undeveloped portion of land situated in Rose Hill. Compagnie Immobilière Limitée has also been awarded the SEMSI award on the Stock Exchange Market in the year 2015.

Built in 1912 and acquired by the Currimjee Jeewanjee group in the 1950's, Arcades Currimjee is a landmark and historical building infused with the local history and culture in Mauritius.

Arcades Currimjee, situated in the centre of Curepipe has also accommodated the likes of Intercontinental hotel in 1972 and Cheribinny in 1976.

Today Arcades Currimjee repositioned itself as a mixed-use destination with restaurants, retails, services and offices.

We believe that the well-being of our stakeholders contributes to the sustainability of the Group. In this Annual Report, we provide a clear and balanced outline of who we are and what we aim to undertake for the interest of our shareholders in the future together with fostering the group's business growth.

In a nutshell, we are dedicated to executing our strategy with discipline and creating sustainable value for our stakeholders.



Report from The Board of Directors

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Dear Shareholder

The Board of Directors is pleased to present the Annual Report of **COMPAGNIE IMMOBILIERE LIMITEE** ("the Company") for the year ended 31 December 2019.

Legal Form and Principal Activity

The Company was incorporated on 06 December 1950 as a public company and was listed on the Development & Enterprise Market (DEM) of the Stock Exchange of Mauritius (SEM) on 04 August 2006. Its principal activity consists of rental of property and has remained unchanged during the year.

Results

The Company recorded an increase in revenue from Rs 23.8m to Rs 25.8m for the year ended 31 December 2019 compared to year 2018. This was mainly due to higher occupancy, improved tenant mix, annual rental escalations and lease renewals at higher rates.

The increase in revenue contributed to an increase in profit after tax from Rs 14.0m to Rs 14.6m. The Company recorded a fair value gain of Rs 0.3m (Year 2018 - Rs1.3m) in revaluation of investment properties.

The basic and diluted earnings per share of the Company increased from Rs 52.59 to Rs 54.75. The share price closed at Rs 725 as at 31 December 2019 (Year 2018: Rs 657).

The Company declared a dividend of Rs 35 per share in 2019 (Year 2018 – Rs 30 per share) representing a dividend yield of 4.8% (Year 2018 – 4.6%).

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 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 and complied with, 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 confirm that they have complied with the above requirements in preparing the financial statements.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

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.

Report from The Board of Directors (Continued)

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Auditor

An external audit tender exercise is being conducted for the audit for the year ending 31 December 2020. The fees paid to the Auditor were as follows:

	2019	2018
	Rs	Rs
Audit fees	245,871	242,000
Tax fees	46,359	45,502
	292,230	287,502

The tax fees represent professional fees paid to PricewaterhouseCoopers in relation to tax compliance services. The tax department consists of a separate team, which is independent of the audit team. There was thus no conflict with the audit work being provided.

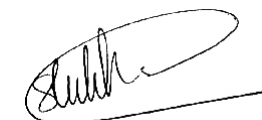
Acknowledgements

On behalf of the Board, we wish to express our sincere appreciation and gratitude to Management and staff for their work done and commitment to the Company.

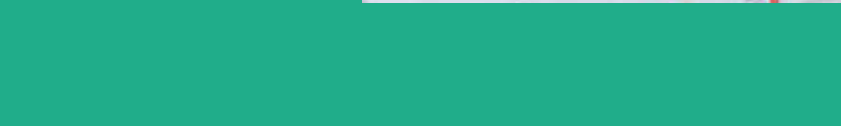
Signed on behalf of the Board of Directors on 08 May 2020



Anil C Currimjee
Director



Sanjiv K Mihdidin
Director



Corporate Governance Report

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Introduction

The Board of Directors ("the Board") affirms that the Company is a Public Interest Entity ("PIE") under the provisions of the Financial Reporting Act 2004. The governance of the Company is principally guided by the provisions of the Mauritius Companies Act 2001, the Financial Report Act 2004, the National Code of Corporate Governance of Mauritius 2016 ("the Code") and its constitutive documents. The Board has, as far as practical, followed the guidance notes of the Code.

This report outlines the Company's governance framework under the Code and the application of its principles by the Company.

The Board believes that all material information on the Company and its governance framework, recommended to be disclosed on the website as per the Code, is available to shareholders and stakeholders through (i) publication of the quarterly Abridged Financial Statements on the website of the Stock Exchange of Mauritius and in the local newspapers, and (ii) the Annual Report & Financial Statements filed at the Registrar of Companies.

Principle 1 – Governance Structure

The Board

Statement of Accountabilities

The Board is responsible for leading and controlling the organisation and meeting all legal and regulatory requirements. It is accountable for the performance and affairs of the Company and for value creation in a sustainable manner. The Board is also responsible for ensuring that the Company adheres to high standards of ethical behaviour and acts in the best interest of Shareholders.

The Board operates within a defined governance framework, which provides for effective delegation of some of its powers to established Board Committees with clear lines of responsibilities. A proper reporting mechanism is in place to ensure that matters affecting the affairs of the Company are escalated to the Board by the Chairman of the Board Committees. This enables the Board to discharge its duties more effectively.



Principle 1 – Governance Structure (Continued)

The Board (Continued)

Statement of Accountabilities (Continued)

*The Corporate Governance Committee's functions have been assigned to the Corporate Governance Committee set up at the level of the holding company, Currimjee Jeewanjee and Company Limited ('CJ & CO LTD).

The Terms of Reference of the Audit & Risk Committee provides for a review thereof on an annual basis.

Board Charter

The Company operates within the principles laid down in the model Board Charter contained in the Code and is guided by the provisions of its Constitution and the prevailing legislation, rules and regulations such as the Mauritius Companies Act 2001, the Financial Reporting Act 2004, the DEM rules and the Code. The Company shall in due course endeavour towards adopting a Board Charter.

Code of Conduct

The Company has a Code of Conduct which sets out a summary of the Currimjee Group's ethical and professional standards to encourage and consolidate such behaviours and attitudes by the Company's Directors and Officers so as to foster a high sense of duty, imbued with honesty and integrity. All parties concerned are called to read the Code of Conduct with due care and attention and they are expected to comply fully with its provisions.

Key Senior Governance Positions and responsibilities

The key senior governance positions within the Company and their corresponding responsibilities are crucial to the strategic performance and optimised adherence to proper governance. The Company forms part of the Real Estate Cluster of the Currimjee Group and has a Management Agreement with Currimjee Property Management and Development Limited ("CPMD") for the provision of Asset and Property Management Services to the Company. Mr Sanjiv Kumar Mihdidin, Chief Executive Officer of the Real Estate Cluster manages the day-to-day affairs of the Company.

Company Secretary

The role of the Company Secretary is assumed by Currimjee Secretaries Limited, represented by Mr. Ramanuj Nathoo.

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

The Board has approved the Position Statements of the Chairman and Company Secretary.

The profiles of the Directors as at the date of this report are set out below. The Board has decided to only disclose other directorship in companies listed on the Stock Exchange of Mauritius Ltd. Details of other directorships are available at the Company's registry.

Principle 1 – Governance Structure (Continued)

Mr. Sanjiv Kumar Mihdidin – Mauritian Citizen and Resident - Executive Director (Appointed on 01 August 2019)

Qualifications:

- BTech (Hons) in Civil Engineering from the University of Mauritius
- MSc in Environmental Engineering from the University of Newcastle, UK.
- MBA (specialization in Finance) from the University of Mauritius.

Experience:

- Former Managing Director of SM Art Property Ltd
- Former Chief Executive Officer of Xterra Capital Advisors Ltd
- Former Chief Executive Officer of Foresite Property, Promoters of Ascencia Ltd and the Property Arm of Rogers & Co Ltd
- Former Team Leader at the Sugar Investment Trust (SIT)
- Senior Project Engineer at SJPCE Ltd, a firm of consulting engineers
- Has more than 25 years of experience in engineering, construction, property development and real estate management.

Directorship in other listed companies: None

Mr Anil C Currimjee – Mauritian Citizen and Resident – Chairman and Non-Executive Director

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.
- Managing Director of CJ&CO Ltd and Director of numerous companies within the Currimjee Group.

Directorship in other listed companies: Quality Beverages Limited and Sanlam Africa Core Real Estate Investments Limited.

Mr. Raffi Currimjee – Mauritian Citizen and Resident - Non-Executive Director Committee Membership: Audit & Risk Committee.

Qualifications:

BSE Mechanical Engineering and Applied Mechanics, University of Pennsylvania, USA

Experience:

- Has held key executive positions in the Food and Beverages Cluster of the Currimjee Group for the last 24 years.
- Deputy Managing Director of Quality Beverages Limited, a company listed on the Stock Exchange of Mauritius.

Directorship in other listed companies: Quality Beverages Limited and Soap & Allied Industries Limited.

Corporate Governance Report (Continued)

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Principle 1 – Governance Structure (Continued)

Mr. Anwar Moollan, SC – Mauritian Citizen and Resident - Non-Executive Director

Qualifications:

- Diplôme d'Ingénieur (≈ M.Sc. Mechanical Engineering), Ecole Nationale Supérieure de Mécanique (now Ecole Centrale de Nantes, France)
- M.A. (Hons) Law, Cambridge, England.
- Recipient of the Sir Raymond Hein QC Award, Bar Examinations, Mauritius.
- Called to the Bar in Mauritius in 1996.

Experience

- Senior Counsel practising at the Chambers of Sir Hamid Moollan QC.

Directorship in other listed companies: Harel Mallac & Co Ltd.

Mr Yusuf Hassam Aboo Baker, SC - Mauritian Citizen and Resident - Non Executive Director

Qualifications:

- BA (Hons) Economics, Delhi University, India.
- Called to the Bar in England in 1971 and Mauritius in 1972.
- Elevated to the rank of Senior Counsel in 2003.

Experience:

- Specialization in civil and commercial matters, appearing in all the courts of justice in Mauritius.
- Former Chairman of the Bar Council of Mauritius.
- Former Member of the Law Reform Commission, the National Economic and Social Council and the Compliance and Enforcement sub-committee of the National Corporate Governance Committee.
- Chairman of Electoral Supervisory Commission and Electoral Boundaries Commission.

Directorship in other listed companies: None

Mr. Mohammad Iqbal Oozeer - Mauritian Citizen and Resident - Non-Executive Director (Appointed on 24 April 2020)

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 CJ&CO Ltd for more than 25 years.
- Currently Chief Finance Officer of CJ&CO Ltd.

Directorship in other listed companies: None

Corporate Governance Report (Continued)

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Principle 1 – Governance Structure (Continued)

Mrs Vanesha Pareemamun - Mauritian Citizen and Resident - Non-Executive Director (Appointed on 24 April 2020)

Qualifications:

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

Experience:

- Joined CJ&CO Ltd as Chief Human Resource Officer in April 2017.
- 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 promoted to the position of Group Head of HR, Cim Group in 2013.
- Member of the Mauritius Institute of Directors.

Directorship in other listed companies: None

Mr Reshan Rambocus - Mauritian Citizen and Resident - Independent Director (Appointed on 24 April 2020)

Qualifications:

- Member of the Institute of Chartered Accountants in England & Wales
- Member of the Chartered Institute of Taxation (UK)

Experience:

- Spent a number of years with KPMG Tax Advisers in London
- Former Chief Financial Officer for HSBC Mauritius
- Former Partner with Ernst & Young Mauritius
- Chief Executive Officer of Safyr Utilis Ltd

Directorship in other listed companies: Phoenix Beverages Limited and Lux Island Resorts Ltd

Principle 2 – The Structure of the Board and its Committees

The Company has a unitary Board with an appropriate balance of skills and experience. As at date of this report, the Board is composed of eight Directors with one Executive Director, six Non-Executive Directors and one Independent Director. Mr Mazahir F E Adamjee resigned on 14 February 2020 and Messrs Bashirali A Currimjee, Carrim A Currimjee and Ashraf M Currimjee resigned on 08 April 2020. Mr Anil C Currimjee has been appointed as Chairman of the Company on 08 May 2020.



Principle 2 – The Structure of the Board and its Committees (Continued)

The Executive Director is responsible for running the Company's business, developing and implementing the Company's strategy, as approved by the Board. He manages the dynamics between his management responsibilities and his fiduciary duties in the best interests of the Company.

The Non-Executive Directors have a diverse mix of skills and experience and provide an objective oversight, independent of the Executive Director, to constructively challenge Management and contribute to effective decision-making at the Board.

The Board composition has been reviewed taking into account the Code's recommendation in terms of appointment of Independent Director(s) and the diversity in gender representation on the Board. Mrs Vanesha Pareemamun has been appointed as Non- Executive Director on 24 April 2020 and Mr Reshan Rambocus as Independent Director on 24 April 2020. The Board is in the process of appointing a second Independent Director.

Where necessary in the discharge of their duties, Directors have the right to seek independent professional advice at the expense of the Company. They also have access to the records of the Company.

Focus areas during the Financial Year 2019

The Board met four times during the year and has considered / approved, amongst other items, the following key matters:

Financial Matters

- Approval of the Annual Report for the year ended 31 December 2018.
- Quarterly review of the performance of the Company against budget, including operational and financial highlights.
- Approval of the annual operating plan for year 2020 and 3-Year Plan for the Company.
- Declaration and payment of final dividend for the year ended 31 December 2019.

Governance

- Monitoring of implementation plan for the Code.
- Receive Reports from Chairman of Board Committees.
- Approval of Corporate Governance Report for the financial year 2018.
- Approval of Related Party Transactions Policy.
- Approval of the process for evaluation of the Board.

Audit and Risk Committee

The Audit and Risk Committee for the year 2019 was chaired by Mr Mazahir F E Adamjee, a Fellow Member of the Institute of Chartered Accountants in England and Wales. The Board thought it appropriate to appoint Mr Adamjee as the Chairman of the Audit & Risk Committee given his strong financial expertise.

Mr Mazahir F E Adamjee resigned as Chairman and Member of the Audit and Risk Committee on 14 February 2020. The Board is in the process of reviewing the Committee composition.

Principle 2 – The Structure of the Board and its Committees (Continued)

The members of the Committee are as follows:

Membership	
Mr Mazahir F E Adamjee	Ceased to be Chairman and Member on 14 February 2020
Mr Raffi Currimjee	Member
Mr Reshan Rambocus	Member

The following officers of CJ&CO Ltd, the holding company also attend Committee meetings: Mr M Iqbal Oozeer, Chief Finance Officer, Mr Ismael Soodeen, Chief Risk Officer and Mr Sattar Carrim, Chief Internal Auditor.

The Audit and Risk Committee's key areas of responsibility are:

- Monitoring the integrity of the financial statements and annual report and review significant financial reporting issues and judgements therein;
- Reviewing the Company's internal controls related to financial reporting and disclosure controls and procedures and monitoring the effectiveness of the internal audit function;
- Reviewing the internal audit recommendations and monitoring their implementation;
- Making recommendations to the Board in relation to the appointment, re-appointment and removal of the External Auditor;
- Agreeing 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);
- Assessing annually the independence and objectivity of the External Auditor, their expertise and resources and the effectiveness of the audit process;
- Focusing the risk areas of the Company's operations to be covered in the scope of the internal and external audits;
- Monitoring of the "Related Party Transaction Policy" as established by the Board.

Corporate Governance Committee

The Corporate Governance Committee's functions have been assigned by the Board of the Company to the Corporate Governance Committee set up at the level of CJ & CO LTD, its holding company.

The members of the Committee are as follows:

Membership	
Mrs Aisha Timol	Appointed Chairman in March 2019
Mr Bashirali A Currimjee	Member
Mr Ashraf M Currimjee	Member
Mr Azim F Currimjee	Member
Mr M Iqbal Oozeer	Member
Mr Geerja S Ramdaursingh	Resigned as Member on 18 November 2019

Mr Anil C Currimjee, Managing Director of CJ & CO LTD, is in attendance at Corporate Governance Committee Meetings.

Principle 2 – The Structure of the Board and its Committees (Continued)

Corporate Governance Committee (Continued)

The Committee's key areas of responsibility are:

- Recommending the Board on the Corporate Governance provisions to be adopted so that the Board remains effective and complies with prevailing Corporate Governance principles;
- Ensuring 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;
- Determining, agreeing and developing the Company's general policy on Corporate Governance in accordance with the Code;
- Reviewing the Company's Corporate Governance Policy and any other issues related to Corporate Governance and making requisite recommendations to the Board for consideration and approval.

Attendance at Board Meetings and Board Committees

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

Directors & Committee Members	Board Meeting	Audit & Risk Committee
Number of meetings during Year 2019	4	4
Mr. Bashirali A Currimjee ¹	1	n/a
Mr. Carrim A Currimjee ²	3	n/a
Mr. Anil C Currimjee	4	n/a
Mr. Ashraf M Currimjee ³	2	n/a
Mr. Mazahir F E Adamjee ⁴	3	3
Mr. Raffi Currimjee	4	3
Mr. Anwar Moollan	2	n/a
Mr. Yusuf Hassam Aboo Baker	2	n/a
Mr. Sanjiv Kumar Mihdidin	1	n/a
Co-opted Member at Committee Meeting		
Mr. Reshan Rambocus	n/a	3

Note:

- 1: Mr Bashirali A Currimjee resigned as Chairman of the Board and Director on 08 April 2020.
- 2: Mr Carrim A Currimjee resigned as Director on 08 April 2020.
- 3: Mr Ashraf M Currimjee resigned as Director on 08 April 2020.
- 4: Mr Mazahir F E Adamjee resigned as Director and Chairman and Member of the Audit & Risk Committee on 14 February 2020.

Principle 3 – Director Appointment Procedures

Appointment and re-election

The Nomination and Remuneration Committee is set up at the level of Currimjee Jeewanjee and Company Limited.

The Nomination and Remuneration Committee is responsible inter-alia for making recommendations to the Board of CJ&CO Ltd on the appointment of new Directors, taking into consideration the needs of the Company's Board in terms of skills, experience, diversity and size.

Principle 3 – Director Appointment Procedures (Continued)

Appointment and re-election (Continued)

Appointments of new Directors are made in a formal and transparent manner and is a matter for the entire Board, based on the recommendations by the Nomination and Remuneration Committee. As provided in the Constitution of the Company, each Director is eligible for re-election at the Annual Meeting.

Induction and orientation

Newly appointed Directors undergo an induction programme to familiarise them with the Company's operations, business environment and senior management. They are also entitled to receive an induction pack outlining the Company's purpose, mission and values, the Board governance structure and key governance policies, an overview of the previous year's performance, the annual operating plan, the three-year strategy, major projects and Board initiatives.

Professional Development & Succession Planning

The Company provides regular updates and the necessary resources to the Directors to best develop their knowledge and capabilities. They are also regularly updated on the developments in the industry and changes in the general business and regulatory environment at Board Meetings.

The Board assumes the responsibilities for succession planning of Directors and affirms that a succession plan will be developed as and when required.

Principle 4 - Director Duties, Remuneration and Performance

All Directors are fully appraised of their fiduciary duties as laid out in the Companies Act.

The Board has a "Related Party Transaction Policy", to ensure due and timely identification, approval process, disclosure and reporting of transactions between the Company and any of its Related Parties. It also ensures transparency in the Conduct of Related Party Transaction(s) in the best interest of the Company and the Shareholders. The Audit & Risk Committee has been assigned responsibility to monitor and report related party transactions to the Board. The Board ensures that all related party transactions are carried out at arm's length.

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 Management Team of CPMD, ensures that Directors receive necessary information for them to perform their duties and that the Board has sufficient time for consultation and decision making.

The Directors have access to the Management Team of CPMD.

Principle 4 - Director Duties, Remuneration and Performance (Continued)

Information Technology ('IT') and Information Security Governance

The Company has a Management Agreement with CPMD including the provision of IT services. CPMD has outsourced the management of its IT infrastructure requirements to CJ&CO Ltd. The IT infrastructure is operated on a Cloud model and the Company follows the IT operational policies of CJ&CO Ltd. Information Technology policies have been created based on ISO standard 27001:2013. An Information Security Policy has been devised to ensure that the Company's core and supporting business operations continue to operate with minimal disruptions and to protect the organisation's information assets. Policies have been implemented to control the usage, access and security of Information Technology tools. A Business Continuity Policy exists and a Disaster Recovery site is available for all critical services.

All significant investments on information technology, based on the business needs for the financial year, are provided for in the annual budget of the Company and approved by the Board.

In view of ensuring compliance with the Data Protection Act 2017 and the EU General Data Protection Regulations, the Company is endeavouring to reinforce its security measures to protect the data it collects, stores and processes.

Board, Board Committees & Individual Director evaluation

A Board evaluation exercise has been carried out for the financial year under review through the circulation of a questionnaire to each Director to obtain their feedback on the effectiveness of the Board, its procedures and practices during the year 2018. The questionnaire assessed the behavioural attributes that contribute to Board effectiveness, their corresponding importance to the Company and the Board's current performance on those behaviours.

The results are being analysed and appropriate action plans with clear road maps would be established in view of further enhancing Board performance.

The Board evaluation questionnaire for the year 2019 has also been approved by the Board and will be used to assess the performance of the Board for prior year.

Remuneration Philosophy

The main responsibility of the Nomination and Remuneration Committee as set up at the level of CJ & CO Ltd is to make recommendations to the Board for determining, developing and agreeing the Company's general policy on remuneration of Directors and the Members of its Board Committees with due consideration given to the competitive market for skills, knowledge and experience.

The remuneration of the paid Non-Executive Directors is based on a fixed fee and the number of meetings attended during the year under review. Remuneration and benefits received by Directors during the financial year under review from the Company were as follows.

Principle 4 - Director Duties, Remuneration and Performance (Continued)

Remuneration Philosophy (Continued)

The Executive Director is not remunerated by the Company since his contract of employment is with CJ & CO LTD.

Name of Director	Category of Director	Year 2019	Year 2018
Mr Bashirali A Currimjee	Non-Executive	NIL	NIL
Mr Carrim A Currimjee	Non-Executive	NIL	NIL
Mr Anil C Currimjee	Non-Executive	NIL	NIL
Mr Ashraf M Currimjee	Non-Executive	NIL	NIL
Mr Mazahir F E Adamjee	Non-Executive	NIL	NIL
Mr Raffi Currimjee	Non-Executive	NIL	NIL
Mr Anwar Moollan	Non-Executive	Rs 140,000	Rs 150,000
Mr Yusuf Hassam Aboo Baker	Non-Executive	Rs 140,000	Rs 120,000
Mr. Sanjiv Kumar Mihdidin	Executive	NIL	NIL

The Non-Executive Directors have not received remuneration in the form of share options or bonuses associated with the Company's performance and there are currently no long-term incentive plans.

Directors' Service Contracts

None of the Directors has a service contract with the Company.

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 and Dealings in Shares

The Directors are aware of the principles of the Model Code on Securities Transactions by Directors as detailed in Appendix 6 of the Mauritius Stock Exchange listing rules.

The Company Secretary maintains a Register of Interests, which is updated with every transaction entered into by the Directors and their closely related parties.

All new Directors are required to notify in writing to the Company Secretary their holdings in the Company's shares as well as those in related companies.

None of the Directors traded in the Company's shares during the year under review.

Principle 4 - Director Duties, Remuneration and Performance (Continued)

Directors' Interests and Dealings in Shares (Continued)

The following table details the interests of the Directors in the share capital of the Company as at 31 December 2019:

	Interests in the Company's shares	
	Number of Shares	
	Direct	Indirect*
Mr. Bashirali A Currimjee	-	-
Mr. Carrim A Currimjee	-	-
Mr. Anil C Currimjee	50	9,386
Mr. Ashraf M Currimjee	-	11,841
Mr. Mazahir F E Adamjee	-	-
Mr. Raffi Currimjee	-	7,645
Mr. Anwar Moollan	-	-
Mr. Yusuf Hassam Aboo Baker	-	-
Mr. Sanjiv Kumar Mihdidin	-	-

*Indirect interest includes shares held in the Company through the ultimate holding company and the Directors' associates.

Principle 5 - Risk Governance and Internal Control

Risk Governance

The management of risk is the overall responsibility of the Board, including the development of risk management strategies and the development of an ongoing risk assessment system for the reduction of risks, taking into account the objectives of the Company.

The Risk Management Framework falls under the supervision of the Audit & Risk Committee to ensure adequate and effective risk governance. The responsibility for identification and monitoring of risk is assigned to CPMD.

A robust documented process is in place to review Internal Control over Financial and non-financial reporting with a purpose of minimising the risk of not achieving the business objectives and of providing reasonable assurance that the financial statements are free from material misstatements.

The Risk Management Framework at Compagnie Immobilière Limitée consists of a systematic approach to identify risks faced by the Company. The risk management process is as follows:



Principle 5 - Risk Governance and Internal Control (Continued)

Risk Governance (Continued)

The key risks identified by the Company are:

Risk Factor	Mitigating actions
Competitiveness of our properties and competition	<ul style="list-style-type: none"> - Regular assessment of the market environment and customer needs. - Maintenance of our properties. - Focus on higher quality tenants. - Regular contact with various stakeholders to be aware of new projects that might influence our properties. - Investment in properties and product mix.
Delay in project implementation and cost overrun	<ul style="list-style-type: none"> - Close monitoring by Head of Projects and/ or Property Manager on consultants and contractors in fortnight meetings regularly - Regular meeting with Management
General Hazards and calamities	<ul style="list-style-type: none"> - Regular internal and external assessments followed by corrective actions if needed. - Ensure that Standard Operating Procedures are up to date and refresher course delivered annually. - Data recovery plan in place for Real Estate Cluster data.
Compliance with Internal procedures and Legislations	<ul style="list-style-type: none"> - Regular site inspections of properties to assess compliance with law (by CPMD & consultant) - Internal audit are carried out in a timely manner - Refresher training on health & safety once a year - Yearly training in different departments on standards and norms - Code of conduct, HR policies, Environmental & Sustainability CJ Charter
Financial Risk	The financial risks are disclosed under notes 3 of the financial statements

Internal Control

The Board is responsible for monitoring the system of internal control and should satisfy itself that the system is functioning effectively. CPMD is responsible for the design, implementation and monitoring of the internal control system. 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 has delegated the authority to the Audit & Risk Committee for monitoring and reviewing the effectiveness of the Company's internal control and compliance systems. The Board also relies on the internal audit function to report on any weaknesses in the internal control systems and make recommendations to CPMD and to the Audit & Risk Committee for appropriate actions. The approved internal audit plan ensures that all significant areas of the Company's activities are duly covered in turn over a pre-determined timeframe.

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.

Whistleblowing policy

The Company has a Whistleblowing Policy, which has been 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.

Principle 5 - Risk Governance and Internal Control (Continued)

Whistleblowing policy (Continued)

The policy ensures that the whistleblower's identity is treated with confidentiality. However, under certain circumstances and depending on the case, the employee may need to come forward as a witness to assist in the investigation.

Principle 6 - Reporting with Integrity

Health and Safety

The Company ensures that its operations are compliant with the Occupational Safety and Health Act 2005.

Environment & Sustainability

The Currimjee Group has adopted an Environmental and Sustainability Statement which sets out the Group's key commitments and objectives. The Statement aims at raising the environmental and sustainability consciousness of all the staff and to support their environmental and ecological engagements.

The environmental and sustainability commitments convey that through leadership, staff involvement and effective management, the Group shall:

- Endeavour to preserve the environment and manage our operations in a sustainable manner for the well-being of future generations.
- Consider environmental and sustainability aspects as an integral part of our business strategy and operating methods.
- Continually monitor and improve our environmental performance and support customers', employees', partners', and other stakeholders' environmental and sustainability progress.

The Company spearheaded various initiatives to meet the objectives set in the Environment & Sustainability Statement. These focused on judicious energy management, rainwater collection, responsible procurement and disposal of waste, minimisation of ecological footprint and enhancement of staff and stakeholder awareness. Some key initiatives and their outcome are detailed below:

Sustainability Recognition

The Company is listed on the Stock Exchange of Mauritius on the Development & Enterprise Market (DEM) and has been awarded SEM Sustainability Index since 2015. A re-evaluation of the sustainable practices and procedures of the company has been conducted in 2019 and the overall score of the Company improved from 85% to 91% thereby confirming the Company's commitment towards sustainable development and management. It is also a member of the Green Building Council Mauritius since 2016.

Energy Management

The Company is fully compliant with the Environmental and Sustainability charter of Currimjee Group of companies and is also denoted as a Sustainable Company (SEMSI) on the Stock exchange of Mauritius.

The Company favours the use of natural light and natural ventilation in the design and renovation of the various components of Arcades Currimjee in Curepipe.

Principle 6 - Reporting with Integrity (Continued)

Energy Management (Continued)

The Company also uses energy efficient electrical equipment and accessories and a number of energy saving devices. Since September 2016, Arcades Currimjee is operating with 100 % LED lighting. An off-grid Photovoltaic System has also been installed since May 2017 and contributed in 2019 to 18% of the total electrical consumption in the common areas of the ground floor of Arcades Currimjee. A study has been carried out in 2019 to assess the feasibility of increasing its capacity to supply the remaining 100% of the above-mentioned areas.

Rainwater Collection

Rainwater harvesting and utilization for the housekeeping of the common areas of Arcades Currimjee is operational since 2015. The existing rain water collection capacity has been increased in 2019 by 22% and the Company is now operating with a total capacity of 13,500 Liters. This initiative has enabled the company to reduce its annual CWA consumption by 13%.

Paper Usage

The Company is continuously working on reducing its paper consumption by monitoring its day-to-day utilization and also by extending the digitalization of key departments and areas. For example, driven by the Currimjee Group, the digitalization of some administration processes of the company has been initiated in the last quarter of 2019. This will contribute to reduce the annual paper consumption and the results will be seen in 2020.

Procurement

The Company follows the Group's purchasing policy whereby environmentally responsible suppliers and Green Suppliers are favoured.

A Green Suppliers Directory has been adopted by CJ & CO Ltd, the holding company. It is being circulated to all purchasing functions and staff, and it is already being implemented at units' level. In particular, recurring green items purchased include paper with ISO 14001 certification / Forest Stewardship Council (FSC) label, and IT products labelled Energy Star. Regarding paper procurement specifically, the process of centralized purchase of eco-certified paper across units has been initiated.

Staff Involvement

Environment & Sustainability awareness sessions and activities have been conducted across the Group, including the Company in 2019.

The World Environment and Global Recycling Days were celebrated with the clerical staff whereby activities and talks were done to encourage reduction, segregation and recycling of general wastes. The staff also participated in various activities throughout the year such as:

- "Let's save our endangered endemic species";
- Preservation of the Ebony Forest;
- Revegetation project of the Citadelle;
- "Let's clean up Ebene Cybercity."

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Principle 6 - Reporting with Integrity (Continued)

Waste Management

Recyclable wastes are segregated in terms of paper, IT and organic waste. In 2019, food tenants in Arcades Currimjee have been encouraged to recycle their used kitchen oil through Bio-oil Ltd.

Corporate Social Responsibility

The Company has contributed an amount of Rs 266,802 for the year 2019 to the Currimjee Foundation (2018: Rs 222,863).

Donations

The Company did not make any political, non-political or charitable donations during the year under review (year 2018: nil).

Principle 7 – Audit

The internal audit service is provided by CJ & CO Ltd, which delivers the service through its internal audit department. Headed by a Chief Internal Auditor, CJ & CO Ltd's internal audit department is adequately staffed with qualified personnel and certified internal auditors. The internal audit department operates in line with an Internal Audit Charter and adopts a risk-based methodology that enables it to provide assurance on controls that address high risk areas.

The Chief Internal Auditor reports independently to the Chairman of the Audit & Risk Committee and the Chairman of the Board on all internal audit issues. He 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 plan, as approved by the Audit & Risk Committee. The audit plan ensures that all significant areas of the Company's activities are duly covered in turn over a predetermined timeframe.

The Chief Internal Auditor has unrestricted access to the Company's accounting records, the Chairman of the Company, the Chairman of the Audit & Risk Committee, the office of CPMD and employees, for the effective performance of his duties.

Following the completion of internal audit engagements, salient internal audit observations are reported to the office of CPMD in a closing meeting, followed by the issue of the internal audit reports. The Chief Internal Auditor presents its internal audit reports to the Audit & Risk Committee, to apprise the Committee of significant audit findings as well as proposed action plans from the office of CPMD. The Chief Internal Auditor also regularly conducts follow-up audits to monitor progress on the implementation of internal audit recommendations by the office of CPMD, and reports back to the Audit & Risk Committee thereon, for monitoring purposes. The Chief Internal Auditor works closely with and shares his internal audit findings with the external auditors.

Areas covered by the internal audit function in the year 2019 were:

- Regulatory Compliance Audit
- Audit of Human Resource Processes; and
- Audit of IT General and Application Controls

The services of the internal auditor are also solicited to carry out special reviews or investigations at the request of the Chairman, Audit & Risk Committee or Board of Directors.

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Principle 7 – Audit (Continued)

External Audit

One of the principal responsibilities of the Audit & Risk Committee is to review and report to the Board on the clarity and accuracy of the Company's financial statements. When conducting their reviews, the Committee consider 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

PricewaterhouseCoopers has been providing external audit services to the company since 2013. The Audit & Risk Committee has recommended the re-appointment of PricewaterhouseCoopers as external auditors for the year ended 31 December 2019, on the basis of their continued performance, effectiveness and independence. An external audit tender exercise is being conducted for the audit for the year ended 31 December 2020.

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.

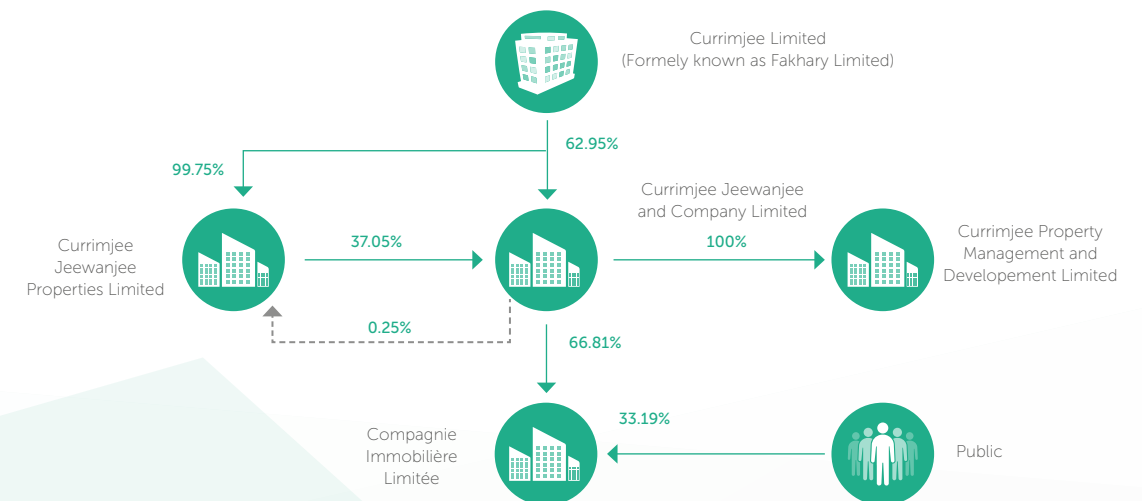
The fees paid to the External Auditors for audit services or other services are disclosed in Note 5 to the Financial Statements.

When the services of the External Audit Firm are solicited for providing non-auditing services, the Board ensures that such non-audit services are provided 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

Ownership Structure

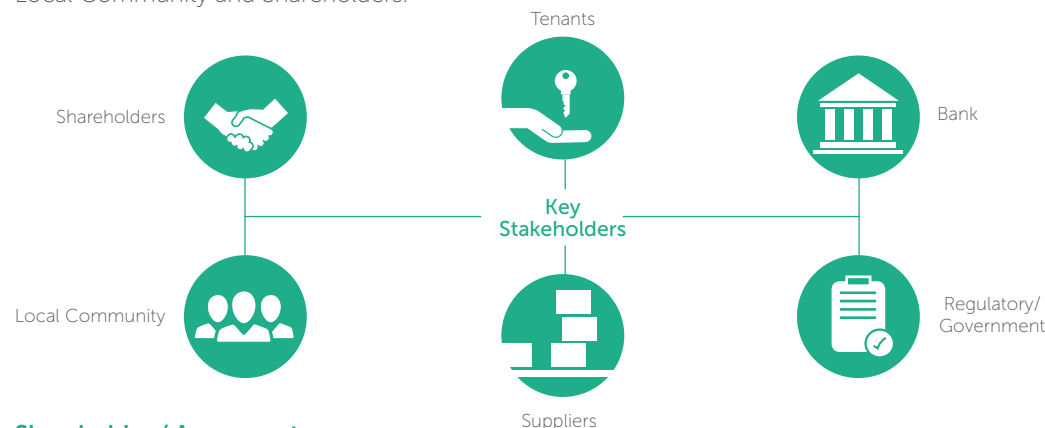
The stated capital of the Company is made up of 266,400 Ordinary Shares of Rs 10 each. The shareholding structure of the Company as at 31 December 2019 was as set out below:



Principle 8 - Relations with Shareholders and Other Key Stakeholders (Continued)

Ownership Structure (Continued)

The Company's Key Stakeholders are its employees, Tenants, Banks, Regulatory / Government, Suppliers, Local Community and Shareholders.



Shareholders' Agreement

To the knowledge of the Company, there was no such agreement with any of its Shareholders for the year under review.

Share Registry and Transfer Office

The Share Registry is managed by the Company Secretary and the Company had 182 registered Shareholders as at 31 December 2019.

Shareholding Profile

The share ownership and the category of Shareholders as at 31 December 2019 are set out below:

Number of Shareholders	Size of Shareholding	Number of Shares Owned	% of Total Issued Shares
150	1-500	13,625	5.11
16	501-1,000	11,189	4.20
12	1,001-5,000	21,406	8.04
1	5,001-10,000	8,512	3.20
2	10,001-50,000	33,676	12.64
1	100,001-250,000	177,992	66.81
182	Total	266,400	100%

Number of Shareholders	Category of Shareholders	Number of Shares Owned	% of Total Shares Issued
156	Individual	41,294	15.50
1	Pension & Providence Funds	100	0.04
3	Investment & Trust Companies	3,108	1.17
22	Other Corporate Bodies	221,898	83.29
182		266,400	100%

Principle 8 - Relations with Shareholders and Other Key Stakeholders (Continued)

Shareholders Communication and Key Events

The Company is committed to respond to the needs and expectations of its key stakeholders and take into account their interests in its dealings with them. The Board of Directors ensures that information is delivered in an open, transparent, meaningful and regular manner. The Company engages with its key Stakeholders through existing communications platforms (including through the Annual Report, Shareholders meetings and press Communiqués).

The Company, forming part of the Currimjee Group, also communicates as may be appropriate through the Group website: www.currimjee.com.

Share Price Information

The shares of the Company have a nominal value of Rs 10 and the Company's share price evolution over the last 5 years is as follows:



The calendar of key events is as follows:

Financial Year End	31 December 2019
Annual Meeting of Shareholders	June 2020 ¹
Publication of results:	
Annual Report for the year ended 31 December 2019	May 2020
Abridged Unaudited Financial Statements for the quarter ending 31 st March 2020	May 2020 ²
Abridged Unaudited Financial Statements for the quarter ending 30 th June 2020	August 2020
Abridged Unaudited Financial Statements for the quarter ending 30 th September 2020	November 2020

¹ Post covid-19, the annual meeting of shareholders has been rescheduled for September 2020.

² The abridged unaudited financial statements for the quarter ended 31st March 2020 was approved in July 2020.

Employee Share Scheme

There is no Employee Share Scheme in place at the Company's level.

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Principle 8 - Relations with Shareholders and Other Key Stakeholders (Continued)

Dividend Policy

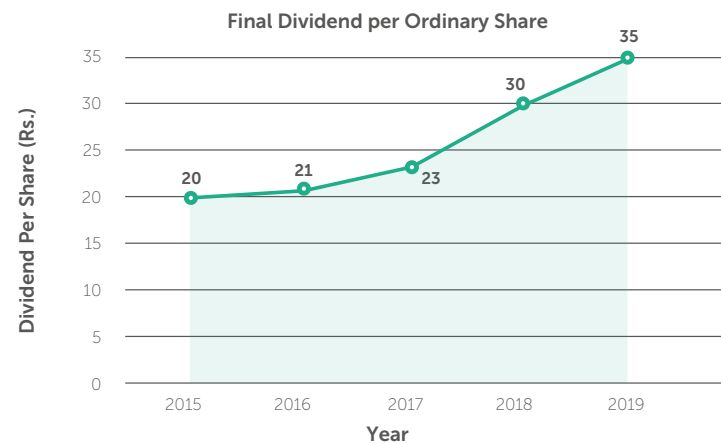
The Company is committed to provide increased value to its Shareholders. Firstly, it aims to reach a reasonable return on the assets employed. It also provides its Shareholders with ongoing returns in the form of dividends on a yearly basis.

The Company has had a satisfactory growth in profitability. The Directors have adopted a dividend policy based on the following criteria:

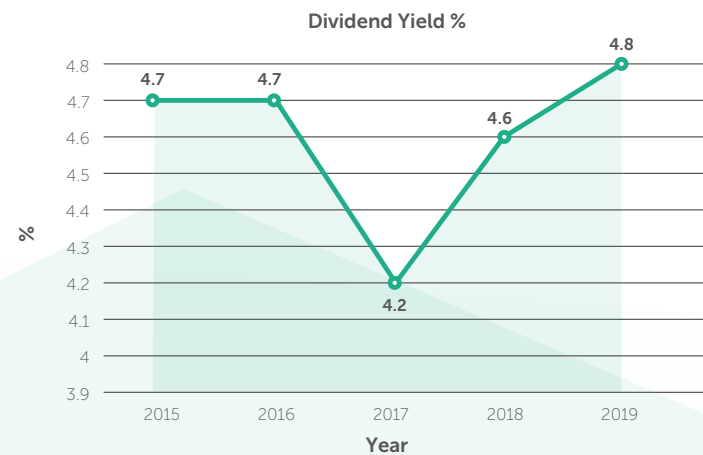
1. Distribution of approximately 50% of the profits (excluding fair value gain and exceptional items) subject to the Company keeping its debt level at a conservative level;
2. Ensuring that there are enough funds for the maintenance and continuous upgrading of the facilities; and
3. Satisfaction of the solvency test in accordance with the Companies Act 2001.

For the year under review, the Company declared a dividend of **Rs 35** per share (2018: Rs 30 per share).

The trend in dividend per share over the previous 5 years has been as shown below:



The trend in dividend yield over the last 5 years has been as follows:



.....

Principle 8 - Relations with Shareholders and Other Key Stakeholders (Continued)

Dividend Policy (Continued)

The dividend yield for year 2019 was calculated based on dividend per share of Rs 35 and market price per share of Rs 725.

Approved by the Board of Directors and signed on its behalf on 08 May 2020.

Anil C Currimjee
Director

Sanjiv K Mihdidin
Director

Statement of Compliance

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

Name of Public Interest Entity ("PIE"): Compagnie Immobilière Limitée

Reporting Period: 01 January 2019 to 31 December 2019

We, the Directors of **Compagnie Immobilière Limitée**, confirm to the best of our knowledge that the Company has complied with all material obligations and requirements under the Code of Corporate Governance 2016. Reasons for non-compliance as applicable have been explained in the Corporate Governance Report, save and except for the following:

Principle 2 – The structure of the Board and its Committees

Board Committees

The Audit & Risk Committee was chaired by a Non-Executive Director, Mr Mazahir F E Adamjee, a Fellow Member of the Institute of Chartered Accountants in England and Wales. The Board thought it fit to appoint Mr Adamjee as the Chairman of the Audit & Risk Committee given his strong financial expertise.

Principle 4: Director Duties, Remuneration and Performance

Board Committees & Individual Director evaluation

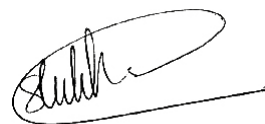
Evaluation of the Board Committee or individual Directors have not been undertaken during the year under review.

SIGNED BY:



Anil C Currimjee
Director

Date: 08 May 2020



Sanjiv K Mihdidin
Director

Certificate from The Company Secretary

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UNDER SECTION 166(d) OF THE MAURITIUS COMPANIES ACT 2001

We certify that in terms of the compliance report as submitted and approved by the Board, the Company has filed with the Registrar of Companies, for the year ended 31 December 2019, all such returns as are required of the Company under the Companies Act 2001 of Mauritius.



Currimjee Secretaries Limited
Per Ramanuj Nathoo (Mr)
Secretary

Date: 08 May 2020

Independent Auditor's Report

To the Shareholders of Compagnie Immobilière Limitée

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Compagnie Immobilière Limitée (the "Company") as at 31 December 2019, 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

The financial statements of Compagnie Immobilière Limitée set out on pages 33 to 58 comprise:

- the statement of financial position as at 31 December 2019;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes, comprising significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

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

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

To the Shareholders of Compagnie Immobilière Limitée (Continued)

Report on the Audit of the Financial Statements (Continued)

Key audit matter	How our audit addressed the key audit matter
Investment Properties	<i>Assessing the valuer's expertise and objectivity</i>
The existence of significant estimation uncertainty, coupled with the fact that only a small percentage difference in property valuations could result in a material change, warrants specific audit focus on this area.	We assessed the valuer's qualifications and expertise and found no evidence to suggest that the objectivity of the valuer in its performance of the valuation was compromised.
The Company carries its investment properties at fair value with the change in fair value being reflected in profit or loss. As described in note 11, the investment properties amounted to Rs 314,675,000 as at 31 December 2019 (2018: Rs 309,075,000). During the year ended 31 December 2019, the Company recognised a fair value gain of Rs 323,537 (2018: Rs 1,334,662) on its investment properties.	We received and read the valuation report for the properties and obtained assurance over the appropriateness of the assumptions applied in calculating the fair values of the investment properties by: <ul style="list-style-type: none"> • verifying the data inputs such as the size of the properties used in the valuation by agreeing these to the contracts and title deeds; • reviewing the methodology applied, the inputs and assumptions used such as the price per square metre (for building) and price per arpent (for land) against sales prices of comparable properties in close proximity; • comparing the ratio of the market capitalisation to the net asset value of the Company with other comparable companies; • discussing with management about the methodology and assumptions used.
The investment properties consist primarily of commercial properties which are leased out to a wide range of tenants and also a vacant land. The fair valuation of these commercial properties and the land at 31 December 2019 has been performed by an independent valuer, Noor Dilmohamed & Associates. The fair valuation of the Company's investment properties is dependent on market conditions and key assumptions made. The sales comparison approach has been used as the method of valuation. Sales prices of comparable land and buildings in close proximity have been adjusted for differences in key attributes such as property size. The most significant inputs that have been used in the valuation approach are the price per square metre (for building) and price per arpent (for land).	
The determination of these assumptions is complex and requires the exercise of management judgement with the support of the independent valuer.	

Other Information

The directors are responsible for the other information. The other information comprises the financial highlights, the corporate information, the report from the board of directors, the corporate governance report, the statement of compliance and the certificate from the company secretary but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Independent Auditor's Report

To the Shareholders of Compagnie Immobilière Limitée (Continued)

Report on the Audit of the Financial Statements (Continued)

Other Information (Continued)

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. We have nothing to report in this regard.

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 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 Financial Reporting Act 2004, complied with the requirements of the Code.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report

To the Shareholders of Compagnie Immobilière Limitée (Continued)

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most

significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 other than in our capacity as auditor and tax advisor;
- (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

08 May 2020

Olivier Rey, licensed by FRC

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2019

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	2019	2018
	Rs	Rs
Revenue (Note 4(a))	25,819,461	23,800,646
Recoveries (Note 4(b))	411,080	431,244
Other operating income	74,128	165,295
Fair value gain on investment properties (Note 11)	323,537	1,334,662
Administrative expenses	(9,375,813)	(9,052,538)
Operating profit (Note 5)	17,252,393	16,679,309
Finance income (Note 7)	85,068	51,234
Finance costs (Note 7)	-	(122,700)
Finance costs – net (Note 7)	85,068	(71,466)
Profit before income tax	17,337,461	16,607,843
Income tax expense (Note 8)	(2,750,981)	(2,597,956)
Profit for the year	14,586,480	14,009,887
Other comprehensive income		
<i>Item that will not be reclassified to profit or loss</i>		
Remeasurement of post-employment benefit obligation (Note 16)	(14,000)	16,000
Total other comprehensive (expenses)/income	(14,000)	16,000
Total comprehensive income for the year	14,572,480	14,025,887
Basic and diluted earnings per share (Note 9)	54.75	52.59

The notes on pages 44 to 67 form an integral part of the financial statements


Statement of Financial Position

as at 31 December 2019

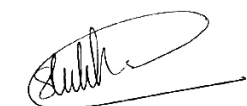
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	2019	2018
	Rs	Rs
ASSETS		
Non-current assets		
Equipment (Note 10)	105,173	138,344
Investment properties (Note 11)	314,675,000	309,075,000
Intangible assets (Note 12)	328,840	-
Deferred tax assets (Note 8)	-	8,609
Post-employment benefits (Note 16)	-	37,000
	315,109,013	309,258,953
Current assets		
Trade and other receivables (Note 13)	3,053,495	1,494,124
Cash and cash equivalents (Note 14)	1,550,598	1,406,277
	4,604,093	2,900,401
Total assets	319,713,106	312,159,354
EQUITY AND LIABILITIES		
Equity		
Stated capital (Note 15)	2,664,000	2,664,000
Share premium	36,007,074	36,007,074
Retained earnings	272,755,534	267,453,766
Total equity	311,426,608	306,124,840
Liabilities		
Non-current liabilities		
Post-employment benefits (Note 16)	4,000	-
Deferred tax liability (Note 8)	581,863	-
	585,863	-
Current liabilities		
Trade and other payables (Note 17)	6,596,077	4,857,513
Current tax liability (Note 8)	386,944	546,843
Dividend payable	717,614	630,158
	7,700,635	6,034,514
Total liabilities	8,286,498	6,034,514
Total equity and liabilities	319,713,106	312,159,354

Approved and authorised for issue by the Board of directors on 08 May 2020 and signed on its behalf by:



Anil C Currimjee
Director



Sanjiv K Mihdidin
Director

The notes on pages 44 to 67 form an integral part of the financial statements

Statement of Changes in Equity

For the year ended 31 December 2019

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	Stated capital	Share premium	Retained earnings	Total equity
	Rs	Rs	Rs	Rs
At 01 January 2018	2,664,000	36,007,074	261,345,287	300,016,361
Comprehensive income				
Profit for the year	-	-	14,009,887	14,009,887
Other comprehensive income for the year	-	-	16,000	16,000
Total comprehensive income for the year	-	-	14,025,887	14,025,887
Transactions with owners				
Unclaimed dividend (Note 18)	-	-	74,592	74,592
Dividend declared (Note 18)	-	-	(7,992,000)	(7,992,000)
	-	-	(7,917,408)	(7,917,408)
At 31 December 2018	2,664,000	36,007,074	267,453,766	306,124,840
Comprehensive income				
Profit for the year	-	-	14,586,480	14,586,480
Other comprehensive expense for the year	-	-	(14,000)	(14,000)
Total comprehensive income for the year	-	-	14,572,480	14,572,480
Transactions with owners				
Unclaimed dividend (Note 18)	-	-	53,288	53,288
Dividend declared (Note 18)	-	-	(9,324,000)	(9,324,000)
	-	-	(9,270,712)	(9,270,712)
At 31 December 2019	2,664,000	36,007,074	272,755,534	311,426,608

The notes on pages 44 to 67 form an integral part of the financial statements

Statement of Cash Flows

For the year ended 31 December 2019

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	2019	2018
	Rs	Rs
Cash flows from operating activities		
Profit before income tax	17,337,461	16,607,843
Adjustments for:		
Increase in retirement benefit obligations (Note 16)	59,000	48,000
Fair value gain on investment property (Note 11)	(323,537)	(1,334,662)
Loss on disposal of equipment	-	3,523
Increase in loss allowance on trade receivables (Note 13)	258,595	26,873
Depreciation of equipment (Note 10)	66,771	71,101
Interest expense (Note 7)	-	122,700
Interest income (Note 7)	(85,068)	(51,234)
Operating profit before working capital changes	17,313,222	15,494,144
Increase in trade and other receivables	(1,817,966)	(169,412)
Increase/(Decrease) in trade and other payables	1,738,564	(562,993)
Cash generated from operations	17,233,820	14,761,739
Interest paid (Note 7)	-	(122,700)
Income tax paid (Note 8)	(2,320,407)	(2,165,440)
Retirement benefit paid (Note 16)	(32,000)	(108,000)
Net cash generated from operating activities	14,881,413	12,365,599
Cash flows from investing activities		
Purchase of equipment (Note 10)	(33,600)	-
Purchase of intangible assets (Note 12)	(328,840)	-
Purchase of investment properties (Note 11)	(5,276,463)	(40,338)
Interest received (Note 7)	85,068	51,234
Net cash (used in)/generated from investing activities	(5,553,835)	10,896
Cash flows from financing activities		
Loan to related party (Note 19)	(3,000,000)	-
Repayment of loan by related party (Note 19)	3,000,000	-
Repayment of bank borrowings	-	(5,136,865)
Dividend paid (Note 18)	(9,183,257)	(9,138,822)
Net cash used in financing activities	(9,183,257)	(14,275,687)
Net increase/(decrease) in cash and cash equivalents	144,321	(1,899,192)
Cash and cash equivalents at beginning of year	1,406,277	3,305,469
Cash and cash equivalents at end of year (Note 14)	Rs 1,550,598	1,406,277

The notes on pages 44 to 67 form an integral part of the financial statements

Notes to the Financial Statements

For the year ended 31 December 2019

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1. GENERAL INFORMATION

Compagnie Immobilière Limitée (the "Company") is a public company incorporated in Mauritius and is listed on the Development Enterprise Market (DEM) of Mauritius.

Its main activity is the rental of property.

Its registered office is situated at 38, Royal Street, Port Louis, and the principal place of business is at 256, Royal Road, Curepipe.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

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. The financial statements also comply with the Mauritian Companies Act. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Company's accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements is the valuation of the investment properties.

Going concern and Impact of COVID 19

The outbreak of Novel Coronavirus (COVID 19) continues to progress and evolve.

The extent and duration of impacts of COVID 19 remain uncertain and dependent on future developments that cannot be accurately predicted at this time, such as the transmission rate of the coronavirus and the extent and effectiveness of containment globally. Therefore, it is challenging to predict the full extent and duration of COVID 19 on the Company's activities and financial performance.

Given the ongoing economic uncertainty and the various stringent control measures undertaken by the government, management has performed a cash flow forecast based on a possible scenario of normal business conditions stabilising towards the end of the calendar year. Based on these forecasts and the resilient business nature of certain of its tenants, the Company would have sufficient cash to sustain its operations over the next twelve months.

Based on a stress simulation assuming 50% reduction in gross annual rental income, the Company would still be in a position to meet the liquidity requirements over the next twelve months.

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

Critical accounting estimates and assumptions

The Company makes 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 within the next financial year are discussed below:

- Fair value estimates of investment properties

The investment properties were revalued on 31 December 2019 by an independent valuer, Noor Dilmohamed & Associates. The best evidence of fair value is the current price in an active market for similar properties.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Critical accounting estimates and assumptions (Continued)

In making its judgement, the valuer considers information from a variety of sources including direct market evidence for land and comparable sales for commercial buildings in the retail sector. The fair values are within the level 2 of the fair value hierarchy.

Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Company.

The Company has applied the following standards and amendments for the first time for the financial year end beginning on or after 01 January 2019:

IFRS 16 Leases

The Company has adopted IFRS 16 'Leases' during the reporting period ended 31 December 2019. IFRS 16 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The standard does not have any effect on the financial statement of the Company since it affects mainly the lessee whilst the company is a lessor.

(b) New standards and interpretations not yet adopted

There are no other standards or interpretations that are not yet effective that would be expected to have a material impact on the Company.

Foreign currency translation

- Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Mauritian rupees (Rs) which is the Company's functional and presentation 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.

Equipment

Equipment are stated at historical cost less accumulated 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 only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives. The annual rates used are:

Equipment	20%
Computer equipment	33 / 1/3%
Electrical installation	20%
Furniture and fittings	10%

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equipment (Continued)

The residual values and useful lives are reviewed and adjusted if necessary, at each financial year end. Plant and equipment 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. 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 in profit or loss.

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.

Intangible assets

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 (3 years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Company, are classified as investment properties.

Investment properties comprises freehold land and commercial building. Investment properties are measured initially at cost, including transaction and project costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost has been 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 Company 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.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

.....

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties (Continued)

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation of property, plant and equipment under IAS 16. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase directly to equity in revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to profit or loss.

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. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax, 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. 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.

Trade receivables

Trade receivables are amounts due from customers for rental services offered in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all 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 have been amended by taking into consideration the current debtors and expected loss allowance.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due. Expected credit losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Stated capital

Ordinary shares are classified as 'Stated Capital' within equity.

Trade payables

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

Post-employment benefits

The Company 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 Company 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

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 of 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 Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Post-employment benefits (Continued)

- Defined contribution plan (Continued)

The Company has no further payment obligations once the contributions have been paid subject that the fund will at least cover the gratuity on retirement payable under the Workers Right Act (WRA) 2019. The contributions are recognised as employee benefit expense when they are due. Where employees are not covered under any pension plan, the gratuity on retirement payable under the Workers Right Act (WRA) 2019 are estimated and provided for.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities and is shown net of value added tax. Revenue includes rental income and service charges.

Rental income

Rental income from investment properties is recognised in profit or loss on an accrual basis in accordance with the substance of the relevant agreement.

Revenue from service charge is recognised in the accounting period in which control of the services are passed to the customer, which is when the service is rendered.

Recoveries

Recoveries include utility charges recoverable from tenants. Recoveries are recognised in the accounting period in which control of the services are passed to the tenants, which is when the service is rendered.

Interest income

Interest income is recognised using the effective interest method.

Dividend income

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

Dividend distribution

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

3. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (whereby it is mainly exposed to interest rate risk), credit risk and liquidity risk. Risk management is carried out under policies approved by the Board of directors.

(a) Market risk

- *Currency risk*

The Company is not exposed to currency risk as all the financial assets and financial liabilities are denominated in Mauritian rupee.

- *Interest rate risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of the assets. The Company's policy is to maximise returns on interest-bearing assets.

The Company's interest rate risk arises from cash and cash equivalents which bear interest at variable rates.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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3. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

• *Interest rate risk (Continued)*

The interest rate profile of the financial assets at 31 December was:

	Floating interest rate	
	2019	2018
Cash at bank	1.9%	1.9%
Loan receivable from related parties	-	-

Interest rate analysis

At 31 December 2019, if interest rate had been 50 basis points higher/lower, with all other variables held constant, the impact on the Company's pre-tax profit would not be significant.

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents and credit exposures from trade and other receivables. Credit risk is managed on a company-wide basis

For banks, the Company transacts only with highly reputable financial institutions. The credit quality of this financial asset can be assessed by the historical information about the financial strengths of the financial institutions the Company is dealing with. In the opinion of the Company, there is no associated risk as these are reputable institutions in the industry.

The directors assess the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal ratings in accordance with the limits set by the board. The utilisation of credit limits is regularly monitored. The maximum exposure to credit risk at 31 December 2019 is the carrying amount of the financial assets.

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

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due.

Prudent liquidity risk management implies maintaining sufficient cash. In addition, the Company has recourse to its parent company for its financial needs.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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3. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
	Rs	Rs	Rs	Rs
At 31 December 2018				
Trade and other payables	4,857,513	-	-	4,857,513
At 31 December 2019				
Trade and other payables	6,596,077	-	-	6,596,077

(d) Fair values

The carrying amounts of trade and other receivables, cash and cash equivalents, and trade and other payables approximate their fair values. The fair value of the Company's investment properties at 31 December 2019 and 31 December 2018 has been arrived at on the basis of valuation carried out on the respective dates by Noor Dilmohamed & Associates, independent valuers not related to the Company.

The different levels have been defined as follows:

- 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).

See Note 11 for disclosures of the investment properties that are measured at fair value.

(e) Financial instruments by category

All financial assets fall under the category of financial assets at amortised cost and all financial liabilities fall under the category of financial liabilities at amortised cost.

(f) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal structure to reduce cost of capital.

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

The Company monitors capital on the basis of gearing ratio, which is calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown on the statement of financial position less cash and cash equivalents. Total capital is calculated as 'equity' as shown on the statement of financial position plus net debt.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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3. FINANCIAL RISK MANAGEMENT (Continued)

(f) Capital risk management (Continued)

	2019	2018
	Rs	Rs
Total borrowings	-	-
Less: cash at bank and in hand (Note 14)	(1,550,598)	(1,406,277)
Net debt	(1,550,598)	(1,406,277)
Total equity	311,426,608	306,124,840
Total capital	309,876,010	304,718,563
Gearing ratio	0%	0%

4. REVENUE AND RECOVERIES

(a) Revenue is made up as follows:

	2019	2018
	Rs	Rs
Rental income	24,335,945	22,559,328
Service charges	1,483,516	1,241,318
	25,819,461	23,800,646

The principal activity of the Company is that of Land Promoter and Property Developer.

(b) Recoveries is made up as follows:

	2019	2018
	Rs	Rs
Utility charges billed back to tenants	411,080	431,244
Timing of revenue recognition		
Over time	25,819,461	23,800,646
At a point in time	411,080	431,244
	26,230,541	24,231,890

5. OPERATING PROFIT

The following items have been charged in arriving at operating profit:

	2019	2018
	Rs	Rs
Fees paid to the auditor for:		
- audit services	245,871	242,000
- other services	46,359	45,502
Depreciation of Equipment (Note 10)	66,771	71,101
Company secretarial fees	426,000	410,000

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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6. EXPENSES BY NATURE

Salaries and wages	1,643,407	1,441,617
Repairs and maintenance	838,359	853,772
Rates and taxes	254,516	254,518
Advertising & Marketing	81,750	123,280
Insurances	126,457	112,034
Electricity, water and telephone	627,444	661,206
Printing, postages and stationery	170,004	221,029
Management fees	3,744,000	3,744,000
Legal and professional charges	1,022,812	887,536
Bank charges	30,456	15,307
Licences	140,605	136,933
General expenses	370,637	356,332
Parking fees	-	147,000
Loss allowance on trade receivables (Note 13)	258,595	26,873
Depreciation on equipment (Note 10)	66,771	71,101

7. FINANCE COSTS

Finance income:

	2019	2018
	Rs	Rs
Interest income	85,068	51,234
	85,068	51,234

Finance costs:

Interest on bank loans	-	(122,700)
	-	(122,700)

Finance costs – net

	85,068	(71,466)
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Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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8. INCOME TAX

(a) Income tax expense

The 17% tax rate consists of 15% corporate income tax and 2% Corporate Social Responsibility.

	2019	2018
	Rs	Rs
Current income tax charge for the year	2,160,509	2,611,470
Over provision of current income tax charge in previous year	-	(17,398)
Deferred income tax expense	590,472	3,884
Income tax expense for the year	<u>2,750,981</u>	<u>2,597,956</u>

(b) Income tax reconciliation

	2019	2018
	Rs	Rs
Profit before income tax	17,337,461	16,607,843
Tax at the rate of 17%	2,947,368	2,823,333
Over provision in income tax in prior year	-	(17,483)
Non-allowable expenses	(196,387)	(207,894)
	<u>2,750,981</u>	<u>2,597,956</u>

(c) Deferred tax (liabilities)/assets

	2019	2018
	Rs	Rs
At 1 January	8,609	12,493
Movement for the year	(590,472)	(3,884)
At 31 December	<u>(581,863)</u>	<u>8,609</u>

Deferred income tax(liabilities)/assets arise from the following:

2019	At 01 January 2019	Charge to statement of profit or loss	At 31 December 2019
	Rs	Rs	Rs
Accelerated capital allowances	4,699	(635,772)	(631,073)
Provision for loss allowance on trade receivables	-	48,530	48,530
Post-employment benefit	3,910	(3,230)	680
Deferred income tax (liabilities)/assets	<u>8,609</u>	<u>(590,472)</u>	<u>(581,863)</u>

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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8. INCOME TAX (Continued)

(c) Deferred tax (liabilities)/asset (Continued)

2018

	At 1 January 2018	(Credit)/ Charge to statement of profit or loss	At 31 December 2018
	Rs	Rs	Rs
Accelerated capital allowances	5,863	(1,164)	4,699
Provision for loss allowance on trade receivables	-	-	-
Post-employment benefit	6,630	(2,720)	3,910
Deferred income tax assets	<u>12,493</u>	<u>(3,884)</u>	<u>8,609</u>

(d) Income tax in statement of financial position

	2019	2018
	Rs	Rs
At 1 January	546,843	118,211
Income tax charge	2,160,508	2,594,072
Less: Tax deduction at source (TDS) paid	(957,625)	(820,920)
Less: Tax paid under APS	(1,229,381)	(1,149,514)
Less: CSR paid	(133,401)	(195,006)
	<u>386,944</u>	<u>546,843</u>

9. EARNINGS PER SHARE

The calculation of earnings per share is based on profit after tax of **Rs 14,586,480** (2018: Rs 14,009,887) and on 266,400 ordinary shares outstanding for the two years ended 31 December 2019 and 2018.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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10. EQUIPMENT

	Equipment	Computer equipment	Electrical installation	Furniture and fittings	Total
	Rs	Rs	Rs	Rs	Rs
COST					
At 31 December 2017	2,999,477	129,583	5,191,629	4,262,887	12,583,576
Disposals	(586,332)	(129,583)	(4,321,293)	(3,779,118)	(8,816,326)
At 31 December 2018	2,413,145	-	870,336	483,769	3,767,250
Disposals	(14,545)	-	(870,336)	-	(884,881)
Additions	33,600	-	-	-	33,600
At 31 December 2019	2,432,200	-	-	483,769	2,915,969
DEPRECIATION					
At 31 December 2017	2,953,349	129,583	5,191,629	4,096,047	12,370,608
Disposals	(586,332)	(129,583)	(4,321,293)	(3,775,595)	(8,812,803)
Charge for the year	20,545	-	-	50,556	71,101
At 31 December 2018	2,387,562	-	870,336	371,008	3,628,906
Disposals	(14,545)	-	(870,336)	-	(884,881)
Charge for the year	19,322	-	-	47,449	66,771
At 31 December 2019	2,392,339	-	-	418,457	2,810,796
NET BOOK VALUE					
At 31 December 2019	39,861	-	-	65,312	105,173
At 31 December 2018	25,583	-	-	112,761	138,344

11. INVESTMENT PROPERTIES

	2019	2018
	Rs	Rs
At 01 January	309,075,000	307,700,000
Additions	5,276,463	40,338
Fair value gain on land	300,000	225,000
Fair value gain on building	23,537	1,109,662
At 31 December	314,675,000	309,075,000

The fair value of the Company's investment properties at 31 December 2019 and 31 December 2018 has been arrived at on the basis of valuation carried out on the respective dates by Noor Dilmohamed & Associates, independent valuers not related to the Company. They have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The valuation was arrived at with reference to open market values.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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11. INVESTMENT PROPERTIES (Continued)

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Rs	Rs	Rs
At 31 December 2019			
Recurring fair value measurements			
- Developed Land	-	127,800,000	-
- Building	-	159,575,000	-
- Bare Land	-	27,300,000	-
Price per arpent			
- Developed Land	-	142,000,000	-
Average Price per square metre			
- Building	-	22,500	-
Price per arpent			
- Bare Land	-	78,000,000	-
At 31 December 2018			
Recurring fair value measurements			
- Developed Land	-	127,800,000	-
- Building	-	154,275,000	-
- Bare Land	-	27,000,000	-
Price per arpent			
- Developed Land	-	142,000,000	-
Average Price per square metre			
- Building	-	21,105	-
Price per arpent			
- Bare Land	-	77,000,000	-

Level 2 fair values of land and retail units 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.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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11. INVESTMENT PROPERTIES (Continued)

The following amounts have been recognised in profit or loss:

	2019	2018
	Rs	Rs
Rental income	25,819,461	23,800,646
Direct operating expenses arising from investment properties that generate rental income	(3,790,625)	(3,622,448)
Direct operating expenses arising from investment properties that did not generate rental income	(5,585,188)	(5,430,090)

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts include CPI increases or a fixed rate. Where considered necessary to reduce credit risk, the Company may obtain bank guarantees for the term of the lease.

Although the Company is exposed to changes in the residual value at the end of the current leases, the Company typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

12. INTANGIBLE ASSETS

	Computer Software	Computer Software
	2019	2018
	Rs	Rs
COST		
At 1 January	-	-
Additions	328,840	-
At 31 December	328,840	-
AMORTISATION		
At 1 January	-	-
Charge for the Year	-	-
At 31 December	-	-
NET BOOK VALUES		
At 31 December	328,840	-

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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13. TRADE AND OTHER RECEIVABLES

Current

Trade receivables	2,133,633	275,848
Loss allowance on trade receivables	(285,468)	(26,873)
Trade receivables – net	1,848,165	248,975
Amounts due from related parties (Note 19)	627,674	623,842
Other receivables	577,656	621,307
Total	3,053,495	1,494,124

	2019	2018
	Rs	Rs
Trade receivables	2,133,633	275,848
Loss allowance on trade receivables	(285,468)	(26,873)
Trade receivables – net	1,848,165	248,975
Amounts due from related parties (Note 19)	627,674	623,842
Other receivables	577,656	621,307
Total	3,053,495	1,494,124

The carrying value of trade and other receivables approximate their fair values due to their short-term nature.

The receivables from related parties relate mainly to prepaid deposits made with related parties in respect to management fees. These are receivable upon termination of the management contract.

The loss allowance on trade receivables is summarised as follows:

Individually impaired	167,708	19,734
Expected credit losses	117,760	7,139
Total	285,468	26,873

	2019	2018
	Rs	Rs
Individually impaired	167,708	19,734
Expected credit losses	117,760	7,139
Total	285,468	26,873

The individually impaired receivables mainly relate to customers which are in unexpectedly difficult economic situations and have fully been provided for.

The Company applies 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.

As at 31 December 2019 and 31 December 2018, the lifetime expected loss on trade receivables is as follows:

	At 31 December 2019					Total
	Current	Between 30 to 60 Days	Between 60 to 90 Days	Between 90 to 180 Days	Greater than 180 Days	
	Rs	Rs	Rs	Rs	Rs	Rs
Expected loss rate	1%	5%	15%	25%	50%	
Gross carrying value	774,155	579,102	340,219	120,123	-	1,813,599
Expected credit losses	7,741	28,955	51,033	30,031	-	117,760

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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13. TRADE AND OTHER RECEIVABLES (Continued)

At 31 December 2018	Current	Between 30 to 60 Days	Between 60 to 90 Days	Between 90 to 180 Days	Greater than 180 Days	Total
	Rs	Rs	Rs	Rs	Rs	Rs
Expected loss rate	1%	5%	15%	25%	50%	
Gross carrying value	246,416	3,560	29,981	-	-	279,957
Expected credit losses	2,464	178	4,497	-	-	7,139

The ageing analysis of the trade receivables is as follows:

	2019	2018
	Rs	Rs
Up to 3 months	1,840,952	275,848
Over 3 months	292,681	-
	2,133,633	275,848

The ageing analysis of the receivables from the related parties is as follows:

	2019	2018
	Rs	Rs
Up to 3 months	7,940	4,108
Over 3 months	619,734	619,734
	627,674	623,842

Movements on the Company's loss allowance on trade receivables are as follows:

	2019	2018
	Rs	Rs
01 January	26,873	-
Increase in loss allowance recognised in profit or loss during the year	258,595	26,873
At 31 December	285,468	26,873

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Company does not hold any collateral as security.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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14. CASH AND CASH EQUIVALENTS

	2019	2018
	Rs	Rs
Cash at bank and in hand	1,550,598	1,406,277

15. STATED CAPITAL

	2019	2018	2019	2018
	Rs	Rs	Number	Number
<i>Authorised:</i>				
Ordinary shares of Rs 10 each	2,664,000	2,664,000	266,400	266,400
<i>Issued and fully paid:</i>				
Ordinary shares of Rs 10 each At 01 January and 31 December	2,664,000	2,664,000	266,400	266,400

16. POST-EMPLOYMENT BENEFITS

The plan exposes the Company to normal risks associated with defined benefit pension plans such as investment, interest, longevity and salary risks.

Investment risk (where the plan is funded): 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 (where the plan is funded and an annuity is paid over life expectancy): 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.

There has been no plan amendment, curtailment or settlement during the year except for data adjustments.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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16. POST-EMPLOYMENT BENEFITS (continued)

(i) The amounts recognised in the statement of financial position are as follows:

	2019	2018
	Rs	Rs
At the start of the year	(37,000)	39,000
Amount recognised in profit or loss	59,000	48,000
Amount recognised in other comprehensive income	14,000	(16,000)
Less employer contributions	(32,000)	(108,000)
At the end of the year	4,000	(37,000)

(ii) The amounts recognised in profit or loss is as follows:

	2019	2018
	Rs	Rs
Current service cost	61,000	66,000
Past Service cost	-	(16,000)
Net interest on defined benefit liability	(2,000)	(2,000)
	59,000	48,000

(iii) The amounts recognised in Other Comprehensive Income:

	2019	2018
	Rs	Rs
Return on plan assets above interest income	9,000	2,000
Liability experience loss/(gain)	3,000	(2,000)
Liability loss/(gain) due to change in financial assumptions	2,000	(16,000)
	14,000	(16,000)

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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16. POST-EMPLOYMENT BENEFITS (continued)

(iv) Movement in liability recognised in statement of financial position:

	2019	2018
	Rs	Rs
Reconciliation of Present Value of Defined Benefit Obligation		
At the start of the year	104,000	145,000
Current service cost	61,000	66,000
Interest cost	7,000	5,000
Past service cost	-	(16,000)
Liability experience gain	3,000	(2,000)
Liability loss/(gain) due to change in financial assumptions	2,000	(16,000)
Less Benefits paid	(5,000)	(78,000)
At the end of the year	172,000	104,000

Reconciliation of Fair Value of Plan Asset

At the start of the year	141,000	106,000
Interest income	9,000	7,000
Employer contribution	32,000	108,000
Benefits paid	(5,000)	(78,000)
Return on plan assets excluding interest income	(9,000)	(2,000)
At the end of the year	168,000	141,000
Net defined benefit asset/ (liability) at the end of the year	4,000	(37,000)

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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16. POST-EMPLOYMENT BENEFITS (Continued)

(v) The principal actuarial assumptions used for accounting purposes were:

	2019	2018
Discount rate	5.6%	6.1%
Inflation rate	2.8%	3.5%
Future long term salary increase	3.5%	4.0%
Average retirement age	63	63
Average life expectancy for:		
- Male	12.3 years	12.3 years
- Female	13.5 years	13.5 years

Post-employment benefits have been based on the report dated 04 March 2020 submitted by AON Hewitt Ltd. The Company is expected to contribute Rs Nil to the pension scheme for the year ended 31 December 2019.

The weighted average duration of the defined benefit obligation is 3 years.

(vi) Sensitivity analysis on defined benefit obligation at end of period:

	2019	2018
	Rs	Rs
Increase due to 1% decrease in discount rate	18,000	14,000
Decrease due to 1% increase in discount rate	16,000	12,000

The above sensitivity analysis has been carried out by calculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged.

Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

Future Cash flows:

-The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.

Expected employer contribution for the next year	32,000
Weighted average duration of the defined benefit obligation	13 years

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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16. POST-EMPLOYMENT BENEFITS (Continued)

Plan assets are comprised as follows:

	2019			2018		
	Quoted Rs	Quoted Rs	Total Rs	Quoted Rs	Unquoted Rs	Total Rs
Local equities	62,160	6,720	68,880	62,040	5,640	67,680
Loan	23,520	38,640	62,160	9,870	26,790	36,660
Overseas bonds and equities	16,800	-	16,800	23,970	-	23,970
Others	20,160	-	20,160	12,690	-	12,690
	122,640	45,360	168,000	108,570	32,430	141,000

17. TRADE AND OTHER PAYABLES

	2019	2018
	Rs	Rs
Trade payables	500,527	60,168
Amounts due to related companies (Note 19)	355,653	18,400
Rental deposits	4,264,289	3,885,316
Other payables and accruals	1,475,608	893,629
	6,596,077	4,857,513

The amounts due to related parties and holding company are unsecured, interest free and have no fixed repayment terms. The average credit period of trade payables is 1-3 months. The company has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

The rental deposits are interest free and represent 3 months of the rent. The deposits are refundable upon termination of the lease agreement. Rental deposits include an amount of **Rs 745,492** (2018: Rs 967,942) due to related parties.

18. DIVIDEND PER SHARE

The dividends declared in 2019 and 2018 were **Rs 9,324,000 (Rs 35 per share)** and Rs 7,992,000 (Rs 30 per share) respectively. The dividends paid in 2019 – **Rs 9,236,545** (2018 - Rs 9,138,822) relates to part of dividend declared for 2019 amounting to **Rs 8,709,385** and part dividend declared in year 2018 amounting to Rs 527,160. Unclaimed dividend for year 2019 is **Rs 53,288** (2018 - Rs 74,592).

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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19. RELATED PARTIES

During the year ended 31 December 2019 the following transactions were carried out with related parties.

The Company is part of the Currimjee Group and as such all entities of the Currimjee Group are deemed to be related parties.

Receipts of services

Management, secretarial and other services from related companies

2019	2018
Rs	Rs
4,170,000	4,154,000

Key management compensation: Directors' remuneration
Additions to investment properties:

280,000	270,000
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Batimex Ltd

136,490	-
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CPMD Ltd

375,014	4,772
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511,504	4,772
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Rendering of services

Rent of building to related companies

2019	2018
Rs	Rs
6,141,693	8,000,266

Outstanding balances

Payable to related companies

355,653	18,400
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Trade and other receivables from related companies

627,674	623,842
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Rental deposits from related parties

745,492	967,942
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The amounts due to and receivables from related parties are unsecured, interest free and repayable on demand. These amounts are not subject to any guarantee.

During the year ended 31 December 2019, a loan amounting to Rs 3,000,000 was issued to Multi Channel Retail Ltd, a related entity, which was fully repaid at year end. The loan carried an interest rate of 6.5% p.a.

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

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20. PARENT AND ULTIMATE PARENT

The directors regard Currimjee Jeewanjee and Company Limited as the parent and Currimjee Limited, formerly known as Fakhary Limited as the ultimate parent and controlling party. Both companies are incorporated in the Republic of Mauritius.

21. EVENTS AFTER THE REPORTING PERIOD

In March 2020, the World Health Organisation (WHO) declared the Covid-19 as a global pandemic. Businesses worldwide except for essential services had to cease or limit operations over the various lockdown periods in many countries. The situation is constantly evolving and the measures put in place to contain the spread of the virus, including travel bans, social distancing and closures of non-essential services, have significantly disrupted business worldwide, resulting in a global economic slowdown.

The Directors have determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. Based on the information currently available, the Directors believe that the value of the investment property is not materially impacted by Covid-19 given the location of the assets, the diversity of the tenant mix and the long-term nature of the investment property.

COMPAGNIE IMMOBILIERE LIMITEE

Registered Office and Registry
38, Royal Street, Port Louis,
Mauritius

BRN: C06000766

A CURIMJEE COMPANY