CURRIMJEE
SINCE 1890

THE FUTURE IS NOW

INTEGRATED REPORT 2022

THE FUTURE IS **now**

The future is here, in our grasp,
A living testament to the dreams we once clasped.

CJ has always planted its roots in the fertile soil of the present, laying the groundwork for the days to come. We are a group of optimists, entrepreneurs and first movers who understand that the future is not a distant mirage, but a vibrant reality that begins in the present moment. Every action, every decision, has the power to shape the course of our collective journey.

And so we continue to stride ahead, with purpose as our compass, innovation's fire aflame, until the future that unfolds before our eyes is the manifestation of the vision we once held dear.

Navigating
OUR REPORT

CAPITALS

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

KEY STAKEHOLDERS

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

CLUSTERS

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

STRATEGIC DIRECTIONS

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

Contents

About THIS REPORT

INTRODUCING OUR INTEGRATED REPORT

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

REPORTING PERIOD

This report covers the Group's performance over the financial period 1 January 2022 to 31 December 2022. Material events after this date, and up to the Board approval date of the consolidated financial statements in May 2023, have also been included.

REPORTING BOUNDARY AND SCOPE

This report provides a transparent overview of the Group's financial and non-financial performance over the year: the uncertain environment we operated in (p 50-53); our strategy (p 24-25) and business model (p 16-17); engagement with key stakeholder groups that influence our ability to create and sustain value (p 26-33); the principal risks and opportunities (p 158-199); our operational performance and plans to position the business for the future (p 54-97); our environmental and social performance (p 100-113); our governance practices (p 130-156); and our Group's financial performance and position (p 202-299).

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

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

REPORTING PROCESS DRIVEN BY INTEGRATED THINKING

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

REPORTING FRAMEWORKS AND COMPLIANCE

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

FORWARD-LOOKING STATEMENTS

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

GO GREEN

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

WE WELCOME YOUR FEEDBACK

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

Performance HIGHLIGHTS IN 2022

OPERATIONAL EFFICIENCY

- Highly engaged teams, averaging an Engagement score of **70%**
- **Rs 9M** invested in building a skilled, future-ready workforce
- Expanded **Accounting shared services** to additional clusters and business units
- **15.5% Operating profit margin (vs. 8.3% last year)**
- **Rs 27M** invested in digitisation initiatives over the last three years

FINANCIAL RISK MANAGEMENT

- Ensured **optimum financial performance of the subsidiaries** to allow CJ to achieve its debt reduction plan through effective asset structuring
- Careful monitoring of the Group's debt to minimise the impact of large fluctuations in interest rate
- Strengthened the ability of the Real Estate and TMIT clusters to achieve an **optimal capital structure** in view of their investment plan
- **Minimised** the Group **currency exchange exposure** through effective management

PROGRESSING AGAINST THE FOUR PILLARS OF OUR FUTURE-READY STRATEGIC PLAN

BUSINESS PORTFOLIO MANAGEMENT

- **Realised revenue synergies** between the TMIT, Real Estate and Tourism & Hospitality clusters
- Considerably **increased the asset base of CIL** and unlocked significant shareholder value in the process
- Achieved further **optimisation of our telco assets** through **new revenue streams**
- **Leveraged technology** to enhance our life insurance product offers
- Addressed the headwinds faced by our media investment, planning for a rebound
- Successfully completed a first full year of operations for Anantara iko Resorts
- Finetuned our masterplan and engaged with other major players to improve the development plan of our hospitality-related properties in the South

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

- Approved a **Sustainability Charter** for the Group
- Implemented a **Parental Allowance** to support new parents
- Invested **Rs 4.2M** in social inclusion initiatives
- Invested **Rs 835K** in our Employee Wellbeing Programme
- Engaged in **Urban Regeneration** plans to revitalise towns, cities and larger villages in Mauritius
- Recycled **46 tonnes of e-waste**
- Brought **4 projects** to life through Trampoline, **our social impact accelerator**

15.5% OPERATING PROFIT MARGIN

70% AVERAGE ENGAGEMENT SCORES

MUR 9M INVESTED IN BUILDING A SKILLED, FUTURE-READY WORKFORCE

MUR 4.2M INVESTED IN SOCIAL INCLUSION INITIATIVES

A FUTURE
WHERE DREAMS
TAKE FLIGHT,
PROPELLING
PEOPLE AND
BUSINESSES
TOWARDS
SHARED
OPPORTUNITY
AND PROSPERITY.

OUR **story**

THE GROUP'S STORY traces its roots back to 1884. Equipped with a dream and a clear vision OF HOW TO ACHIEVE IT, Currimjee Jeewanjee set foot on the shores of Port Louis from Gujarat, India. There, guided by his strong work ethic and integrity, he laid the foundations of what would later become known as Currimjee Group. He, along with his family members, have not looked back since.

From its humble beginnings as a trading company in 1890, the business diversified into activities like manufacturing, marketing and distribution, tourism and high technology in the late 90s. Today, it is a leading Group in Mauritius, operating in five key clusters and employing 798 people. And while much has evolved since our creation OVER 135 YEARS AGO, the values that Currimjee Jeewanjee stood for are as relevant today as they ever were; perhaps even more so. Our unwavering commitment to improving the lives of our fellow Mauritians, each day, has earned us a valuable place at the heart of every household.

Driven by
OUR VISION, MISSION & VALUES

Our purpose

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

Our mission

Through our continuous commitment to our people, progress and strong values, we will continue to lead the way. We are a proudly Mauritian organisation with a rich heritage of entrepreneurship and foresight, ever learning from our past to build something better for today and for generations to come.

5 VALUES at heart

Foresight

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

Passion

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

Integrity

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

Openness

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

Responsibility

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

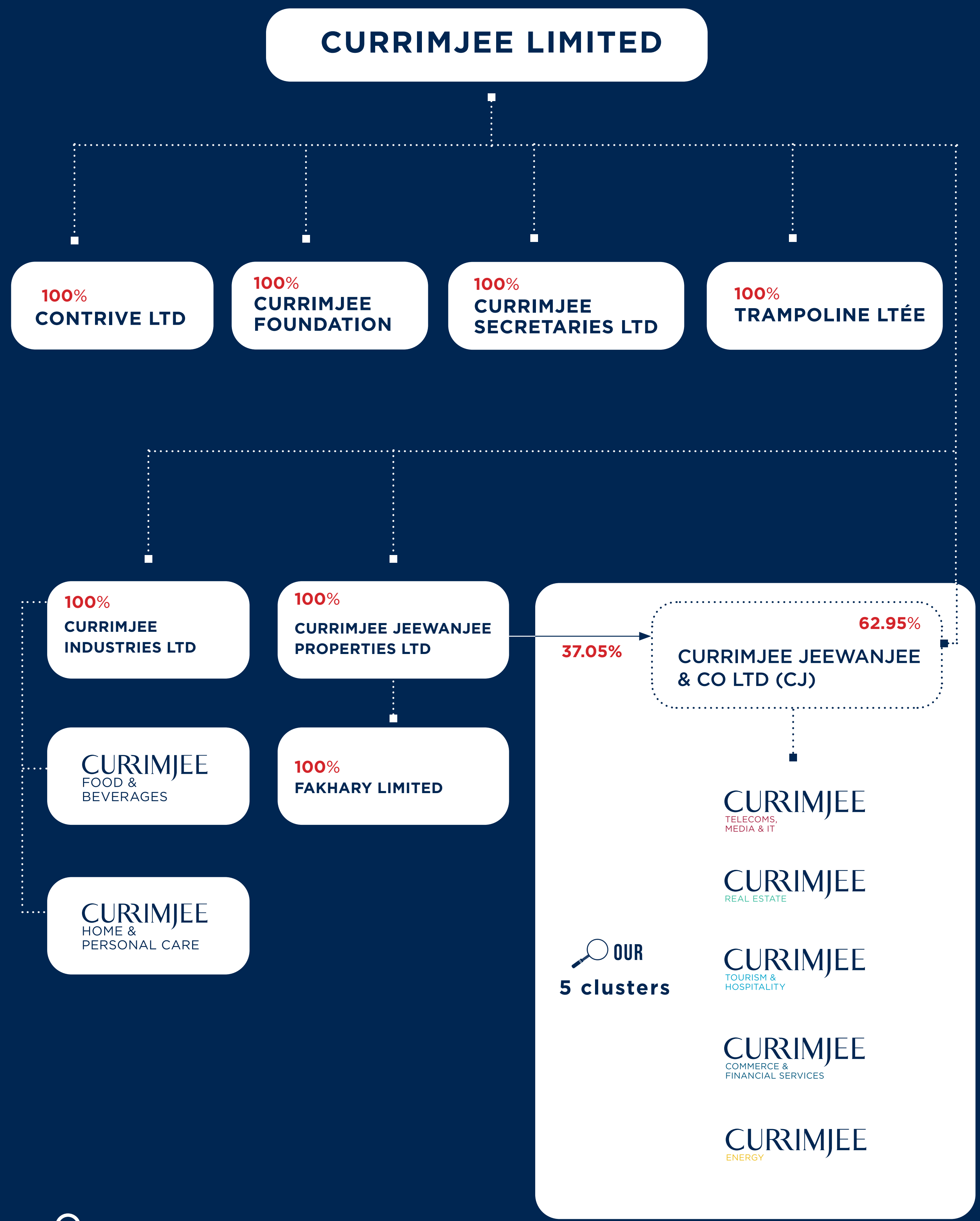
OUR ORGANISATIONAL **structure**

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

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

Contrive Ltd is a subsidiary of Currimjee Limited.

Currimjee Foundation (CF), incorporated in November 2009, is the vehicle through which the Group's CSR projects are managed and monitored. The Group's subsidiaries channel their CSR contributions to CF, which then deploys all CSR activities and programmes in five areas of intervention that are closely aligned with CJ's mission: health, education, leisure and sports, the environment and socio-economic development.



Have a closer look at our clusters on the next page

OUR activities

	MISSION	MATERIAL COMPANIES	MAIN ACTIVITIES
TELECOMMUNICATIONS, MEDIA & IT	Be at the cutting edge of high technology and become a one-stop ICT solutions provider through continuous innovation, customer service excellence and the convergence of our activities	Emtel Limited MC Vision Ltd (MCV) Screenage Limited Currimjee Informatics Ltd (CINF)	• Telecommunications, connectivity solutions and network infrastructure (including mobile telephony, fixed telephone and high-speed Broadband) • Premium entertainment, satellite and digital pay TV • Business Intelligence, Managed Services and Business solutions • Information Technology Enterprise Solutions (including WiFi, system integration, IPTV and security solutions) • Data Centre solutions, international connectivity (submarine cable), War Seats Submarine cables systems, SD WAN
REAL ESTATE	Develop and manage a portfolio of prime properties and preserve the Mauritian heritage through carefully planned urban regeneration	Currimjee Real Estate Ltd Compagnie Immobilière Limitée (CIL) Multi Channel Retail Limited (MCR) Currimjee Jeewanjee Properties Ltd Plaisance Aeroville Ltd Facilicare Ltd L'Avenir Precinct Ltd	• The management and development of CJ's portfolio of properties, including developed properties, partially developed properties and land assets • Optimisation of yields through the creation of specialised and mixed-use spaces • Enhancement of CJ's entire portfolio of properties through tenancy management, facilities management and administrative services • Management of refurbishment projects
TOURISM & HOSPITALITY	The Passion of Travel, the Art of Hospitality. Create value for all our stakeholders by combining local and international expertise, strong brands, innovative customer experiences, wellness and sustainability	Anantara Iko Mauritius Resort & Villas (IKO (Mauritius) Hotel Limited) IKO (Mauritius) Resort Village Ltd Eight IKO Villas Limited IKO (Mauritius) Property Development Ltd Silver Wings Travels Limited	• A one-stop-shop for leisure and business travel • The development of an Integrated Coastal Resort Village, placing sustainability, wellness and the modern traveller at the heart of its philosophy. It currently includes a 5* hotel located on Le Chaland beach, with 164 rooms, an award-winning spa and two beach bars, and eight luxury villas. It will progressively include other PDS products, a beach club and a sports club. • Sustainable development of the South East of Mauritius in a way that preserves the authenticity and natural heritage of the region.
COMMERCE & FINANCIAL SERVICES	Build on the Group's origins as a trading company to provide innovative, high-quality products and services that meet the evolving needs of customers	Batimex Limited Island Life Assurance Co. Ltd	• Provider of contracting solutions, wholesaling and retailing of building materials and finishes • The provision of innovative life insurance and pension solutions
ENERGY	Energise the economy and lives of Mauritians and the people of Mayotte by placing affordable and reliable energy at the service of our customers	TotalEnergies Marketing Mauritius Ltd Ceejay Gas Ltd	• Distribution and retail of petroleum products (automotive fuels, biofuels, lubricants, Liquid Petroleum Gas and jet fuels) to retail customers, as well as to key industries of the Mauritian economy such as agriculture, hospitality, textile, construction, transport and manufacturing. • Bulk import, storage, bottling and distribution of LPG in Mayotte

Our value-creating BUSINESS MODEL

OUR INPUTS AND ENGINES OF VALUE CREATION → 2022 KPIS → OUR VALUE-CREATING ACTIVITIES → OUTCOMES → OUTPUTS

OUR INPUTS AND ENGINES OF VALUE CREATION: The resources and relationships we rely on to operate our business

OUR VALUE-CREATING ACTIVITIES: How we transform these inputs to create value for our stakeholders

OUTCOMES: The consequences and impact of our outputs on our stakeholders

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

Inputs and engines of value creation		2022 KPIs	Outcomes
FINANCIAL CAPITAL	We aim to diversify and maximise our returns from our business activities and investments to fund our future growth plans	• Net debt: **MUR 8.3Bn (2021: MUR 7.9Bn)** • Shareholders' equity: **MUR 2.1Bn (2021: MUR 1.8Bn)**	• Strong balance sheet • Shareholder confidence • Turnover: **MUR 5.4Bn** (2021: MUR 4.8Bn) • Operating profit: **MUR 0.8Bn** (2021: MUR0.4Bn) *Performance report p 54-97* *CFO's review p 202-205*
HUMAN CAPITAL	We invest heavily in our talents to keep them engaged, productive wand fulfilled, evolve their skillsets in line with our objectives, and drive performance excellence	• **798** employees • Investment in training and talent development: **MUR 9M** • Employee Wellness Programme	• A strong values-driven culture • An agile and competent workforce • Engagement score: **70%** • Salaries and benefits paid: **MUR 957M (2021: MUR 872M)** *Human capital report p 39-42*
INTELLECTUAL CAPITAL	We innovative continuously and invest in R&D capabilities to develop new products/solutions, grow our brands and build a competitive advantage	• New products/platforms developed • CJ Sales Academy • Investment in Fintech	• Industry-leading brands • Strong technical knowledge and sector-specific expertise • Financial inclusion • Digitised system and processes
RELATIONSHIP CAPITAL	We build and nurture long-term, trust-based and transparent relationships with our stakeholders through continuous communication	• **1,500+** suppliers and partners • **850K** customers • Strategic partnerships with industry leaders	• Contribution to socioeconomic development • Making customers lives easier and convenient • Growing customer base • Long-term and mutually beneficial relationships with stakeholders
MANUFACTURED CAPITAL	We strive to continuously improve our productivity through investments in the upgrade and maintenance of property, equipment, digital assets and processes	• **50+** offices, warehouses and retail outlets • Freehold land and buildings: **MUR 2.4 Bn** • Plant, Property and Equipment: **MUR 4.2Bn**	• Up-to-date and well-maintained assets • A work environment that fosters efficiency, safety, diversity, and inclusivity while cultivating a strong sense of team unity throughout the entire organisation. • Network coverage in urban and rural areas
SOCIAL AND NATURAL CAPITAL	We integrate social and environmental considerations in our decision-making and actions to improve our ecological footprint and the wellbeing of our communities	• Integrated ESG approach • Investment in the environment and communities through the Currimjee Foundation: **MUR 3.4M**	• Improved carbon footprint • Generation of employment • Families and beneficiaries reached through CSR • Contribution to 13 UN SGDs *Our key relationships p 26-33* *Environmental and Sustainability report p 100-113*

Our value-creating activities

WE DELIVER ON OUR PURPOSE

Together, building a better tomorrow through a value-driven culture

AND ON OUR STRATEGIC PRIORITIES

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

AND INVESTING CONTINUOUSLY IN OUR GROWTH DRIVERS

- *Strong Governance*
- *Our People*
- *Digitalisation*
- *Customer Centricity*
- *Corporate Functions*

TO CREATE POSITIVE OUTCOMES FOR OUR STAKEHOLDERS

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

Outputs

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

A FUTURE WHERE ENERGY AND RESOURCES ARE HARNESSED RESPONSIBLY AND BRING THE ECONOMY'S PILLARS INTO A MORE CONSCIOUS, SUSTAINABLE TOMORROW.

Chairman's MESSAGE

Bashirali A Currimjee

Chairman

Dear shareholders, I am pleased to share the progress made by the CJ Group in the financial year ended 2022, an eventful year in which we significantly enhanced value for our shareholders. The accelerated pace of change in our industries, from telecommunications and real estate to hospitality, continued to drive our strategies to future-proof the Group, leading to a milestone year on many fronts: growth in our legacy businesses, expansion into new lines of businesses, the reinforcement of our ESG commitments, and the materialisation of major strategic initiatives, some of which represent the boldest aspirations the Group has ever taken on - including the deployment of the nation's best 5G network at a record pace.

Economic backdrop

The past year was extraordinarily challenging for the world. Locally, Mauritius built on the momentum from 2021 and pursued its recovery in 2022. The rebound in tourism boosted foreign exchange earnings and had positive multiplier effects on other key pillars of the economy. While these factors were grounds for optimism, global recovery continued to be undermined by inflationary pressures, geopolitical risks and supply chain disruptions. Inflation peaked to historically high levels in the eurozone, and consumer prices reached their highest in four decades. In Mauritius, inflation rose to double digits, pushing policymakers to respond decisively by raising interest rates. Mauritians are facing a higher cost of living, of borrowing and of doing business, which is jeopardising both consumer and business confidence, and plunging lower-income families into further debt and uncertainty.

Aside from this, Mauritius is facing some longer-term risks which, if left unaddressed, could threaten the island's prospects for resilience. Climate change is heightening the frequency and intensity of rainfalls, eroding our land and marine ecosystems, and worsening food insecurity among local communities. This new risk landscape has led to a new sustainability approach at CJ, formalised through a new Sustainability Charter, which outlines clearly-defined goals, with clear parameters, in the areas of social inclusion, environmental preservation and human capital. We are resetting our organisation for this new era, and intend to use all the tools and resources in our arsenal to deliver positive socioeconomic outcomes and a tangible environmental impact.

2022 performance in review

The strong internal financial controls put in place, along with our diversified business model, insulated CJ from these macroeconomic headwinds to a large extent. Viewed from a financial lens, the Group ended the year with a turnover of MUR 5.4Bn, up by a commendable 11.8% compared to 2021, and returned over MUR 129.5M to shareholders through dividends.

2022 was the first year in our mid-term 2022-2024 strategy, during which we strengthened our foothold on our four strategic levers: Operational Efficiency, Financial Risk management, Business Portfolio Management and a focus on Sustainability. Our hard work over the years has been on aligning our investments with these levers - whether by divesting away from the activities that do not support these priorities, or by building the right organisational structures, developing integrated business models, leveraging the many synergies between our businesses, building scale in our five individual clusters of activity, and diversifying our portfolios of products, services and properties.

CHAIRMAN'S MESSAGE

Of our many accomplishments in 2022, two endeavours were particularly instrumental in putting CJ on good footing for the next chapter of growth:

- Emtel advanced on its commitment to make the Internet widely accessible and affordable for all. It has made leaps and bounds in transforming itself from a pure telecommunications player into a diversified technology company and among the most important ICT players in Africa today. Driven by a clear purpose to use technology as a means to improve all dimensions of life, Emtel has made sizable investments in modernising its network infrastructure and expanding its fibre capacity. It is well on its way to achieving its goal of providing nationwide 5G coverage by 2024. It has also successfully opened up new growth verticals in Fintech and the Space Economy, two areas expected to trigger transformations across entire industries and regions, and that hold enormous potential as levellers of economic opportunity for disadvantaged communities. That Emtel plays such a vital role in bridging geographic, physical and social barriers is a source of great pride for us at CJ.
- Guided by an ambitious 'Build strategy' that has been in motion for a few years, the Real Estate cluster was successfully restructured to position Compagnie Immobilière Limitée (CIL) as an important commercial real estate player, with a diversified portfolio of high-yielding properties valued at MUR 1.6Bn. CIL today distinguishes itself from competition by its ownership of diverse and niche asset classes, including two data centres, which have become a sought-after investment in recent years due to their critical role as the heart and lungs of the digital economy, and their ability to deliver resilient returns even in a recession.

Other highlights of our performance, including a full year of operations at Anantara iko, are detailed in the Performance Report on pages 80 to 83. We should rightly be proud of these achievements, but we must also have our gaze squarely on the future. Large and complex projects take years to conceptualise, a few more years to materialise and to amass market share, and several more to reach scale and deliver the intended impact. The theme of this report, *The Future is Now*, speaks to this future-oriented mindset. Similarly, we have set the wheels in motion now for projects that will take form a decade from today.

Underpinning these projects are our people and culture, the bedrock of the Currimjee Group. Our people policies and talent management practices aim to build skilled, high-performing teams with the right mindset to match our growth. A comprehensive wellbeing programme, a Diversity & Inclusion policy, a Sales Academy are some of the initiatives launched in 2022 to ensure that our workforce is equipped, engaged and empowered to support CJ's ambitions. The Group-wide digital transformation programme is also generating higher-than-expected efficiencies, while delivering customer-centric experiences that grow our brands and keep customers coming back.

"AS THE WORLD CHANGES AROUND US, WE MAY CHANGE WHAT WE DO AND HOW WE DO THEM, BUT NEVER WHO WE ARE. MY HEARTFELT THANK YOU GOES OUT TO EVERY EMPLOYEE FOR VALIANTLY RISING TO THE CHALLENGES OF THE YEAR."

Responsible leadership and governance

Our ability to progress on our strategy is strongly related to our corporate governance philosophy and our engaged leadership in place. The Board continues to assume the responsibility for the transparent oversight of the business, while delegating decision-making on specific issues to specialised committees. This year, Board discussions focused on the professional development of Directors and succession planning of key strategic roles, including the Managing Director's position, to ensure that CJ is equipped with a pipeline of high-potential candidates with the breadth and depth of skills required to drive the organisation's current and future goals. The Human Capital function is once again playing an important facilitative role in this process.

Additionally, in light of an increasing number of large-scale digital projects, an Information Security Management System Committee was set up to assess and strengthen the security posture of CJ and its subsidiaries. Likewise, climate change remained high on the Board's agenda. We collaborated with Kantar to define a meaningful sustainability strategy that is unique to CJ's areas of strength, and as stewards of sustainability, our Board members regularly review the progress made against our set objectives.

Outlook, growth prospects and acknowledgements

Looking ahead, CJ's strong market positions in our diverse industries are presenting exciting opportunities. At the time of writing this message, several strategic initiatives are underway and are expected to see the light of day in 2023. I look forward to sharing with you another year of transformation progress and achieving milestones.

Much will be required to reach the heights to which we aspire, and given the complexity and length of the road ahead, we must work hard, work together and keep all channels of communication open - not just within and across teams, but also with our customers, business partners, suppliers, industry peers and community members. Seeing the milestones achieved in 2022, I have no doubt that we have the right talents in place to set the bar even higher.

I am immensely proud of our teams for continuing to provide the ingenuity, commitment and positive spirit to bring these projects to life, even in a time where they are facing a cost-of-living crisis. Our values and purpose form the connective tissue that not only binds CJ's employees across clusters and business units, but that also binds us to our stakeholders. As the world changes around us, we may change what we do and how we do them, but never who we are. My heartfelt thank you goes out to every employee for valiantly rising to the challenges of the year.

I would like to close this message by thanking my fellow Board members for providing their guidance and counsel during what can only be described as an action-packed year for the Group. To our shareholders, partners, suppliers and customers, we are grateful for your continued support and loyalty as we continue to build for the future and create immeasurable value for you all.

Strategy
2022 - 2024

CJ IS CHAMPIONING THE GROWTH AND TRANSFORMATION OF THE GROUP, INCLUDING ITS SUBSIDIARIES, AROUND ITS FOUR STRATEGIC PILLARS.

Our focus is on consolidating our core businesses and diversifying our portfolio by seizing the post-pandemic opportunities; prudently managing financial risks amidst rising inflation, geopolitical tensions and the soaring cost of doing business; expanding our digitalisation initiatives across subsidiaries for more operational efficiency and productivity; and positioning ourselves as a conscious, caring and eco-friendly organisation, driven by a mission to build a better future.

The prevailing global economic environment in 2022 reaffirmed the relevance of our strategic pillars, which have driven the transformation of CJ and its subsidiaries into strong value-creating businesses for our investors and customers. Building on this solid groundwork, the Group continues to effortlessly build scale, organisational strength, leadership skills and a tech-driven culture. Having brought our businesses closer together over the years, we are leveraging the synergies between our activities and teams to forge an innovative, cross-organisational mindset rooted in responsible and eco-responsible conduct. Now, the Group is poised to launch into a new era of growth and global expansion, propelling our reach to unprecedented heights.

Four strategic pillars

Operational Efficiency

Achieve operational excellence and build organisational strength

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

Financial Risk Management

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

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

Business Portfolio Management

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

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

Sustainability Focus

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

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

Underpinned by growth drivers

Technological advancement and digital capabilities	Talent development	Good governance	Prudent risk management	Environmental and social stewardship
	Human capital report	**Corporate governance report**	**Risk management report**	**Environment & Sustainability report**
	Page 39-42	Page 130-156	Page 158-199	Page 100-113

Our key RELATIONSHIPS

As a business that has been embedded in the Mauritian landscape since the late 1890s, Currimjee Group is deeply connected to the environment in which we operate, and to the communities that form part of it. Our stakeholders are critical to our success, and fostering and maintaining strong relationships with them is instrumental to our ability to create value over the long term. We are proud of the rapports we have built with our different stakeholder groups over the years, and we strive to continue communicating with them transparently and sincerely so we can better understand their concerns and create outcomes that benefit all our stakeholders – from our businesses, to the environment and society at large – equally.

OUR KEY RELATIONSHIPS

Our employees, management team, executive team and Board members

Our employees, and their individual and collective skills, play an instrumental role in ensuring we grow our brands, achieve operational excellence and execute our strategy. We engage with them formally and informally, through our policies / procedures, training programmes, performance appraisals, internal platforms like CJ News and Together Currimjee, virtual apps, focus groups and ad hoc meetings when needed.

Their interests and expectations

- Job security and fair remuneration, especially in light of a higher cost of living
- Skills development, career planning and advancement opportunities
- A diverse, inclusive and empowering work environment, supported by flexible work arrangements
- Effective performance management and recognition
- Employee health, safety and wellbeing
- Adherence to Workers' Rights Act, Group Code of Conduct and other HR-related legislations / policies

Material matters addressed in 2022

- Safeguarded 100% jobs (excluding attrition) and competitive salaries / benefits
- Provided financial support to employees
- An employee value proposition rooted in wellness, flexible work, equitable policies, inclusivity and the development of skills
- Creation of a Sales Academy
- Clearly articulated job descriptions and performance metrics
- Implementation of Parental Benefits programme
- Carried out annual engagement survey to gauge satisfaction and address areas of concern

Capitals impacted

Human capital report p 39-42

Our shareholders and debt providers

Our providers of capital give us the necessary financial resources to grow our businesses and deliver long-term growth. We ensure to keep them informed of material developments that could impact our Group and future prospects, engaging with them through the Annual Shareholders Meeting, quarterly Board meetings and presentations, our website, the Board Charter, our Integrated Report and frequent meetings.

Their interests and expectations

- Sustainable growth, liquidity, strong balance sheet and steady financial returns
- Efficient execution of our strategy
- Responsible management of capital expenditure
- Transparent disclosure and reporting on performance so they can make informed assessments
- Compliance with financial regulations / frameworks
- A clear ESG strategy, with a focus on ethical stewardship and experienced leadership team

Material matters addressed in 2022

- Ongoing execution of 2022-2024 strategic plan
- Improved financial performance and increased dividends to shareholders
- Diversification of portfolio
- Establishment of specialised committees
- Creation of a new Governance, Nomination and Remuneration Committee
- Adherence to the Code of Corporate Governance and other regulations
- Succession plans in place for key positions
- The Board evaluation is carried out internally on an annual basis through the circulation of a questionnaire. 360-degree evaluation of Board members carried out every two years
- Introduction of a risk appetite statement
- Adoption of a Group Sustainability Charter

Capitals impacted

Performance report p 54-97
Corporate governance report p 130-156
Our Group's financial performance and position (p 202-299)

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

OUR KEY RELATIONSHIPS

Our customers

Our customers form the bedrock of our activities. As the users of our products/services, their needs determine the evolution of our value propositions across activities. We engage with them to gain a deep understanding of their present and future needs, engaging with them through regular surveys, social media platforms, our website, loyalty programmes, our call centres and informal meetings.

Their interests and expectations

- Affordable and accessible products/services in view of the higher cost of living
- Access to products/services through various distribution channels
- Omnichannel customer service excellence
- Quick resolution of complaints
- Digital solutions
- Environmentally and socially responsible practices

Material matters addressed in 2022

- Development of accessible products/services in response to reduced purchasing power
- Integration of customer feedback in the development of products
- Digitalisation of processes to improve customer experience
- Introduction of a revolutionary payment mobile app, blink
- Frequent and transparent communication
- Alignment of approach to customer feedback system across Group Companies

Capitals impacted

Our Group's financial performance and position (p 202-299)

Our business partners and suppliers

Our suppliers provide us with the vital inputs (raw materials, products and services) we need to carry out our activities and deliver on our value proposition, while our partners play an important role in enabling us to meet our commitments to customers. We therefore ensure to build long-term, trusting relationships with them through regular engagement via our supplier code of conduct, procurement practices and frequent meetings.

Their interests and expectations

- Fair engagement terms of payment
- Timely settlement of payment
- Fair selection processes and ethical business dealings
- Opportunities for local procurement, as far as possible
- Ongoing communication to align service levels
- Adoption of environmentally and socially responsible practices along the supply chain

Material matters addressed in 2022

- Ongoing sustainable relationships with long-term partners whose values and practices align with ours
- Establishment of clear Service Level Agreements (SLAs) to ensure mutually beneficial relationships
- Digitalisation of the procurement process to ease interaction with suppliers

Capitals impacted

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

OUR KEY RELATIONSHIPS

Registered NGOs, our communities and society at large

Our communities drive our social license to operate, and are impacted by our business activities. Their development, resilience and wellbeing are therefore intrinsically linked to our own. We engage with them through the Currimjee Foundation, the ESG section of our Integrated Report, our website, community events, active volunteering, Trampoline (our social accelerator) and frequent meetings/gatherings.

Their interests and expectations

- Contribution to socioeconomic development
- Employment opportunities
- Support in times of need
- Participation in broad national initiatives
- Positive impact on the community
- Positive impact on the environment
- Transparency

Material matters addressed in 2022

- Adoption of a new Social Inclusion programme that tackles three underlying challenges facing the Mauritian society: poverty alleviation, quality education and quality health
- Establishment of a Group Sustainability Charter to align all subsidiaries around common objectives
- Creation of new purpose-driven businesses through Trampoline
- Leading the way in a national e-waste campaign
- Continuous efforts to improve resource efficiency
- Carried out carbon footprint assessment to gauge our level of emissions and identify priority areas

Capitals impacted

Environmental and Sustainability report p 100-113

The government, regulatory bodies and authorities

Regulators develop and implement the authorisations, licenses and frameworks that can enable us or prevent us from carrying out our activities. We communicate with them on an ongoing basis through our regulatory submissions, website, Integrated Report, regular formal and informal meetings and active participation in industry working groups.

Their interests and expectations

- Compliance with all legal and regulatory requirements
- Being a responsible taxpayer and corporate citizen
- Timely and transparent disclosures
- Ethical business practices
- Participation in discussions relating to our industries
- Contribution to the country's socio economic development
- Strong ESG practices
- Expect sound proposals on improvement of existing regulation

Material matters addressed in 2022

- Compliance with all relevant local and international regulations
- Held numerous interaction with the authority on matters relating to our businesses
- Strengthened governance framework in line with the National Code of Corporate Governance
- Clear Sustainability philosophy, aiming to reduce carbon emissions across our value chain
- Contribution to the uplifting of communities through the Currimjee Foundation
- Encouragement of social entrepreneurship through Trampoline
- Close collaboration with NGOs to alleviate poverty

Capitals impacted

Environmental and Sustainability report p 100-113
Corporate governance report p 130-156

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

Events in 2022

Events are an excellent medium and a valuable opportunity for us to interact with all our stakeholders in a differentiated and direct way, and to reaffirm how instrumental they are to our business. From CSR activities, environmental initiatives and product launches, to Human Capital development, internal wellbeing programmes and support to the Arts and Culture, we run a calendar of events throughout the year to connect more deeply with our teams, communities, artists, customers and NGOs. While these events serve to strengthen our brands externally and gather feedback from our customers, they also play an important role internally, by creating moments outside the office that strengthen the dynamics and cohesion among CJ's teams.

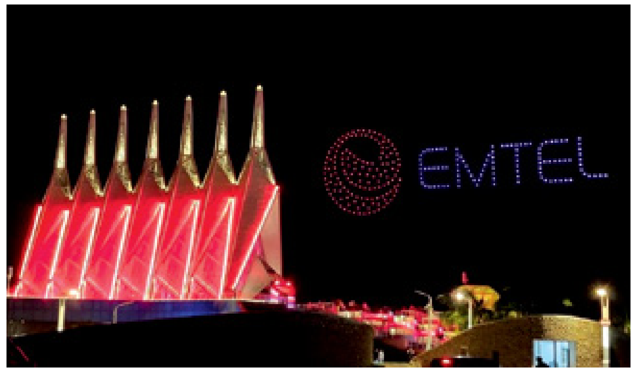
Product and service launches

Transactions... in the blink of an eye

In May 2022, Emtel launched blink, a revolutionary mobile payment app – and the very first to be led by a telecom operator in Mauritius – that is changing the game for consumers and merchants alike. Licensed by the Bank of Mauritius, blink addresses the need for instant, contactless and safe payments. By simply linking their bank account to blink, users can carry out any type of transaction, from making payments and paying bills, to sending and receiving money to a local bank account, scanning & paying at authorised retail outlets, topping up their mobile/broadband credit, with many more innovative features in the pipeline. The best part? blink is for everyone: it can be used on any smartphone or tablet, through any mobile network, using any bank account, anywhere – even from abroad – by anyone in Mauritius, Rodrigues and Agalega. Businesses, for their part, enjoy multiple benefits, including receiving money directly into their accounts, monitoring their transactions in real time through a dashboard, and offering deals/rewards to their customers. In launching this app, Emtel is living up to its purpose of using cutting-edge technology to ease people's lives, while contributing to the island's progress towards a cashless economy and a more inclusive society.

5G – opening up a world of possibilities

A fleet of drones lit up the sky in Jin Fei on 27th July 2022, marking the official launch of 5G by Emtel and a turning point for the telecommunications industry in the Indian Ocean. After years of setting the stage for the large-scale deployment of 5G, Emtel introduced the Airbox 5G, an instant plug-and-play ultra-high-speed internet that promises to transform lives and businesses. With speeds up to 100 times faster than 4G and reduced latency, subscribers to the Airbox will avail of ultra-fast download speeds, enabling them to quench their appetite for data consumption. 5G is also empowering enterprises to boost their productivity, open up new revenue opportunities and connect with their customers in new creative ways. Emtel's 5G already covers 40% of the population in the North, Centre and West of Mauritius, and is well on its way to providing islandwide coverage by 2024.



Batimex Phoenix Central unveils its new look

Following a major uplifting and remodelling of its layout and interiors, Batimex's showroom in Phoenix Central is trendier and more inspiring than ever. The new venue showcases Batimex's wide array of premium products, from floor coverings and sanitary ware, from some of the world's most renowned brands, embarking shoppers on an immersive experience and enabling them to better visualise their construction and renovation projects. Phoenix Central also boasts a large parking area and dining options, further enhancing the shopping experience.

Metric gets a makeover

Conveniently set at the heart of Rose Hill, the revamped Metric showroom opened its doors in January 2022. With a more open layout and improved product presentation, Metric has elevated the shopping experience by creating a modern, welcoming space for shoppers. It offers a wide selection of quality products – from sanitary ware and flooring solutions, to water-heating units – that upgrade any construction or renovation project, all while remaining affordable and accessible. Metric aims to remodel its other stores, featuring the reimagined design.

Grand reopening of Les Arcades Currimjee

After months of painstaking renovation to modernise Les Arcades Currimjee, the iconic landmark's new identity was unveiled in July 2022. Between 27th June and 3rd July, the week-long inauguration invited visitors to explore the newly revamped retail and food sections through 'Arca'Souk', a craft market with small local entrepreneurs, 'Arca'Expo', an exhibition with over 40 local artists, as well as live music, food tasting and numerous other activities. Les Arcades was redeveloped into a vibrant commercial centre, bringing together a mix of premium tenants, including some of the island's trendiest eateries and retail stores, while also thoughtfully retaining the unique historical features of the building. For instance, the building's original stone façade – which has been a distinguishing feature of the urban landscape of Curepipe since the early 1900s – was carefully preserved; historical scenographies depicting the town's history adorn the walls; and a lighting concept was set up to match the emblematic status of Curepipe, also known as the City of Lights. Since the renovation, Les Arcades has welcomed over 100,000 visitors per month, filling us with pride to be contributing to the vibrancy of Curepipe and catalysing the wider regeneration of the town.

A calendar of lively events is organised all year round, featuring live music shows, markets, food events and art exhibitions, to keep Les Arcades buzzing.

EVENTS IN 2022

Promoting the Arts, Culture & Mauritian talent

In keeping with its Mauritian DNA, the Group supports events and people that strongly advocate for the local arts and culture. We proudly sponsored:

A workshop for Mo'Zar, a jazz group tracing its roots in the village of Roche Bois. Spanning five days and held at Otentic Eco Tent, the workshop aimed to prepare this group of young musicians for a remarkable milestone in their lives: the production of a documentary, by Sebastien Petretti, highlighting Mo'zar's unique story and success. The young musicians partook in several music composition classes with renowned names, engaged in nature activities, and spent the better part of the workshop preparing themselves – technically, mentally and physically – for their upcoming concerts in Mauritius, Belgium and France.

An exhibition in Bel Village commemorating the **40 years of the death of Malcom de Chazal.** Saïd Hossannee, a painter / engraver whose work is deeply rooted in the Mauritian culture, paid tribute to Malcolm de Chazal through 40 works of art that draw inspiration from the late artist's style, while infusing Saïd's singular touch.

100 years of professional football in Mauritius. Football remains one of the main forms of entertainment and a unifying factor for Mauritians. This tradition goes as far back as 1922, introduced by the British and popularised by Charles Lamb, a physical education professor at the Royal College Curepipe (RCC). To commemorate the 100th anniversary of football on the island, we sponsored a signage and memorial plaque at the football ground at RCC, which honours Charles Lamb and his invaluable role in making football the most popular sport in the country to this date.

The **'Femmes Chefs d'Entreprises Mondiales' (FCEM) International Conference**, also known as the Worldwide Network of Women Business Owners. Over 100 female entrepreneurs attended the conference between 25th and 27th May, including some of the world's high-profile female business leaders. The conference, which was centred on the theme "The Circular Economy: Women Entrepreneurs as the Force of Change", included an official ceremony, followed by a series of panel discussions. As a platinum sponsor of the event, the Group is proud to be supporting the AMFCE in its mission to promote the economic independence of women through entrepreneurship.

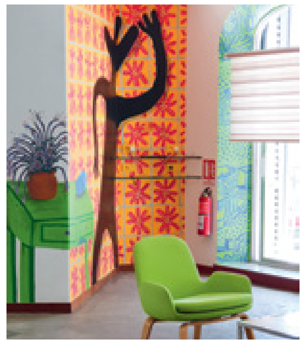
Natir – when music meets eco-consciousness

Intent on moving the needle on sustainability, CJ took its initiatives further by combining climate action with culture, using music as a vehicle to promote ecological values and awareness. We reached out to Atelier Mo'Zar, a musical group we have been supporting for many years now, to help us achieve our objective. This beautiful collaboration gave rise to an inspiring song entitled Natir, written and composed by the famous jazz trumpeter, Philippe Thomas, and performed by CJ's employees and Mo'zar students. Natir is not only a call for urgent action to preserve our ecosystems and safeguard our planet, but it also highlights the brilliance of our talents and the power of collective action. The original song can be viewed on YouTube: https://www.youtube.com/watch?v=qF9JRSJyefs

Le Nénuphar's interiors graced by Evan Sohun

Toudim, a well-known character in the local art world and Evan Sohun's faithful sidekick, now features on the walls of Le Nénuphar, the Group's co-working space in Curepipe. Evan, an acclaimed Mauritian street artist and illustrator, skilfully adorned our walls with a fresco covering 10m², in continuation to his solo exhibition 'Marsan Rev', which translates into 'Dreamseller'. This collaboration denotes CJ's desire to support local artists and provide them with a space to unleash their creativity. At the same time, the stunning artwork breathes new life into Le Nénuphar, enriching the space in a way that inspires out-of-the-box ideas.

Before



After

When excellence is rewarded

Screenage was the proud winner of the Aruba FY22 Africa Reseller Of The Year award at the Aruba EMEA Channel Partners Awards, held virtually in January 2022. The ceremony brought together over 190 Aruba partners and technology experts across the globe. This prestigious award reflects Screenage's technical proficiency and strong partnership with Aruba, as well as its commitment to delivering exceptional technology solutions and customer experiences. Screenage is thrilled to be the recipient of this award, and aims to continue innovating to meet customers' biggest business challenges.

EVENTS IN 2022

Environmental and social stewardship

Guided by a newly defined Sustainability Charter, rooted in Environmental Preservation, Social Inclusion and Human Capital, the Group's initiatives across these three pillars took on a new dimension this year.

Environmental and Sustainability report p 100-113
Human capital report p 39-42

Making sustainability everyone's responsibility

Central to embedding sustainability within our businesses is to engage our employees in the co-creation of sustainability practices. During the year, we ran a series of workshops and activities aimed at turning our employees into strong sustainability advocates, both in the workplace and in their personal lives. Among the many initiatives were a training session on organic gardening carried out by Everbloom, a Sustainability Transformation workshop for the leadership team facilitated by Kantar, and the Phoenix Central Sustainability Forum bringing together the mall's tenants.

CJ Wellness Week

As part of its comprehensive Employee Wellbeing programme, CJ carried out a week-long series of wellness activities centred around preventative healthcare. Our aim is to promote the long-term health of our employees by providing them with the tools, resources and information they need to form healthy habits. Wellness Week included blood tests, dental and eye check-ups, and awareness sessions.

Professional Image and Etiquette

Internal team-building events are instrumental in bringing our team members closer together, encouraging further collaboration and nurturing a strong CJ culture. In the context of the Group's drive to strengthen our customer-centric culture, the CJ Sales Academy was launched in October 2022 to align various commercial teams around common sales techniques and behaviours to ensure a consistent, positive customer experience across all touchpoints. The first training provided participants with the do's and dont's of grooming and etiquette to project a professional image and demonstrate appropriate business etiquette in all interactions with customers.

Human
CAPITAL REPORT

Human capital is a key enabler in the execution of CJ's strategy and a critical pillar for our long-term growth. The pandemic has clearly underscored that the tenets of resilience are the ability to learn and innovate with agility – and the HR function is both an architect and a propeller of this mindset. Governed by our core values, our human capital strategy is built around five pillars that are designed to attract, develop, motivate, lead and retain the individuals who deliver on our objectives and bring our mission to life each day.

Talent development

Developing our internal talents to ensure they are productive, engaged and fulfilled, and have all the tools they need to drive their careers forward in a way that aligns with CJ's strategy.

Learning and competence development

Supporting our employees in the development of skills and aptitudes through various forms of learning and training, leading to performance excellence.

Employee engagement

Offering all employees equal access to opportunities, fair treatment and a culture that supports collaboration, inclusion and meaningful work.

Employee wellbeing

Prioritising the physical and mental wellbeing of our employees to ensure they feel their best and perform at their best.

Organisational efficiency

Optimising our structures and processes to create a great employee experience, enabling them, in turn, to deliver a great customer experience.

Talent development

Building on our initiatives last year, we continued to strengthen the Group's business continuity and succession planning, placing more focus on attracting new talents and developing our internal talents through upskilling and job enrichment. In 2022, we partnered with Results Based Leadership (RBL) Group, a consulting firm dedicated to helping businesses maximise the power of their people. A two-day workshop was held for our key executives around the theme "Emerging Trends in Leadership", which aimed at: (i) reviewing the current Leadership fundamentals, (ii) highlighting current global leadership insights; and (iii) developing emerging leadership competencies.

HUMAN CAPITAL REPORT

Learning and competence development

In 2022, we pursued our efforts to build an agile and competent workforce with future-ready skills. To further align CJ's various teams around common standards and behaviours, the CJ Sales Academy was launched in October 2022. Over 150 team members from the sales teams of Batimex, Emtel and MC Vision participated in a training session on "Professional Image and Etiquette", designed to enhance client-facing teams' understanding of how their personal presentation and attitude are the first window into the customer experience. Besides the Sales Academy, we continued to invest in initiatives to develop leadership and behavioural skills that support our talent development strategy.

Employee wellbeing

In 2022, we again sharpened our focus on the holistic wellbeing of our employees, recognising that their mental, physical and financial health have the potential to encourage healthy behaviours both in the workplace and in their personal lives.

Mental health

Through our Employee Wellbeing Programme, which was launched in 2021 to improve employee morale, CJ provides mental health counselling services to employees in need, and regularly raises awareness on mental health topics through awareness sessions. In 2022, these sessions were centred on the following themes: *Understanding and managing worry, stress and anxiety, Emotional intelligence and Managing personal and professional conflicts.*

CJ Wellness Week

The focus of this year's Wellness Week was on Preventive Healthcare, which is a proactive approach to maintaining health and wellness. By understanding the lifestyle choices required to prevent health risks before they develop into chronic illnesses, employees can significantly enhance their quality of life and, in the long run, lower their healthcare costs. In this context, we organised a series of health screenings and check-ups for our employees, including blood tests, dental and eye check-ups, and awareness sessions on health-related topics.

303
Employees benefitted from preventive blood tests

309
Employees benefitted from dental and eye check-ups

553
Employees participated in health-related awareness sessions

Nature trekking and yoga

We strongly encourage our employees to participate in our after-office hours wellness activities, which are designed to help them unwind and recentre on themselves. The nature trekking activity helps them reconnect with nature, which significantly reduces stress levels and anxiety. In 2022, three outdoors activities were organised, and Hatha Yoga sessions were ongoing.

Health and safety

CJ is fully committed to undertaking its business in a way that minimises the risk of injury or ill-health of its employees. We ensure that the safety and health of our employees is an integral part of our business decisions, in addition to complying with the provisions of the Occupational Safety and Health Act 2005 and all related legislations. We carry out regular inspections, audits and assessments of the safety and health standards of our working environment, and measures are developed to minimise workplace hazards. Employees are also acquainted with Safety and Health requirements at work through regular awareness sessions and are empowered to act in emergency response situations through Safety and Health training (First Aid, Fire Safety) and emergency drill activities.

Employee engagement

Diversity and Inclusion

As a responsible employer, we encourage diversity and inclusion within the workplace and the wider community. This enables us to bring together different perspectives and experiences, which results in more creative solutions and greater innovation. Our employee lifecycle is guided by strong ethics and values, supported by our Diversity and Inclusion and Equal Opportunity policies.

Over the past year, one of the Group's key initiatives was to promote gender diversity. To this end, the CJ Parental Benefits programme was set up, whereby both maternity and paternity leaves have been increased to normalise such leaves for both gender and support men and women in their role as carers. In parallel, we continue to enforce our flexible working arrangements, where applicable.

CJ is dedicated to offering our employees the financial support they need to cope with rising food and energy prices.

246 EMPLOYEES
earning less than Rs 20,000/month benefitted from food vouchers (May-Dec 2022)

1,483 VOUCHERS
amounting to Rs. 2,067,000 were distributed to Group employees

HUMAN CAPITAL REPORT

Organisational efficiency

Optimum Structures

Having the optimal organisational structures in place entails aligning our people, processes and culture with our strategies in order to improve the targeted execution of our goals and improve the effectiveness of our organisation. In 2022, we continued to work towards building agile structures at Group level to this end. We enhanced the shared services model in place for the HR, Accounting and IT functions, extending the Accounting shared services to additional business units, thereby bringing greater alignment between CJ's businesses.

Digitalisation

CJ pursued its digital transformation journey, designed to boost productivity by enabling our resources to dedicate more time to value-added tasks. Renewed focus was placed on automating processes at the level of HR, Finance and Accounting. In the HR department, we launched HRMS Sicorax, an online Performance Management Process, on a pilot basis within four business units. On the Accounting side, we rolled out a number of digitalisation projects for both CJ Corporate and the subsidiaries, including a middleware project for the interface of the accounting system and the consolidation platform; and a Fixed Asset Module on the SUN Accounting system, enabling us to keep financial control over the Group's assets.

Customer centricity

The Group has made considerable progress in its endeavour to embed a strong customer centric-culture within the organisation. A number of initiatives were implemented under our four work streams, which underpin all our customer-focused initiatives:

- Human Capital – As mentioned previously, the CJ Sales Academy was launched towards the end of the year, with a first training around Personal Grooming and Etiquette for all sales representatives from Batimex, Emtel and MCV. Moreover, a competency framework was developed, mapping out the knowledge, skills and attributes that sales representatives need to have to perform successfully in their functions.
- Customer Data and Measurement – All the business units carried out surveys, conducted by an external service provider, to measure and track customer satisfaction rates. Clear metrics, such as the CSAT score and Net Promoter Score (NPS), were published. Based on the feedback received, concrete action plans were identified and implemented to make improvements in relevant areas.
- Digitisation, Process improvements and Data Analytics – A number of process improvements were made across the seven customer service / sales touchpoints of the customer lifecycle, from Discovery to Self-Care. These range from digital KYC, digital signatures, WhatsApp Business for customer service, to the automation of processes in BPOS, amongst several other initiatives across business units.
- Product, Brand and Value Proposition – New products and services were introduced by the business units to address the evolving needs of customers, taking into account the macroeconomic context.

A FUTURE WHERE WE ARE FREE FROM THE CONFINES OF WALLS, AND SPACES EVOLVE INTO VIBRANT ENVIRONMENTS WHERE COLLABORATION, CREATIVITY AND GROUNDBREAKING IDEAS COME ALIVE.

MANAGING DIRECTOR'S **message**

Anil C Currimjee

Managing Director

Dear shareholders,

The past year was one of remarkable progress and the materialisation of projects whose seeds were sown several years ago and were delayed due to the pandemic years of 2020 and 2021. These investments we committed to - whether in technology, our talents or infrastructure - are not isolated actions, but part of a comprehensive vision for a better future, which has shaped the reality we are in today. The theme that graces the cover of this report, **The Future is Now**, encapsulates this state of affairs.

The fruit of our effort is evident across all the metrics we use to measure our progress, not only in financial growth and technological advancements, but also in the stronger positions we hold in the markets we serve, in the improved customer focus and experience achieved, and in the engagement and resilience of the Group's team members. This reaffirms the importance of foresight and long-term planning, as well as maintaining strong relationships with all our stakeholders, who are at the heart of who we are and what hold us together as a strong Group.

One of our most prized relationships is the one we share with our team members. For us, being a good employer is a promise that goes beyond survey results. This is why we have stepped in to support them through the cost of living crisis, by mobilising additional resources for lower-paid roles and to strengthen our wellness and health programme. We are committed to providing our people with the opportunities and tools they need to take charge of their own futures and grow with us. Our leadership team has been exemplary in carrying out our major strategic initiatives, and in pushing our teams towards excellence. We are seeing extraordinary growth in our colleagues, who are advancing beyond their traditional roles and moving into new cross-functional ones; young talents have grown into leadership roles; and a strong sense of camaraderie is uniting them around a shared purpose. Today, our team is stronger than it has ever been.

Strategic priorities

As always, a clear focus on our four strategic priorities has underpinned the strong set of results achieved in all clusters.

Portfolio management

Our portfolio was considerably strengthened during the year, spearheaded by major milestones achieved at Emtel, CIL and Tourism & Hospitality cluster in particular.

- FY 2022 was a banner year for Company Immobilière Limitée (CIL), beginning with the very successful renovation of Les Arcades Currimjee, which was undertaken during 2021 at the height of the pandemic, and which produced positive results during 2022. The transformed modern, mixed-use destination is drawing more traffic and appealing to a wide range of demographics. We are particularly pleased by this recognition, as Les Arcades Currimjee has been part of the Currimjee Group's portfolio since the 1950s, and holds a special place in the heart of generations of Mauritians as the first shopping centre on the island. Our bold decision paid off, and enabled us to embark on our second leg of our Real Estate Strategy.

December 2022 marked another turning point for CIL. It completed the acquisition of 100% of the shares of MCR, which forms part of the Group's Real Estate cluster, building scale and diversification in its portfolio. Through the transaction, it inherited a multi-geographical and multi-asset portfolio valued at MUR 1.6bn, including Phoenix Central, Emtel World Property, buildings in Rose Hill and Curepipe, and two data centres. CIL's excellent performance, coupled with its position as an important advocate for urban regeneration, generated strong demand for its shares on the market, making CIL the best maker mover for 2022 on the DEM.

- Emtel effectively went from a telco player to an important techno player, with the capabilities to bring wide-ranging benefits for the Group, and the potential to bring the island and region into a new era of connectivity. 5G was deployed on a large scale in July 2022, reaching over 100 sites at the end of the year. 5G will play a critical role in supporting the rising mobile data usage, as well as in unlocking opportunities across most industries. Similarly, Emtel's foray into Fintech through blink, the first mobile payment app connected to the IPS to be launched by a telco operator in the country, is revolutionising how consumers and businesses make instant, contactless payments.

WHILE OUR FOCUS IN PREVIOUS YEARS WAS ON STRENGTHENING THE BUILDING BLOCKS AND FOUNDATIONS OF OUR STRATEGIC PRIORITIES, THE PAST YEAR SAW THEIR EXECUTION AND THE DELIVERY OF A NUMBER OF MILESTONES.

MANAGING DIRECTOR'S MESSAGE

2022 WAS ONE OF THE MOST IMPORTANT YEARS IN CURRIMJEE GROUP'S HISTORY DUE TO HOW WE EXITED FROM COVID-19. WHEN WE LOOK BACK IN 100 YEARS, THE LEGACY WE WISH TO LEAVE BEHIND IS ONE THAT FUTURE GENERATIONS CAN BE PROUD OF.

The first phase of Emtel Technopolis was launched, marking the debut of the first technology park of its kind in the region. Our collaboration with OneWeb is paving the way for making Mauritius even more attractive as a capital-intensive technology hub. These three major developments will not only enable Emtel to provide even more exciting products and services in the months to come, and considerably increase growth opportunities for the Group, but they also place Emtel as one of the most technologically advanced companies in the region.

- Our Tourism & Hospitality segment saw a turnaround in its performance, buoyed by a high inflow of tourists in Mauritius. As a new entrant in the market at the time of the pandemic, Anantara iko got off to a slow start but is progressively entrenching its brand in Mauritius. The masterplan for the project was finetuned during the pandemic, resulting in a unique value proposition centred in holistic wellbeing, local immersion, beach experiences and creative F&B concepts, putting the hotel on the path to profitability.
- MC Vision has been facing a perfect storm since 2020, with its operating costs taking successive hits as the pandemic unfolded. High inflation, low consumer confidence, a significantly weaker Mauritian Rupee, a rise in piracy and the unprecedented cost of content rights - of live sports, in particular - have all contributed to weak results. Yet, many imminent opportunities hold promise to turn MC Vision's performance around. As I write this message, we are already seeing green shoots stemming from its refreshed strategy, the changing world of content and the revenue synergies realised with Emtel, its holding company.

This growing symbiosis between our different businesses is proving to be a real competitive advantage for CJ. New projects are emerging between Emtel and CIL, CINF and Screenage, and even at cluster level, between Real Estate and TMIT, not only delivering cost efficiencies and knowledge transfer, but also nurturing a cohesive CJ culture across subsidiaries.

Operational efficiency and a focus on Sustainability

Underpinning our performance are our investments in enhancing our operational efficiency, which we achieve by increasing employee engagement and customer centricity, both of which are best-served by technology. Our shared services structure is delivering cost benefits to the whole organisation, enabling our companies to focus their resources on growing their core business.

Sustainability is also increasing in strategic importance. The energy crisis is spurring a quick transition to renewable energies for businesses and households, who are progressively building in environmental and social dimensions into the decisions they make, from purchasing hybrid or electric vehicles, choosing lower-carbon flights and eco-friendly hotels, or even aligning themselves with businesses that demonstrate strong ethics across their value chains. All these shifts are brimming with long-term opportunities for us.

Looking ahead

The challenging international and local market conditions are expected to persist into the year, further broadening the risk landscape and requiring the Group to be as proactive and agile as ever. The global geopolitical situation is also preoccupying, with tensions brewing on several fronts: the ongoing war in Ukraine and strained trade relationships between the US and China are reverberating across the international stage in the form of inflation, market uncertainties and fears of a recession and regional instability.

Although Mauritius is on an upward trend, led by the booming tourism and financial sectors, keeping this growth sustainable will depend on how well we coordinate our actions to address the longer-term trends that threaten our island. The vulnerability of Mauritius to the effects of climate change are already being felt, with flooding and beach erosion threatening to not only dampen tourism, but also to impact the downstream economic sectors and communities that depend on our coastal ecosystems. Labour markets are facing enormous challenges retaining and attracting talents, and social inequalities are deepening.

From a Company perspective, the future looks bright. The Group is composed of five competitive businesses, all well-established within their markets and offering compelling investment propositions that are proving their mettle in the face of economic and social challenges. Emtel is set to complete the islandwide deployment of 5G ahead of schedule, increase the adoption of its products and tap into new growth verticals to maintain its leadership position. The strategic transactions made between CIL and Emtel during the year have strengthened both businesses, and we are now exploring projects in the area of renewable energy by leveraging the combined strengths of our clusters. The acquisition of a parcel of land at l'Avenir will also serve as a springboard for growth as the Group sets its sights on expanding internationally, while remaining deeply tied to our Mauritian roots.

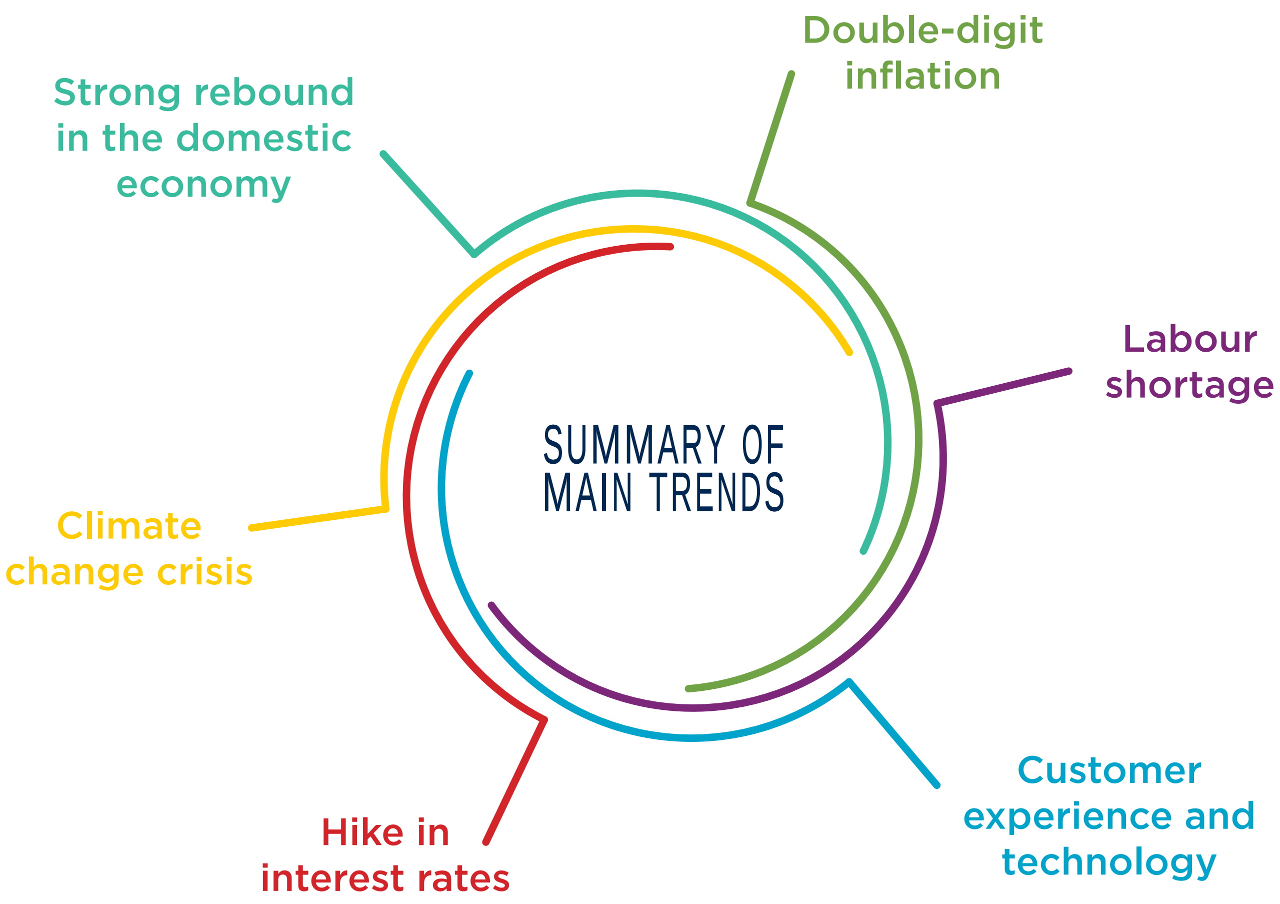
2022 was one of the most important years in Currimjee Group's history due to how we exited from Covid-19. When we look back in 100 years, the legacy we wish to leave behind is one that future generations can be proud of. In the years ahead, every decision we make and every opportunity we consider will be looked at through the prism of sustainability and strong stakeholder relationships.

Acknowledgments

I wish to extend a heartfelt thank you to our colleagues for exceeding expectations. Your hard work and dedication are valued and essential to realising our mission. I would also like to thank our subsidiary leaders for bringing so many accolades to the Group, and for steering their respective teams through a difficult but rewarding year.

To our partners, suppliers and customers - we thank you for your continued support and trust in what we have to offer.

Our operating ENVIRONMENT



TREND	IMPACT	OUR RESPONSE
Double-digit inflation		
While several markets appeared to be recovering from the pandemic's effects, heightened geopolitical tensions have led to a marked rise in global inflation, with oil, gas, grains and other commodity prices reaching record high levels. In Mauritius, inflation soared to a multi-decade high, reaching 11.9% in September 2022. Unfavourable weather conditions further contributed to spikes in the price of local food and vegetables. With net imports remaining high, the Mauritian currency reached its weakest position in almost 10 years, depreciating by 60%. Going forward, headline inflation is expected to remain on an upward trend and economic uncertainty remains a persistent threat.	• Higher operating and import costs, product shortages and lower margins, impacting overall cost of doing business • Rising cost of living, weighing on household consumption • Aggravation of supply chain challenges: high freight costs, raw material shortages, unreliable production times • High costs of content and broadcasting rights • Food insecurity in Mauritius • Deeper socio economic divide **Related risks:** 1, 3, 4, 5, 8, 11, 14, 21, 25, 26	• Rerouted supplier routes where possible and strengthened relationship with existing suppliers by reviewing SLAs. • Efforts to avoid passing on rising costs to customers: disciplined cost control and capital allocation, simplified organisational structure, review of pricing strategies, digitalisation of processes to reduce operating costs, customer acquisition strategies, diversification of products / services, increased communication with customers to maintain trust and sharpened focus on customer excellence. • Adoption of Sustainability Charter and emphasis on poverty alleviation and social inclusion. • Support to the Group's low-income earners and pay increases to employees. • Incubated projects tackling food insecurity through Trampoline. **Strategic pillars:**
Strong rebound in domestic economy		

Despite the uncertainty in the global economy, the Mauritian economy began recovering at a moderate pace, buoyed by the reopening of borders and revival of tourism, combined with dynamism in the construction, financial services and ICT sectors. In spite of air connectivity constraints and strong competition from neighbouring islands, tourist arrivals increased by 1100% between January and October 2022, driven by pent-up travel and the 'revenge travel' phenomenon. Positive spillover effects were felt on other service-centred industries.	• Spike in airfares, attracting primarily the premium leisure market. Mauritius is seen as an expensive destination.
	• Hotel occupancy and Average Length of Stay metrics on the rise
	• Influx of foreign currencies through renewed operations at the level of tourism activities and export-oriented sectors
	• Increased confidence and better visibility for consumers and investors
	• Reduced pressure on the government to alleviate previously vulnerable sectors of the economy
	Related risks: 1, 3, 4, 5, 8, 11, 14, 21, 25, 26
		• Developed unique experiences rooted in sustainability, wellness and customer service excellence to attract the new post-pandemic traveller and remain competitive.
		• Diversified source markets and reinforced our presence in traditional market for inbound operations.
		• Close collaboration with authorities to position Mauritius as an attractive destination.
		• Leveraged the conducive environment to seize opportunities:
		  • Accelerated the implementation of our scaling strategy in Real Estate
		  • Accelerated our 5G network deployment strategy
		  • Launched into the Fintech space with blink, Emtel's mobile payment app
		Strategic pillars:

Our operating environment

TREND | IMPACT | OUR RESPONSE

Customer experience and technology

Trend

The post-pandemic era is characterised by a more digitally-driven customer. Businesses are expected to reach their customers across numerous touchpoints and reimagine the customer experience around a personalised digital connection. Companies are also leveraging technology to streamline their internal processes and shift to cloud services. In Mauritius, the mobile penetration rate is as high as 156%, driven by the increasing use of streaming services. Digital payments are fast being adopted.

Impact

- Strong demand for mobile data services and 'always on' connectivity
- Businesses reaping benefits in the form of scalability, increased savings and higher employee engagement / productivity
- Rapidly evolving risk landscape
- The increasing need for data analytics and business intelligence capabilities to gain insights into customer patterns and behaviours

Related risks: 3, 4, 10, 12, 13, 14, 15, 17, 23, 26

Our response

- Accelerated development of 5G, Fintech and network modernisation to meet demand for data and lay the foundation for future services.
- Continued investments in digital capabilities as a means to deliver better products / services more efficiently.
- Enhanced cybersecurity governance / management and data protection policies.
- Continuous upskilling of workforce through a targeted training programme.
- Leverage the TMIT cluster's expertise to digitally transform CJ's businesses.

Strategic pillars:

Hike in interest rates

Trend

The marked rise in inflation has led central banks across the world to aggressively raise interest rates to contain inflationary pressures. In Mauritius, the Central Bank of Mauritius hiked the key repo rate five times during the year, bringing borrowing costs to their highest point since 2015.

Impact

- Higher cost of living and borrowing for Mauritians, resulting in consumers pulling back on discretionary spending
- Impact on life and savings products in the insurance sector
- Reduced consumption of entertainment and media, viewed as 'non-essential' spending
- Biggest impact on low-income families, widening the socioeconomic divide
- High increase in borrowings costs impacting our profitability, cash flows and our ability to invest

Related risks: 1, 3, 11, 12, 25, 26

Our response

- Close monitoring of economic landscape to mitigate and contain financial risk as far as possible.
- Disciplined cost control, effective management of working capital and prudent capital allocation.
- Collaborate with our lenders on alleviating pressure on our financial covenants.
- Sharpened our focus on social inclusion and poverty alleviation through a revised sustainability strategy.

Strategic pillars:

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

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

TREND | IMPACT | OUR RESPONSE

Labour shortage

Trend

The pandemic has had a severe impact on the labour force worldwide and in Mauritius, mainly due to post-Covid stress, the increased cost of living and more attractive offers from other countries. Attrition has been particularly high and chronic in the tourism, manufacturing, healthcare and construction industries, which are all labour-intensive. Increasingly, employees are seeking out a work-life balance and moving overseas in search of greener pastures. Ensuring a stable and skilled workforces is one of the greatest challenges for the Mauritian economy in the short to medium term.

Impact

- Talent shortage in certain key businesses / positions, affecting the continuity of operations.
- Reduced output and service levels
- Increased cost of training and development
- Disruption of traditional workplace models
- Employment of foreign labour over domestic labour
- Slow down in the achievement of our strategic objectives

Related risks: 1, 2, 10

Our response

- Continuous upskilling of workforce, or, in certain cases, careful recourse to high-skilled foreign labour.
- Implementation of policies to retain employees, flexible work arrangements, parental benefits and employee wellbeing activities.
- Business succession plans in place for key roles.
- Aligned salaries with best market practices and continued to provide benefits.
- Revamping of our trainee schemes with greater attractiveness and incentives aiming towards higher retention.
- Increased spending on development of our key talents.

Strategic pillars:

Climate change crisis

Trend

We are at a turning point in the world, with changing weather patterns, rising sea levels and extreme temperatures prevailing in all countries around the world. These climate-related challenges have led to growing pressure on businesses to decarbonise their operations. This trend is also supported by investors and broader society, who are demanding accelerated environmental action and responsible / sustainable production and consumption practices.

Impact

- A mindset shift towards renewable energy alternatives, now viewed as an imperative for long-term business growth
- Disruption of business operations during heavy rainfalls, torrential rains and other natural calamities
- Increased risk of flooding and other climate-related threats, leading to a potential food crisis
- Increasing number of pressure groups lobbying businesses and government towards a shift in preservation of the environment
- Customers' expectations of products and services incorporating sustainability elements.

Related risks: 2, 5, 9

Our response

- Remained flexible in allowing our employees to work from home during extreme weather events.
- Adopted and formalised a Group Sustainability Charter that can be applied to all subsidiaries, regardless of their sector of activity.
- Undertook a carbon footprint assessment and aim to implement an action plan, with clear targets.
- Continued to raise awareness of critical environmental issues among workforce and communities.
- Leading the way in e-cycling in Mauritius through a nationwide campaign.

Strategic pillars:

Turnover for TMIT

MUR 4,506M

(2021: MUR 4,359M)

OPERATING PROFIT

MUR 842M

(2021: MUR 689M)

TELECOMMUNICATIONS MEDIA & IT

CLUSTER PERFORMANCE, OUTLOOK AND STRATEGIES

"WHAT A YEAR THIS HAS BEEN FOR EMTEL! NOT ONLY DID WE RECORD THE BEST FINANCIAL YEAR IN OUR HISTORY, BUT WE ALSO MADE MAJOR ADVANCEMENTS IN 5G, FINTECH AND THE SPACE ECONOMY – THREE AREAS THAT WILL DRIVE SUSTAINABLE GROWTH FOR YEARS TO COME AND TRANSFORM HOW WE LIVE, WORK AND PLAY."

Kresh Goomany,
CEO

EMTEL

What we do

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

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

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

Our brands

EMTEL Feel Free | Airbox by EMTEL | blink by EMTEL

Future-proofing our business

- With the use of data increasing exponentially as per global trends, Emtel is meeting the need for improved capacity, latency, speed, storage and cybersecurity. We are making major capital investments in the ICT infrastructure, network and technical capabilities that will serve as a catalyst for this digital-enabled future.
- Emtel is investing in innovative technologies and disruptive industries (Fintech and the space economy) that are set to fulfil several purposes: ease people's lives, make connectivity accessible to everyone, and move towards a cashless, green society with greater equality and inclusion.

Performance

2022 HIGHLIGHTS

- Despite operating in a challenging environment (ongoing Covid-19 restrictions until July 2022, high inflation, the decreasing use of home broadband in favour of mobile data, and the severe impact of the devaluation of the local currency), Emtel's strong focus on innovation drove an excellent performance during the year, enabling us to diversify our revenue lines, meet our strategic objectives and position the island among the leading countries in the region in terms of technological advancement:
  - Deployed the first phase of 5G on a large scale in July 2022, covering 140 sites across Mauritius. We introduced the Airbox 5G, an instant plug-and-play ultra-high-speed internet, to support the nationwide expansion of 5G. The enhanced speed and convenience has led us to acquire more customers.
  - Executed our ambitious Fintech strategy by launching blink, a revolutionary mobile app licensed by the Bank of Mauritius that is set to change the game for digital payments in Mauritius. As a bank-agnostic and network-agnostic app, it enables all users with a bank account to make digital payments through their smartphones.
  - Completed Phase I of Emtel Technopolis, the first technology park of its kind in the region, operating under the Premium Investor Certificate issued by the Economic Development Board (EDB). The park will be launched in the second half of 2023 and provide the necessary satellite technology and high-speed connectivity to the aeronautical and maritime industries, as well as to remote areas that were previously inaccessible. The park will also serve as a solid foundation for new solar farms, data centres and research labs, and progressively, but surely, include the Indian Ocean populations in the digital economy.
- Continued to make major capital investments to strengthen our network and infrastructure resilience to be able to support the aforementioned innovations and meet the increasing demand for 'always on' connectivity:
  - Expanded our submarine capacity;
  - Embarked on the modernisation of our network, with a focus on energy-efficient equipment
  - As a result, our Capex increased in 2022.
- Significantly improved customer service levels:
  - Implemented an omni-channel customer service platform, giving us a unified view of customer feedback, and enabling us to improve the resolution of complaints;
  - Enhanced the Interactive Voice Response (IVR) service in our data centre to increase first-contact resolution;
  - Strengthened the 'Living The Brand' culture through team-building sessions, encouraging employees to adopt the desired behaviours to become ambassadors of the Emtel philosophy, and to collaborate more closely to deliver an improved customer experience.

2023 PRIORITIES

- We expect the rising cost of living, transportation and commodities to impact consumer behaviour, as well as our operating costs. We aim to continue strengthening our existing verticals, and to leverage our first-mover advantage in the new segments we have penetrated.
- Deploy the second phase of 5G at an accelerated pace, aiming to complete our roadmap two years ahead of plans.
- Increase synergies with MC Vision to deliver bundled products and services.
- Increase the adoption of blink by expanding the merchant base and user base, and adding innovative features / capabilities.
- Expand our footprint in the space economy.
- Continue to improve the customer experience by introducing a new billing system and CRM platform.

"THE DIGITAL PAY TV MARKET AROUND THE WORLD IS UNDERGOING A PROFOUND SHIFT, WITH THE RISE OF SUBSCRIPTION VIDEO ON DEMAND (SVOD) PLATFORMS AND THE CONSUMPTION OF PIRATED CONTENT. LOCALLY, THE MARKET IS CHARACTERISED BY INTENSE COMPETITION, PARTICULARLY IN LIVE SPORTS. IN RESPONSE, WE ARE WORKING ON A TURNAROUND STRATEGY CENTRED AROUND ENRICHING THE CUSTOMER EXPERIENCE."

Eric di Betta,
CEO

MC VISION

What we do

Since its creation 24 years ago, MC Vision has consolidated its position as the undisputed leader in the Digital Pay TV market in Mauritius. The company is driven by its ability to constantly deliver the newest products and services in line with market evolutions, and continuously enhance the viewing experience of its subscribers.

From pioneering Digital Satellite Television in 1999, MC Vision has evolved into a sophisticated provider of premium and exclusive content, available in linear and non-linear forms across platforms (SVOD) and multiple devices. Thanks to strong strategic partnerships, it has acquired exclusive rights over channels like CANAL+, and broadcasts the latest movies, series, sporting events and documentaries across 100 channels and a very rich library of 50,000 on-demand titles.

As a major content aggregator, it has also introduced streaming services such as Netflix and Disney+ to Mauritian viewers. MC Vision brings in the latest blockbusters sooner than competition and is a major Bollywood content provider. To support its strategy of making content available anytime, anywhere and on any device, MC Vision has its own application, myCANAL, accessible on PC, tablets and smartphones, and is the provider delivering the best experience with the hybrid 4K UHD using DTH and Internet.

Our brands

CANAL+ Disney+ MC Vision

Future-proofing our business

- We constantly review our offerings to ensure they are in line with market trends and customer patterns. We are increasingly shifting our focus towards mobile offers, considering the high mobile penetration rate in Mauritius and the younger generation's digital behaviours.
- As part of the Group's TMIT cluster, we are in a unique position to leverage synergies with other entities. We are increasingly exploring integrated offers with Emtel to expand our subscriber base and reduce our costs.

Performance

2022 HIGHLIGHTS

- Operated in an extremely difficult market environment, characterised by:
  - High inflation, impacting consumer confidence and pushing people to cut back on non-essential spending (of which our services form part);
  - A weaker Mauritian Rupee against the USD and Euro, combined with a significant increase in the cost to obtain live sports rights, have significantly driven up our operating costs;
  - Intensified local competition;
  - Piracy is on the rise, with viewers looking for free alternatives instead of paying for content, leading to a significant loss of revenue for content owners;
  - The compounded effect of the aforementioned factors has led to our subscriber base reduction.
- Strengthened our value proposition and competitive advantage:
  - Streamlined our product offering: enriched our Bollywood offer and maintained exclusivity with Disney+.
  - Adapted our sales and distribution strategy to more price-sensitive clients. We also reinforced our teams with a technical manager and a head of sales from Canal+ Group to execute our strategy.
  - In a drive to modernise our offer and shift away from satellite dishes, we increased the number of subscribers using our hybrid decoders, which rely on a combination of satellite and Internet. Through the decoder, subscribers have access to a rich library of 50,000 on-demand content.
  - Maintained our market leadership with respect to our wider sports offer.
- Seized opportunities to drive efficiencies and improve customer service levels:
  - Shifted our head office to Curepipe. Covering two floors and with open workspaces, the office is more conducive to collaboration and productivity.
  - Pursued our initiatives to nurture a performance-driven culture and increase engagement levels. We reviewed our performance management systems and metrics, while placing emphasis on change management and team-building in our merged showrooms with Emtel to harmonise our practices and behaviours.
  - Shifted our call centre in October 2022, with very positive results. All our KPIs have improved.
  - Strengthened our collaboration with Emtel by opening more merged showrooms and consolidating IT into shared services.
  - Automated the intervention process to address rising intervention costs due to increasingly bad weather conditions. The new software has enabled us to deliver significantly better service by optimising the planning of interventions, reducing the turnaround time, enabling digital signatures and sending automatic reports of the activity to the customer.
  - Adopted the Canal+ Global Client Survey to ensure we are aligning ourselves with high international standards.

2023 PRIORITIES

- Lay the foundations to reposition Canal+ as the best content aggregator in Mauritius.
- Launch bundled products with Emtel and introduce new services that leverage 5G.
- Continue to enrich our Bollywood offers.
- Design and launch an offer for small screens, dedicated to a growing number of mobile and prepaid customers.
- Shift to plug-and-play decoders, offering customers an even better viewing experience and helping us further reduce our intervention costs.
- Continue to seek out opportunities to diversify our revenue streams and enhance the customer experience through digitalisation.

> DESPITE THE GLOBAL SEMICONDUCTOR SHORTAGE, SCREENAGE PERFORMED WELL. WE INCREASED OUR SHARE OF NON-HOSPITALITY CLIENTS AND FURTHER BALANCED OUR PORTFOLIO. WE ALSO ENTRENCHED OUR REPUTATION AS A LEADING MANAGED SERVICES PROVIDER WITH NICHE EXPERTISE IN CYBERSECURITY AND NETWORKING SOLUTIONS.

Rouben Soobrayen,
General Manager

SCREENAGE

What we do

Screenage provides the next-generation IT technologies and managed services that businesses need to embrace their digital vision. While the focus remains on hospitality players, Screenage has also successfully extended its services to non-hospitality verticals like Corporate, Retail, Property and Real Estate Development (including smart cities), amongst others.

Thanks to its exclusive privileged partnerships with world-leading technology vendors like Fortinet, HPE Aruba and Hoist, it offers clients a range of solutions in the realms of:

- Content Management: IPTV system, Digital TV, Guest Engagement App
- Network: LAN & Wi-Fi with AI and Analytics, Structured Cabling System
- Cybersecurity: Perimeter firewall, threat analytics-driven security management
- Video Surveillance: CCTV with AI-powered Video Management system

In line with the emerging needs of businesses, it has developed niche expertise in cybersecurity and networking solutions. Screenage's ability to manage complexity, deliver a consistent level of reliability, and offer round-the-clock B2B support has made it the Managed Services Provider of choice for businesses across Mauritius and the Indian Ocean.

Our brands

SCREENAGE LIMITED

Future-proofing our business

- We constantly build up the technical expertise and proficiency of our teams by ensuring they receive training and certifications in the latest technological developments. Our teams obtained the required certifications in 2022 to maintain our partnership levels: HPE Aruba Gold Partner Network Solution, HPE Aruba Authorised Support Partner, Fortinet Engage-Advanced Partner, Planet Hoist Exclusive Partner and Dahua Certified Integrator.
- We continuously monitor trends shaping our industry and introduce cutting-edge innovative technologies that address real business needs. With businesses increasingly relying on technology; cyberattacks are becoming more frequent and sophisticated. In response, we developed cybersecurity subscription-based packages for our clients.

Performance

2022 HIGHLIGHTS

- Acquired new clients in line with our diversification strategy:
    - Onboarded three new hospitality clients. The delivery of the projects for two of the hotels was delayed due to the ongoing semiconductor supply crisis and hardware shortages. Profits for these projects will therefore be recognised in 2023.
    - Onboarded two major non-hospitality clients: became the outsourcing partner to a leading security solutions provider in Mauritius to set up the networking infrastructure for a video surveillance system at a mission-critical site, and we signed a new client for the provision of cybersecurity solutions.
- Strengthened our value proposition:
    - Developed a new cybersecurity Software-as-a-Service (SaaS) solution in partnership with Fortinet. The subscription-based model provides advanced threat detection and analytics capabilities. This solution is especially relevant in today's landscape, where the increase in remote work and cloud usage has made it imperative for businesses to implement strong security protocols.
    - Launched the third and improved version of Mercury, a guest engagement app designed to facilitate communication between hotels and their guests. A dedicated website, https://mercuryguestapp.com/, was developed to raise awareness of the app and its benefits for hospitality players.
- Enhanced our visibility and credibility as a vital Managed Services Partner:
    - Hosted two successful events during which we demonstrated new solutions, showcased their features and uses, and proved our expertise in the areas of modern, database-driven network switch operating systems and threat detection, with security-driven analytics. Thanks to the hands-on labs during the Cybersecurity event in October 2022, where we carried out a live hacking and demo of Fortinet's 'Managed Detection and Response' solution, and the Aruba CX Switching event in April 2022, we signed two major customers from different verticals.
    - Won the 2022 Aruba Best Performer in Mauritius and the Aruba FY22 Africa Reseller Of The Year award, which reflect our strong partnership with Aruba, as well as our technical proficiency.
- Pursued our regional expansion into Seychelles. Our decision to adopt a collaborative model with local players is bearing fruit, with new opportunities in the pipeline.

2023 PRIORITIES

- With global freight rates expected to stabilise, we anticipate improved delivery and billing cycles, and therefore an improved performance next year.
- Continue to develop a SaaS model for cybersecurity and networking solutions.
- Continue to enhance the Mercury guest app with new features to elevate the guest experience offered by our hospitality clients.
- Increase our market share in Seychelles and carefully pursue our expansion into Africa by collaborating with the right local partners with in-depth knowledge of their respective markets.
- Continue to increase Screenage's visibility by participating in international seminars and events.

"

THIS YEAR, WE LAUNCHED A NUMBER OF IN-HOUSE SOLUTIONS THAT ADDRESS OUR CUSTOMERS' SPECIFIC CHALLENGES AND GROWTH OBJECTIVES. OUR ABILITY TO STAY CLOSE TO OUR CUSTOMERS AND UNDERSTAND THEIR UNIQUE NEEDS HAS STRONGLY CONTRIBUTED TO OUR EXPANSION ACROSS DIFFERENT DOMAINS AND GEOGRAPHIES.

Anousha Mahadeaa,
General Manager

CINF

What we do

CINF is an established player in the IT landscape in Mauritius, with a global footprint across 3 continents (Madagascar, South Africa, Reunion, Zanzibar, Morocco, France, the UK and Dubai). A pioneer in the Business Intelligence space in Mauritius, CINF has also developed expertise in areas such as Business Application, Advanced Data Analytics, Digitisation, Data Security, IT Consulting, Cloud Infrastructure and System Integrator and a 24/7 Technical Service Desk. Firmly rooted in the B2B sector and vertical agnostics, it helps businesses embark and progress on their data and digital transformation journey.

Underpinning its world-class products and solutions are a team of certified employees and an ecosystem of reputed international partners like HPE, Oracle, IBM, Microsoft, Infor SunSystems, VMware, Lenovo, and Digital Guardian, amongst others.

Our brands

CINF
CURRIMJEE INFORMATICS LTD

Future-proofing our business

- We have developed an agile and resilient mindset that enables us to reinvent ourselves and introduce new solutions that meet the need of the hour. Time and time again, we have adapted our value proposition to the shifting operating environment, focusing on accompanying our clients along their growth journey with our strong technical knowledge.
- We have a diverse footprint across geographies and verticals, which we continue to expand through our customer-centric approach and by continuously evolving our technical expertise.

Performance

2022 HIGHLIGHTS

- Operated in a very conducive environment, with a growing number of businesses relying on technology to conduct their day-to-day operations in the wake of the pandemic.
- Our regional expansion took on a new dimension, enabled by strong relationships built with system integrators over the years, which has solidified our footprint in South Africa, Morocco and France. 20% of our revenue stemmed from international clients in 2022.
- Reinforced our foothold in digital accounting and Infrastructure as a Service (IaaS), as planned. We introduced two in-house solutions, supported by our team of certified engineers:
  - Nimbus: a secure private cloud solution hosted at Emtel's data centre.
  - Smart Asset: a SaaS solution that manages the assets of capital-intensive businesses.
- Maintained high engagement levels amongst our employees, in the midst of a labour crisis. We put all the tools and efforts at the disposal of our workforce to enable them to work productively and feel valued.

2023 PRIORITIES

- Launch a middleware solution, which enables communication and connectivity between various applications and operating systems.
- Pursue our regional expansion by leveraging our existing strong relationships with our network of service providers.
- We aim to continue developing our own in-house brands and solutions.
- Maintain our customer-centric approach and continue to develop relevant solutions that meet the needs of clients and that address their challenges.
- Continue to develop a human-centred culture at CINF to attract and retain talent.

TURNOVER

MUR 91M

(2021: MUR 89M)

OPERATING PROFIT

MUR 206M

(2021: MUR 61M)

REAL ESTATE

CLUSTER PERFORMANCE, OUTLOOK AND STRATEGIES

"THIS WAS A MOMENTOUS YEAR FOR THE CLUSTER, DURING WHICH WE EFFECTIVELY STARTED TO BUILD SCALE, ESTABLISHED A SUSTAINABLE COMPETITIVE ADVANTAGE AND CONSOLIDATED OUR POSITION AS AN EMERGING KEY REAL ESTATE PLAYER AND URBAN REGENERATOR IN MAURITIUS."

Sanjiv Mihidin,
CEO

REAL ESTATE

What we do

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

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

Our brands

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

Future-proofing our business

- Restructured the cluster to build more scale and sharpened our focus on our competitive advantages: data centres as an asset class, and urban regeneration as a core mission.
- Using technology to improve the tenant experience, as well as the shopping/dining experience in our retail properties.

Performance

2022 HIGHLIGHTS

Recorded excellent results and successfully restructured our portfolio, despite operating in a high-interest-rate environment and incurring higher operating costs as a result of inflation (higher electricity and security costs, as well as increase in salaries).

Built scale in the cluster:

- After obtaining the regulatory and shareholder approvals, we completed the transfer of 100% of shares of Multi Channel Retail Ltd from Currimjee Real Estate Ltd to CIL for a Purchase Consideration of MUR 712M. The transaction, which was completed in December 2022, grew CIL's portfolio from a single yielding property (Les Arcades Currimjee) to a diversified portfolio across geographies and segments, that also includes Phoenix Central, mixed-use building in Rose Hill and Curepipe, Emtel's headquarters in Ébène and two data centres. This resulted in CIL's portfolio valuation to increase from MUR 400M last year to MUR 1.6Bn as at 31 December 2022.
- Approved a share split in a ratio of 50 to 1, fuelling a very positive market response and increasing CIL's share price to a peak of MUR 28.8. As a result, CIL paid an exceptional dividend of MUR 40M, representing a 180% return on the share price.

Completed the renovation of Les Arcades Currimjee into a modern, mixed-use destination with high-quality tenants. The response has been extremely favourable with tenants, who are seeing improved turnover and performance, and also with visitors, who now have a vibrant place to visit in the heart of Curepipe. Through this flagship project, we have firmly restored Les Arcades to their former glory, and established CIL as successful urban regenerators.

Amid a very competitive environment in the office segment, we are working on repositioning Phoenix Central in a way that appeals to today's workforce. We also deployed a Customer Relationship Management system to better track complaint resolution and improve the tenant experience.

2023 PRIORITIES

- Capitalise on the new structure and further expand CIL's portfolio.
- Conceptualise new development projects within the Group's portfolio including a new asset class to diversify the cluster's portfolio and to consider third-party yielding acquisitions.
- Relocate the cluster head office to increase engagement levels.
- Reposition Phoenix Central's strategy while retaining existing tenants and addressing their needs.
- Consider LEED certification for some properties.
- Move to the next phase of development for Les Arcades by upgrading the office section's common areas.
- Increase occupancy rate at Quay 11 by reviewing the tenant mix.

TURNOVER

MUR 483M

(2021: MUR 108M)

OPERATING LOSS

MUR 27M

(2021: MUR 130M)

TOURISM & HOSPITALITY

CLUSTER PERFORMANCE, OUTLOOK AND STRATEGIES

"OUR STRONG CONVICTION IN OUR HOTEL'S VALUE PROPOSITION HAS PAID OFF, WITH ALL METRICS SURPASSING OUR OBJECTIVES. OUR UNRELENTING FOCUS ON SERVICE EXCELLENCE HAS ENABLED US TO ATTRACT NEW CUSTOMER SEGMENTS AND POSITION ANANTARA AS A STRONG LUXURY BRAND ACROSS ALL OUR TARGET MARKETS."

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

"WE HAVE ALL THE ELEMENTS REQUIRED TO ATTRACT INVESTORS: IMMEDIATE ACCESS TO THE BEACH, AMENITIES AND SHOPPING CENTRES; A STRATEGIC LOCATION ON THE SOUTHEAST COAST OF MAURITIUS, WHICH IS POISED TO BECOME THE NEXT HIGH-END HUB OF THE ISLAND; A BROAD RANGE OF MODERN PROPERTIES, FROM LUXURY VILLAS TO MODERN DUPLEXES; EXCLUSIVE ACCESS TO ANANTARA IKO'S FIVE-STAR AMENITIES; AND THE PROMISE OF AN EXCEPTIONAL COASTAL LIFESTYLE."

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

ANANTARA IKO RESORT & VILLAS AND HOSPITALITY REAL ESTATE

What we do

IKO Mauritius is a mixed-use real estate project designed to be a world-class coastal resort village. Spread over 101 acres of land near the pristine Le Chaland beach, the project is being developed to harmoniously blend with the southeast region's natural elements and historical heritage.

Sustainability and wellness permeate every aspect of the projects being developed, right from conception.

The project includes the five-star Anantara Iko Mauritius Resort & Villas and eight luxury villas on a rental pool basis. Once completed, the project will also feature a mix of villas, residences, apartments and land parcels targeted to various local and international clients—making it an ideal destination for modern travellers seeking an authentic cultural journey and a unique tropical coastal lifestyle.

Our brands

IKO (Mauritius) Resort Village Ltd

ANANTARA IKO·MAURITIUS RESORT & VILLAS

Future-proofing our business

- We have leveraged our agility and flexibility to adapt our offerings to shifting traveller and investor requirements.
- We have a strong product, rooted in sustainability, nature, local experiences and wellbeing—elements that are increasingly sought out by today's travellers.
- We place emphasis on training our workforce to ensure they continuously provide quality service and interact with guests in a meaningful way.

Performance

2022 HIGHLIGHTS

Anantara iko Mauritius Resort & Villas

Significantly improved our overall performance by strengthening our value proposition through the following initiatives:

- Raised the service levels and aligned them with high international standards thanks to a more rigorous training programme led by a Training Manager from Anantara.
- Finalised the Anantara mobile app, through which guests can view their booking details, pre-book services / activities ahead of their arrival and order room service, amongst many other features. The app is expected to be launched in March 2023.
- Enhanced and diversified our F&B offering by launching a beach service and a new Indian restaurant, Zaffran.
- Pursued the Active Wellbeing programme, which invites guests to focus on their physical and mental health through 70+ wellness activities. The programme has been a resounding success, reflected in the positive feedback received from guests.
- Continued to promote the southeast of Mauritius and local culture through partnerships with operators in the region.
- Continued to offer special packages to the Mauritian market, which fared extremely well. The hotel achieved a 100% occupancy rate every weekend as a result.
- Joined the Global Hotel Alliance (GHA) loyalty programme designed for luxury hospitality brands, enabling guests to accumulate points and earn rewards.

Most of our metrics saw measurable increases as a result of the aforementioned initiatives:

- Our TripAdvisor rating has improved considerably as a result of guest satisfaction, which will also play a vital role in attracting potential guests.
- The average occupancy rate stood at 50% (up from 22% in 2021)
- Made significant progress in entrenching the Anantara brand in Mauritius and enhancing our visibility in our target markets (Europe in particular). This is a continuous endeavour that will take time to bear fruit as we are operating a brand that is relatively unknown outside of Asia amid a very competitive environment dominated by players that have been well-established for decades.
- Continued to target the Middle East and India, where Anantara is a popular luxury brand.
- Successfully strengthened the brand in Western Europe, resulting in France and the UK becoming our biggest markets.

Hospitality Real Estate

Sold only one villa out of eight, due to shifting customer needs and purchasing behaviours. Prior to the pandemic, the villas intended to serve as a secondary vacation home. Homeowners were offered a maximum of 45 days to use their villas and the opportunity to earn solid rental yields by placing their villa in the resort's rental pool when not in use. However, following the pandemic, homeowners are eager to work remotely and increasingly seeking longer stays that extend past 45 days. We therefore reviewed our value proposition accordingly:

- Completed the conceptual masterplan, which aims to sell the villas on-plan
- Reviewed our pricing strategy to reach a broader audience
- Progressed on Phase II of the masterplan, which includes apartments and townhouses. Formed a new team, specialised in Property Sales, to boost the sales of our villas.

2023 PRIORITIES

Anantara Iko Mauritius Resort & Villas

Aim to become operationally profitable by mid-2023.

- Capture a larger part of the Indian market by leveraging the increasing air connectivity between both countries.
- Develop strategy / special offers to attract the regional market (Reunion and South Africa).
- Continue to raise brand awareness in Europe and reinforcing our presence on the Middle Eastern market.
- Take our training programme further to ensure we maintain consistently high service levels. Given the labour challenges in the hospitality industry, we are looking to hire task forces from Anantara hotels abroad to consolidate our service standards.
- Open a second bigger swimming pool by the end of 2023.
- Building on the success of our Active Wellbeing concept, which is well-recognised and sets us apart, we are in the process of designing the ultimate wellbeing package with highly personalised experiences.
- Extend and strengthen our F&B offerings in line with our guests' preferences.

Hospitality Real Estate

We are optimistic about our product offering, which is broad enough to cater to different markets. We aim to:

- Launch a comprehensive marketing campaign across Europe and South Africa to promote our villas and attract a new type of traveller for our town houses and apartments
- Leverage economies of scale and reduce operating costs
- Closely monitor market evolution and adapt our product accordingly
- Collaborate closely with real estate agents to adapt our marketing collaterals and distribution channels to various audiences / investor profiles
- Participate in redeveloping and rebranding the southeast of Mauritius, which will play a vital role in attracting investors. The region is expected to become a hotspot, with the development of schools, hotels and smart cities.

"IN 2022, SILVER WINGS' PERFORMANCE EXCEEDED PRE-PANDEMIC LEVELS. WE BENEFITED FROM PENT-UP APPETITE FOR INTERNATIONAL TRAVEL, WHICH WE RESPONDED TO BY PROVIDING TOP-NOTCH SERVICE AND 24/7 CUSTOMER SUPPORT."

Varsha Ramchurn,
General Manager

SILVER WINGS

What we do

Strategically located in the travel hub of Port Louis, Silver Wings Travels is a one-stop-shop for leisure and business travel. It offers individuals, families and businesses a wide range of services, from air tickets at competitive rates, to group travel packages and bookings for hotels, excursions and airport transfers worldwide. Silver Wings Travels is also a well-established Destination Management Company (DMC) offering comprehensive services in Mauritius for tourists from all over the world.

Silver Wings Travels distinguishes itself by its commitment to a high level of service, delivered by a team of travel consultants. Their deep knowledge of all destinations and attention to detail enables them to craft an experience that is efficient and unique to each traveller.

Our brands

SILVER WINGS TRAVELS

Future-proofing our business

- Focusing on digitalisation initiatives to improve the customer journey across all touchpoints and leverage the high levels of human support that sets us apart from our competitors and from the online booking space.

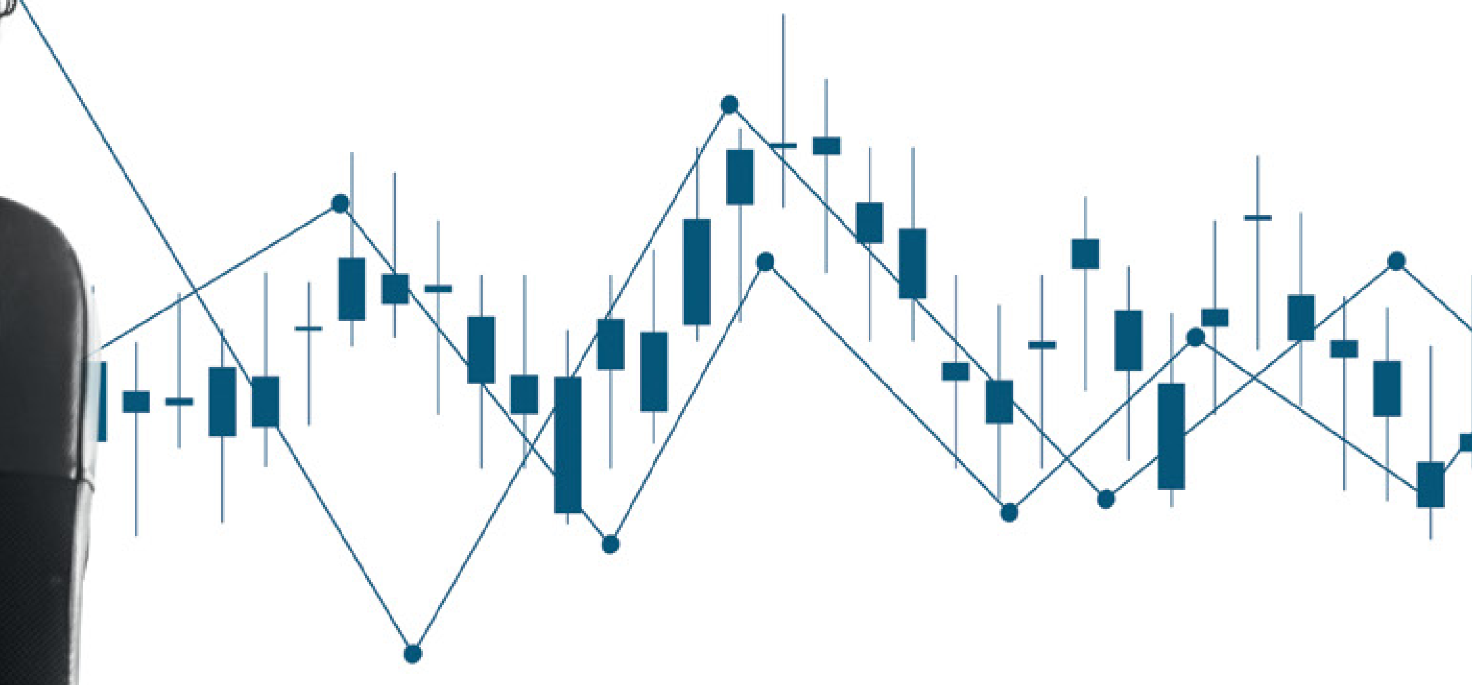
Performance

2022 HIGHLIGHTS

- Performed exceptionally well, reaching 611% of 2021 revenues in 2022. The inbound segment saw a 992% increase in revenues, while the outbound segment's revenues increased by 277% compared to 2021.
- Benefitted from the revenge travel phenomenon, particularly in the leisure travel segment, which saw a growth. We have also seen demand for travel agencies increase, attributed in large part to our specialised knowledge of sanitary protocols, visa requirements and other country-specific information. Our team offers round-the-clock personalised support to our clients, which is especially critical for – and valued by – our niche segment, corporate travellers.
- As a result of our focus on building quality customer relationships, over 70% of our customers are repeat customers, while new customers represent 25% of our total sales.
- As a result of our focus on being a truly customer-centric business, over 70% of our customers are repeat customers, while new customers represent 25% of our total sales.

2023 PRIORITIES

- Continue to strengthen relationships with our loyal customer base, underpinned by excellent service levels., while exploring new opportunities to build an increasing market share locally and internationally (for outbound and inbound segments).
- Launch a digital portal dedicated to our inbound segment, to which we offer Destination Management Company (DMC) services, such as tailor-made itineraries, hotel bookings and excursions, amongst others. This portal is not only giving us the visibility we need to attract customers beyond India, which is currently our largest market in the DMC space, but it is also significantly streamlining our back-office processes.
- Review our employee value proposition in a challenging environment to attract new talents and retain existing ones.



COMMERCIAL & FINANCIAL SERVICES

CLUSTER PERFORMANCE, OUTLOOK AND STRATEGIES

"BATIMEX HAD ANOTHER EXCEPTIONAL YEAR. WE SURPASSED OUR FINANCIAL OBJECTIVES, MET ALL OUR SALES AND PERFORMANCE TARGETS, AND SUCCESSFULLY REROUTED OUR SUPPLY CHAIN, SETTING BATIMEX UP TO BE A LEADER IN ITS INDUSTRY."

Rishaad Currimjee,
CEO

BATIMEX

What we do

We supply quality building materials and finishes (floor coverings, sanitary ware, sanitary fittings ...) to the Retail and Wholesale markets. Through a network of Batimex and Metric showrooms located in strategic regions of the island, we offer products ranging from trusted world-leading brands (Imola, Rak, Villeroy & Boch, Marazzi...) to more accessible brands developed in-house (Aquavit and Dura).

Our Projects team also works closely with builders, specifiers and architects, lending their expertise to projects of all sizes, including renovations, extensions, remodellings, and more.

Our brands

Batimex Passion for Quality · Metric Votre Partenaire Batiment · Dûra · Marazzi · aquavit · fima Carlo Frattini · Villeroy & Boch 1748

Future-proofing our business

- We are strengthening the senior leadership team through regular and targeted coaching and development plans.
- We continue to invest in reinforcing our market position through digitisation, a renewed focus on service excellence and customer engagement, and improving the retail experience.

TURNOVER
MUR 378M
(2021: MUR 324M)

OPERATING PROFIT
MUR 33M
(2021: MUR 30M)

Performance

2022 HIGHLIGHTS

Added new revenue streams:

- Opened a new modern Metric store in the centre Rose Hill
- Expanded our network of retail and wholesale partners, reaching over 150 resellers across the island.
- Strengthened our in-house brand Aquavit by adding more products categories under this brand, and expanding both the breadth and depth of our product line.
- Introduced new product categories, such as water heaters and quartz.
- Strengthened our sales teams and sales techniques. Following an assessment of our retail experience and lifecycle by In Situ, our teams undertook targeted training sessions with the Currimjee Sales Academy. Our in-store customer experience improved as a result.

Introduced an e-billing solution which was adopted by 85% of our customers.

In response to raw material shortages, unreliable production times and sustained high shipping costs, we explored new supplier routes and formed new relationships in the Middle East and Eastern Europe.

Maintained our focus on employee engagement and satisfaction, leading to an engagement score of 81% (against 71% in 2021).

2023 PRIORITIES

- Strengthen our position as a major player in our sector by consolidating our share of the retail, wholesale and contracting segments.
- Launch a new website with an e-commerce feature, enabling customers to browse our products ahead of purchase.
- Strengthen the organisation from the middle up and ensure upward mobility by providing employees with opportunities to advance into new roles.
- Increase sales volumes and growth from our existing stores by optimising our marketing strategy, expanding our range of products and keeping our teams highly engaged.

"HAVING SUCCESSFULLY LAUNCHED THE DIGITALISATION PLATFORM FOR THE INSTANT ONLINE APPROVAL OF OUR BEST-SELLING LIFE ASSURANCE PLANS, 2023 WILL BE FOCUSED ON EXTENDING THE REACH OF THIS INNOVATIVE FACILITY ACROSS VARIOUS DISTRIBUTION CHANNELS."

Sailesh Koomar,
CEO

ISLAND LIFE ASSURANCE

What we do

ILA has been providing Mauritian individuals, families and corporates with a range of life insurance and pension products for over 35 years. Since its inception, it has broadened its portfolio to meet evolving customer demands, offering insurance products designed to cater to various needs: Protection and Investment (Cash Back & Savings Plans), Pure Protection (Loan Cover and Protect Plans), Education and Retirement.

The business is progressively transitioning to online services to rise to the challenge of the digital age, while keeping customer centricity, product innovation and integrity at the heart of its value proposition.

Our brands

ila ISLAND LIFE ASSURANCE

Future-proofing our business

- We have been increasingly digitising our back-end and customer-facing processes to increase efficiencies and improve customer satisfaction.
- We continuously review our investment strategy and adapt our products to the shifting operating environment.
- We continuously reinforce the technical expertise of our resources by expanding our study sponsorship. To this end, the ILA Training Scheme was set up in 2021 to train our employees in the areas of Insurance, Actuarial & Investment Studies.
- We recruited industry specialists with domain expertise in Finance, Actuarial, Investment, and Insurance.

OVERALL PREMIUM INCOME

MUR 184M

(2021: MUR 174M)

ASSET RETURN

-3.24%

(2021: 7.09%)

Performance

2022 HIGHLIGHTS

- Improved overall performance over 2022, with Gross Premium Income increasing to MUR 183.6M (compared to MUR 183.2M in 2021). However, the volatile financial market environment impacted our investment portfolio negatively. In response, we worked closely with our actuaries to review our investment strategy to hedge against market fluctuations and ensure we deliver adequate returns to our clients.
- Improved our sales volume by 20%:
  - Given the current economic situation, with high inflation and lower disposable income, we recognise that individuals/households are less likely to purchase investment-related products, which require larger premiums, as well as savings products. We adapted our offering accordingly and emphasised protection products, increasing total new business premium sales by 23% compared to 2021.
  - Accelerated the sale of loan-related products, which was our best-selling product in 2022.
  - Progressed well on the digitalisation of our sales process. We launched a platform enabling life assurance plans to be approved instantly, making it easier for our sales agents to sell a higher number of policies at a faster rate.
  - Strengthened our sales force with new recruits and improved engagement levels, reflected in an improved Employee Engagement score, which progressed to 70% in 2022.

2023 PRIORITIES

- Encourage the adoption of the digital platform among our sales agents with the aim of ramping up digital sales.
- Extend digital processes to other service providers and enable clients to access their data and make requests online.
- Reposition ILA by launching a new digital product that will benefit all types of customers, including institutions.
- Develop targeted investment products after obtaining the relevant approvals.

A FUTURE GUIDED BY TECHNOLOGY, WHERE MINDS CONNECT, IDEAS CONVERGE, CULTURES BLEND AND COLLECTIVE PROGRESS KNOWS NO BOUNDS.

Environment
AND SUSTAINABILITY REPORT

Our Sustainability strategy and charter

As a family-owned business, Currimjee Group's founding principles are rooted in a philosophy of longevity and sustainability. All our decisions are made keeping our future generations in mind. This perspective continues to guide us on a journey to maintain an equilibrium between doing the right thing for our business, the planet, our people and the communities we serve.

After formalising a sustainability strategy in 2014 and making it a key strategic driver for the Group, we decided to take it a step further in January 2022. We organised a workshop in partnership with Kantar for the business leadership team to review the Group's sustainability mandate. This exercise paved the way for the review of our Group Sustainability Charter (https://www.currimjee.com/media/mh4gdyxj/sustainability_charter.pdf) in November 2022, which takes into account the diverse activities of our subsidiaries and their relationships with external stakeholders.

To embrace the local and global sustainability challenges pertinent to the group and the nature of the businesses, the group adopted the sustainability charter which encompasses three key pillars of sustainability:

Environmental Preservation **Social Inclusion** **Human Capital**

These sustainability pillars are further distilled into actionable strategic drivers that aim to contribute to the UN SDGs (United Nations Sustainable Development Goals). In turn, each strategic driver is supported by a number of actions and monitored through a set of performance indicators. These commitments extend beyond our compliance duties and are an integral part of our business, from our strategy and reporting practices, to our products, behaviours and daily actions.

Environmental Preservation

- Addressing Climate Change
- Preserving Ecosystems and Natural Resources
- Responsible Waste Management
- Environmental Stewardship

Social Inclusion

- Poverty Alleviation
- Quality Education
- Quality Health

Human Capital

- Inclusive and Fair Working Environment
- Employee Safety and Wellbeing
- Learning and Competency Development

Human capital report p 39

Beyond the UN SDGs, we also adhere to the commitments of the SEMSI and Signe Natir, ensuring we remain attentive to the specific challenges in the local context.

ENVIRONMENTAL AND SUSTAINABILITY REPORT

Stock Exchange of Mauritius Sustainability Index (SEMSI)

CIL listed since 2015
(91% score for environment in 2019)

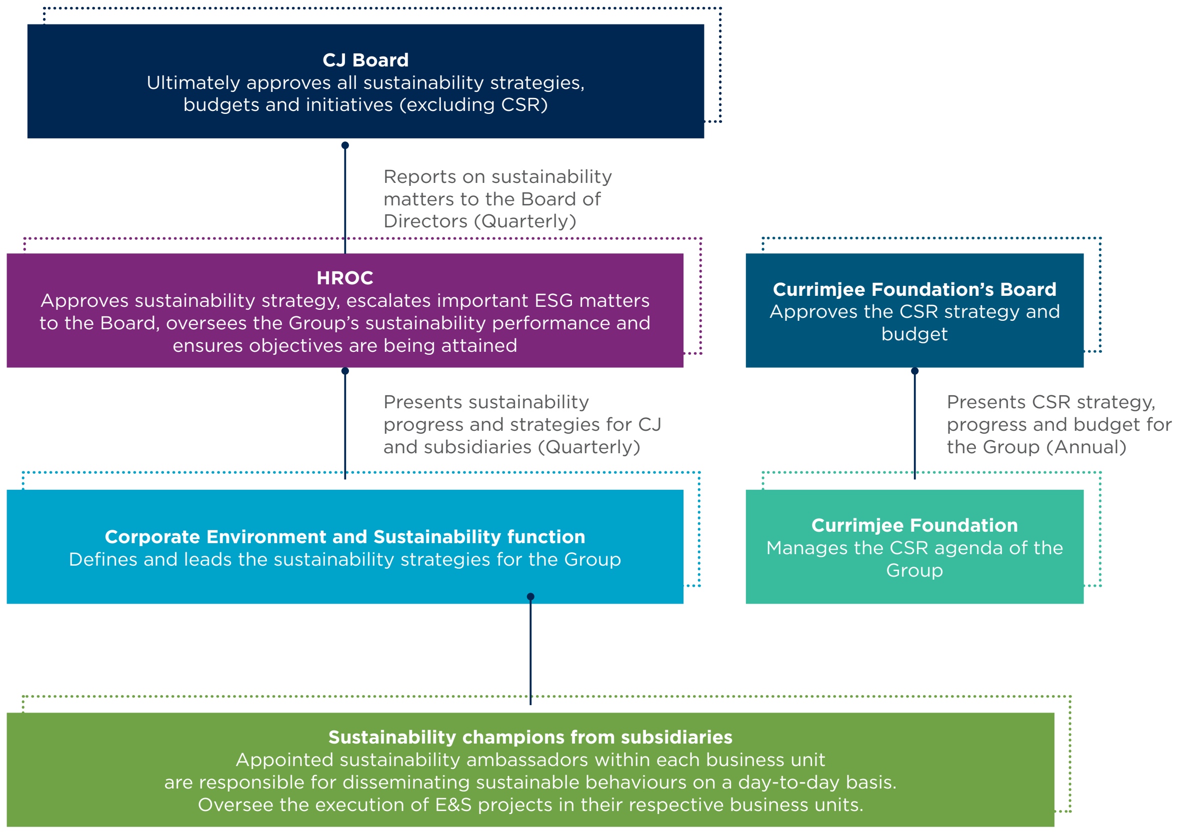
Led by Business Mauritius

Member since 2020

Organisational structure

In pursuing our sustainability strategy, our governance structure (illustrated below) provides a solid foundation for anchoring our sustainability strategy and goals. It helps the Group remain accountable to its goals by setting out the division of responsibilities and reporting processes. Each committee has a formalised mandate with clear lines of duty and responsibilities, and all employees are fully aware of the sustainable behaviours that are expected of them.

The Currimjee Foundation, which was set up in 2009, is the vehicle that manages and monitors the CSR funds of the Group. Various subsidiaries of the Group contribute funds to the Currimjee Foundation, which then distributes them between defined areas of intervention that are aligned with the Group's sustainability objectives. More details on the areas of intervention and achievements of the Currimjee Foundation are provided on pages 108 to 110.



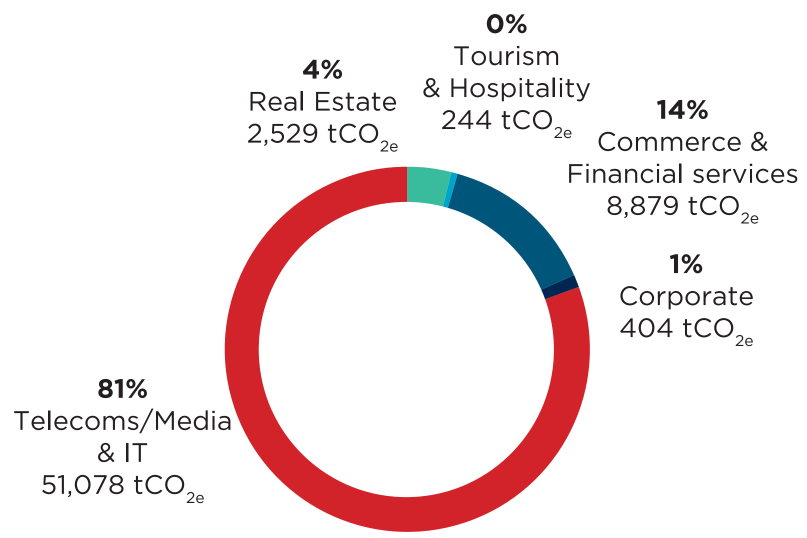
Environmental Preservation

The Group acknowledges the contribution of its operations to the global phenomenon of climate change, which is severely disrupting weather patterns and the balance of nature. In Mauritius, the recent heavy rainfalls and flash floods are a clear indication of the island's vulnerability to these threats. With this in mind, CJ has committed to proactively taking effective actions to minimise and offset its greenhouse gas emissions.

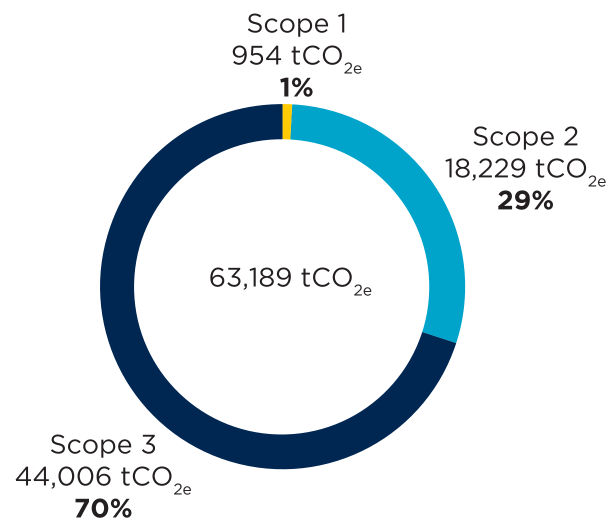
Carbon footprint assessment

In 2022, the Group began measuring its carbon footprint to identify our high carbon-emitting activities and establish a baseline against which we intend to monitor and improve our performance each year. The GHG protocol was used for the assessment and published databases were used for the emission factors. As a first exercise for the Group, we measured the Scope 1, Scope 2 and a maximum of Scope 3 emission categories. Where actual figures were not available, we used industry averages.

EMISSIONS PER CLUSTER

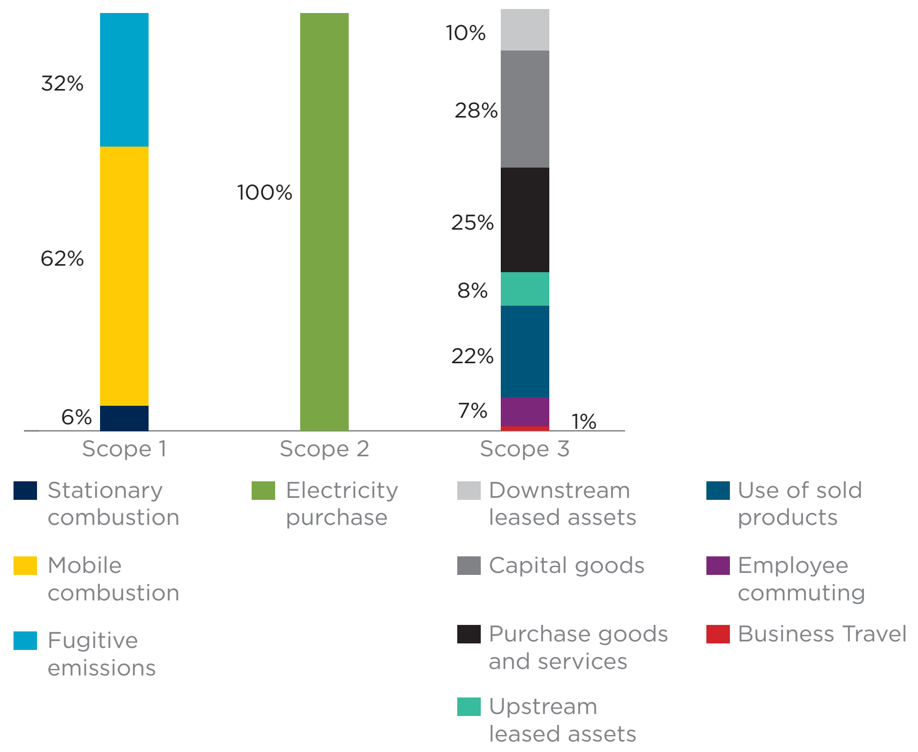


GROUP LEVEL EMISSIONS PER SCOPE



ENVIRONMENTAL AND SUSTAINABILITY REPORT

EMISSIONS PER SCOPE AND CATEGORIES

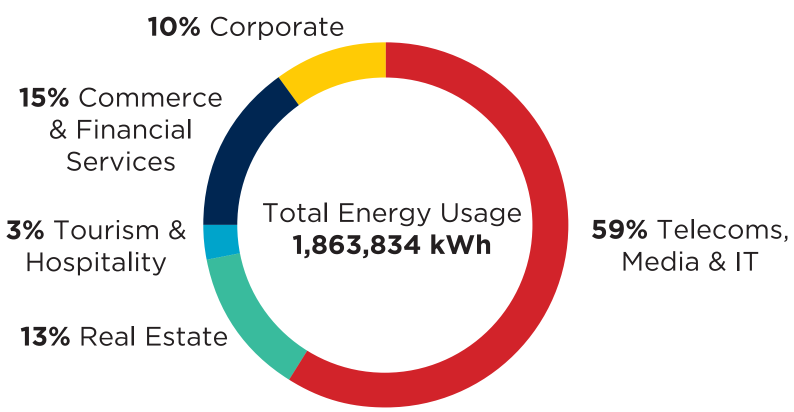


Energy

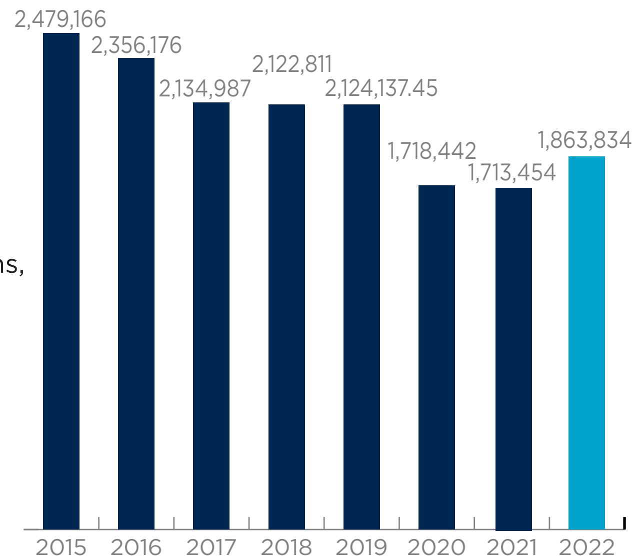
We are working to improve the energy efficiency of our operations across all our clusters. As far as possible, LED lights, natural light and solar panels are favoured.

The Group reported an increase of 8% in its electricity consumption in 2022, attributed to a boost in business activities. At the level of Emtel's technical sites (cell sites, data centres and network office), a surge of 1.5% was recorded due to increase in network traffic and customers. A drop was noted in the generation of renewable energy due to the relocation of MC Vision's head office, which required the uninstallation of its 17 kW photovoltaic system, as well as technical issues with the PV systems at Les Arcades and CJ's head office. However, the Group has plans to significantly increase photovoltaic panels capacity across its businesses in the next three years.

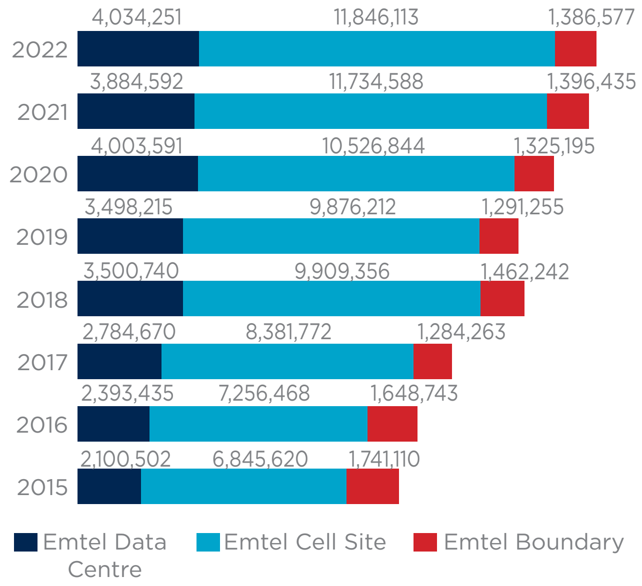
ENERGY USAGE IN OFFICE BY CLUSTER (KWH) 2022



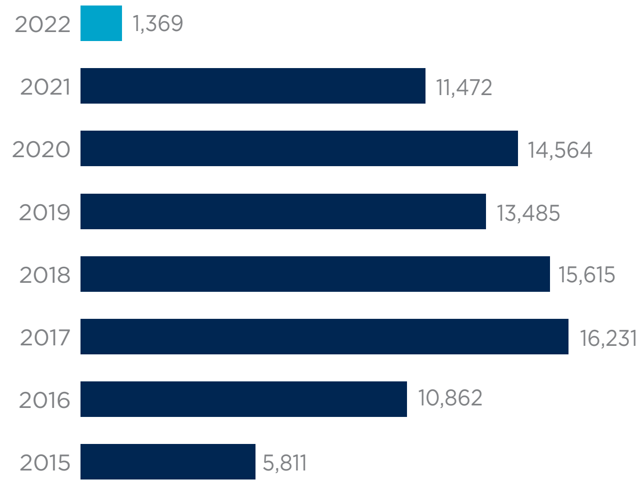
ENERGY USAGE IN OFFICES (KWH) 2015 – 2022



ENERGY USAGE FOR EMTEL TECHNICAL SITES (KWH) 2015 – 2022



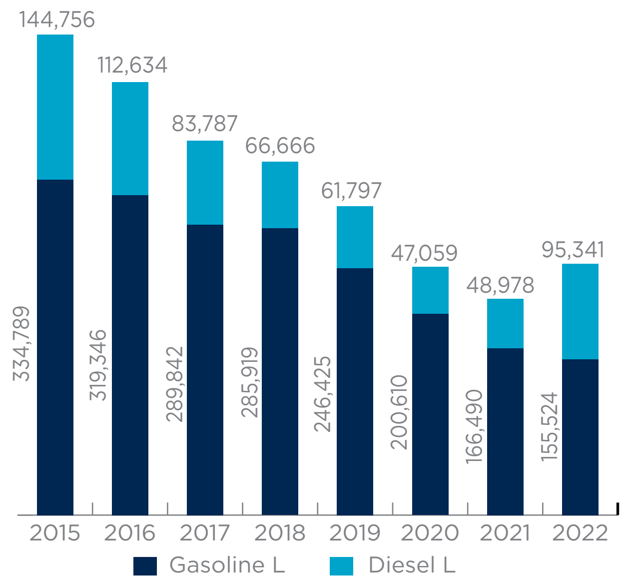
RENEWABLE ENERGY GENERATED (KWH) 2015 – 2022



Transport

Transport and commutes are also large contributors to our carbon footprint. We continuously work towards decreasing our fuel usage through efficient fleet management. In parallel, our work-from-home policy is now embedded in our ways of working, and we promote greener daily transportation habits through eco-friendly car policies and encouraging our employees to opt for greener modes of transportation. In 2022, the global fuel usage of the Group increased by 15%.

FUEL (GASOLINE & DIESEL) USAGE FOR TRANSPORT (L) 2015 – 2022



ENVIRONMENTAL AND SUSTAINABILITY REPORT

Preserving Ecosystems & Natural resources

Mauritius has long been known as a biodiversity hotspot, but its fauna and flora are increasingly threatened. The Group lends its support to ecosystem restoration and biodiversity preservation programmes through close collaboration with local stakeholders.

Terrestrial biodiversity

Despite the vast areas of forested land in Mauritius, only around 2% of the original native forest remains. Since 2015, the Currimjee Foundation has been partnering with the NGO 'Friends of the Environment' to re-create a native dry forest over 1.5 HA of land on the Citadel hill in the heart of Port Louis. We expanded our commitment by partnering with Ebony Forest in 2021 to also restore 0.5 HA of forest in Chamarel. These collaborations have enabled the Group to contribute to the planting of more than 9,500 plants and the preservation of more than 20 species of native endemic plants.

Marine biodiversity

As a small island developing state, our marine ecosystems and the health of their ecosystem services are instrumental for us: they play the role of moderating climate, processing waste, providing vital food to coastal populations and generating employment, amongst many other benefits. Our coral reefs, an important component of this system, are highly degraded. The Currimjee Group started the restoration of the reefs in the south of Mauritius using the coral farming technique. To date, 18 artificial structures have been placed in the sea hosting the coral fragments, which will be then transferred to different regions of the lagoon in a few years.

Paper usage

We ramped up our strategies to decrease our paper consumption, including the digitisation of processes, encouraging double-sided printing, using and sharing e-documents where possible, promoting e-media and e-communications, and only purchasing paper sourced from responsible forests (certified FSC, PEFC and ISO). All these initiatives have contributed to a 22% reduction in paper consumption in 2022.

Water usage

According to the World Bank, Mauritius is challenged by seasonal water scarcity and therefore classified as a water-stressed country. To ensure that our operations are not putting additional pressure on the local water supply system, the Group has set up water harvesting systems across its business units for non-potable purposes, such as watering and cleaning. Over and above internal actions, CJ also encourages the community to harvest rainwater. In 2022, two systems of a total of 2,500 L were installed at Cedem and St Patrick School to supply their washrooms.

1,947
NATIVE AND ENDEMIC PLANTS
Planted at La Citadelle

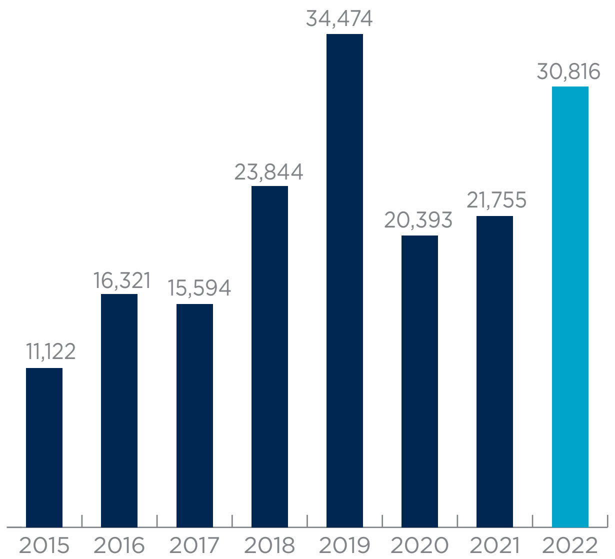
2 HA
ENDEMIC FOREST
Restored at La Citadelle and Ebony Forest

18
CORAL FARMING ARTIFICIAL STRUCTURES
Introduced in the lagoon for coral farming

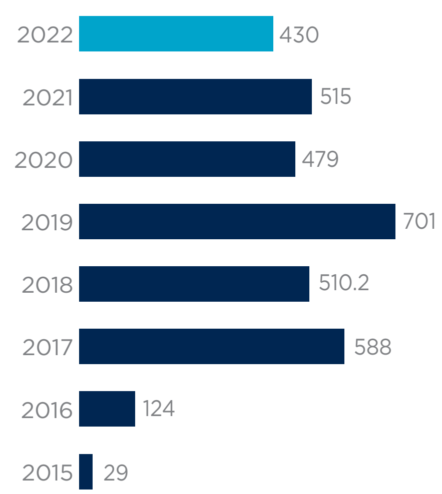
22%
PAPER USAGE

2,500 L
RAINWATER SYSTEM INSTALLED IN LOCAL SCHOOLS

WATER USAGE (M³)
2015 – 2022



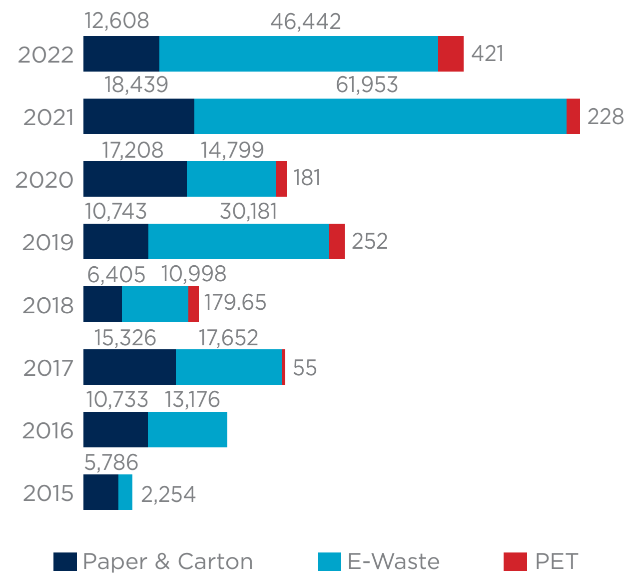
RAINWATER HARVESTED (M³)
2015 – 2022



Preserving Ecosystems & Natural resources

The Company ensures the proper management of its waste by ensuring reduction in waste generation at source and recycling all the waste generated, as applicable. The Group's Waste Management policy ensures that the subsidiaries have the right information and medium for any waste disposal.

WASTE RECYCLED (KG)
2015 -2022



46 Tonnes
E-WASTE AT CJCO RECYCLED

12,608 kg
PAPER WASTE AT CJCO RECYCLED

421 kg
PET WASTE COLLECTED AND RECYCLED

5.3 Tonnes
CERAMIC WASTE FROM BATIMEX RECYCLED

275 L
KITCHEN OIL COLLECTED AND RECYCLED WITH F&B REAL ESTATE TENANTS

900 kg
WASTE COLLECTED DURING COMMUNITY CLEAN UP CAMPAIGNS

4.4 Tonnes
E-WASTE COLLECTED FROM COMMUNITY AND RECYCLED THROUGH THE EMTEL'S NATIONAL E-WASTE PROGRAMME

National e-waste take-back programme

In 2019, Emtel took the initiative to address the growing amount of electronic waste in Mauritius. In collaboration with the NGO Mission Verte, it introduced the national "e-waste take-back" programme and has been leading the way in promoting the reuse of electronics and the recycling of unwanted devices. To this end, 51 collection points were set up across Mauritius and one collection point in Rodrigues, to dispose of obsolete mobile phones, batteries and accessories. In 2022, 4.4 tonnes of e-waste were collected from the community, compared to 3.7 tonnes in 2021, showing the increased awareness of the public on the subject. Batimex also responsibly disposed of 5.3 tonnes of ceramic waste during the year, through a construction waste recycling programme.

War on plastic

The 'War on Plastic' initiative was launched with the objective of minimising single-use plastic within the Group. It aims to assess, measure, reduce and eliminate, as applicable, the use of single-use plastic in all forms across the operations of CJ's subsidiaries.

The Currimjee Foundation, in partnership with the NGO Precious Plastic, launched a plastic recycling hub to recycle plastic waste, transforming it into decorative items or furniture. The hub will also serve as an awareness centre to educate visitors about recycling through live demonstrations.

ENVIRONMENTAL AND SUSTAINABILITY REPORT

Environmental Stewardship

782
EMPLOYEES
Participated in environmental initiatives

Achieving the Company's sustainability goals requires the imminent and proactive support of our employees and the community. The company advocates for environmental stewardship through awareness sessions on important topics and continuously encourages employee participation in activities. In 2022, 782 employees participated in our environmental initiatives.

World Environment Day

The World Environment Day was celebrated along the theme #OnlyOneEarth, whereby employees had the opportunity to visit Valley de Ferney and learn about the Kestrel, the national bird of Mauritius, discover more about their individual carbon footprints using the Earth Hero App, and attend an awareness session on the importance of soil by the 'Save Soil' movement.

World Cleanup Day

To celebrate World Cleanup Day in 2022, clean up campaigns were organised with the help of 161 employees across several locations in Mauritius, Rodrigues and Agalega. Around 900 kg of waste was collected from the community, of which 160 kg was recyclable waste. The World Cleanup Day initiative concluded with an awareness session carried out by the Mauritian Wildlife Foundation on the impact of pollution on biodiversity.

Organic gardening training

The excessive use of pesticides in agriculture and food insecurity are key problems in our Mauritian society. We organised a hands-on training session for our employees to help them kick-start their own organic garden at home, providing a starter kit to each one of them. The training was driven by Everbloom for 18 employees.

Phoenix Central's sustainability forum

Currimjee Real Estate launched a sustainability forum with the tenants of Phoenix Central in 2022, with the aim of sharing best sustainability practices and supporting the sustainability initiatives of the tenants. Under the leadership of Currimjee Real Estate, an awareness session on responsible waste management and a blood donation activity were organised during the year.

Social Inclusion

CJ and the Currimjee Foundation undertake and lead integrated and sustainable social projects, which tackle some of the most foundational challenges facing our society:

Poverty alleviation | **Quality education** | **Quality health**

In 2022, the Currimjee Foundation worked closely with several NGOs and community groups to promote social inclusion. Below, we highlight the main actions taken under these three community development areas, and how they contribute to the UN SDGs.

Poverty alleviation

Food4Smile

On the occasion of the International Day for the Eradication of Poverty, the Currimjee Foundation collaborated with four NGOs for the distribution of food parcels to 100 vulnerable families. Sustainable Idea Development Store (S.I.D.S), beneficiary of our CJ's social acceleration programme, Trampoline, joined the cause by providing eco-friendly packaging for the project.

Partners and NGOs
- I Have A Dream
- Lumière D'Espérance
- Planète Enfants
- Groupe Pauvreté Le Morne Village

Enn Zardin Pu Mwa

This project aims to help families become self-sufficient or start a micro-business. The Currimjee Foundation remitted seedlings and gardening tools to participants who have followed a food security training programme dispensed by a professional, centred on the benefits of growing one's own food and related life skills. About thirty housewives from the Vallée Pitot and Roche Bois regions have started growing tomatoes, lady fingers, parsley, thyme, bok choy, beans and radishes, amongst others.

Partners and NGOs
- National Social Inclusion Foundation.

Quality education

Enn Zanfan Enn Sourir

The Currimjee Foundation and Emtel organised their respective annual "Enn Zanfan Enn Sourir" event last December. This initiative aims to reduce social exclusion by offering 1,142 children from 20 regions/shelters in Mauritius, Rodrigues and Agalega, a memorable end of year with Christmas gifts and school materials for the following school year.

Partners and NGOs
- Light of Hope
- Rotary Club of Rodrigues
- Association Pour Les Progrès d'Agalega
- Fam-Unie Foundation
- Groupe Pauvreté Le Morne Village
- Pure Mind Haven
- Atelier Sa Nou Vize.

Special Education

The Currimjee Foundation collaborated with EDYCS Epilepsy Group to support the NGO in its goal to provide education to children with epilepsy. Emtel similarly provided support to the GPL Special Learning Centre in Rodrigues. In total, 86 children with disabilities benefitted from our initiatives in the context of special education.

Partners and NGOs
- EDYCS Epilepsy Group

Quality health

Vine Pran Conte To La Sante (Care For Your Health).

The 5th edition of "Vinn Pran Kont To la Sante" was organised on 11 December in partnership with three NGOs/partners. This annual health check-up campaign aims to promote access to medical services for vulnerable populations. This year, the campaign was carried out in Pailles and saw the participation of about 60 health professionals from 15 different fields.

Partners and NGOs
- PATH
- Rotary Club Martebello
- Civic Action Team

ENVIRONMENTAL AND SUSTAINABILITY REPORT

Disan Pa Pouss Lor Pye

The Group renewed its annual blood donation campaign last year, with four blood donations organised at Emtel World, Ebène, Phoenix Central and Rodrigues. The initiative involves the participation of company staff, partners and the public. 516 pints of blood were collected in all for the 2022 drive.

Partners and NGOs
- Thalassemia Society of Mauritius
- National Blood Transfusion Service
- Voluntary Blood Donor Association
- Mauritius Blood Donors Association

Bedridden Medical Scheme

Since 2010, under the Currimjee Foundation's Bedridden Medical Scheme, people with physical and/or mental disabilities in the Port Louis area have been provided with direct grants to cover their monthly medical expenses. To date, Rs 2.9 million have been awarded in grants for this project, reaching an average of 25 individuals yearly. For 2022, 25 individuals have benefited from the scheme.

Partners and NGOs
- Pharmacie de la Plaine Verte

Overseas Medical Treatment scheme

Since 2011, the Currimjee Foundation has been providing financial assistance to people who are inoperable locally and need surgery abroad, amounting to Rs 7.7 million. These individuals have a monthly family income less than Rs 50,000 and meet specific criteria as defined by the Ministry of Health and Quality of Life. The Foundation sponsored 10 persons in 2022.

Partners and NGOs
- Ministry of Health and Quality of Life

Spor Pou Lekor

Over the past few years, CJ has invested in recreation and sports programmes that help address social issues and improve the quality of life for vulnerable groups. We strongly believe that all members of society, including people with disabilities, low-income families and disadvantaged children, have a right to recreational activities.

In this respect, the Foundation has supported more than 470 youth from local NGOs and sports associations. The aim was to promote inclusive communities and help the youth develop their talents by providing them with the appropriate structure and facilities.

In 2022, CJ sponsored Club Sportif Zeness Vallée Pitot, Vallée Stars Sports Club and Angel Réduit Atheltics Club, which all aimed to use sports to develop the personality of children and combat the spread of drugs.

Partners and NGOs
- Club Sportif Zeness Vallée Pitot
- Vallée Stars Sports Club
- Angel Reduit Athletic Club

No to Drug Programme

As part of its 'No to Drug' action, the Currimjee Foundation launched the 'Prévention Petite Enfance' project, an initiative aimed at raising awareness among children and young people in Roche Bois about substance abuse.

Thanks to the support of DRIP and Quality Beverages, a 20-session fun workshop promoting dialogue and sharing was offered to 60 children and young people of Résidence Shell over a period.

The Foundation also supported Dibout Ansam, an NGO engaged in supporting people who suffer from drug addiction or alcoholism. The partnership with Dibout Ansam provided training programmes to help recovering addicts reintegrate into society. Activities around agriculture, carpentry, cooking, music and sports were also organised for the beneficiaries.

Partners and NGOs
- DRIP
- Quality Beverages
- Dibout Ansam

ENVIRONMENTAL AND SUSTAINABILITY REPORT

Project	Key achievements
FOOD4SMILE	Food packs for needy families – **102** Regions/NGOs – **5**
ENN ZANFAN ENN SOURIR	Shelters/regions – **20** Partnering NGOs – **7** Beneficiaries of school materials – **1,142**
NO CHILD LEFT BEHIND – REMEDIAL CLASS	Centres-Regions – **2** PSAC students – **74** % Pass – **74%**
SUPPORT TO EPILEPTIC STUDENTS	Supported students – **30**
SUPPORT TO PHYSICALLY DISABLED STUDENTS	Disabled children – **86** NGOS – **2**
EDUCATION & PREVENTION WORKSHOP FOR EARLY CHILDHOOD	Children – **60** Programme Duration – **4 months**
OVERSEAS MEDICAL ASSISTANCE	Beneficiaries – **10**
BEDRIDDEN MEDICAL SCHEME	Beneficiaries – **25** Regions – **4**
VINE PRAN CONTE TO LA SANTE	Participants – **300** Collaborators – **3** Medical professionals – **60** Medical fields – **10**
SPOR POU LEKOR	Associations/NGOs – **3** Beneficiaries – **476** Disabled athletes – **2**

Project	Key achievements
NO TO DRUGS PROGRAMME	Projects – **3** Partners-NGOs – **5** Participants – **660** Awareness sessions – **45** Rehabilitation activities - **5**
QBL PLASTIC RECYCLING HUB	Partners – **3** Machines – **4** Recycling Capacity – **1 tonne monthly**
CITADELLE RE-VEGETATION PROJECT	Endemic Trees planted – **800** Species – **5** Staff Involvement – **150** Educational sessions – **3** Community project - **1**
RAINWATER HARVESTING SYSTEM	
EBONY FOREST LTD-ENDEMIC REVEGETATION PROJECT	Endemic Trees planted – **700** Species – **5** Staff Involvement – **150**
LET'S CLEAN UP MAURITIUS	Staff participation – **100** Community participation – **150** Regions – **2**
CORAL FARMING PROJECT	Spider frames – **18** Concrete blocks – **300** Coral species – **5** Growth Rate – **80%**
FREE INTERNET/CALLS	NGOs in Education – **7** NGOs in Health – **10** NGOs in Poverty Alleviation – **8** NGOs in Environment – **1**
ELECTRONIC WASTES RECYCLING	Deposit points – **70** Collected waste – **4.4 tonnes**

BOARD OF Directors

Profiles
OF DIRECTORS

1. Bashirali A Currimjee

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

Committee Membership: Chairman of Governance, Nominations and Remunerations Committee and Member of Strategy & Finance Committee.

Qualifications:

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

Experience:

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

Directorship in listed and public companies: None.

2. Anil C Currimjee

Mauritian Citizen & Resident – Managing Director

Committee Membership: Human Resources & Organisation Committee and Strategy & Finance Committee.

Qualifications:

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

Experience:

- Member of the National Council and Vice President of Business Mauritius
- 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 from 2004 – 2021.
- Director of a number of companies within the Currimjee Group.

Directorship in listed and public companies: African Rainbow Capital Investments Limited, Compagnie Immobilière Limitée, Island Life Assurance Co Ltd and Sanlam Africa Core Real Estate Investments Limited.

3. Karim Barday

French citizen – Non Resident – Independent Director

Committee Membership: Human Resources and Organisation Committee.

Qualifications:

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

Experience:

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

Directorship in listed and public companies: None

4. Ashraf M Currimjee

Mauritian Citizen & Resident Non-Executive Director

Committee Membership: Governance, Nominations and Remunerations Committee.

Qualifications:

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

Experience:

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

Directorship in listed and public companies: Quality Beverages Limited, Soap & Allied Industries Limited, Mauritius Oil Refineries Ltd.

5. Riaz A Currimjee

Mauritian Citizen – Non-Resident – Non-Executive Director

Committee Membership: Audit & Risk Committee and Strategy & Finance Committee.

Qualifications:

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

Experience:

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

Directorship in listed and public companies: None.

6. Azim F Currimjee

Mauritian Citizen & Resident – Non-Executive Director

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

Qualifications:

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

Experience:

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

Directorship in listed and public companies: Soap & Allied Industries Limited and Air Mauritius Ltd.

PROFILES OF DIRECTORS

7. Christophe de Backer

Knight of the National Order of Merit & Legion of Honour – French Citizen, Non-resident – Non-Executive Director

Committee Membership: Audit & Risk Committee, Strategy & Finance Committee and Governance, Nominations & Remunerations Committee.

Qualifications:

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

Experience:

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

Directorship in listed and public companies: None.

8. Shahrukh D Marfatia

Singapore Citizen, Non-resident – Non-Executive Director

Committee Membership: Chairman of Human Resources and Organisation Committee and Member of Governance, Nominations and Remunerations Committee.

Qualifications:

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

Experience:

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

Directorship in listed and public companies: None.

9. M Iqbal Oozeer

Mauritian Citizen & Resident – Executive Director

Committee Membership: Strategy & Finance Committee

Qualifications:

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

Experience:

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

Directorship in listed and public companies: Compagnie Immobilière Limitée and Island Life Assurance Co Ltd.

10. Manoj K Kohli

Indian Citizen & Non Resident – Independent Director

Committee Membership: Strategy & Finance Committee

Qualifications:

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

Experience:

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

Directorship in listed and public companies: None.

11. Uday K Gujadhur

Mauritian Citizen and Resident – Independent Director

Committee Membership: Chairman of the Audit & Risk Committee

Qualifications:

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

Experience:

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

Directorship in listed and public companies: Dacosbro, RHT Holding Limited, The Mauritius Commercial Bank Ltd.

12. Aisha C Timol

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

Committee Membership: Audit & Risk Committee and Governance, Nominations and Remunerations Committee

Qualifications:

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

Experience:

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

Directorship in listed and public companies: CIM Financial Services Ltd.

Corporate LEADERSHIP TEAM

1. M Iqbal Oozeer
Chief Finance Officer & Director

2. Marianne Caradec
Chief Communication and Marketing Officer

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

4. Anil C Currimjee
Managing Director

5. Rishaad Currimjee
CEO Commercial and Development Projects

6. Vanesha Pareemamun
Chief Human Resource Officer

7. Ramanuj Sudhir Nathoo
Group Company Secretary

8. Nazima Mamode Ally
Senior Manager – Legal

9. Zakir H Caunhye
General Manager – Strategy and Transactions

Corporate Leadership Team

1. M Iqbal Oozeer

Chief Finance Officer & Director

Please refer to Page 118 of the Integrated Report for Mr Oozeer's profile.

2. Marianne Caradec

Chief Communication and Marketing Officer

Qualifications:

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

Experience:

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

3. Anjana Bissessur-Conhye

Senior Manager, MD's Office

Qualifications:

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

Experience:

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

4. Anil C Currimjee

Managing Director

Please refer to Page 116 of the Integrated Report for Mr Currimjee's profile.

5. Rishaad Currimjee

CEO Commercial and Development Projects

Qualifications:

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

Experience:

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

6. Vanesha Pareemamun

Chief Human Resource Officer

Qualifications:

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

Experience:

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

7. Ramanuj Sudhir Nathoo

Group Company Secretary

Qualifications:

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

Experience:

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

8. Nazima Mamode Ally

Senior Manager – Legal

Qualifications:

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

Experience:

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

9. Zakir H Caunhye

General Manager – Strategy and Transactions

Qualifications:

- Degree in Accounting.
- Association of Chartered Certified Accountants, UK.

Experience:

- Currently General Manager – Strategy and Transactions, with the Corporate Finance Department of the Company.
- Formerly held several positions within the public sector, including Head of the MD's Office and Head of Doing Business Reforms at the Board of Investment of Mauritius.
- Former Director for Business Facilitation at the Economic Development Board of Mauritius
- Experience in negotiations of regional and international agreements and engaged in public policy, including national budgets.
- Previously worked within the hospitality and property development arm of the Company, and was involved in project development and management.
- Worked at the Mauritius Freeport Authority and the Customs and Excise department where he gained experience in logistics and international trade.

Business LEADERSHIP TEAM

1. Eric Di Betta

General Manager MC Vision Ltd (as from September 2022)

2. Jimmy Lan Keng Lun

General Manager IKO (Mauritius) Resort Village Ltd

3. Sahoud Edoo

Chief Financial Officer, Emtel Limited

4. Rishaad Currimjee

CEO Commercial and Development Projects

5. Anousha Mahadea Sathan

General Manager, Currimjee Informatics Ltd

6. Sailesh Koomar

Chief Executive Officer & Director Island Life Assurance Co. Ltd

7. Krishnaduth Goomany

Chief Executive Officer, Emtel Limited

8. Rouben Soobrayen

General Manager, Screenage Limited

9. Sanjiv Kumar Mihdidin

Chief Executive Officer – Real Estate Cluster

10. Varsha Ramchurn

General Manager, Silver Wings Travels

Business Leadership Team

1. Eric Di Betta

General Manager MC Vision Ltd

Qualifications :

- CNAM (Paris) : Master degree Marketing
- HEC Paris : Master Marketing Telecom

Experience :

- 30 years of extensive experience in large, medium & small companies in Europe & Africa
- Non executive board Director of Compagnie de Mont Choisy
- 15 years as consultant (strategy, business developpement, financial inclusion) and entrepreneur (Business Intelligence, Trading, Digital solutions for retail, mobile app...)
- 15 years within Orange group (GM & COO Cameroon, CMO/CSO Mali, Project Director France...)
- Co-Founder of HEC PARIS Indian Ocean Marketing Club (with HEC Paris support)
- Co-founder, Member & Secretary of South Business Angels association (business angel activities) – www.sba.mu
- Ruby medal from "Societé d'Encouragement au Progrès" (promotion 2017)

2. Jimmy Lan Keng Lun

General Manager IKO (Mauritius) Resort Village Ltd

Qualifications

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

Experience:

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

3. SAHOUD EDOO

Chief Financial Officer, Emtel Limited

Qualifications:

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

Experience:

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

4. RISHAAD CURRIMJEE

CEO Commercial and Development Projects

- Please refer to Page 122 of the Integrated Report for Mr Currimjee's profile.

5. ANOUSHA MAHADEA SATHAN

General Manager, Currimjee Informatics Ltd

Qualifications:

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

Experience:

- Joined the Group in 2001 and has been holding different key positions and is currently the General Manager of Currimjee Informatics Ltd
- International exposure in IT project management across verticals
- Over 20 years of experience in managing blue chip customers (local and International) in the B2B Segment
- Started her career as Junior Accountant in the Distribution and Automative sectors
- Member of MiOD

6. SAILESH KOOMAR

Chief Executive Officer & Director Island Life Assurance Co. Ltd

Qualifications:

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

Experience:

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

**Eric replaced Ghislaine Tchibozo as the CEO of MC Vision in September 2022.*

Business Leadership Team

7. KRISHNADUTH GOOMANY

Chief Executive Officer, Emtel Limited

Qualifications:

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

Experience:

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

8. ROUBEN SOOBRAYEN

General Manager, Screenage Limited

Qualifications:

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

Experience:

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

Membership:

- « Président du club APM Azur »

9. SANJIV KUMAR MIHDIDIN

Chief Executive Officer – Real Estate Cluster

Qualifications:

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

Experience:

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

Membership:

- Fellow of the Mauritius Institute of Director.

10. VARSHA RAMCHURN

General Manager, Silver Wings Travels Ltd

Qualifications:

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

Experience:

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

Corporate
GOVERNANCE REPORT

Our philosophy

Currimjee Jeewanjee and Company Limited ("CJ", "the Group" or "the Company") is a Public Interest Entity as defined by the Financial Reporting Act 2004, and is therefore subject to the principles of the National Code of Corporate Governance of Mauritius (2016), also known as "the Code". To the best of the Board's knowledge, the Group has endorsed the eight principles of the Code during the year under review. This report sets out the Company's key corporate governance practices with reference to the Code and forms part of the Integrated Report 2022, available on the Company's website https://www.currimjee.com.

Albeit a slight recovery in the Mauritian economy mainly driven by higher than expected demand and consumption, and conducive monetary and fiscal supports, our economy has witnessed several challenges in 2022, including persistent inflationary pressures, rising interest rates, as well as the international consequences of geopolitical fragmentation, an energy crisis, and the severe impact of climate change.

The Board acknowledges that the Company's governance philosophy has been critical in rising above the many challenges and disruptions presented by the volatile, uncertain, complex and ambiguous environment it operated in. In line with its philosophy to uphold the highest standards of governance, the Group continued to enhance its practices and procedures, while maintaining agility and flexibility. This has enabled the Group to harness opportunities, maintain sustainable growth and meet the needs of shareholders and other stakeholders.

Board, with the support of its Leadership Team and guided by the Company's purpose and core values, namely Integrity, Foresight, Responsibility, Passion and Openness, played a crucial role in upholding an effective corporate governance framework across the Company. This report illustrates how our strong governance structure, culture and business ethics have supported the Company and its Leadership Team.

Principle 1: Governance Structure

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

Statement of Accountabilities

The Company is led by a committed and unitary Board, with the responsibility for leading and controlling the organisation, and ensuring that all legal and regulatory requirements are met.

The Board Charter defines the roles, functions and objectives of the Board of Directors and its Board Committees, as well as the Position Statements of the Chairman, Managing Director and Company Secretary.

Amongst its prime objectives, the Board sets the tone with regard to values and ethics in determining the expected behaviours at all levels of the organisation. The Company's Code of Conduct expresses the ethical and professional standards of behaviours and attitudes to be followed by the employees and Directors.

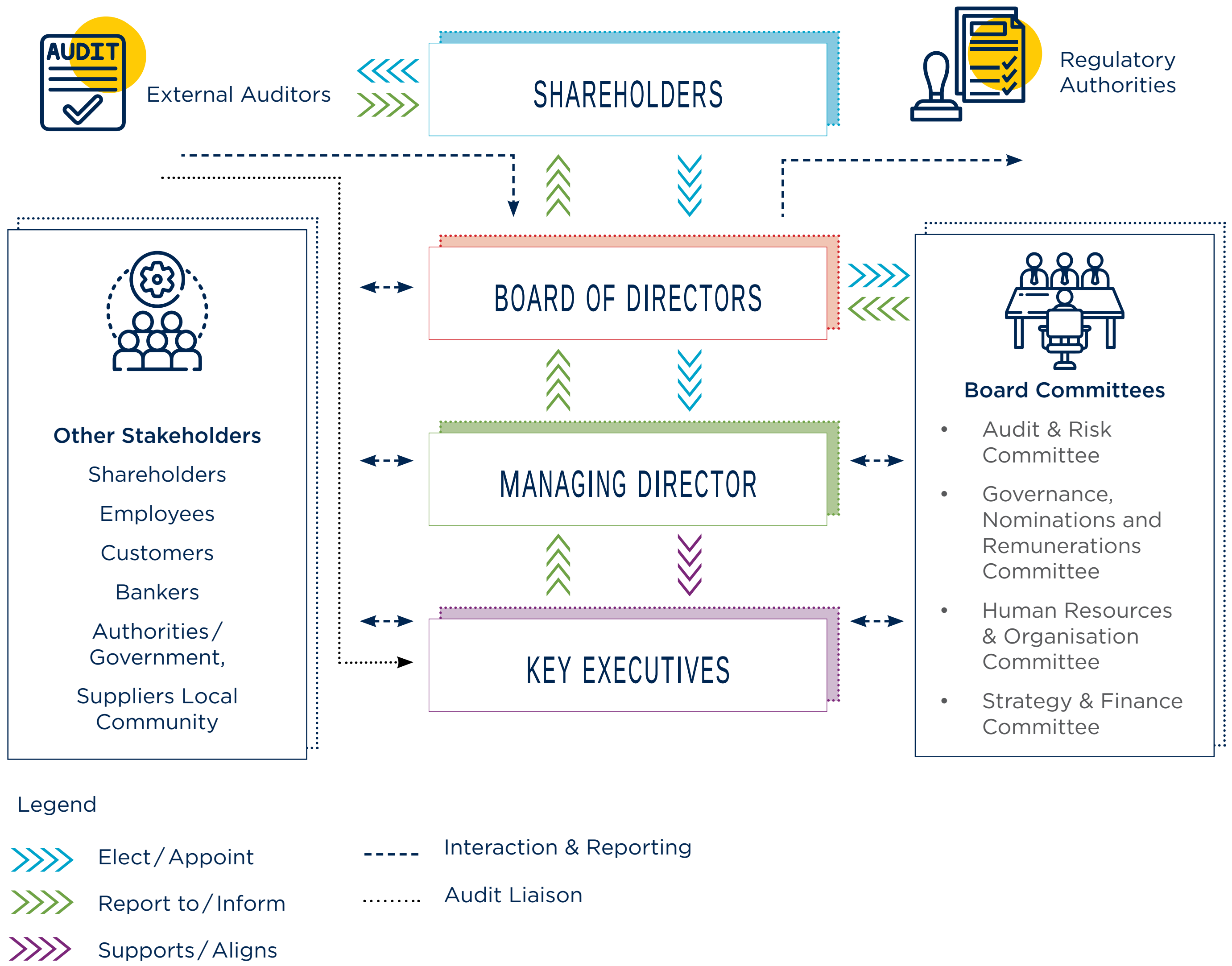
The Charter, Code of Conduct, Position Statements of the Chairman, Managing Director and Company Secretary and Organisational Chart are published on the website: https://www.currimjee.com.

Corporate Governance Framework

The Company operates within a defined corporate governance framework, with proper delegation of authority and clear lines of reporting for the Board of Directors, its Board Committees and key stakeholders. The Board is the focal point of the corporate governance system. It is supported by specialised Board Committees that are entrusted with specific responsibilities to oversee the affairs of the Company and with the power to act on behalf of the Board in accordance with their respective terms of reference. The Board nevertheless remains collectively responsible for the decisions and actions taken by the Committees.

In October 2022, the Board decided to merge the Company's Corporate Governance Committee and Nomination and Remuneration Committee to constitute the new Governance, Nominations and Remunerations Committee ("CJ GNR Committee"), which became effective on 01 January 2023.

The Company's governance framework is illustrated below:



CORPORATE GOVERNANCE REPORT

Delegation of Authority

The Board has established a Delegation of Authority Framework, which defines the decision-making authority and financial limits (where relevant) for the Board, the Managing Director, the various Board Committees and the Company's Chief Finance Officer. The Framework also highlights the decisions for which the approval from the ultimate holding company, Currimjee Limited ("CL"), are required.

Principle 2: The Structure of the Board and its Committees

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

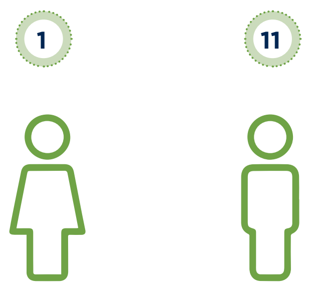
Size and Composition of the Board

The Company is a family-owned enterprise. The Board comprises 12 Directors including, four (4) Independent Directors, six (6) Non-Executive Directors and two (2) Executive Directors. The Directors come from different industries and backgrounds with strong business, international and management experience, which are crucial given the nature and scope of activities of the Group and the number of Board Committees.

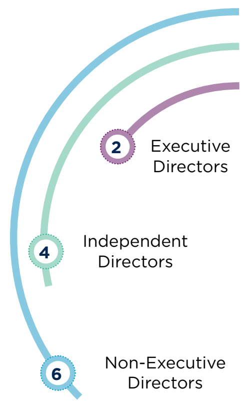
The Board has ascertained that its current size, mix of skills, competencies, expertise and knowledge are appropriate to enable it to carry out its duties and responsibilities in an effective and competent manner so as to achieve the Company's objectives.

The Company has adopted an Equal Opportunity policy and a Diversity and Inclusion policy, which both advocate for gender parity at all levels within the organisation. The Board is committed to ensuring that gender diversity at the Board level is enhanced in the coming years.

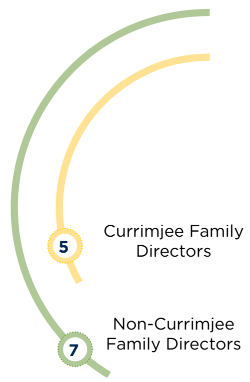
Gender Representation



Board Composition



Currimjee Family Representation on the Board



Board Size: **12**

Board Meetings: **5**

6 Decisions adopted by way of Written Resolutions of Directors

Board Areas of Expertise

Business Leadership, Accounting & Finance, Private Equity & Investments, HR Management & Development, Governance, Regulatory, Telecommunications, Renewable Energy, Manufacturing, National and International organisations' exposure.

Directors' Age Group

50 – 55 years	2
56 – 60 years	3
61 – 65 years	4
66 – 70 years	2
Above 70 years	1

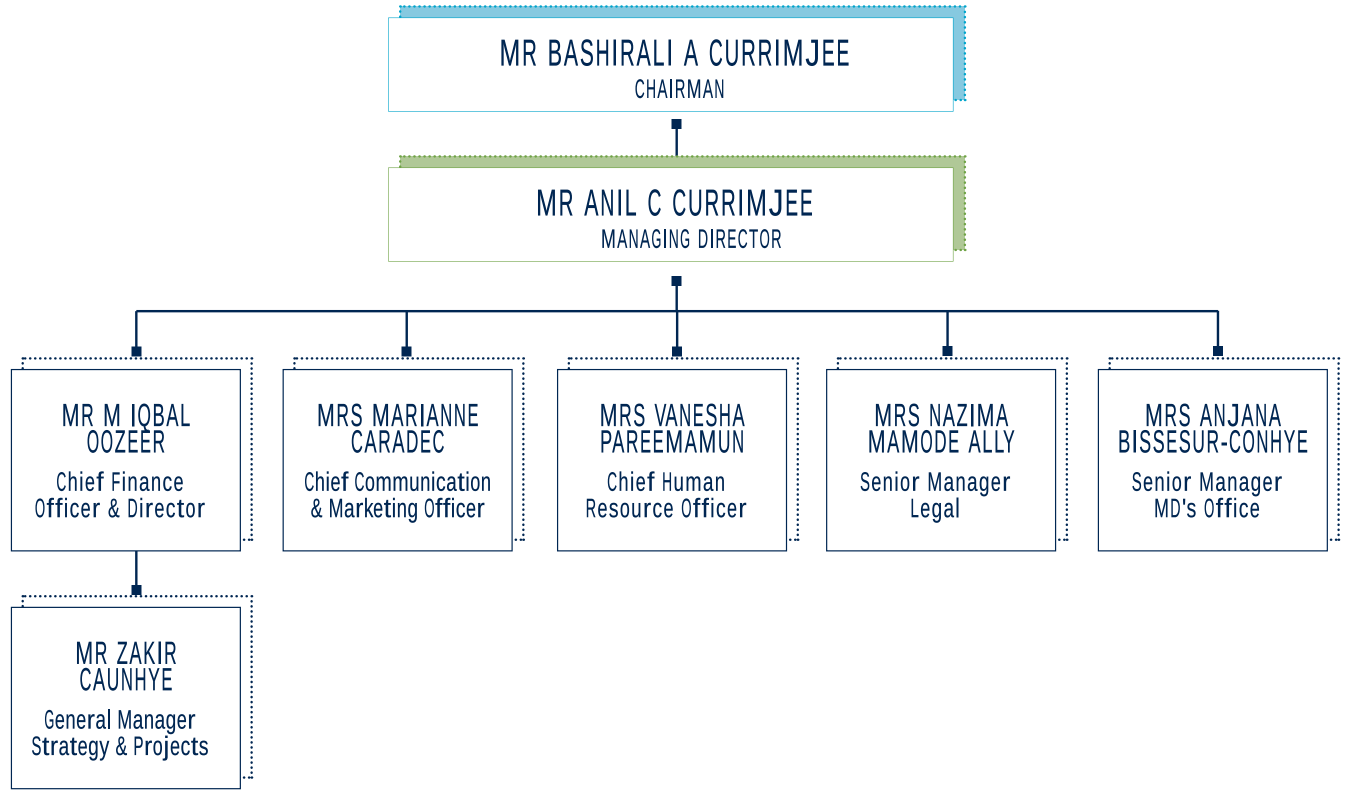
Tenure of Directorships

< 5 years	4
5 – 10 years	4
11 – 15 years	2
16 – 25 years	1
> 25 years	1

Profiles of Directors

The profiles of Directors are set out on pages 114-119. Details of their other directorships are available at the Company's registry.

Organisational Chart – Leadership Team



The profiles of the Leadership Team are set out on pages 120-129.

CORPORATE GOVERNANCE REPORT

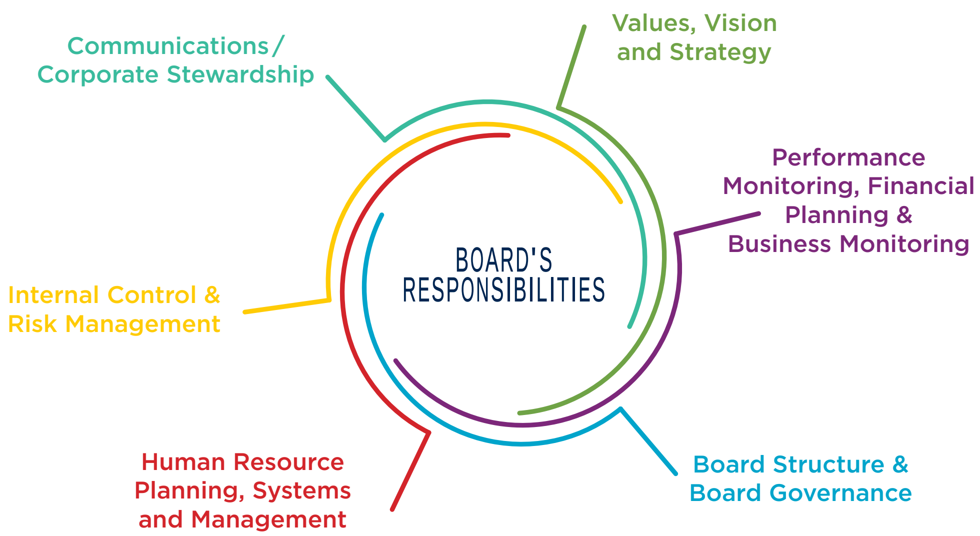
Company Secretary

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

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

Board Responsibilities

The Board is ultimately responsible for the performance and affairs of the Company. Its key areas of responsibilities encompass the following:



Values, Vision and Strategy	To establish, communicate and spread the Company's core values and ensure that these values lead into a coherent vision in line with that of the Shareholders. The vision should drive strategy & strategic plans, which serves to strengthen the competitive advantages of the business & ensure optimal allocation of capital.
Performance Monitoring, Financial Planning & Business Monitoring	To ensure a proper system of financial & business planning, including periodic plans to achieve strategic objectives and effective monitoring of results and milestones.
Board Structure & Board Governance	To ensure that the Board is of the right size, structure and composition to enable it to fulfill its role effectively in leading and controlling the Company, with the support of its Board Committees.
Human Resource Planning, Systems and Management	To ensure that the Human Resources, their management and development are given the proper thrust and importance & that the HR strategies, systems, policies and issues relating to human potential, enable the Company to be an employer of choice.
Internal Control & Risk Management	To put in place & maintain a sound and robust system of internal control & risk management for proper monitoring, albeit with flexibility to adapt to new risks.
Communications / Corporate Stewardship	To ensure that the necessary systems are in place for the discharge of the Board's responsibility for effective governance & stewardship towards all stakeholders through appropriate governance policies & regular communications.

Board Meeting Process

Board Meeting Process		
	1	Planning of quarterly Board Meetings at start of the year involving Chairman, Managing Director and Company Secretary.
	2	Setting of Agenda in consultation with the Chairman and Managing Director well in advance of the Board Meeting.
	3	Circulating Notice, Agenda and Board Papers well in advance of the Board Meeting.
	4	Day of Board Meeting. Company Secretary ascertains constitution of meeting and the Chairman proceeds with the business of the day.
	5	Drafting of Minutes and circulating to the Board. Follow up by Company Secretary / Management on board decisions.

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

Board Focus areas

In January 2022, the Directors participated in an offsite workshop with the Group's Leadership Team to formulate the three-year strategic plan for the Company and its subsidiaries. The Directors discussed key economic, demographic, societal, consumption and technological trends, economy and industry analysis, and new business opportunities and challenges relevant to the Group and implementation options. The Company's leadership team and the Boards of the subsidiary companies are currently studying the feasibility for implementing some of the projects as recommended following the strategy offsite meeting.

The Board also extensively discussed succession planning for the Managing Director's position, which is planned to be reviewed in the near future in view of ensuring a seamless transition for this critical role in the organisation. The succession plan is driven by the Human Resources and Organisation Committee in collaboration with the Governance, Nominations and Remunerations Committee. The position specification, success profile and recruitment process were approved by the Board on the recommendation on the aforesaid Board committees.

Five (5) Board meetings were held during the year under review. Board meetings were organised both in person and by videoconference to give the opportunity to all Directors to attend and participate.

The key items discussed at Board Meetings are set out below:

CORPORATE GOVERNANCE REPORT

FINANCIAL MATTERS

- Review & approval of the Annual Report for the year ended 31 December 2021.
- Quarterly review of the performance of the Company and the Group against budget, including operational and financial highlights.
- Provision of security for banking facilities availed by subsidiary companies.
- Dividend declaration for the financial year 2022.
- Presentation of Company Budget for years 2023 – 2025.

STRATEGY & RISK

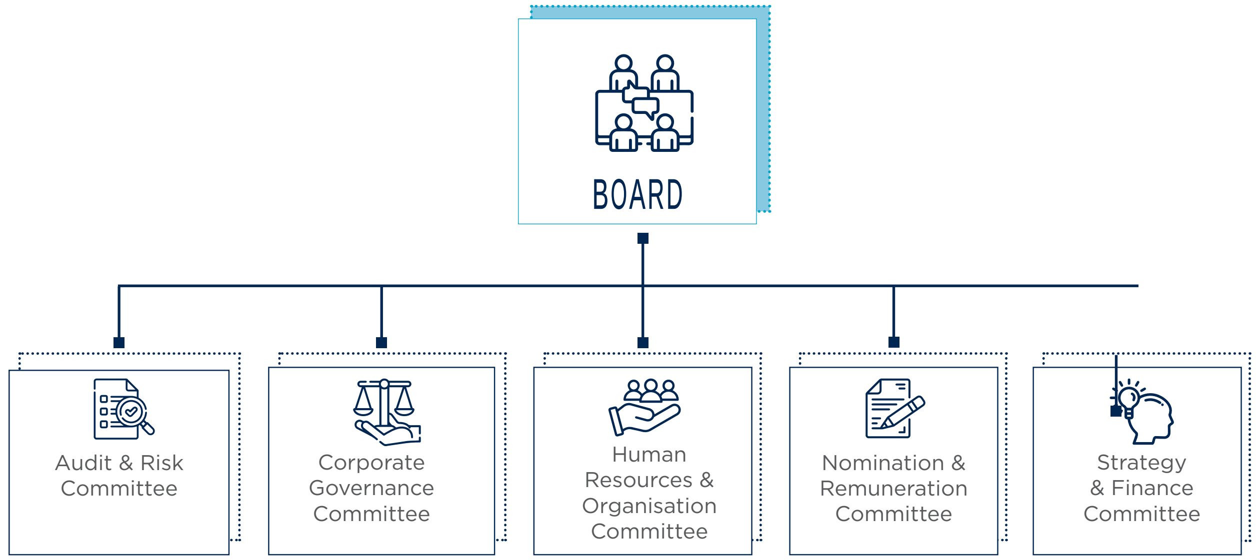
- Approval of the strategic objectives and initiatives for year 2022 and review and monitoring of major milestones.
- Review of major projects against plan.
- Review of progress on major transactions against plan.
- Portfolio Management.
- Review the strategic plan for years 2023 – 2025.

GOVERNANCE

- Re-election of the Board Chairman, in accordance with the provisions of the Constitution.
- Review of composition of Board Committees.
- Renewal of appointment for Directors.
- Receive the reports & recommendations from the Board's Committees.
- Approval of Corporate Governance Report for the financial year 2021.
- Taking cognizance of the Board evaluation results & approval of improvement action plan.
- Approval of company policies.
- Salary review and new performance bonus plan for Family Executive Director.
- Succession Planning for the Managing Director.
- Review of fees for Independent & Non-Executive Directors at the level of subsidiary companies.
- Review of Board / Board Committee composition for subsidiary companies.
- Merging of the Corporate Governance Committee and Nomination & Remuneration Committee and approval of its Terms of Reference.
- Planning of Board Meetings for year 2023.

Board Committees

The Board has established the Board Committees listed below to assist it in the execution of its duties:



As mentioned earlier in the report, the Company's Corporate Governance Committee and Nomination and Remuneration Committee were combined to constitute the Governance, Nominations and Remunerations Committee, effective as from 01 January 2023. The CJ GNR Committee is chaired by Mr Bashirali A Currimjee, and the other Members are Mr Ashraf M Currimjee, Mrs Aisha Timol, Mr Shahrukh Marfatia, and Mr Christophe de Backer. Mr Anil C Currimjee is in attendance at the CJ GNR Committee meetings.

Board Committees operate within defined terms of reference outlining their objectives, composition, functioning, responsibilities and reporting requirements. These Terms of Reference are reviewed annually and are available as part of the Board Charter for consultation on the Company's website: https://www.currimjee.com.

During the year under review, the Terms of Reference of the Audit & Risk Committee were revised and approved by the Board. Further details on the Committees are set out below:

CORPORATE GOVERNANCE REPORT

Audit & Risk Committee	
Composition	Mr Uday K Gujadhur – Chairman Mr Riaz Currimjee Mrs Aisha C Timol Mr Christophe de Backer
Main Responsibilities	• Monitor the integrity of the financial statements and annual report, and review significant financial reporting issues and judgements therein; • Review the Company's internal controls related to financial reporting and disclosure controls and procedures, and monitor the effectiveness of the internal audit function; • Review the internal audit recommendations and monitor their implementation; • Make recommendations to the Board in relation to the appointment, re-appointment and removal of the External Auditor; • Agree with the External Auditor on the terms of their engagement, the scope of the audit and their fees (whether for audit or non-audit services); • Assess annually the independence and objectivity of the External Auditor, their expertise and resources, and the effectiveness of the audit process; • Advise the Board on the overall risk appetite, tolerance and strategy, ensuring that an overall risk management framework is in place, and review policies related to risk management; • Approve Related Party Transactions, as per the Related Party Transactions Policy.
Focus areas for year 2022	• Review Audited Financial Statements for 2021. • Review External Auditors' client service report & letter of representation. • Approve internal audit plan and review implementation of audit recommendations. • Review Enterprise Risk Management reports. • Appoint External Auditors and approve of their engagement letter. • Approve External Auditor's client service plan. • Review of compliance with bank covenants. • Sett limits and criteria for approval of Related Party Transactions by the Committee. • Review the Committee's Terms of Reference. • Review the Information Security Management System ('ISMS') Policy and set up an ISMS Committee.

Corporate Governance Committee	
Note: The Corporate Governance Committee has merged with the Nomination and Remuneration Committee, effective as from 01 January 2023.	
Composition	Mrs Aisha C Timol – Chairman Mr Bashirali A Currimjee Mr Ashraf M Currimjee Mr Azim F Currimjee Mr M Iqbal Oozeer
Main responsibilities	• Recommend to the Board of Directors on the corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing corporate governance principles; • Ensure that the reporting requirements and disclosures made with regard to Corporate Governance, whether in the Annual Report or on an ongoing basis, are in accordance with the principles of the Code; • Determine, agree on and develop the Company's general policy on Corporate Governance in accordance with the Code; • Review the Company's Corporate Governance policy and any other issues related to Corporate Governance and make requisite recommendations to the Board for consideration and approval. • Advise the Board of CJ, as well as the Boards of the subsidiary companies, on the composition of their Boards and that of their Board Committees, including the balance between Executive, Non-Executive & Independent Directors that shall be appointed, in line with the Code.
Focus areas for year 2022	• Review Corporate Governance Reports for the Company and its subsidiaries: Compagnie Immobiliere Limitee, Emtel Limited and MC Vision Ltd. • Review Board evaluation survey results of previous year and recommend improvement actions to the Board. • Approve methodology for the evaluation of the Board, individual Directors and Board Committees for r 2022. • Review Evaluation Questionnaires for the Board, Individual Director and for the Committee. • Make recommendations to the Board of CJ on the Board composition of subsidiaries, namely, Compagnie Immobiliere Limitée, Currimjee Real Estate Ltd, IKO (Mauritius) Hotel Limited, IKO (Mauritius) Resort Village Ltd, Plaisance Aeroville Ltd, ZAC Investments Ltd and ZAC Properties Limited. • Recommend to the Board with respect to the composition of Board Committees of subsidiary companies, namely Compagnie Immobiliere Limitée and Island Life Assurance Co Ltd. • Propose training for Directors. • Approve addendum to policy for companies run/owned by Currimjee family members supplying goods and services to the Group companies. • Recommend the merging of the Corporate Governance Committee & the Nomination and Remuneration Committee, and review the Terms of Reference of the Governance, Nominations and Remunerations Committee.

CORPORATE GOVERNANCE REPORT

Human Resources and Organisation Committee	
Composition	Mr Shahrukh D Marfatia – Chairman Mr Anil C Currimjee Mr Azim F Currimjee Mr Karim Barday Mrs Vanesha Pareemamun
Main responsibilities	• Ensure that the human resources, their management and development as well as organisation are given the proper thrust and importance by the Board. • Review and monitor existing policies and procedures, systems and structures; report on their implementation and recommend the Board. • Review the Group HR Strategy, key HR policies and plans, and the delegation of authorities to management for Board approval. • Review and monitor the appointment of key executive positions, and approve appointments of all reportees to the Managing Director. • Review and monitor compensation policies for key executives,and approve compensation decisions relating to all reportees to the Managing Director. • Review the implementation of a Business Continuity Plan and Succession Planning System at the level of the MD, of his reportees and of key executives through an effective Talent Development Policy. • Formulate HR and Environment and Sustainability policies for Board approval and monitor their implementation. • Review feedback from surveys on HR and Environment & Sustainability indices, including employee engagement, and environmental and societal engagements. • Review the Safety and Health strategy and compliance framework, and provide recommendations to the Board.
Focus areas for year 2022	• Review HR Dashboard, HR plan and initiatives for 2022. • Talent Review and Talent Development. • Formulate the position specification, success profile and recruitment process for the Managing Director, and make recommendations for Board approval. • Approve HR Strategy for years 2023 – 2025 & HR Action Plan for year 2023. • Update on Environment & Sustainability initiatives. • Approve Environment & Sustainability Strategy for 2023 to 2025. • Approve of Sustainability Charter.

Nomination and Remuneration Committee	
Note: The Nomination and Remuneration Committee has merged with the Corporate Governance Committee, effective as from 01 January 2023.	
Composition	Mr Bashirali A Currimjee – Chairman Mr Shahrukh D Marfatia Mrs Aisha C Timol Mr Christophe de Backer
Main responsibilities	• Recommend to the Board on the appointment, replacement and removal of Executive Directors, Non-Executive Directors and Independent Directors. • Recommend to the Board on the appointment, replacement and removal of Directors on the Board of the Company's subsidiaries. • Recommend to the Board on the succession plan for the Managing Director, with the Human Resources and Organisation Committee, where required. • Make recommendations to the Board on Non-Executive and Independent Directors' fees.
Focus areas for year 2022	• Recommend to the Board on the fees for Non-Executive and Independent Directors for the Company's subsidiaries. • Recommend to the Board on changes in the Board / Board committee composition of subsidiary companies, namely for Compagnie Immobiliere Limitee, IKO (Mauritius) Hotel Limited, IKO (Mauritius) Resort Village Ltd, Currimjee Real Estate Ltd, Plaisance Aeroville Ltd, ZAC Investments Ltd and ZAC Properties Ltd. • Review the position specification, success profile and recruitment process for the Managing Director, and make recommendations for Board approval. • Merging of the Company's Corporate Governance Committee & Nomination and Remuneration Committee and review of the Terms of Reference of the Governance, Nominations and Remunerations Committee.

CORPORATE GOVERNANCE REPORT

Strategy & Finance Committee	
Composition	Mr Anil C Currimjee – Chairman until 30 November 2022 Mr Azim F Currimjee – Chairman as from 01 December 2022 Mr Bashirali A Currimjee Mr Riaz Currimjee Mr Christophe de Backer Mr M Iqbal Oozeer Mr Manoj Kohli
Main responsibilities	• Ensure an effective strategic planning process is in place. • Review and propose the strategic objectives and options to the Board, and monitor the effectiveness of those strategies. • Approve and monitor large investments within the limits of authority. • Review and monitor the IT policy, investments in IT and strategic assets. • Make recommendations to the Board on matters pertaining to capital structure, finance strategy, treasury operations, investment strategies and financial risk management. • Develop and recommend long-term financial objectives for the Company.
Focus areas for year 2022	• Review financial performance on a quarterly and annual basis. • Monitor major projects and transactions at the level of subsidiaries. • Approve and monitor strategic objectives set for year 2022. • Discuss strategic plan for years 2023 – 2025.

Attendance at Board Meetings and Board Committees

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

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

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

Notes:

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

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

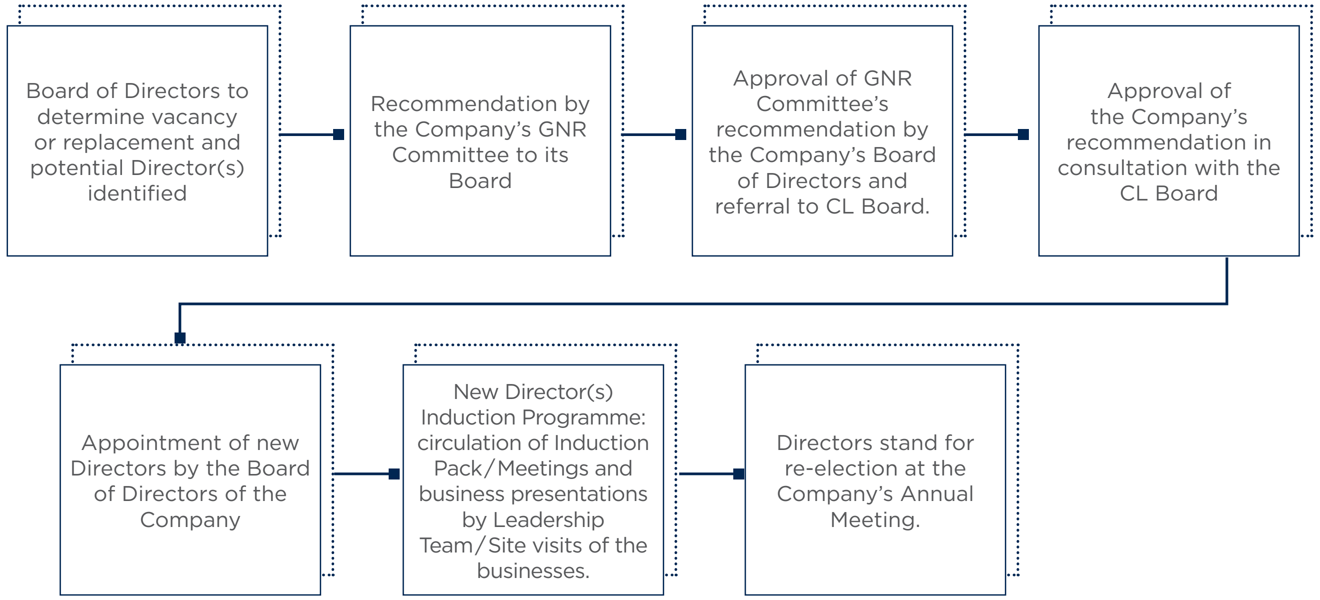
Principle 3: Director Appointment Procedures

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

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

The Company is party to a Shareholders' Agreement ("SHA") and has agreed upon an overriding principle that the appointment, replacement and removal of Directors on the Board shall be approved by the Board of CL, on the recommendation of its Governance, Nominations and Remunerations Committee ("CL GNR Committee"). Such an appointment, replacement or removal shall first have been recommended by the Company's Board in consultation with the CJ GNR Committee. During the year under review, the Board composition remained unchanged.

CORPORATE GOVERNANCE REPORT



Professional Development of Directors

The Board values ongoing professional development and recognises the importance of all Directors receiving regular training to be able to serve effectively on, and contribute to, the Board and Board Committees.

An in-house training on the duties and responsibilities of Directors, including an overview of some key legislations of direct relevance to the Group, was organised by Dentons Training & Consultancy (Mauritius) Ltd for the Directors and Leadership team during the year.

Directors are further encouraged to undergo continual professional development to ensure that they can fulfill their obligations and to continually improve the performance of the Board. They are given the opportunity to attend training workshops and a couple of Directors have attended workshops delivered by the Mauritius Institute of Directors during the year.

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

Succession Planning

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

As part of its mandate, the Company's GNR Committee recommends succession plans for Directors. The Committee ensures that when the replacement of retired Chairman or Directors is made, candidates with the requisite skills and experience are identified, considering the Company's current and future needs.

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

As part of the governance process established at CJ regarding the succession planning of the Managing Director, A elaborated earlier in the Report, the succession plan is first discussed at the relevant Board Committees and the Board, prior to being referred to the CL Board for final approval. The CL Board is kept regularly informed of the progress all along the process.

The succession planning for the Executive Directors and Leadership Team is under the purview of the Human Resources and Organisation Committee. A Talent Review has been carried out for key leadership positions and a Business Continuity Plan formulated and approved by the Committee.

Principle 4 – Director Duties, Remuneration and Performance

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

The Directors are aware of their fiduciary duties as laid out in the Companies Act.

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

- Board Charter;
- Corporate Details and high-level Company organigram;
- Governance Framework;
- Code of Conduct;
- Company Constitution; and
- Information on the Company's Strategy and Financials.

Conflict of Interest and Related Party Transaction Policy

The Board Charter contains provisions to manage any potential conflict of interest and each Director is required to disclose any actual or potential conflicts of interests and recuse himself from participating in any discussion or decision on transactions in which he/she has an interest. All such disclosures of interest have been duly recorded in the minutes of Board meetings.

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

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

Information

The Chairman, with the assistance of the Leadership Team and the Secretary, ensures that all pertinent information is made available to the Directors in a timely manner for effective decision-making at Board meetings.

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

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

Information Technology and Information Security Governance

The transition from in-house operations to outsourcing of the management of the CJ Private Cloud to Emtel was carried out smoothly in November 2021. Cloud operations are monitored by the Company through established performance and security metrics that are reviewed monthly.

The resilience of the system was tested by carrying out a Vulnerability Assessment/Penetration Testing exercise (i.e. a simulated attack on Internet-facing systems to assess their security posture and identify vulnerabilities that could be exploited by a malicious attacker) by an international security firm from India. The results of this exercise were positive, with no critical or major threat detected on the system.

CORPORATE GOVERNANCE REPORT

An Information Security Management System ("ISMS") Committee was set up in August 2022 to look into the security postures of the Company and its subsidiaries. The charter for the ISMS Committee was also defined. The ISMS Committee had its first meeting on 17 November 2022, with the main objective to share the ISMS Charter and inform members of the Committee's responsibilities and the ISMS reporting structure, and agree on Information Security KPIs to be monitored by the Committee. The KPIs were defined for (i) Email Security, (ii) Firewall/Perimeter Security, (iii) Cybersecurity Controls, (iv) Compliance to Policies and (v) Information Security Awareness Sessions. The Company's Head of IT is responsible for reporting to the ISMS Committee on all the KPIs. The ISMS Committee reports to the Audit and Risk Committee.

In line with its strategic digitalisation objective, the middleware project built for the Company for automating entries from SunSystems financial application to Cognos Controller Consolidation Application was extended to the Currimjee Group of Companies. This has resulted in increased efficiency and removal of duplicate work and inputting errors.

The digitalisation process was further enhanced with the implementation of a new procurement app, Finansys App, which replaced Kissflow as it has been discontinued by the supplier. The Digitalisation Team, set up in 2021 to look into digitalisation initiatives for the Company and its subsidiaries, progressed on its mandate and reported its findings and recommendations to the Digitalisation Steering Committee.

Board, Board Committee & Individual Director evaluation

The Board evaluation is carried out internally on an annual basis through the circulation of a questionnaire. The results are analysed by the Secretary and first presented to the GNR Committee for recommendation of appropriate improvement action plans to the Board.

The evaluation of the Individual Directors is carried out every two years. Following the last evaluation conducted in 2020, a new exercise was carried out in 2022 through a 360-degree evaluation. The reports from the individual director evaluation are shared with the Chairman of the Board & the Chairman of the GNR Committee and each Director also receives his individual report containing his/her self-evaluation rating and an average of the ratings by fellow Directors.

Board Committees' evaluations are also carried out internally every two years. The evaluation of the Audit & Risk Committee, Corporate Governance Committee, Human Resources and Organisation Committee and Strategy & Finance Committee were conducted accordingly in2022. The feedback will be shared with the respective Committees for the formulation of improvement actions as may be required.

Remuneration Policy

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

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

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

Name of Director	Category of Director	Year 2022 Rs'000	Year 2021 Rs'000
Mr Bashirali A Currimjee – Chairman	NED	20,877	13,053
Mr Anil C Currimjee	ED	19,442	14,629
Mr M Iqbal Oozeer	ED	16,073	9,948
Mr Ashraf M Currimjee	NED	1,042	-
Mr Azim F Currimjee	NED	1,042	-
Mr Riaz A Currimjee	NED	575	625
Mr Christophe de Backer	NED	675	683
Mr Shahrukh D Marfatia	NED	1,378	1,473
Mr Karim Barday	ID	500	550
Mrs Aisha C Timol	ID	750	800
Mr Uday K Gujadhur	ID	625	633
Mr Manoj Kohli	ID	1100	770
TOTAL		**63,351**	**43,164**

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

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

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

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

Executive Directors' Service Contracts

The Executive Directors have a service contract with the Company, with no prescribed expiry terms.

Directors' & Officers' Liability Insurance

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

Directors' interests in Shares

The Directors' indirect interests in the stated capital of the Company at 31 December 2022 were as follows:

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

CORPORATE GOVERNANCE REPORT

Principle 5 – Risk Governance and Internal Control

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

Enterprise Risk Management ("ERM") consists of the systems, policies and practices put in place to manage a variety of business risks as well as capitalise on opportunities. ERM is an essential component of how business is conducted at CJ and within its business units.

Our ERM framework, which is based on the globally recognised COSO framework, acts as a foundation and guidance for setting out the plans and methodologies to strategically manage risks in an effective manner.

The framework includes a rigorous system of governance, risk committees, policies, processes and tools to help CJ Group in the management and reporting of risks to internal and external stakeholders. The framework serves as a tool to enable our businesses to effectively deliver on their strategic objectives.

In 2022, the uncertainties and risks faced by our businesses required us to be more vigilant. The Company has further developed its risk management framework by introducing a risk appetite statement.

The effective management of risks within CJ Group has ensured collaboration, consistency, ongoing improvement and alignment of reporting practices across our businesses and various committees.

Risk Management Model

The Group has an established risk management model which is fully integrated within our business processes. It provides our businesses with the necessary tools so that they can adequately identify and manage existing and new risks.

The deployment of the risk management model has positively contributed to each of our businesses, irrespective of their size and industries in which they operate.

Our risk management methodology is designed to analyse, identify, assess, evaluate, respond to and manage risks. This process also facilitates good decision-making, efficiency in operations, enhanced monitoring and reporting.

The internal audit function is outsourced to Ernst & Young, who provides independent assurance on our risk management function and internal control systems.

Three Lines of Defence

The Group maintained the "Three Lines of Defence" approach. The mechanism has been properly established and has contributed to effective governance across the businesses within the Group.

Lines of Defense

FIRST

Heads of business units and Risk Officers who own, manage and report on risks.

SECOND

The Corporate Risk Management function, which oversees the effectiveness of the development, implementation and maintenance of risk management.

THIRD

Independent assurance providers, such as internal and external auditors.

Governance

Good corporate governance plays a vital role in CJ Group. It enables our people to work towards the best interests of our businesses whilst ensuring a robust risk management system.

Given the exceptionally challenging environment, more time was dedicated to discussions pertaining to emerging risks and their implications for our businesses.

CJ is working towards implementing a Risk Appetite Statement (RAS). The RAS will be used as guiding principles in terms of the level and types of risks CJ is willing to accept, in order to determine its strategic directions.

The Board of Directors is ultimately responsible for the Company's risk management. It determines the Company's risk strategies and appetite. The Board of Directors has delegated the above responsibilities to the Audit and Risk Committee to assist in the effective implementation of the plans, policies and processes for risk management.

The Audit and Risk Committee reviews the effectiveness of the deployment and maintenance of the risk management framework. The Chairman of the Audit and Risk Committee regularly reports to the Board of Directors for risk-related matters.

The Corporate Risk Management Function reports to the Audit and Risk Committee. Its role is to oversee the effectiveness of the deployment and maintenance of the risk management framework. The Corporate Risk Management Function interacts closely with the business units to ensure that the ERM Framework is effectively in place and also with the outsourced internal audit function on the effectiveness of risk management to continuously strengthen the ERM process.

The business units have their own Audit and Risk Committees, who report to their respective Boards of Directors. The Corporate Risk Management function works closely with the management team of the business units, through regular meetings and their Audit and Risk Committees to ensure the implementation and compliance with the Group's ERM Framework.

All business units are responsible for managing their own risks and for continuously updating their risk registers, whilst ensuring that:

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

External service providers such as internal auditors and external auditors are appointed to provide independent assurance services on the Group's risk management effectiveness.

The global and local risk landscape

The profile of risks facing the world is evolving constantly. Events like the invasion of Ukraine have sent shockwaves through the global geopolitical and economic system, radically shifting perceptions of what the biggest risks facing humanity are.

Geo-economic confrontation has become more prominent since last year. This will likely give rise to sanctions, trade wars, investment screening, and other actions with the potential to weaken the countries on their receiving end.

The world is facing other significant challenges that are impacting communities at large, such as food security, the rising cost of living and inflation. When basic necessities like food and energy become more expensive, this can fuel social unrest and political instability, particularly in countries already facing simmering discontent. Climate change is further worsening the food insecurity situation by , upending the lives and livelihoods of many people around the world.

The global increase in inflation is having a significant adverse impact on businesses, as well as on people. This will, in turn, affect low-income households that spend a much larger share of their income on food items. Over and above inflation, developing countries have amassed high levels of debt that could be difficult to repay as the global economy slows down and interest rates rise.

CORPORATE GOVERNANCE REPORT

Internal Control

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

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

Whistleblowing policy

The Company's Whistleblowing Policy is communicated to the Directors and all employees. The Company aims at encouraging 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 with the confidence that they will be treated fairly.

In accordance with the Policy, an employee who reasonably believes that inappropriate business conduct is occurring should raise the concern with their immediate supervisor / manager or their superior, depending on the seriousness and sensitivity of the issues involved, and who is suspected of the malpractice. If the employee believes that management is involved, he / she should approach a more senior level of management within the Company and / or the Chief Human Resource Officer and / or the Chairman of the Company's Audit and Risk Committee. Should the matter have a direct link with the Chief Human Resource Officer, the whistleblower is advised to report the case to the Chairman of the Human Resources & Organisation Committee.

The Company will take appropriate action to protect the employee when he / she raises a concern in good faith and if the claim of questionable practice is substantiated and proved, appropriate disciplinary action will be taken against the responsible individual(s) up to and including termination of employment.

The policy ensures that the whistleblower's identity is treated with utmost confidentiality.

Principle 6 – Reporting with Integrity

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

Health and Safety / Employee Wellbeing Programme / Environment & Sustainability / CSR

The Board recognises that sustainability should be integral to the operating principles and business strategy of the Company. Consequently, a sustainability agenda and a governance structure have been put in place to manage and monitor the Environment, Social and Governance (ESG) objectives of the Company.

In 2022, the Company reviewed its sustainability charter, reflecting its three pillars of sustainability: Environmental Preservation, Social Inclusion and Human Capital, which are further translated into actionable strategic drivers, in alignment with the United Nations Sustainable Development Goals ("UN SDGs"). These commitments extend beyond compliance and are an integral part of the Company's strategy and operations.

Environmental Preservation

- Addressing Climate Change
- Preserving Ecosystems and Natural Resources
- Responsible Waste Management
- Environmental Stewardship

Social Inclusion

- Poverty Alleviation
- Quality Education
- Quality Health

Human Capital

- Inclusive and Fair Working Environment
- Employee Safety and Wellbeing
- Learning and Competency Development

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

Environmental Preservation

Addressing climate change

The Company acknowledges the contribution of its operations to the global phenomenon of climate change and proactively takes effective actions to minimise and offset its greenhouse gas emissions. In 2022, the Company began measuring its carbon footprint using the GHG Protocol to identify high carbon-emitting activities. Carbon reduction targets are currently being defined aligned with the long term vision of the organisation.

Several initiatives have also been implemented over the years to reduce and offset its carbon footprint such as use of LED lights, installation of solar PV panels and financing of reforestation projects.

Preserving Ecosystems and Natural Resources

Mauritius is known as a biodiversity hotspot, but its fauna and flora are highly threatened. The Company supports ecosystem restoration and biodiversity preservation programmes through close collaboration with local stakeholders.

In addition, the Company also aims at reducing its pressure on natural resources such as water by capturing rainwater and reducing the use of paper through the digitisation of paper-based products / processes.

Responsible Waste Management

The Company ensures the proper management of its waste by trying to reduce waste generation at source and ensuring all waste generated is responsibly recycled as applicable.

Environmental Stewardship

Achieving the sustainability goals of the Company requires the imminent support of employees and the community. The Company promotes environmental stewardship through awareness sessions on important topics and by encouraging employee participation in activities.

Social Inclusion

Poverty alleviation

The Company works closely with the community to support social and economic development programmes. Over the years, the Company has been supporting a number of long-term community empowerment programmes.

Throughout 2022, the Company provided food vouchers to employees earning less than Rs 20,000 per month to support them during the post-Covid and inflation period. A total of 1,483 vouchers amounting to Rs. 2,067,000 were distributed to employees throughout the year.

Quality Education

The Company believes that the sustainable development of society requires access to quality education. The Company offers educational support programmes for students from vulnerable communities.

Quality Health

The Company also cares about the wellbeing of the community and has been closely involved in several national health campaigns, blood donations and awareness sessions.

Human Capital

Inclusive and Fair Working Environment

The Company strives to create an inclusive and fair working environment for its employees. An equal opportunity policy and a Diversity and Inclusion policy have been adopted. To ensure an open communication culture, the Company also conducts an annual engagement survey exercise and has in place a documented grievance process to ensure any breach of fairness in the workplace is reported. The Company has also a Whistleblowing policy to ensure any unethical or inappropriate practices are formally reported to the highest level of the organisation.

Employee Safety and Wellbeing

Safety and Health

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

The Health and Safety Policy of the Company sets out recommendations for a safe working environment. Some of the practices include: appointment of a Safety and health consultant; set up of a Safety and Health Committee consisting of management and employee representatives, which meet every two months; safety and health training (first aid, fire safety, basic health and occupational safety); and emergency drill activities.

CORPORATE GOVERNANCE REPORT

Employee Wellbeing

The Company sustained its Employee Wellbeing Programme in 2022 through the promotion of mental wellbeing and preventive healthcare. The services of a professional counselling psychologist were made available to employees in need, and a wellness week was organised, during which employees had the opportunity to carry out preventive blood tests, and eye and dental checkups, free of charge. A series of awareness sessions on pertinent health-related topics such as diabetes, cardiovascular diseases and nutrition from experts in the field, were also carried out with employees. To promote a work-life balance, flexible working arrangements have been introduced.

Learning and competency development

Building an agile and future-ready organisation requires a strong culture of continuous learning. The Company carried out several technical skills training sessions on leadership and personal effectiveness for its employees through e-Skills Ltd, its training institution, and through external institutions. The Company also encourages and supports employees who wish to continue their academic studies in their professional field through its sponsorship programme for further studies.

The Company has also set up a structured employee performance management system to ensure they are well guided in their career development.

Corporate Social Responsibility

The operating companies of the Currimjee Group provide their CSR contributions (or a part thereof) to the Currimjee Foundation which manages and implements the Group's CSR projects. The Foundation, through its activities in the intervention areas of education, health, environment, socio-economic development and sports, contributes towards the UN SDG objectives. For the year 2022, the budget of the Foundation amounted to Rs 3,383,223.

CSR Projects in 2022

Information on the key projects sponsored by the Currimjee Foundation is available for consultation on the Currimjee website https://www.currimjee.com/we-care#currimjeefoundation

Key initiatives and projects sponsored by the Foundation in 2022 across the different focus areas included:

- Environment: La Citadelle Re-vegetation, Ebony Re-vegetation and Coral farming Project at La Cambuse.
- Health: Support to patients requiring overseas treatment, medical supplies to bedridden persons and medical campaigns in disadvantaged regions.
- Education: Remedial class for students in collaboration with Mangalkhan Sports Club.
- Socio-economic Development: Food packs for vulnerable people, donation of school materials to needy students, drug awareness programme for Roche Bois children.

Donations

Donations made by the Group and the Company were as follows:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Political donations	**Nil**	Nil	**Nil**	Nil
Non-political / charitable donations	**8,232**	415	**8,177**	415
TOTAL	**8,232**	415	**8,177**	415

Principle 7 – Audit

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

Internal Audit

Effective January 2021, the Company's Internal Audit Function has been outsourced to Ernst & Young (E&Y), following a tender exercise, and approval by the Board on the recommendation of the Audit & Risk Committee.

The role of the internal auditor is to provide assurance by assessing and reporting on the effectiveness of governance, risk management, and control processes designed to help the organisation achieve its strategic, operational, financial, and compliance objectives. As such, the Internal Auditor reviews the design and operating effectiveness of the Company's controls for the areas identified as part of the Internal Audit plan, and submits an internal audit report to the Audit & Risk Committee for each internal audit visit, including their observations and agreed upon management actions to remediate control gaps.

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

a. Reviews the risk assessment results of prior years to establish the Company's risk profile, which will enable a rolling three-year risk-based Internal Audit plan (IA plan) to be formulated and agreed upon by the Audit & Risk Committee. The primary objective of the Risk Assessment exercise is to establish a risk universe for each business unit and group from which the Internal Auditor can decide the areas to be audited, thereby ensuring the audit scope is correct. The Internal Auditor uses the existing risk registers at business unit level and apply their tools, knowledge, resources and experience to identify any additional risks that are relevant to the business units concerned. This forms the basis for crafting the rolling three-year internal audit plan that focuses on the higher risk areas which will be subject to audits.

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

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

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

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

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

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

c. Strategic insights that improve business performance.

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

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

The Internal Auditor reports independently to the Chairman of the Audit & Risk Committee and the Chairman of the Board on all internal audit matters, and is responsible for providing assurance to the Audit & Risk Committee regarding the implementation, operation and effectiveness of the Company's internal control systems.

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

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

CORPORATE GOVERNANCE REPORT

External Audit

Following a tender exercise in 2020, PricewaterhouseCoopers was appointed as External Auditors of the Company. Their re-appointment for the financial year 2022 were subsequently approved by the Shareholders.

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

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

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

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.

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

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

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Audit	8,292	7,789	1,313	1,340
Non-Audit	2,412	3,382	1,305	1,286
TOTAL	10,704	11,171	2,618	2,626

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

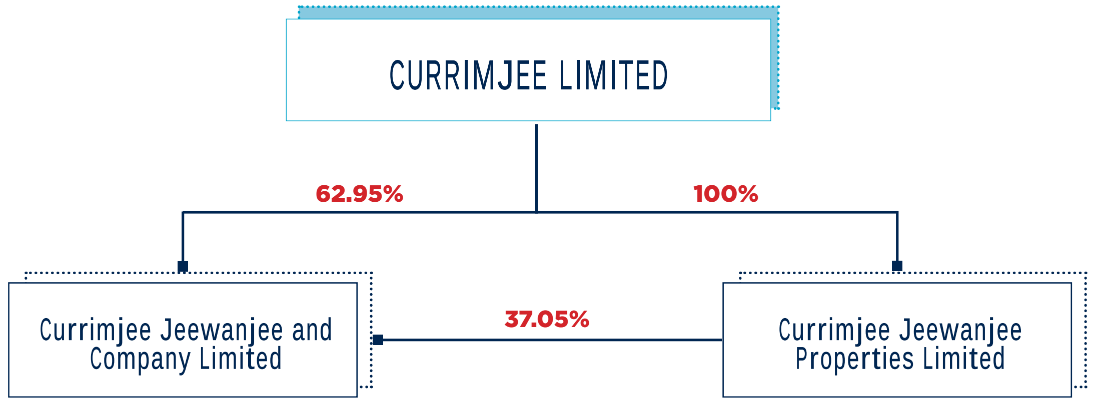
The Board ensures that provision of non-audit services by the External Audit firm are delivered by a team of officers that is completely independent from the external audit team, to ensure that the Auditor's objectivity and independence are safeguarded.

Principle 8 – Relations with Shareholders and Other Key Stakeholders

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

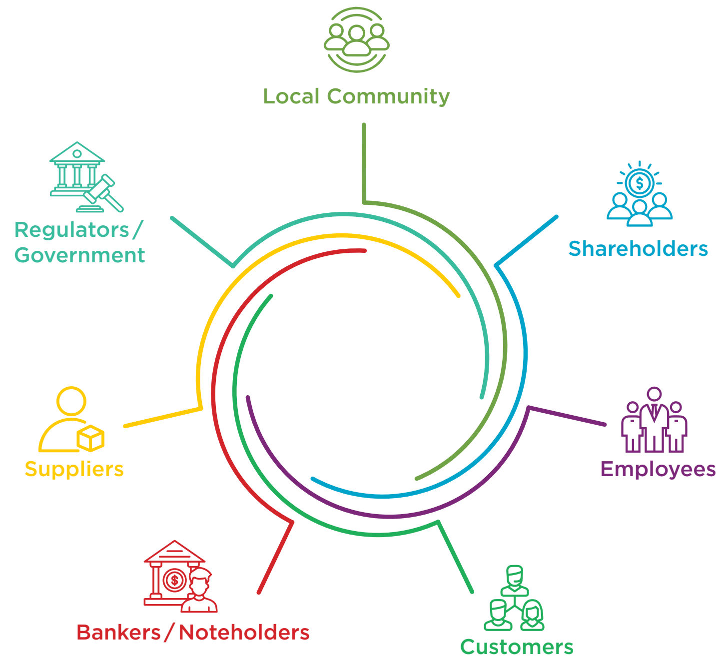
Ownership Structure

As at 31 December 2022, the Company has issued 297,000 Ordinary Shares of Rs 100 each and the shareholding structure of the Company is set out below:



Company's Key Stakeholders

The Company's key stakeholders are set out below:



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

CORPORATE GOVERNANCE REPORT

Calendar of key events

The calendar of key events for Shareholders is as follows:

Financial Year End
31 December 2022

Circulation of Annual Report to Shareholders
June 2023

Approval of Annual Report by Shareholders
June 2023

Shareholders' Agreement

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

Dividend Policy

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

The Board has declared and paid total dividends of Rs 129.5 million for the year under review (year 2021: Rs 112.5 million).

Approved by the Board of Directors and signed on its behalf on 19 May 2023.

Director

Director

Statement
OF COMPLIANCE

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

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

Reporting Period: 01 January 2022 to 31 December 2022

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

Principle 2 – The Structure of the Board and its Committees

The Audit & Risk Committee is not constituted of a majority of Independent Directors – it comprises two Non-Executive Directors and two Independent Directors. The Board believes that the Non-Executive Directors exercise independence of mind and judgement and it is satisfied that the current committee composition enables the Audit & Risk Committee to discharge its responsibilities effectively.

Principle 8 – Relations with Shareholders and other key Stakeholders.

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

SIGNED BY:

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

Mr Anil C Currimjee
Managing Director

Date: 19 May 2023

Secretary's
REPORT

Currimjee Jeewanjee and company limited (the "company")

Under section 166(d) of the companies act 2001

We certify that the Company has filed with the Registrar of Companies, for the year ended 31 December 2022, all such returns as are required of the Company under the Companies Act 2001 of Mauritius.

Currimjee Secretaries Limited

Per Ramanuj Nathoo

Secretary

Dated this 19 May 2023

Risk
MANAGEMENT REPORT

OVERVIEW

The proactive and effective management of risk is crucial to the execution of Currimjee Jeewanjee and Company Limited (CJ Group)'s strategy.

Enterprise Risk Management (ERM) consists of the systems, policies and practices put in place to manage a variety of business risks, as well as capitalise on opportunities. ERM is an essential component of how business is conducted at CJ and within its business units.

Our ERM framework, which is based on the globally recognised COSO framework, acts as a foundation and guidance for setting out the plans and methodologies to strategically manage risks in an effective manner. It includes a rigorous system of governance, risk committees, policies, processes and tools to help CJ Group in the management and reporting of risks to internal and external stakeholders. The framework also serves as a tool to enable our businesses to effectively deliver on their strategic objectives.

In 2022, the uncertainties and risks faced by our businesses required us to be more vigilant. We further strengthened our risk management framework by introducing a risk appetite statement.

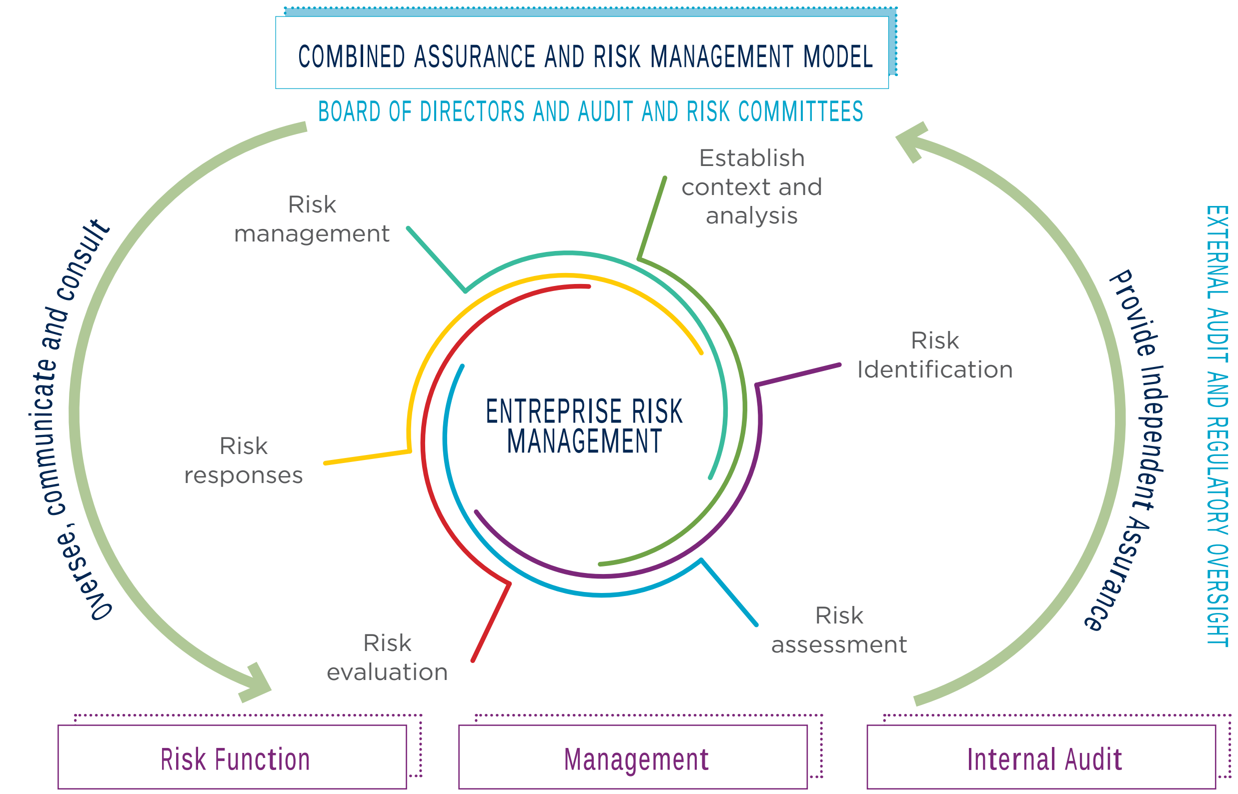
The continuous improvement of our risk practices, and effective management of risks within CJ Group, have ensured collaboration, consistency and alignment in terms of reporting across our businesses and committees.

RISK MANAGEMENT MODEL

We have an established risk management model which is fully integrated within our business processes. The deployment of the risk management model has contributed to each one of our businesses, irrespective of the size and industry in which they operate.

Our risk management methodology is designed to analyse, identify, assess, evaluate, respond to and manage risks. This process also facilitates good decision-making, efficiency in operations, as well as enhanced monitoring and reporting.

The internal audit function is outsourced to Ernst & Young, who provides independent assurance on our risk management function and internal control systems.



FIRST

Heads of business units and Risk Officers who own, manage and report on risks.

SECOND

The Corporate Risk Management function, which oversees the effectiveness of the development, implementation and maintenance of risk management

THIRD

Independent assurance providers, such as internal and external auditors

Three Lines of Defence

We maintained the "Three Lines of Defence" approach to appropriately allocate the ownership of risks and controls. The mechanism has been properly established and contributed to effective governance across businesses within the Group.

Lines of Defence

GOVERNANCE

Good corporate governance has a significant importance in CJ Group. It enables our people to work towards the best interests of our businesses and their stakeholders, whilst ensuring a robust risk management system.

Given the exceptionally challenging environment, more time was dedicated to discussions around emerging risks and their implications for our businesses.

Risk Appetite Statement

CJ is working towards implementing a Risk Appetite Statement (RAS), which will be used as a guiding principle in terms of the level and types of risks CJ is willing to accept, in order to determine its strategic directions.

Board of Directors

The Board of Directors is ultimately responsible for the company's risk management. It determines the company's risk strategies and appetite.

Audit and Risk Committee

The Board of Directors has delegated the above responsibilities to the Audit and Risk Committee to assist in the effective implementation of the plans, policies and processes for risk management.

The Audit and Risk Committee reviews the effectiveness of the deployment and maintenance of the risk management framework.

The chairman of the Audit and Risk Committee regularly reports to the Board of Directors for risk-related matters.

Corporate Risk Management Function

The Corporate Risk Management function reports to the Audit and Risk Committee. Its role is to oversee the effectiveness of the deployment and maintenance of the risk management framework.

The Corporate Risk Management function interacts closely with the business units to ensure that the ERM Framework is effectively in place. It also works closely with the outsourced internal audit function on the effectiveness of risk management to continuously strengthen the ERM process.

Business Units

The business units have their own Audit and Risk Committees, which report to their respective Boards of Directors. The Corporate Risk Management function works closely with the Management team of the business units, through regular meetings and their Audit and Risk Committees, to ensure the implementation of and compliance with the Group's ERM Framework.

All business units are responsible for managing their own risks, as well as continuously updating their risk registers, whilst ensuring that:

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

External Service Providers

External service providers, such as internal auditors and external auditors, are appointed to provide independent assurance services on the Group's risk management effectiveness.

GLOBAL CONTEXT

The profile of risks facing the world is evolving constantly. Events like the invasion of Ukraine have sent shockwaves through the global geopolitical and economic system, radically shifting perceptions of what the biggest risks facing humanity are.

Geo-economic confrontation has become more prominent since last year. This will give rise to sanctions, trade wars, investment screening, and other actions that have the intent of weakening the countries on the receiving end.

As a consequence, the world is facing significant challenges that are impacting communities at large, such as food security, the rising cost of living and inflation. The rising cost of basic necessities like food and energy has the potential to fuel social unrest and political instability, particularly in countries that are already suffering from social tensions.

Climate change is causing harmful and extensive changes in the environment, disturbing the lives of many people around the world, particularly with respect to food security. Despite the aggregated efforts put in by a large number of countries, the world is struggling in its efforts to establish food security. In the Food and Agriculture Organization (FAO)'s annual report (The State of Food Security and Nutrition in the World 2022 – SOFI), it is stated that as many as 828 million people around the world are facing hunger.

RISK MANAGEMENT REPORT

The global increase in inflation is having a significant adverse impact on businesses, as well as on people. This will, in turn, affect low-income households that spend a much larger share of their income on food items. Over and above inflation, developing countries have amassed high levels of debt that could be difficult to repay as the global economy slows down and interest rates rise. The World Bank's International Debt Statistics 2022 reveals that the external debt stock of low and middle-income countries in 2021 rose to $9.3 trillion (an increase of 7.8% compared to 2020) – more than double a decade ago in 2010. For many countries, the increase was by double digit percentages, severely compromising their chances of sustainable development.

In recent years, cybersecurity risk management has become a struggle for many organisations, and security teams are struggling to keep up with the threat landscape as it evolves. Cyberattacks are growing more sophisticated and frequent. On a global scale, companies are adopting new technologies facilitating their moves towards digitalisation, which also increase the risk of cyber-attacks. Businesses are aware that the escalation in geopolitical tensions in most regions could also change the targets of cyber attackers.

There is currently a major attrition in the labour force worldwide, due to societal issues namely, post-Covid-19 stress, mental health deterioration and the increased cost of living. Large number of employees are leaving their jobs, and companies are struggling to retain their workforce. Additionally, technological companies are laying off employees in scores, partly due to the fear of a possible recession in the short term.

LOCAL CONTEXT

Whilst Mauritius was in recovery phase from the pandemic, new challenges emerged due to the war in Ukraine.

Mauritius has not been spared from the effects of these global issues. In fact, the island has been severely impacted in terms of rising inflation and interest rates, the depreciation of the Mauritian Rupee and the volatility in exchange rates. In 2022, the inflation rate reached nearly the 11% mark. A higher attrition in the labour force has also been felt locally, particularly in the hospitality sector.

Following the reopening of the borders in October 2021, we noted a much-needed boom in the travel industry, helping the recovery of the tourism and hospitality sector in 2022. This was facilitated by the relaxation of Covid-19 health protocols, as well as an increase in air traffic.

Economic trends indicate that price pressures will remain high, although a stabilisation of the inflation rate is expected in 2023. Economic pressures have also led to an increase in interest rates and coupled with high inflation, has resulted in higher cost of living for Mauritians. These factors will force consumers to pull back on discretionary spending and focus on essentials and basic necessities.

In addition to the above-mentioned risks, we are still facing major challenges, such as the rising costs of fuel, high costs of freight, supply chain challenges, volatility in exchange rates, adverse effects of climate change and growing cyber threats.

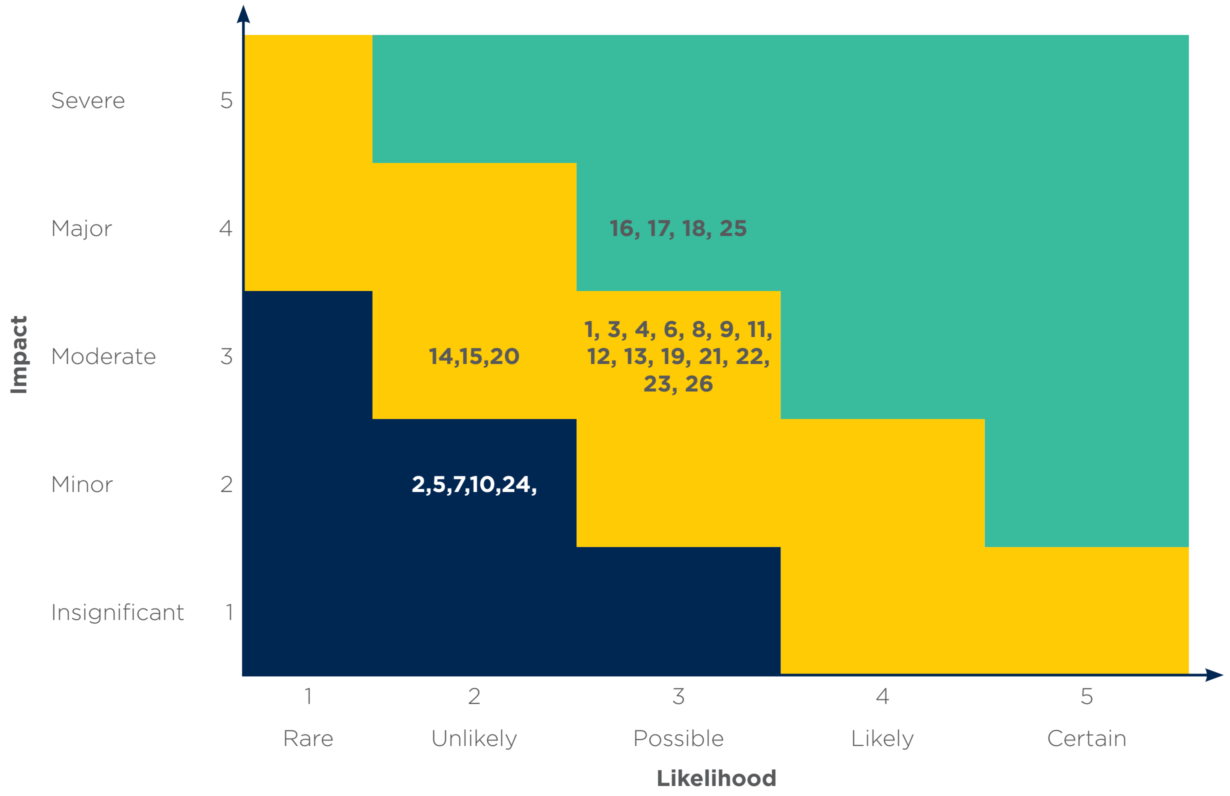
Although our organisational objectives were influenced by both the existing and emerging risks, our businesses have shown resilience and were able to pursue their strategic objectives.

During 2022, the TMIT cluster launched its FinTech App and 5G, which will open up opportunities for other services. In our Hospitality and Tourism cluster, Anantara Iko Hotel had its full year of operations, and the Real Estate Cluster was restructured to build scale.

MANAGING KEY RISKS RELATING TO OUR BUSINESS AND INDUSTRY

The potential risks affecting CJ and its businesses have been identified and analysed to form a basis for determining how they should be managed. The risks are assessed on both an inherent and a residual basis, and are measured based on their likelihood and impact.

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



RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
1. Economic Downturn and Changing Market Conditions	The global economy has been facing a slowdown mainly due to the prolonged effects of Covid-19 and its impacts, both on the international and local market conditions. The business environment remains volatile. The Russia / Ukraine war has aggravated the impacts resulting from global inflation, the energy crisis, supply chain disruptions, unemployment, social tensions and poverty. Locally, the hospitality and tourism industry, which is one of the pillars of the economy, is picking up. In 2022, an upturn in the tourism industry was fuelled by the phenomenon of 'revenge travel', although the visibility is uncertain. Businesses still need to be resilient. Our businesses run the risk of: • Disruptions in operations with consequences such as financial loss, increased costs, etc. • Being exposed to an adverse economic environment, impacting the ability to achieve set objectives. • Reduced demand for our products and services due to the erosion of the purchasing power of Mauritians.	• Close monitoring of key international and national economic indicators. • SWOT analysis and re-assessment of the environment. • Regular review of strategic objectives at the Strategic Committee level. • Identification of potential opportunities for rebound. • Tighter controls on our businesses and better cash flow management. • Internal capacity to amend and adjust the business model. • Review and introduction of new products and services to make them more accessible to our customers. • Continuous assessment of the resilience of the businesses by focusing on employee health, safety and continuous engagement, customer retention measures and potential cost savings, without affecting the agility of the companies. • Adaptation of the business model to new situations and scenarios which may arise. • Deployment of business continuity protocols in case of a lockdown due to a pandemic or any other crisis, and appropriate policies and controls are in place for the new work environment. • Capitalise on positive disruptions in some areas of our businesses. • Synergies across business units, with a focus on major projects such as digitisation and customer centricity. • Leverage knowledge and experiences gained from the global pandemic to build on organisational strengths for managing future exposures and selectively see where we can gain market share.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium ↔	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
2. Corporate Culture	A good corporate culture provides important benefits to organisations. The leadership style, as well as shared beliefs, attitudes, common behaviours and actions taken, have become major contributors to the effective management of businesses. The influence of a good corporate culture is extensive on businesses. The main causes of an inadequate corporate culture are: a non-alignment of core values, non-adherence to the code of conduct, inappropriate leadership style, poor communication, and high staff turnover and these would bring the following risks: • No appropriate tone and direction from top management. • No consistent commitment to ethical and moral principles. • No common acceptance of the organisation's values. • No alignment between the organisation's values and actions taken. • No transparent and timely flow of information across the organisation. • No encouragement of learning from mistakes. • Good behaviour not encouraged. • Inappropriate behaviours not challenged and sanctioned. • Unpleasant workplace, leading to a less motivated and engaged workforce.	• Collaborative efforts from both the leadership and team members to work towards maintaining a corporate culture which reflects the values of CJ. • Convenient and pleasant work environment and work benefits that are appreciated by team members across various age groups, and which contribute significantly to employee engagement. • Aim at having a diverse group of passionate people trusted by all stakeholders, through the implementation of gender diversity and inclusion initiatives. • Promote ethical behaviour as part of day-to-day activities, adherence to corporate values across all levels of the organisation and foster a sense of responsibility and accountability towards all stakeholders. • Ensure the right tone and direction at the top, consistent leadership style and clear communication flow across the organisation. • Encourage sharing of knowledge and learning from mistakes. • Ensure that customer centricity remains our focus. • Have an engaged workforce, with a view to increase their wellbeing and strengthen our corporate culture.	Operational Efficiency Sustainability Focus	Low	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
3. Innovation	Innovations provide great opportunities and are critical for the survival, economic growth and success of any company. It is imperative for us to remain agile in an ever-evolving landscape by adapting our operating model to changing market dynamics. To maintain a sustainable business, we must overcome the following challenges: • Lack of a targeted strategy on innovation. • Lack of skilled resources and our level of agility. • Not having a continuous improvement culture to ensure ongoing innovation. • Unable to find the right integrated solutions to effectively address the future requirements of our businesses.	Right enablers in place to ensure focus on innovation: Policy and Processes • Implementation of the right policies and processes across the organisation to foster innovation. • Digitisation of internal processes in key areas of business. System • Constantly aim to gain deeper insights into evolving customer behaviours and expectations, and implement resulting targeted strategies. • Invest in technologies, infrastructure and skills to support innovation. Structure • Innovation being critical to our survival, the Group has fostered a culture of innovation over time, and continues to reinforce it. • Leverage our relationship with our international strategic partners to be able to keep pace with the evolution in technologies and offer innovative products and services. • A Group Cross Functional Digitisation Team was established to study the possibility of leveraging best practices across the Group and make further improvements through a coordinated approach. • Extend our support to societal activities via Trampoline, a social enterprise accelerator specifically designed to help passionate entrepreneurs grow sustainable-impact businesses.	Operational Efficiency Business Portfolio Management	Medium	

Financial Human Intellectual Relationship Manufactured Social & Natural

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
4. Customer Satisfaction and Experience	In a competitive market place where businesses compete for customers, the satisfaction and experience of customers are seen as key differentiators. Businesses that succeed in these cut-throat environments are the ones that make customer satisfaction an integral element of their business strategy. Some of our businesses may not be able to sustain a customer-centric culture due to: • Lack of customer focus throughout the organisation. • Lack of skills, competencies and training of our personnel. • Lack of sound systems, policies and processes. • Lack of employee engagement. • Poor quality products and services. • Lack of support from suppliers. • Absence of formal customer feedback. • Service Level Agreement (SLA) not formalised with outsourced parties.	• Focus on the engagement of our human capital and culture. • Enhance the customer journey to improve clients' satisfaction and unlock potential opportunities. • Constantly adjust our product offering to meet evolving customer expectations. • Improve the tracking and monitoring of our customer experience levels through regular surveys and a customer feedback system. • Carry out continuous training on product and service delivery in order to close the skills gap. • Ongoing monitoring of customer interfacing and touch points. • Establish clear SLAs with key stakeholders for deliverables, ensuring successful and mutually beneficial relationships with all our providers. • Leverage data analytics for effective decision making. • Put in place skills, policies and structures that support improved customer experience with a focus on increased digitalisation of these processes. • The Customer Centricity Strategic Initiative put in place has continued to support the business units in their journeys towards enhancing customer satisfaction.	Business Portfolio Management Operational Efficiency	Medium	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
5. Reputation and Brand Value	The Group operates in a number of sectors through various companies and brands that are well known nationwide, thus resulting in an exposure to reputational and brand value risks. The protection of our reputation and brands remains one of our top priorities as it reflects how our companies and brands are perceived by various stakeholders such as the customers, media, employees, competitors, regulators and providers of capital. Damage to our image and brands could be the result of: • Not adhering to our values. • Lack of sound governance. • Non-compliance with applicable laws and regulations. • Non-conducive interaction with our stakeholders as a result of misrepresentation, unethical and fraudulent behaviour. • False promises on the delivery standard of products and services. • Lack of sound internal governance principles and risk management system. • Unfounded negative comments on social media.	• The Group has a strong governance system in place. • The Group Code of Conduct is clearly defined and acknowledged by all employees and Board members yearly. • Constant reaffirmation and diffusion of our core values across the Group with clear behavioural guidelines. • Deployment of a Whistleblowing Policy across the Group. • Assurance exercises are carried out by both internal and external auditors on compliance matters. • Presence of a dedicated Communication department at the corporate level. • Presence of a relevant Public Relations cell that intervenes as and when required. • Prompt response to unwarranted representations across all media. • Monitoring of press and media releases on a daily basis. • Adoption of an Environmental and Sustainability framework. • Focus on the quality of products and services offered, as well as on the expectations of our customers, to avoid distorting the perceived brand value. • Maintenance of our brand value by building a strong bond of loyalty with customers. • Company website and presence on social media for an enhanced effective interaction with our stakeholders.	Operational Efficiency Business Portfolio Management Financial Risk Management Sustainability Focus	Low ↓	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
6. Cyber Threats	Businesses continue to suffer from cyber threats, with ever more sophisticated cyber attacks / crimes in the form of internal attacks, viruses, theft of data, ransomware, phishing and others. This has placed the data and assets of corporations at risk. Systems and technology failures may disrupt our businesses due to IT infrastructure breakdown, cybersecurity failure and technology governance failures. The main risks affecting our businesses are: • Loss of data, including personal data, impacting our businesses and reputational risk. There is also the risk of non-compliance with law governing Data Protection. • Lack of investment in cyber security architecture, which may result in an array of cyber risks. • Disruption or halt in IT operations due to cyber threats. • Unavailability of network due to major unforeseen event. • Social media platform being pirated or wrongly used.	• Implementation of a robust cybersecurity framework. • Continuous monitoring and upgrade of our IT activities, infrastructure & cloud environment. • Installation of reliable anti-virus software and firewalls, which are updated regularly across all systems. • Yearly drills and assessment of disaster recovery facilities. • Set up of an Information Security Management System committee reporting to the Audit and Risk Committee on the IT security posture of CJ and its subsidiaries. • Secured and controlled access to IT resources. • Regular awareness programmes carried out on information security issues. • External and internal IT audit (including pen tests every year). • Network redundancy alternatives in place. • Our disaster recovery is structured around a state-of-heart data centre belonging to one of the subsidiaries of the Group. • Training and upgrading skills of our team. • Leveraging IT skills across the Group.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium 	 

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
7. Regulatory Compliance	On account of its diversified investment portfolio, the Group is subject to various laws and regulations in areas such as insurance, health and safety, tourism and hospitality, telecommunications and media. Non-compliance with those laws and regulations may result in licence issues, disputes, litigations, severe fines and penalties.	• The process of complying with regulatory requirements is embedded in the internal control systems. • The Group has in-house legal resources, and also works closely with reputable law firms and other professional firms. • Strong corporate culture of respecting and complying with all legal and regulatory requirements. • Strong governance structure in place that provides assurance on legal and regulatory compliance.	Business Portfolio Management Financial Risk Management	Low	
8. Societal	The world is faced with many social disturbances in the form of: • Diseases and calamities • Food supply crisis • Social cohesion erosion • Youth disillusionment • Mental health deterioration • Social inequality • Livelihood crisis Increased cost of living / Eroding purchasing power: • Debt crises / Increase in interest rates • Social security collapse • Forced migration These social issues may heavily impact our businesses and cause major disruptions to our operations.	The following measures are being considered: • Assessment of the impact of those risks, with implementation of mitigation measures to address those risks. • Regular monitoring of the emergence of any event that could have a negative impact on society and on businesses, and the implementation of preventive measures required to avoid the risks. • Collaboration with governmental institutions for sustainable solutions. • Societal impacts are addressed as part of our business objectives. • Direct support to vulnerable groups in the society. • Encourage employees to participate in our sustainability efforts.	Business Portfolio Management Sustainability Focus	Medium	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
9. Climate Change	Climate change has direct negative impacts on businesses and lives of people. Climate change may affect the performance of a business' operational, financial, environmental and social activities. As a result of climate change and its geographical location, Mauritius is more exposed to flash floods, droughts, increases in temperature, erosion in coastal areas and more so, severe tropical storm, intense cyclones, and thunderstorms. This situation can seriously affect our business properties and interrupt our operations, thus resulting in potential significant costs and reduction in revenues. More particularly, our businesses in the telecom and media sector will suffer the most as there could be damage to antennas and towers for TV broadcasting and telecommunication. Changes in the climatic conditions in the Indian Ocean are constantly affecting the weather in Mauritius. This could affect the attractiveness of Mauritius as a tourism destination.	• More generators at our stations over time. • Increase fibre connectivity between towers, hence improving our network. • Strengthen our towers. • Enhance our product offers and increase Enterprise Connection, Home Broadband and content over Internet via OTT. • Educate our customers on managing their dishes by lowering them in case of deteriorating weather conditions. • Minimum stock level to replace damaged items. • Set up of a cyclone process with an emergency team. • Provision of relevant insurance covers.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium ↔	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
10. Talent Management and Succession Challenges	Our people are fundamental to driving our business performance. We may face a talent shortage, coupled with an inability to attract and retain key personnel and secure backup resources for key positions as a result of: • Being an unattractive employer. • Not being able to generate, organise, develop and disseminate knowledge. • Inexistent or inadequately defined HR policies. • Poor talent management system. • Low employee engagement levels. • Lack of succession planning. • Lack of investment in talent development. • Wrong perception of the Group. • Brain drain and unavailability of skilled labour.	• A formal recruitment and onboarding policy is in place, with clear guidelines. • An annual employee engagement survey is carried out and actions arising therefrom are implemented and closely monitored. • HR policies have been defined pertaining to, amongst others, flexible working arrangements, diversity and inclusion, parental benefits, employee wellness and wellbeing. • Implementation of a formal Performance Management System. • Implementation of a formal Talent Development programme. • Implementation of a Business Continuity Plan (BCP) approved by the Boards, with clearly defined roles and actions to support the BCP and implementation of a succession planning system. • Salary benchmarking exercise conducted at regular intervals to ensure alignment with the market practices. • Implementation of leadership development initiatives through coaching plans and individual development plans. • Continuous investment to improve the work environment and therefore increase employee engagement. • A HR committee at the Board level is in place, which meets at defined intervals. Clear HR strategy focusing on making us an employer of choice. • A succession planning process is in place.	Operational Efficiency Business Portfolio Management Financial Risk Management	Low	

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

RISK MANAGEMENT REPORT

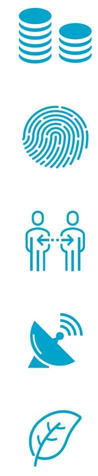
Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
11. Financial Stability	A sound financial system is necessary to ensure financial stability. Our group companies operate independently without undue reliance on corporate support for financing. As such, the business units within the Group are expected to be self-financed. However, the inability to secure financial stability may be due to: • Economic recession and unforeseen economic shock. • Poor governance principles and strategies. • Mismatch in the leveraging of debt between the Holding company and its subsidiaries. • Absence of a dividend pay-out policy. • Erroneous financial reporting and breakdown of internal controls. • Change in the business environment impacting our product and services. • Foreign currency fluctuations. • Rising inflation and interest rates.	• Quarterly meetings between the Board's Strategy and Finance Committee to address financial planning and strategies. • Issues pertaining to financial matters are addressed at different forums such as management meetings, Board meetings, committee meetings and also during the Annual Operating Plan exercise. • Appraisal of all projects through feasibility studies, which also include the assessment of proposed funding plans. • Implementation of a dividend payout policy. • Design and implementation of a Financial Internal Control framework within the Group, and regular assurance exercises are carried out to ensure compliance and effectiveness. • In the context of the economic challenges, the Group continuously assesses its financial resilience and takes appropriate measures. • Adoption of hedging techniques, as far as possible, to mitigate the volatility of foreign exchange movements. • Recourse made to government support, where available.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium	

Financial Human Intellectual Relationship Manufactured Social & Natural

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
12. Portfolio Mix	In the uncertain and volatile business environment, a broad mix of investments is necessary to ensure business sustainability. A balanced portfolio mix is critical for the Group to average its risk exposure. The inability to maintain an optimal mix of investment is due to: • A poor investment strategy. • Unbalanced weightage of specific business activities. • Risk appetite not conducive to growth and diversification. • Corporate culture is not favourable for innovation. • Lack of foresight.	• Diversification of investment is one of the Group's major strategic considerations and is subject to review on a regular basis at the Board's Strategy and Finance Committee. • Implementation of measures to provide for new revenue streams within our existing Telecom and Media sector. • Deepening of our investment in other sectors, such as real estate, to build businesses with scale and with greater strategic opportunities. • Maintenance of our competitive edge by investing massively in our core competencies. • Structured approach to allocate capitals and resources.	Business Portfolio Management Financial Risk Management	Medium 	
Industry (Sector) Risks					
Telecom & Media					
13. Technology	Technologies are evolving rapidly, giving rise to new consumption patterns, business models, competitors and an accelerating digitalisation process. CJ needs to ensure that the Group is agile and innovative to respond to new customer expectations. The potential risks are: • Adoption of new technologies by competitors ahead of our businesses. • Inability to anticipate and adopt new technologies. • Inadequate and/or limited knowledge of the evolving industry. • The emergence and presence of disruptive players. • Change in the consumption patterns leading to obsolescence of our existing technologies. • Our inability to attract the appropriate talent and to provide competent service. • Reluctant and delay in adopting new technologies to improve internal processes and customer interfaces.	• Leverage our network of international strategic partners and experts' knowledge of the industry. • Adoption of new technologies ahead of the curve and build future-ready network capabilities to offer innovative products and services. • Launch of a FinTech mobile app and 5G, which will open up opportunities for other services. • The talent development programme, which is in place, supports our ability to attract and retain high-calibre talents across the Group. • Continuation of the Group's digitalisation roadmap to enhance internal efficiencies and external interfaces. • Major move towards the convergence of strategies between our companies in the telecom and media sectors, by leveraging synergies and remaining dynamic in the evolving market. • Appropriate organisational structure with inbuilt agility to enable the transformation of businesses where required.	Operational Efficiency Business Portfolio Management Sustainability focus	Medium 	

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
14. Execution of Strategic Projects	Successful completion of strategic projects is key for business growth and attaining strategic objectives. As such, we may face the risks of: • No effective execution of projects for strategic growth. • Inability to monetise investments and generate more value to the Group.	• Comprehensive assessment of the financial returns of projects prior to the execution of the projects. • Close monitoring of the effective implementation of strategic projects. • Development of new strategies and implementation of appropriate action on a timely basis to ensure increase in market share. • Continuous monitoring of competitors and their offerings, and effective response to market trends. • Continuous enhancement of the FinTech app and 5G deployment, to improve customer engagement as well as retention. • Investments in long-term objectives with a strong focus on business performance, the efficient monitoring of key KPIs and an efficient governance. • Regular exercise undertaken with the aim of optimising network/connectivity in regions with high numbers of complaints by evaluating network status and implementing recommendations.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium ↔	
15. Loss of Competitiveness and Market Share Dilution	Risk of losing market share due to the inability to maintain/improve our competitive advantage. We could be facing the following challenges: • Inability to sustain the market share due to aggressive competitive pricing strategies. • Failure to achieve equilibrium between short term growth & long-term value creation strategies, by lack of investment. • Inconsistent network quality, resulting in negative customer experience, increased complaints & reputational loss.	• Development of new strategies and implementation of appropriate action on a timely basis to ensure increase in market share. • Continuous monitoring of competitors and their offerings, and effective response to market trends. • Continuous enhancement of the FinTech app and 5G deployment, to improve customer engagement as well as retention. • Investments in long-term objectives with a strong focus on business performance, the efficient monitoring of key KPIs and an efficient governance. • Regular exercise undertaken with the aim of optimising network/connectivity in regions with high numbers of complaints by evaluating network status and implementing recommendations.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium ↔	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
16. Content Rights	The commercial success of the business depends on how consumers subscribe to various forms of content and the ability of the company to propose premium and exclusive contents. The risks associated with securing content rights are: • Content providers are not able to renew their broadcasting rights. • Unavailability of substitute content. • Unfavourable pricing. • Sudden discontinuation of transmission of certain channels.	• Close monitoring of the evolution of content rights internationally. • Implementation of an adequate strategy for the management of rights. • Support from and strong long-term agreements with our content providers. • Seek potential alternate channels and forms of content as and when required. • Secure rights across platforms. • Communication to subscribers on changes to line-up.	Business Portfolio Management Financial Risk Management	High	
17. Consumption Pattern	Risks associated with the shift in content consumption, from linear transmission to “catch up” and “video on demand”.	• Prompt and effective response to the shift in customer consumption patterns by providing innovative OTT products (On Demand Content – Play & My Canal) and leverage broadband offerings. • Positioning of the business as a major content aggregator. • Targeted investment in people, as well as building skills and the required infrastructure.	Operational Efficiency Business Portfolio Management Financial Risk Management	High	
18. Content Piracy	Technological advances and increased access to high-speed internet connections continue to enable computer, smartphone and tablet users to share content and facilitate piracy. The illegal provision of free or paid content in Mauritius is due to: • Access to technology to provide such content. • Lack of monitoring by regulatory authorities.	• Monitoring and tracking of illegal content providers. • Actions by telecom operators to ban access to illegal broadcasters in Mauritius. • Seek assistance from and request the intervention of regulatory authorities.	Business Portfolio Management Financial Risk Management	High	

Financial Human Intellectual Relationship Manufactured Social & Natural

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
Real Estate					
19. Property Competitiveness	In a Real Estate market which is highly competitive, it is more likely that tenants would have various alternatives / options from which they can consider. Our properties may be impacted in terms of their attractiveness and competitiveness in the market due to the structure, age, location, urban development and any other limiting factor. As a result, we are faced with the following risks: • Shift in customer preferences and behaviours. Many businesses are encouraging their employees to work from home rather than come to the office. This is causing a fall in the demand for office space. This trend can be noted both internationally and locally. • Evolution in competitors' offerings. • Poor accessibility to the property. • Buildings are not technology-friendly. • Adverse changes in the surrounding / neighbourhood. • Inability to comply with environment-friendly initiatives. • Failure to generate expected yield on existing asset value.	• Strategic review of the property assets and the environment are carried out regularly. Any change required to adapt to the prevailing market conditions is considered. • Our facilities management unit embraces Green Building initiatives. One of the Group's properties is listed on the Stock Exchange of Mauritius Sustainability Index (SEMSI). • Being a member of the Green Building Council Mauritius, management is kept abreast of the green and sustainability best practices in real estate development. • Investment in new technologies and implementations of measures to maintain the attractiveness of our properties. • Strengthening of our facilities management team. • Continuous market assessment and customer needs. • Upgrading of the facilities to meet evolving customer expectations. • Renovations work undertaken at Arcades Currimjee and availability of new parking facilities. • Property maintenance plans in place and being implemented. • Keeping abreast of new developments and other factors that could impact our properties. • Improvement in the tenant mix and quality of tenancy. • Use of a dedicated platform for the management of properties in the cluster.	Operational Efficiency Business Portfolio Management Financial Risk Management Sustainability Focus	Medium	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
20. Development Strategy	Our development strategy should ensure that it meets customer demands and the expected sustainable long-term returns. It is therefore essential that we build the right products that meet both their current and future needs. The implementation should be timely, cost-effective and of good standard to promote attractiveness. The risks associated with this objective are: • Not-well-thought strategy. • Market changes and time-to-market.	• The development of the Group's property assets is being planned in a phased manner, while ensuring attractive yields. • Reinforcement and restructuring of the management team to redefine and implement new strategies pertaining to the property assets of the Group. • Use of property management software to enhance reporting and bring in more efficiency in the management of operations. • Management of projects using sound project management techniques. • Close monitoring of costs, deliverables from consultants and contractors through regular meetings and regular project update reporting.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium	

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RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
Hospitality					
21. Macroeconomic Factors	**Global Pandemic and War** The Covid-19 pandemic has heavily impacted the hospitality and tourism sector over the last three years. In addition, the war in Ukraine is still impacting the price of fuel (affecting air fares) and global security concerns. **Increasing cost of living** Global inflation will have an impact on travel businesses, which may, in turn, have a significant effect on the hotel and tourism industry. **Changing Customer Patterns** The global issues are impacting the behaviour of travellers regarding their travelling patterns such as the following: • Travellers shifting from long-distance to shorter distance travel. • Traditional holiday destinations are competing with new ones. • Increased attractiveness and competitiveness of other destinations in the region. • Perception of being an expensive destination. In addition to the above, other risks impacting the hospitality and tourism sector are: • Extreme weather conditions and natural disasters. • Restrictive policy on air access rights. • Threat of terrorism.	Government measures to enhance the attractiveness and protection of our destination is mainly in the following areas: • A disaster and crisis management protocol is in place in the event of natural calamities and pandemic outbreaks. • Threats of terrorism are taken seriously. • Road shows by the Tourism Authority. • Diversification of source market. Close interaction with the Government on two main issues: • Revision of the air access policy. • Position Mauritius as an attractive destination. Other initiatives in place are: • Insurance covers are in place to mitigate the losses associated with some of the aforementioned risks. • Continuous interaction with the government on our response to the challenges affecting the industry.	Business Portfolio Management Financial Risk Management Sustainability Focus	Medium	

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RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
22. Health and Safety	Our aim is to maintain the appropriate health and safety standards for our guests and employees. The risk of an outbreak of another epidemic is still present. This will lead to serious repercussions on hotel operations.	• Establishment of standards and procedures to enhance our health and safety levels. • Regular emphasis on compliance with health and safety regulations. • Regular health and safety training. • Business continuity protocol in place in case of crisis. • Adoption of a vaccination programme by the Government.	Operational Efficiency Business Portfolio Management Financial Risk Management	Medium	
23. Competition	Constant changes and evolutions in market conditions on the local and international front are affecting the industry. Being a new entrant to this industry, it may still take us time to reach the level of visibility as other traditional players have in the market. The most significant risks emerging from these changes are: • New customer expectations and behaviours resulting from the pandemic and other market changes. • Marketability and visibility of our hotel. • Presence of disruptive players such as Airbnb. • Unavailability of direct flights from certain countries to our destination.	• Assessment and adjustment of our risk appetite in the context of the global challenges while expecting the full resumption of global travel. • Efforts made to attract travellers from Europe. • Leverage our hotel management expertise to carry out a sustainable marketing strategy and remain competitive. • Leverage the Anantara brand and network as a reputed player in the wellness arena in some specific markets, and strengthen our offer accordingly. • Review of our product offering to meet market demand. • Constant focus on training and quality standards to remain aligned with international norms and the new normal.	Business Portfolio Management Financial Risk Management	Medium	

Financial Human Intellectual Relationship Manufactured Social & Natural

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
24. Brand Protection	• The way hotels respond to the global challenges have long-term implications on how their brands are perceived both by customers and employees. • With regard to Anantara, our brand may lose value over time if the handling of any crisis is not in line with the required norms and customers' exigencies and expectations.	• Protocol in place to handle any crisis. • Constant vigilance about any customer service mishap. • Efforts to keep employees engaged and ensure continuous awareness of new protocols to prevent reputational damage. • Strong emphasis on ethical conduct and behaviours. • Leverage the partner's experience and expertise in managing crises.	Business Portfolio Management Financial Risk Management	Low ↓	
Financial Services					
25. Solvency	Maintaining solvency is one of the top priorities for businesses in the financial services sector. A life insurance provider with a favourable solvency ratio is more likely to be financially stable and therefore, more equipped to pay out the insurance claims and stay in business over the long term. Hence, an insurer's solvency ratio is a direct indication of its ability to pay out claims. The potential challenges are: • The business objectives are not being met and as a consequence, the company becomes bankrupt. • Inability to meet financial obligations when they fall due. • Non-compliance to regulations and actions taken by the regulatory authorities. • Inability to restore the financial position of the business due to major mismatch between assets and liabilities. • Capital injection required to cover the shortage of funds, which can be a major cost to shareholders. • Adverse effect on reputation.	• Constant monitoring of key parameters / causes affecting solvency. • Life actuary valuation conducted by the independent Certified Actuary on an annual basis. • Implementation of recommendations made by the independent Certified Actuary. • Formal investment committee in place, which meets regularly to review performance of investments. • Reassessment of premium rates and profitability of products on a yearly basis by the Actuary. • Annual monitoring of the three-year business plan and projected solvency position. • Compliance with regulations is ensured.	Business Portfolio Management Financial Risk Management	High ↑	

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

RISK MANAGEMENT REPORT

Risks relating to our Businesses and Industries	Risk Context & Description	Response to Risks	Strategies Impacted	Residual Risk Rating	Capital (s) Impacted
26. Investment	All investments carry some degree of risk. Whether it is investment in shares, bonds, mutual funds and physical assets; these investments can lose value over time or may not generate enough returns, if market conditions turn sour. The main challenges faced by the company are: • Investment in non-performing assets. • Investments being inadmissible or above allowable concentration limits as per the regulatory authority. • Inability to have adequate returns on investments to meet policyholder liabilities.	• Regular review of investment portfolio mix. • Formal investment committee in place, which meets regularly to review performance of investments. • Dedicated function in place for the management of investments. • Focus on fixed income investments to match capital-intensive products and annuity products. • Asset and liability modelling exercise conducted every three years. • Independent monitoring of investments, portfolio mix and assessment of compliance with regulations by the appointed Investment Consultant on a quarterly basis. • Dedicated Investment Manager in place to manage local investments, for generating the expected returns. • Compliance with regulations is ensured.	Business Portfolio Management Financial Risk Management	Medium	

Financial Human Intellectual Relationship Manufactured Social & Natural

A FUTURE WHERE WELLNESS AND WELLBEING PREVAIL, MEANINGFUL CULTURAL EXPERIENCES TAKE CENTRESTAGE, AND INDIVIDUALS DISCONNECT FROM THE WORLD TO RECONNECT WITH THEMSELVES.

The CFO's REPORT

M Iqbal Oozeer
Chief Finance Officer

The challenging landscape

The world is constantly changing. Various factors like political events, economic trends, technological advancements, environmental impacts and global health situations continue to significantly influence the lives of people daily and how businesses operate. 2022 has brought some relief following a few stressful years dominated by Covid-19. but the uncertainty lingers on to a large extent. The crisis in Ukraine added a few layers of complications, which the world was not fully prepared to face whilst still recovering from the effects of the pandemic.

Locally, the slow improvement in consumer sentiment, following the opening of the borders and the ensuing gradual pick-up in the Tourism sector, brought about a great sigh of relief to the country and to the business community. The local economy progressively started to recover in the beginning of the year, but the lack of visibility on the international arena, mainly pertaining to the collateral damage caused by persistent supply chain issues, the fluctuating price of petrol, the lack of foreign currency and the impact of inflation worldwide, continue to hamper the local economy from reaching its pre-pandemic c cruising speed.

2022, a year to recovery for the Group

At the level of CJ Group, the steady progress over the quarters of 2022 culminated into a highly satisfactory performance for the Group during the year under review. The top line grew by nearly 12% year on year, on the back of an overall increase in Revenue across all clusters, and particularly of a turnaround in the Tourism & Hospitality cluster. The Anantara hotel lived its first ever full year of operation, and delivered a decent performance for a new entrant in the local market.

Overall, 2022 was a year of hope and a confirmation of the resilient nature of the Group's businesses. The Group recorded an Operating Profit of MUR 842M, a growth of 80% compared to MUR 467M in 2021, supported by an exceptional income of MUR 100M at the level of Emtel. The Group's finance costs increased to MUR 467M from MUR 400M in 2021. This was mainly because of high investments and the effect of the increase in interest rates at the end of the year. The Group's NPAT closed at MUR 339M in 2022 compared to a loss of MUR 91M in 2021.

The Group OCI, on the other hand, also added MUR 135M as a surplus on the revaluation of Property, Plant & Equipment and MUR 63M as a positive movement on its Retirement Benefit Obligations in 2022. However, the Group lost around MUR 100M on the fair value of its overseas investments compared to a gain of MUR 398M recorded in 2021. These movements accumulated into a Total Comprehensive Income amounting to MUR 438M in 2022 compared to MUR 723M last year.

For the year under review, the Group was successfully steered towards a higher performance despite that challenging context, achieving a return on equity of 16.3% compared to -5% in 2021.

Capital efficiency and debt

The Group's operating activities generated substantial net cash flow of MUR 1,537M in 2022, up from MUR 666M in the previous year. This positive change was contributed by an increased EBITDA and efficient management of our working capital.

In 2022, the Group's asset base improved from MUR 14.6BN to MUR 16.1BN, representing an increase of 10%. The Group invested nearly MUR 1.7BN in 2022 compared to MUR 1.1BN in 2021. Total Equity increased from MUR 1.8BN to MUR 2.1BN. These investments were mainly targeted towards the Group's strategy to build scale in the Real Estate cluster, and further reinforcing the technical assets and capabilities of the TMIT cluster.

The Group's net bank debt increased by MUR 443M to reach MUR 8.9BN at the end of 2022. The persistent inflationary pressure and the ensuing increase in interest rates, as driven by the Central Bank's monetary policy, will continue to exert more pressure on the cost of debt financing in 2023. In response, the Holding company remains committed to a reduction in its financial risks and will implement key strategies to this end in 2023 and 2024.

OVERALL, 2022 WAS A YEAR OF HOPE AND A CONFIRMATION OF THE RESILIENT NATURE OF THE GROUP'S BUSINESSES. THE GROUP RECORDED AN OPERATING PROFIT OF MUR 842M, A GROWTH OF 80%

THE CFO'S REPORT

Cluster financial review

All operating clusters contributed positively to the overall performance and grew over last year. The main contributor remains the Telecom, Media & IT cluster, bringing about 80% of the operating profit of the Group. Despite operating in a severely competitive and disruptive environment and the challenging state of MC Vision Ltd, the Media company, the TMIT cluster managed to deliver on its main strategies and record a growth of 22% year on year MC Vision has been hit by several shocks over the last couple of years, namely an increase in content costs, the depreciation of the Mauritian Rupee, the fall in consumer spending, changing viewing patterns and the inability to increase prices in the midst of a cost-of-living crisis. The evolving technological landscape, however, is presenting new opportunities to completely rethink this business and carry it into a more promising future.

CJ GROUP WILL CONTINUE PURSUING NUMEROUS DIGITALISATION PROJECTS ACROSS MANY BUSINESS UNITS, WHICH WILL GENERATE REMARKABLE RESULTS IN TERMS OF EFFICIENCIES AND FURTHER COST SAVINGS.

The Real Estate cluster benefitted from fair value gains on revaluation of investment properties, and experienced a remarkable operational performance compared to 2021. The cluster achieved an improvement in operating profit of over 45%, excluding fair value gain in investment properties. The cluster successfully implemented its 'Build' strategy to scale its operations at the end of 2022. The DEM-listed company, Compagnie Immobilière Ltée, recorded an increase in its asset base from MUR 360M to MUR 1.6B.

The Hospitality cluster, as I mentioned earlier, experienced its first full year of operations in 2022. The hotel achieved a decent occupancy level of 50% and managed to operate a profitable last quarter of 2022. Although the outlook in this industry looks promising, the lack of manpower remains a major challenge for the future, unless a solution and clear vision is proposed from the higher level. The travel company Silver Wings Travel Ltd also benefitted largely from the opening of the borders and the revenge travel phenomenon. Its inbound business segment also performed very well, bringing comfort with regard to the cluster's growth prospects.
The Commerce & Financial Services cluster also delivered a worthy performance at the level of the building materials company, Batimex. The company recorded double-digit growth in its Revenue and operating profit in 2022. ILA, the Group's Life Insurance company, managed to steer through the recent difficult Covid-19 years and has been investing in building up a stronger organisation to benefit from the recovery in the coming years.

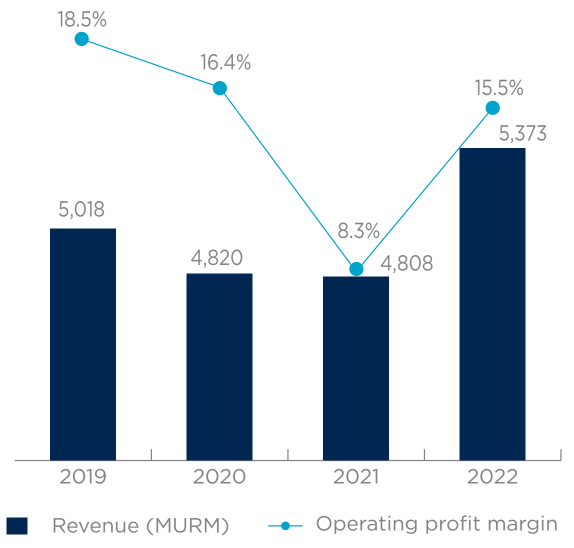
In the Energy cluster, TotalEnergies Marketing Mauritius Ltd (Total) performed exceptionally well during the year. The sales volume realised was aligned with pre-Covid levels and the company also benefitted from a better margin on existing stocks, which translated into profits amounting to MUR 358M (2021: MUR2 00M). Dividend of MUR 200M was paid for the year under review, compared to MUR179 M in 2021.

On the other hand, Ceejay Gas Ltd experienced a 9.7% growth in sales compared to 2021, but a decline in profitability, explained by an increase in raw material costs, also fuelled by adverse foreign exchange movements. A dividend of EUR 302,184 was paid in 2022, compared to EUR 576,388 in 2021.

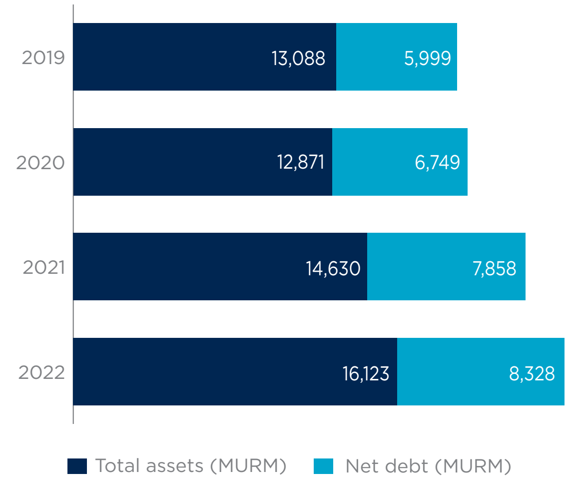
Positioned for growth

As we exit 2022, we still find ourselves facing a volatile and challenging environment despite a strong recovery in the Tourism locally. The persistent effects of increasing inflation are likely to exert pressure on our costs, and therefore, our profitability. However, we will continue to rely on CJ Group's strong fundamentals and financial discipline, which have served us well in challenging times. Notwithstanding the short-term disruptions, all businesses are expected to grow on the back of various drivers, including our strategic pillar of building organisational efficiency. The pursuit of numerous digitalisation projects across business units are expected to deliver remarkable results in terms of efficiencies and further cost savings. The centralised shared accounting services at CJ Corporate will also expand its coverage to support more businesses and to allow them to be more focused on the achievements of key operational strategic objectives. With a portfolio of profitable businesses, a robust strategy and agile teams, CJ is poised to leverage its core competencies and scale to enhance social and environmental value. Consistent engagement with our investors and other stakeholders will remain an area of focus as we head into a new year on strong financial footing and with very compelling prospects.

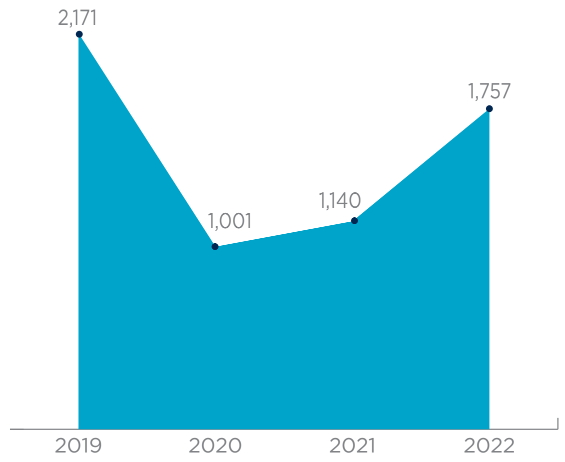
REVENUE AND OPERATING PROFIT MARGIN



TOTAL ASSETS AND NET DEBT



CAPEX (MURM)



Directors REPORT

THE GROUP

2022 was a year of challenges for most businesses as it represented a first full year of operations after the Covid-19 period, but with some changes in the business landscape. The pandemic has accelerated the use of technology and altered customer behaviour to a certain extent. Challenges were present at the macro-economic level, namely the inflationary pressures from international supply shocks, which were exacerbated by the depreciation of the rupee, the National Debt situation, the slowing investment rate and an increase in interest rates, coupled with the uncertainty prevailing in the global economy following the war in Ukraine. Nevertheless, following the re-opening of the borders in October 2021, we noted a boom in the travel industry post-covid-19, helping the recovery of the tourism and hospitality sector in 2022.

From a turnover perspective, the Group managed to achieve a better performance of 2022 as compared to 2021. We saw an improvement of 12% on Group revenue in 2022, while Group gross profit Margin increased by 15% as compared to last year, mainly attributable to a better performance in the Telecommunication & Media Cluster as well as the real estate cluster. In terms of other income, we noted a significant increase from 2021, due to the telecommunication & media, real estate and hospitality & tourism clusters. As a result of this, the Group achieved an operating profit of Rs 835m in 2022 compared to Rs 401m in 2021.

With regards to finance costs, the several increases in Prime Lending Rate (PLR) during 2022 generated a negative impact. Net finance costs for 2022 amounted to Rs 456m as compared to RS 415m for 2021.

Share of profits of associates amounted to Rs 94m in 2022 as compared to Rs 60m in 2021, due to improvement in the profit of associated companies operating within the energy sector.

Financial assets at fair value through other comprehensive income – a negative movement in exchange rate has resulted in a downside in the value of our financial assets amounting to a loss of Rs 111m in 2022 as compared to a gain of Rs 330m in 2021.

Revaluation of properties, although generating a positive impact in 2022, were lower as compared to 2021, with gains amounting to Rs 136m in 2022 as compared to Rs 273m in 2021.

The Group's liabilities on Retirement Benefit Obligations (RBO) has improved in 2022. The increase in the discount rate used for calculation of the RBO liabilities has had a positive impact on the RBO liabilities and as a result, we have registered a gain in our other comprehensive income for an amount of Rs 63m pertaining to RBO 2022, as compared to a gain of Rs 136m for 2021.

Other comprehensive income for the year were lower in 2022 as compared to 2021. There were lower gains on revaluation of properties and remeasurement of post-employment benefit respectively. Coupled with this, the negative effects on the Group's financial assets at fair value through other comprehensive income resulted in the other comprehensive income being only at Rs 98m in 2022 as compared to Rs 811m in 2021. The net financial result, total comprehensive income, was Rs 438m for 2022 as compared to Rs 720m in 2021.

THE COMPANY

On the Company's front, the dividend received from the subsidiaries in 2022 were higher than 2021, amounting to Rs 490m for this year. Administrative expenses have gone up from Rs 237m in 2021 to Rs 303m in 2022 due to an increase in staff costs and a lower positive RBO impact in 2022. However, the net profit after tax for this year is more or less in line with last year being an amount of Rs 159m as compared to Rs 153m in 2021. The remeasurement of RBO as at December 2022 brought a favourable impact to the Company's other comprehensive income, generating a gain of Rs 23m in 2022 as compared to a profit of Rs 78m in 2021. Total comprehensive income of the Company in 2022 reached Rs 183m compared to Rs 231m in 2021.

The Company paid out a dividend of Rs 129.5m in 2022 compared to Rs 112.5m in 2021.

DIRECTORS

The following directors held office during the year ended 31 December 2022 and as at the date of this report:

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

Directors REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

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

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DONATIONS

During the year ended 31 December 2022, donations amounting to Rs 8,232,000 and Rs 8,177,000 (2021 – Rs 415,000 and Rs 415,000) were made by the Group and the Company, respectively.

AUDITOR

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

ACKNOWLEDGEMENT

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

Mr Bashirali A Currimjee, G.O.S.K
Chairman
Date : 19 May 2023

Mr Anil C Currimjee
Managing Director

INDEPENDENT AUDITOR'S Report

To the Shareholders of Currimjee Jeewanjee and Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our Qualified Opinion on the Consolidated Financial Statements

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the consolidated financial statements give a true and fair view of the financial position of Currimjee Jeewanjee and Company Limited and its subsidiaries (together the "Group") as at 31 December 2022 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

Our Opinion on the Separate Financial Statements

In our opinion, the separate financial statements give a true and fair view of the financial position of Currimjee Jeewanjee and Company Limited (the "Company") standing alone as at 31 December 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

Currimjee Jeewanjee and Company Limited's consolidated and separate financial statements set out on pages 211-299 comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for Qualified Opinion on the Consolidated Financial Statements and Basis for Opinion on the Separate Financial Statements

The financial statements of the Group are prepared using IFRS 9 except for one of its subsidiaries

Island Life Assurance Co. Ltd (ILA) which meets the criteria for eligibility of a temporary exemption

from the application of IFRS 9 until 01 January 2023. The exemption is only eligible at ILA and the financial statements of the Group should have been prepared in applying IFRS 9 to all entities within the Group. However, the misstatements on the Group financial statements have not been quantified for the years ended 31 December 2022 and 2021. Our audit opinion on the financial statements for the year ended 31 December 2021 was also modified accordingly.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements and for our opinion on the separate financial statements.

Independence

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

Other Information

The directors are responsible for the other information. The other information comprises directors; report, th e corporate governance report, the statement of compliance and the secretary's report but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion, the financial statements of the Group should have been prepared in applying IFRS 9 to all entities within the Group. We have concluded that the other information is materially misstated for the same reason as mentioned in the Basis for Qualified Opinion section above.

In addition to 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.

INDEPENDENT AUDITOR'S Report

To the Shareholders of Currimjee Jeewanjee and Company Limited

Corporate Governance Report

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Company has. pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

The directors are responsible for overseeing the Group's and Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate 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 Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S Report

To the Shareholders of Currimjee Jeewanjee and Company Limited

REPORT ON 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 or any of its subsidiaries other than in our capacity as auditor and tax advisor of the Company and auditor, tax advisor, business advisors and dealings in the ordinary course of business of some of its subsidiaries;

(b) we have obtained all the information and explanations we have required; and

(c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers **Olivier Rey, licensed by FRC**

19 May 2023

CONSOLIDATED AND SEPARATE INCOME STATEMENTS

For the year ended 31 December 2022

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Revenue from contracts with customers (Note 4)	**5,373,026**	4,807,504	**2,727**	931
Rental income	**107,679**	78,952	**11,162**	10,968
Cost of sales	**(3,123,291)**	(2,842,815)	**(2,514)**	(874)
Gross profit	**2,357,414**	2,043,641	**11,375**	11,025
Other operating income – net (Note 5 (i))	**56,470**	42,086	**546,027**	492,329
Other gains (Note 5 (ii))	**114,945**	8,040	**51,755**	637
Net fair value gains on investment properties (Note 11)	**163,997**	14,397	**3,054**	417
Selling and distribution costs	**(485,886)**	(415,001)	**-**	-
Impairment losses on financial and contract assets	**(1,267)**	(16,088)	**-**	-
Administrative expenses	**(1,370,983)**	(1,276,227)	**(302,740)**	(237,219)
Operating profit (Note 6)	**834,690**	400,848	**309,471**	267,189
Finance costs (Note 8)	**(498,830)**	(436,657)	**(173,517)**	(152,065)
Finance income (Note 8)	**43,251**	21,792	**23,303**	38,011
Finance costs – net (Note 8)	**(455,579)**	(414,865)	**(150,214)**	(114,054)
Share of profit of associates (Note 15)	**93,959**	59,787	**-**	-
Profit before taxation	**473,070**	45,770	**159,257**	153,135
Income tax expense (Note 9)	**(133,494)**	(136,805)	**-**	-
Profit/(Loss) for the year	**339,576**	(91,035)	**159,257**	153,135
Profit attributable to :				
Owners of the parent	**201,709**	(192,733)		
Non-controlling interest	**137,867**	101,698		
	339,576	(91,035)		

The notes on pages 218 to 299 form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Profit/(Loss) for the year	**339,576**	(91,035)	**159,257**	153,135
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Revaluation of property, plant and equipment	**135,786**	272,738	**286**	88
Group share of other comprehensive income in associates- net of tax	**(2,825)**	2,279	**-**	-
Fair value gain/(loss) on financial assets at fair value through other comprehensive income- net of tax (Note 9(c))	**(111,097)**	330,397	**-**	-
Remeasurement of post employment benefit obligations- net of tax (Notes 25 and 9(c))	**63,436**	136,147	**23,283**	78,052
Items that may be subsequently reclassified to profit or loss				
Currency translation difference- net of tax (Note 9(c))	**13,124**	68,999	**-**	-
Other comprehensive income for the year, net of tax	**98,424**	810,560	**23,569**	78,140
Total comprehensive income for the year	**438,000**	719,525	**182,826**	231,275
Total comprehensive income for the year				
Attributable to:				
Owners of the parent	**291,827**	598,583		
Non-controlling interest	**146,173**	120,942		
	438,000	719,525		

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 9.

The notes on pages 218 to 299 form an integral part of the financial statements.

CONSOLIDATED AND SEPARATE

STATEMENTS OF FINANCIAL POSITION

31 December 2022

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
		Restated		
ASSETS				
Non-current assets				
Freehold land and buildings (Note 10)	**2,405,694**	2,344,980	**8,690**	8,404
Property, plant and equipment (Note 10)	**4,205,287**	3,403,814	**55,590**	64,902
Investment properties (Note 11)	**3,264,207**	2,810,597	**242,228**	242,974
Intangible assets (Note 12)	**292,212**	327,304	**2,228**	3,747
Right of use assets (Note 13(i))	**1,084,108**	1,154,803	**26,204**	31,892
Investments in subsidiaries (Note 14)	**-**	-	**5,553,100**	5,307,325
Investments in associates (Note 15)	**465,270**	428,586	**41,967**	41,967
Financial assets at fair value through OCI (Note 16)	**1,166,870**	1,324,316	**32,140**	17,978
Financial assets at fair value through profit or loss (Note 17)	**481,313**	527,246	**-**	-
Financial assets held at amortised cost (Note 18)	**408,422**	397,764	**292,869**	272,069
	13,773,383	12,719,410	**6,255,016**	5,991,258
Current assets				
Inventories (Notes 20 and 35)	**486,403**	479,534	**-**	-
Financial assets held at amortised cost (Note 18)	**707,904**	906,998	**300,860**	567,201
Current tax asset (Note 9(a)(ii))	**82,652**	81,117	**-**	-
Cash and cash equivalents (Note 29)	**1,072,865**	443,207	**5,116**	59,582
	2,349,824	1,910,856	**305,976**	626,783
Total assets	**16,123,207**	14,630,266	**6,560,992**	6,618,041

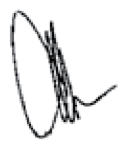
CONSOLIDATED AND SEPARATE

STATEMENTS OF FINANCIAL POSITION

31 December 2022 (Continued)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
		Restated		
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital (Note 22)	**29,700**	29,700	**29,700**	29,700
Revaluation reserve	**515,659**	564,245	**8,554**	8,268
Fair value reserve	**310,016**	421,127	**-**	-
Foreign currency translation reserve	**265,888**	255,589	**-**	-
Other reserves	**13,011**	13,011	**-**	-
Retained earnings	**425,890**	113,367	**2,200,392**	2,147,352
	1,560,164	1,397,039	**2,238,646**	2,185,320
Convertible bonds (Note 34)	**309,940**	205,940	**-**	-
Non-controlling interests	**218,180**	209,289	**-**	-
Total equity	**2,088,284**	1,812,268	**2,238,646**	2,185,320
LIABILITIES				
Non-current liabilities				
Life assurance funds (Note 23)	**640,474**	834,580	**-**	-
Borrowings (Note 24)	**7,547,398**	7,433,230	**3,355,213**	3,354,030
Deferred income tax liabilities (Note 19)	**278,354**	276,347	**-**	-
Post -employment benefits (Note 25)	**439,606**	653,800	**406,607**	519,889
Provision for asset retirement obligations (Note 26)	**64,492**	69,237	**-**	-
Trade and other payables (Note 27(i))	**23,742**	6,438	**-**	-
Lease liabilities (Note 13(iii))	**865,068**	925,804	**26,461**	34,758
	9,859,134	10,199,436	**3,788,281**	3,908,677
Current liabilities				
Life assurance funds (Note 23)	**181,040**	95,982	**-**	-
Trade and other payables (Note 27(i))	**1,532,306**	1,069,444	**55,866**	51,690
Deferred revenue (Note 27(iii))	**313,947**	328,871	**-**	-
Current income tax liability (Note 9 (a)(i))	**80,171**	43,999	**-**	-
Borrowings (Note 24)	**1,853,240**	867,512	**469,909**	463,192
Lease liabilities (Note 13(iii))	**164,741**	165,430	**8,290**	9,162
Provisions for other liabilities and charges (Note 27(ii))	**50,344**	47,324	**-**	-
	4,175,789	2,618,562	**534,065**	524,044
Total liabilities	**14,034,923**	12,817,998	**4,322,346**	4,432,721
Total equity and liabilities	**16,123,207**	14,630,266	**6,560,992**	6,618,041

Authorised for issue by the Board of directors on and signed on its behalf by:



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

Director

Mr Anil C Currimjee

Director

The notes on pages 218 to 299 form an integral part of the financial statements.

STATEMENTS OF CHANGES
IN EQUITY

For the year ended 31 December 2022

	Attributable to owners of the parent									
	Share capital	Revaluation reserve	Fair value reserve	Foreign currency translation reserve	Other reserves	Retained earnings	Subtotal	Convertible Bonds	Non-controlling interests	Total Equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at 01 January 2021	29,700	301,263	88,534	184,311	13,011	287,227	904,046	-	271,139	1,175,185
Comprehensive income										
Profit/(Loss) for the year	-	-	-	-	-	(192,733)	(192,733)	-	101,698	(91,035)
Other comprehensive income (net of tax)										
Revaluation of property (Note 10)	-	269,699	-	-	-	-	269,699	-	11,995	281,694
Deferred tax on revaluation (Note 9(c))	-	(6,717)	-	-	-	-	(6,717)	-	(2,239)	(8,956)
Group share of other comprehensive income in associates (Note 15)	-	-	-	2,279	-	-	2,279	-	-	2,279
Remeasurement of post employment benefits (Note 25)	-	-	-	-	-	129,289	129,289	-	11,378	140,667
Deferred tax on remeasurement of post employment benefits (Note 9(c))	-	-	-	-	-	(2,630)	(2,630)	-	(1,890)	(4,520)
Fair value gain on financial assets at fair value through OCI (Note 16)	-	-	330,397	-	-	-	330,397	-	-	330,397
Currency translation difference recognised directly in reserves	-	-	-	68,999	-	-	68,999	-	-	68,999
Total comprehensive income	-	262,982	330,397	71,278	-	(66,074)	598,583	-	120,942	719,525
Transactions with owners										
Other transactions	-	-	2,196	-	-	4,714	6,910	-	-	6,910
Issue of convertible bonds (Note 34)	-	-	-	-	-	-	-	205,940	-	205,940
Dividends paid (Note 30)	-	-	-	-	-	(112,500)	(112,500)	-	(182,792)	(295,292)
Balance at 31 December 2021	29,700	564,245	421,127	255,589	13,011	113,367	1,397,039	205,940	209,289	1,812,268
Comprehensive income										
Profit for the year	**-**	**-**	**-**	**-**	**-**	**201,709**	**201,709**	**-**	**137,867**	**339,576**
Other comprehensive income (net of tax)										
Revaluation of property (Note 10)	**-**	**135,786**	**-**	**-**	**-**	**-**	**135,786**	**-**	**-**	**135,786**
Group share of other comprehensive income in associates (Note 15)	**-**	**-**	**-**	**(2,825)**	**-**	**-**	**(2,825)**	**-**	**-**	**(2,825)**
Remeasurement of post employment benefits (Note 25)	**-**	**-**	**-**	**-**	**-**	**57,349**	**57,349**	**-**	**8,624**	**65,973**
Deferred tax on remeasurement of post employment benefits (Note 9((c))	**-**	**-**	**-**	**-**	**-**	**(2,205)**	**(2,205)**	**-**	**(332)**	**(2,537)**
Fair value loss on financial assets at fair value through OCI (Note 16)	**-**	**-**	**(111,111)**	**-**	**-**	**-**	**(111,111)**	**-**	**14**	**(111,097)**
Currency translation difference recognised directly in reserves	**-**	**-**	**-**	**13,124**	**-**	**-**	**13,124**	**-**	**-**	**13,124**
Total comprehensive income	**-**	**135,786**	**(111,111)**	**10,299**	**-**	**256,853**	**291,827**	**-**	**146,173**	**438,000**
Transactions with owners										
Other transfers	**-**	**(262)**	**-**	**-**	**-**	**1,060**	**798**	**-**	**-**	**798**
Transfer from revaluation reserve	**-**	**(184,110)**	**-**	**-**	**-**	**184,110**	**-**	**-**	**-**	**-**
Issue of convertible bonds (Note 34)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**104,000**	**-**	**104,000**
Dividends paid (Note 30)	**-**	**-**	**-**	**-**	**-**	**(129,500)**	**(129,500)**	**-**	**(137,282)**	**(266,782)**
At 31 December 2022	**29,700**	**515,659**	**310,016**	**265,888**	**13,011**	**425,890**	**1,560,164**	**309,940**	**218,180**	**2,088,284**

The notes on pages 218 to 299 form an integral part of the financial statements.

STATEMENTS OF CHANGES
IN EQUITY

For the year ended 31 December 2022 (Continued)

	Share capital	Revaluation Reserve	Retained earnings	Total Equity
Company	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2021	29,700	8,180	2,028,665	2,066,545
Comprehensive income				
Profit for the year	-	-	153,135	153,135
Revaluation of property (Note 10)	-	88	-	88
Remeasurement of post employment benefits (Note 25)			78,052	78,052
Total comprehensive income	-	88	231,187	231,275
Transactions with owners				
Dividends paid (Note 30)	-	-	(112,500)	(112,500)
At 31 December 2021	29,700	8,268	2,147,352	2,185,320
Comprehensive income				
Profit for the year	**-**	**-**	**159,257**	**159,257**
Revaluation of property (Note 10)	**-**	**286**	**-**	**286**
Remeasurement of post employment benefits (Note 25)	**-**	**-**	**23,283**	**23,283**
Total comprehensive income	**-**	**286**	**182,540**	**182,826**
Transactions with owners				
Dividends paid (Note 30)	**-**	**-**	**(129,500)**	**(129,500)**
At 31 December 2022	**29,700**	**8,554**	**2,200,392**	**2,238,646**

The revaluation reserve represents the revaluation surplus on freehold land and buildings.

The fair value reserve relates to revaluation surplus on financial assets at fair value through OCI.

The other reserves relate to the the loss/profit arising following acquisition and disposal of subsidiaries by the Group.

The foreign currency translation reserve movement consists mostly of the exchange differences arising on the consolidation of subsidiaries whose functional currencies are denominated in foreign currencies, namely Seejay Cellular whose functional currency is USD and has investments denominated in INR and GBP.

The convertible debentures represents redeemable convertible bonds issued to a subsidiary of the Group, IKO (Mauritius) Hotel Ltd, by the Mauritius Investment Corporation Ltd, a wholly owned subsidiary of the Bank of Mauritius (Note 34).

The notes on pages 218 to 299 form an integral part of the financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS
OF CASH FLOWS

For the year ended 31 December 2022

	GROUP		COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Cash flows from operating activities				
Cash generated from/(used in) operating activities (Note 28)	**2,077,285**	1,041,447	**(338,145)**	172,249
Interest received	**16,122**	16,466	**27,672**	31,130
Interest paid	**(457,252)**	(252,246)	**(177,622)**	(127,974)
Tax paid (Note 9)	**(98,530)**	(148,915)	**-**	-
Tax refund (Note 9)	**72**	9,415	**-**	-
Net cash generated from/(used in) operating activities	**1,537,697**	666,167	**(488,095)**	75,405
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	**326,007**	10,742	**-**	891
Proceeds from disposal of financial assets at fair value through OCI	**18,324**	65,678	**-**	-
Proceeds from disposal of financial assets at fair value through profit or loss	**11,280**	142,937	**-**	-
Payments for purchase of property, plant and equipment (Note 10)	**(1,749,173)**	(1,101,265)	**(3,079)**	(6,934)
Payments for purchase of intangible assets (Note 12)	**(15,473)**	(38,868)	**(174)**	(1,643)
Payments for purchase of financial assets at fair value through OCI (Note 16)	**(14,233)**	(45,531)	**(14,165)**	(3,000)
Acquisition through entities under common control	**(2,179)**	-	**-**	-
Payments for additional investments in subsidiaries	**-**	-	**(197,663)**	(197,051)
Payments for purchase of investment properties	**(280,716)**	(41,117)	**-**	-
Payments for purchase of financial assets at fair value through profit or loss (Note 17)	**(33,240)**	(254,177)	**-**	-
Payments for purchase of investment in associates (Note 15)	**-**	(95)	**-**	(95)
Loans granted to subsidiaries	**-**	-	**(16,200)**	(105,398)
Loans repayments received	**30,000**	14,420	**85,000**	28,751
Loans granted to parent	**(20,800)**	(282,543)	**(20,800)**	(282,543)
Loans repayment received from parent	**-**	-	**260,000**	-
Loans granted to other related parties	**(14,285)**	(50,040)	**(14,285)**	(30,000)
Deposits placed with financial institutions	**3,320**	4,482	**-**	-
Dividends received from subsidiaries	**-**	-	**435,059**	390,879
Dividends received from associates	**58,843**	54,295	**58,843**	49,890
Dividends received from other investments	**17,328**	12,872	**438**	231
Net cash (used in)/generated from investing activities	**(1,664,997)**	(1,508,210)	**572,974**	(156,022)

The notes on pages 218 to 299 form an integral part of the financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS
OF CASH FLOWS

For the year ended 31 December 2022

	GROUP		COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Cash flows from financing activities				
Bank loans received	**3,378,362**	5,742,700	**-**	150,000
Bank loans repaid	**(2,393,824)**	(7,249,153)	**-**	(2,051,197)
Bonds raised	**-**	2,650,000	**-**	2,200,000
Bond issue transaction cost	**-**	(12,173)	**-**	(11,000)
Net proceeds from issue of convertible debentures	**104,000**	205,940	**-**	-
Import loans raised	**49,469**	34,810	**40,841**	34,810
Import loans repaid	**(42,075)**	(37,609)	**(42,075)**	(33,695)
Lease payments	**(162,338)**	(149,560)	**(10,400)**	(12,062)
Loans raised from subsidiaries	**-**	-	**-**	85,000
Loans repaid to subsidiaries	**-**	-	**-**	(500)
Loans raised from directors (Note 33)	**-**	17,000	**-**	17,000
Loans repaid to directors (Note 33)	**(17,000)**	-	**(17,000)**	-
Loans repaid to shareholders	**-**	(999)	**-**	-
Loans raised from other related parties	**58,616**	93,521	**58,616**	93,521
Loans repaid to other related parties	**(42,272)**	(55,760)	**(42,272)**	(55,760)
Dividends paid to group shareholders	**(129,500)**	(112,500)	**(129,500)**	(112,500)
Dividends paid to non-controlling interests	**(137,282)**	(182,792)	**-**	-
Net cash generated from/(used in) financing activities	**666,156**	943,425	**(141,790)**	303,617
Increase/(Decrease) in cash and cash equivalents	**538,856**	101,382	**(56,911)**	223,000
Net foreign exchange difference	**2,837**	3,822	**1,064**	(107)
Cash and cash equivalents at beginning of year	**395,598**	290,394	**54,468**	(168,425)
Cash and cash equivalents at end of year (Note 29)	**937,291**	395,598	**(1,379)**	54,468

The notes on pages 218 to 299 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

1 SIGNIFICANT ACCOUNTING POLICIES

General information

The principal activity of the Company is investment holding. The Group has different clusters, namely real estate, hospitality and tourism, retail, energy, telecommunications, financial and commerce.

The telecommunications and media cluster offers telecommunications, connectivity solutions and network infrastructure (including mobile telephony, fixed telephone and high-speed Broadband) as well as premium entertainment.

The entities in the real estate cluster are involved with the management, development of Group's portfolio of properties, including developed properties, partially developed properties and land assets and the optimisation of yields through the creation of specialised and mixed-use spaces.

The hospitality and tourism cluster includes IKO Hotel Ltd and IKO Resort Village Ltd which comprise of integrated Coastal Resort Village, placing sustainability, wellness and the modern traveller at the heart of its philosophy and it currently includes a 5* hotel located on Le Chaland beach.

The Group's retail, financial and commerce cluster consists primarily of Batimex and ILA. Batimex provides contracting solutions, wholesaling and retailing of building materials and finishes. ILA consists of long-term life insurance and individual Personal Pension Plan delivered to the domestic market.

TotalEnergies Marketing Mauritius Ltd and Ceejay Gas Ltd form part of the energy cluster of the Group. The entities are involved in the distribution and retail of petroleum products (automotive fuels, biofuels, lubricants, Liquid Petroleum Gas and jet fuels) to retail customers, as well as to key industries of the Mauritian economy such as agriculture, hospitality, textile, construction, transport and manufacturing.

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

Basis of preparation

In the separate financial statements, Currimjee Jeewanjee and Company Limited is referred to as the "Company" whereas the consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee applicable to companies reporting under IFRS except for IFRS 9 for one of its subsidiaries, Island Life Assurance Co. Ltd (ILA) which meets the criteria for eligibility of a temporary exemption from the application of IFRS 9 until 2023. The exemption is only eligible at ILA level and the financial statements of the Group should have been prepared applying IFRS 9 to all entities in the Group. The financial statements also comply with the Mauritian Companies Act 2001. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings, investment properties, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

During the year, the Group and the Company made a profit of **Rs 339,576,000** (2021 – loss of Rs 91,035,000) and a profit of **Rs 159,257,000** (2021- Rs 153,135,000) respectively. At the statement of financial position date, the Group current liabilities exceeded its current assets by **Rs 1,825,965,000** (2021 – Rs 707,706,000). In 2022, The Company's current liabilities exceeded its current assets by **Rs 228,089,000**, while in 2021, current assets exceeded its current liabilities by Rs 102,739,000.

The financial statements have been prepared on the going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future. The Board is responsible for the evaluation of the Group's and the Company's ability to continue as a going concern. In this light, important projects were completed during the year 2022 across the clusters to increase the cash flow generating capability of the Group as well as its profitability. These projects include the restructure and upscaling of the real estate cluster and launching of the 5G and Fintech App for the telecommunications cluster. The Group has also embarked on key strategies which will allow it to meet its financial obligations both in the short term and the long term. This includes quarterly review of the Group Cash Flow for each period. The Group has restructured its bonds and loans to align to the market and manage its liquidity risk. The bank overdrafts limits are monitored by the subsidiaries at regular intervals to ensure that there are no breach of covenants and to maintain the proper liquidity position of the entities. These strategies will not only help the Group optimise its return on its investments but also address our future cash flow requirements in a sustainable manner. An exercise was also conducted by stress testing the Group Cash Flow Forecast for the next three years and results were positive. The Board does not intend to liquidate any subsidiaries within the Group and are not aware of any material uncertainties that may cast doubt on upon the Group's and the Company's ability to continue as a going concern. Despite the aftermath of Covid-19 and the current warfare in Russia and Ukraine, the Group and the Company shows a profitable position. In the year ended 31 December 2021, the Group showed a loss for the year amounting to Rs 91,035,000 compared to a profit of Rs 339,576,000 for the year ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of preparation (continued)

(a) Critical accounting estimates and assumptions

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

• Post-employment benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations. Critical assumptions are made by the actuary in determining the present value of retirement benefit obligations. These assumptions are set out in Note 25.

• Estimate of recoverable amount of investments in subsidiaries

The recoverable amount of investments in some subsidiaries has been determined based on value in use calculations and fair value less costs to sell. These calculations require the use of estimates, including discounted cash flows based on management's expectations of future revenue growth, operating costs and profit margins for each subsidiary. The bases of these calculations are set out in note 14.

• Life assurance fund (Note 23) – estimates of future benefit payments under the long-term insurance contracts

The determination of the liabilities under long-term insurance contracts is dependent on estimates made by the actuary. Estimates are made as to the expected number of deaths for each of the years in which the Group is exposed to risk. The actuary bases these estimates on standard industry mortality tables that reflect recent historical mortality experience, adjusted where appropriate to reflect the actuary's own experience. The estimated number of deaths determines the value of the benefit payments and the value of the valuation premiums. The main source of uncertainty is that epidemics such as AIDS and wide-ranging lifestyle changes, such as in eating, smoking and exercise habits, could result in future mortality being significantly worse than in the past for the age groups in which the Group has significant exposure to mortality risk. For contracts that insure the risk of longevity, appropriate but not excessively prudent allowance is made for expected mortality improvements. However, continuing improvements in medical care and social conditions could result in improvements in longevity in excess of those allowed for in the estimates used to determine the liability for contracts where the Group is exposed to longevity risk.

Long-term business technical provisions are computed using statistical or mathematical methods. The computations are made by the Group's actuaries on the basis of recognised actuarial methods, with due regard to the actuarial principles laid down by the law and by actuarial best practices. The methodology takes into account the risks and uncertainties of the particular classes of long-term business written and the results are certified by the actuaries undertaking the valuations.

For long-term insurance contracts with fixed and guaranteed terms, estimates are made in two stages. Estimates of future deaths, voluntary terminations, investment returns and administration expenses are made at the inception of the contract and form the assumptions used for calculating the liabilities during the life of the contract. A margin for risk and uncertainty is added to these assumptions. These assumptions are 'locked in' for the duration of the contract. New estimates are made each subsequent year in order to determine whether the previous liabilities are adequate in the light of these latest estimates. If the liabilities are considered adequate, the assumptions are not altered. If they are not adequate, the assumptions are altered ('unlocked') to reflect the best estimate assumptions.

The reasonableness of the estimation process of future benefit payments is tested by an analysis of sensitivity under several different scenarios. The analysis enables the Group to assess the most significant assumptions and monitor the emerging variations accordingly.

Liabilities in relation to death and disability benefits are amortised by reinsuring the yearly sums at risk above the retention limit against payment of respective reassurance premiums. The sensitivity analysis has been disclosed in Note 3(d).

• Provision for asset retirement obligation

In one of the Group's subsidiaries the directors have estimated the costs of dismantling, removing antennas and restoring the leased sites to their original conditions which have been provided in full in the financial statements. This assumes that the effect of the inflationary increase on the costs will be minimised on discounting such costs to their present values. These assumptions and the sensitivity analysis are set out in Note 26.

• Fair value estimates of property, plant and equipment

The fair value at 31 December 2022 comprises the best estimate of market value by independent valuations performed by external property valuers. The best evidence of fair value is the current price in an active market for similar properties as set out in Note 10.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Critical accounting estimates and assumptions (Continued)

• Fair value estimates of investment properties

The fair value at 31 December 2022 comprises the best estimate of market value by independent valuations performed by external property valuers. The best evidence of fair value is the current price in an active market for similar properties, as set out in Note 11.

• Income taxes

The Group is subject to income taxes at an average tax rate **17%** (2021 – 17%). Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. The Group has a current tax receivable of **Rs 82.7 million** (2021 – Rs 81.1 million), refer to Note 9(a)(ii).

• Fair value of financial instruments

For financial instruments traded in active markets, the determination of fair values of financial assets is based on quoted market prices. This includes listed equity securities and quoted debt instruments on major stock exchanges. The quoted market price used for financial assets held by the Company is the current bid prices.

If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs. The sensitivity analysis is set out in Note 2.

The carrying value of trade receivables and trade payables are assumed to approximate their fair values.

(b) Critical judgements in applying the entity's accounting policies

In preparing the financial statements, the directors, in the process of applying the Group's accounting policies, did not make any judgement other than those involving estimates that could have a significant effect on the amounts recognised in the financial statements.

Changes in accounting policy and disclosures

(i) New standards, amendments to existing standards and interpretation issued and effective for the first for the financial year beginning on 01 January 2022.

In the current year, the Group and Company have assessed all of the new standards other than IFRS 17, interpretations by the International Accounting Standards Board ("IASB") that are relevant to their operations and effective for accounting periods beginning 01 January 2022. There are no new standards and amendments to standards and interpretations other than IFRS 17 that are effective for annual period beginning on 01 January 2022 that would be relevant or have a material impact on the financial statements.

(ii) New standards, amendments and interpretations issued but not effective for the financial year beginning after 1 January 2022 and not adopted early

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except as set out below.

IFRS 17, 'Insurance Contracts'

The IASB issued IFRS 17 insurance contracts in May 2017. On 25 June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 Insurance Contracts was first published in May 2017. These amendments are effective for annual reporting periods beginning on or after 1 January 2023. The standard needs to be applied retrospectively.

The Group's Insurance Company – Island Life Assurance Co. Ltd (ILA), did not do an early adoption of IFRS 17 standard. The Management of ILA expects IFRS 17 to have a future impact on the company but this impact has not yet been quantified as at April 2023.

The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Critical judgements in applying the entity's accounting policies (Continued)

(ii) New standards, amendments and interpretations issued but not effective for the financial year beginning after 1 January 2022 and not adopted early (continued)

IFRS 17 'Insurance Contracts' (Continued)

Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are measured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period. Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less.

For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. As a consequence, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.

The Company did not early adopt IFRS 17 standard. Management expects IFRS 17 to have a future impact on the company.

Compared to IFRS 4, IFRS 17 introduces measurement models for insurance contracts consisting of the general measurement model (GMM), variable fee approach (VFA) for contracts with direct participation features and the premium allocation approach (PAA) applicable for short-duration insurance contracts.

The main features of the general model for insurance contracts are that the groups of contracts identified:

- be measured at the present value of future cash flows incorporating an explicit risk adjustment and remeasured every reporting period (the fulfilment cash flows);

- have a contractual service margin that is equal and opposite to any day one gain in the fulfilment cash flows of a group of contracts, representing the unearned profit of the insurance contracts, is recognised in profit or loss over the service period (coverage period). This applies for profitable groups, where groups are expected to be onerous, a loss component is set up and the loss is recognised immediately.

The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage (fulfilment cash flows related to future service and the contractual service margin) and the liability for incurred claims (fulfilment cash flows related to past service).

Based on Island Life Assurance's analysis of insurance policies issued, the company predominantly writes long-term contracts, therefore the general measurement method will be applied to most of the insurance book with only the Group Life business falling into the premium allocation approach.

Insurance revenue and insurance service expenses are recognised in the statement of comprehensive income based on the services provided during the period. The standard also recognises losses earlier on contracts expected to be onerous.

The standard introduces a new, more granular system of reporting for both insurance revenue and insurance contract liabilities and does not only impact accounting and actuarial reporting but has a significant impact across the company's operating model. Due to the fundamental changes required, and to ensure successful implementation, an IFRS 17 implementation project team was established – with Island Life using QED Actuaries and Consultants as their implementation partners.

The transition to IFRS 17 and the financial impact assessment will remain a key focus during 2023. For most of the insurance book, it is expected that a mix between a fully retrospective approach and a fair value approach will be applied for the transition calculations.

The IFRS 17 implementation project team will focus on the following key areas during 2023:

- Produce and request business sign-off and external audit sign-off of transition balances.
- Commence with an IFRS 4 and IFRS 17 dual reporting run.
- Finalise the layout and disclosure of the IFRS 17 compliant annual financial statements.
- Finalise the management reporting and key performance measures.
- Continue engaging with the business through various training initiatives.
- Finalise and implement future financial and data governance processes and accountabilities.
- Complete the system development and key controls required to implement IFRS 17.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) New standards, amendments and interpretations issued but not effective for the financial year beginning after 1 January 2022 and not adopted early (continued)

IFRS 17 'Insurance Contracts' (Continued)

The full financial impact of IFRS 17 has not yet been fully assessed. For the vast majority of the book of Island Life Assurance which will be measured using the GMM, the impact would be expected to be as follows:

• The best estimate liability would be expected to remain similar to IFRS 4 with differences arising due to assumption changes – predominately from the discount rate (via the introduction of yield curves) and expense assumptions.

• The risk margin is expected to be similar to the current margins held under IFRS 4 with slight adjustments (and potential releases) due to margins not being held on financial risks (as is the case under IFRS 4).

• The largest impact is expected to be that a Contractual Service Margin (CSM) will be introduced which should result in an increase to the overall liabilities of the Company, especially given the fact that negative policyholder liabilities are allowed under IFRS 4.

For the minor portion of the book that will be measured using the PAA, no significant change from IFRS 4 position is expected.

IAS 16 'Property, Plant and Equipment (Amended)'

The amendment is effective for annual reporting periods beginning on or after 1 January 2022. It requires the proceeds received from selling output produced before the asset is ready for its intended use to be recognised as income in profit or loss. The related cost of producing the output is measured using the guidance in IAS 2, 'Inventories', and it is recognised as an expense in profit or loss when sold. If the items sold are the output of an entity's ordinary activities, the income and cost are disclosed in accordance with the requirements of IFRS 15, 'Revenue from Contracts with Customers', and IAS 2. If the items sold are not part of an entity's ordinary activities, the amendment to IAS 16 requires the disclosure of the amount and line item(s) in the statement of comprehensive income in which such proceeds and cost have been included. The amendment to IAS 16 also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. An asset might therefore be capable of operating as intended by management and subject to depreciation before it has achieved the level of operating performance expected by management. The entity should recognise the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented. Earlier application is permitted. If an entity applies the amendment for an earlier period, it should disclose that fact.

'Onerous contracts (Amended)'

Issued in May 2020, an entity shall apply those amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). The entity shall not restate comparative information. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively. The recognition principle in IFRS 3 specifies that the assets and liabilities recognised in a business combination must meet the respective definitions of assets and liabilities in the Framework, although, after the acquisition date, an acquirer accounts for most types of assets and liabilities recognised in a business combination in accordance with other IFRS standards applicable to those items.

IFRS 3 Business combinations- Asset or liability in a business combination clarity (Amended)'

IFRS 3 (amended), effective as from 1 January 2022, sets out how a company should account for the assets and liabilities it acquires when it obtains control of a business. Reference is made to the Conceptual Framework to determine what constitutes an asset or a liability. It includes a broader definition for liabilities when acquiring a business, hereby including provisions and contingent liabilities as per IAS 37 Provisions, Contingent Liabilities and Contingent Assets instead of the Conceptual Framework to determine what constitutes a liability.

"Financial Instruments – Amendments resulting from Annual Improvements to IFRS Standards 2018 – 2020"

The amendment is effective as from 1 January 2022. It elucidates which fees an entity includes when it applies the '10 per cent' test as per IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation

• Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

All acquisition costs, even those directly related to the acquisition such as professional fees (legal, accounting, valuation, etc), must be expensed. The costs of issuing debt or equity are to be accounted for under the rules of IFRS 9, Financial Instruments and IAS 32 Financial Instruments: Presentation.

The Group consolidates its life assurance business, ILA, through other income in the income statement, refer to the Other income (Note 5).

• Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

• Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

• Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/ (loss) of an associate' in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation (continued)

Investment in subsidiaries and associates in the Company's separate financial statements

Investments in subsidiaries and associates are recognised at cost (which includes transaction costs) in the separate financial statements of the Company.

The impairment testing of investments in subsidiaries, associates and joint ventures depends on the accounting policy choices made for the measurement of such investments. Investments in subsidiaries, associates and joint ventures that are accounted for at cost in separate financial statements are within the scope of IAS 36 Impairment of assets. The accounting for investments that are accounted for in accordance with the relevant IAS is addressed in that standard. IAS 36 requires an impairment test when indicators of potential impairment exist. Indicators of potential impairment are set out in paragraph 12 of IAS 36.

In particular, the receipt of a dividend from a subsidiary, joint venture or associate that meets the following conditions might be an internal indicator that the related investment could be impaired. The investor is, therefore, required to test the related investment for impairment where a dividend is received and there is evidence available that the carrying amount of the investment in the separate financial statements exceeds the carrying amount of the investee's net assets, including associated goodwill in the consolidated financial statements; or the dividend exceeds the total comprehensive income of the subsidiary, joint venture or associate in the period that the dividend is declared. When impairment indicators exist, a test for impairment should be performed. An impairment loss occurs when the carrying amount of the investment exceeds its recoverable amount. The carrying amount of an investment carried at cost would be its original cost less any previous impairment losses recognised. The recoverable amount of the investment is the higher of its fair value less costs of disposal and its value in use. A goodwill impairment on consolidation indicates a decrease in value since acquisition.

This will also trigger an impairment review of the parent entity's investment in the relevant subsidiary in the parent's separate financial statements. The goodwill and other net assets in the consolidated financial statements that are attributable to an impaired subsidiary will usually differ from the subsidiary's carrying value in the parent's separate financial statements. The subsidiary's net assets in consolidated financial statements (including goodwill) might be lower than the amount of the parent's investment recorded at cost. This does not necessarily mean that there is an impairment loss of the investment. The carrying amount of the investment in separate financial statements should be compared with its recoverable amount (i.e. the higher of fair value less costs of disposal and value in use), rather than the carrying amount of the subsidiary's net assets. If the recoverable amount of an investment in a subsidiary is determined by value in use, the investor's share of the present value of the subsidiary's estimated cash flows may be a proxy for value in use in separate financial statements where the parent is able to control the extraction of dividends from the subsidiary. The above is true if the subsidiary has no debt. Otherwise, the present value of expected cash flows from the subsidiaries' underlying assets should be reduced by the fair value of outstanding debt in order to determine the net amount available to equity holders. The investor's share of this net amount is the amount to use in the impairment test. When performing an impairment review of an investment in a subsidiary, it is necessary to consider non-interest-bearing inter-company balances, such as trade receivables and payables, between the parent and subsidiary. Any cash outflows payable to the parent for settlement of intercompany trading balances are included in determining the subsidiary's cash flows for use in the impairment calculation. This is because, from an entity perspective, it is expected that there will be a cash outflow from the subsidiary. Similarly, any cash inflows from the parent to the subsidiary are also taken into account. Any inter-company receivable in the parent's separate financial statements is separately evaluated based on the guidance in IFRS 9. If the recoverable amount of an investment in an associate or a joint venture is determined by value in use, the investor's share of the present value of the investment's estimated cash flows may be a proxy for the present value of dividend receipts. IAS 28 indicates that, when appropriate assumptions are used, both methods give the same result. The appropriate assumptions to align the investment's cash flows to those of the investee will principally include reflecting the fact that the investment is a minority holding. This is typically addressed through the application of a higher discount rate to the total company cash flows, reflecting the fact that the investor does not control them or the amount which may be paid as a dividend. There might be other issues which need to be addressed, such as the impact of any restrictions on dividends and the rights of other equity holders.

The Company evaluates its investments in subsidiaries for impairment annually and records an impairment loss when the carrying amount of such assets exceeds the recoverable amount. The assessment of the existence of any indicators of impairment of the carrying amount of investments in subsidiaries is subjective. In the event that indicators of impairment are identified, the assessment of the recoverable amounts is also judgmental and requires estimation and the use of subjective assumptions. The Company measures the recoverable amount of its investments in subsidiaries by using projected discounted cash flows valuation methods and net assets valuation methods.

Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in profit or loss.

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation (Continued)

Foreign currency translation

• Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in thousands of Mauritian rupee.

In the separate financial statements of the Company, items are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The separate financial statements are presented in thousands of Mauritian rupee, which is the Company's functional currency.

• Transactions and balances

Transactions denominated in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income – net'.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as financial assets at fair value through other comprehensive income are included in other comprehensive income.

• Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;

- income and expenses for each income statement are translated at average exchange rate, unless the average exchange rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction date, in which case income and expenses are translated at the dates of the transactions; and

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, financial assets held at amortised cost and financial assets at fair value through other comprehensive income. The classification depends on the purpose for which the financial assets were acquired. The directors determine the classification of its financial assets at initial recognition.

• Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

• Financial assets held at amortised cost

Financial assets held at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

• Financial assets at fair value through other comprehensive income (FVOCI)

The Group's financial assets held at amortised cost comprise 'financial assets held at amortised cost' and 'cash and cash equivalents' in the statements of financial position .Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

The Group classifies its financial assets in the following categories: at amortised cost, at fair value through profit or loss and at fair value through other comprehensive income. The classification depends on the business model and whether the Group's business model is to hold these for collection of contractual cash flows, and the cash flows represent solely payments of principal and interest on the principal amount, or for sale or both. The Group determines the classification of its financial assets on initial recognition.

Subsequent measurement

Financial assets held at amortised cost

Financial assets held at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's financial assets held at amortised cost comprise 'trade receivables' in the statement of financial position. Subsequent measurement of financial assets held at amortised cost is at amortised cost given that these are assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income and presented in other gains/ (losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.

Equity instruments

The Group subsequently measures all equity investments at fair value. The Directors have elected to present fair value gains and losses on equity investments in statement of other comprehensive income and there is no subsequent reclassification of fair value gains and losses to the statement of comprehensive income following the derecognition of the investment. Dividends from such investments are to be recognised in the statement of comprehensive income as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/losses in the statement of comprehensive income as applicable.

Impairment of financial assets

The Group applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables except for ILA which meets the criteria for eligibility of a temporary exemption from the application of IFRS 9 until 2023.

Trade receivables have been grouped based on shared credit characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over the last 3 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified Gross Domestic Product (GDP) to be the most relevant factor, and accordingly adjusts the historical loss rates.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired include observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;

b. a breach of contract, such as a default or past due event;

c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

e. the disappearance of an active market for that financial asset because of financial difficulties; or

f. the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Freehold land and buildings and buildings on leasehold land are shown at fair value, based on a periodic but at least triennial valuation by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the assets, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of freehold land and buildings and buildings on leasehold land are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve directly in equity; all other decreases are charged to profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings and buildings on long leasehold land	2.0% to 5.0%
Plant, equipment and other assets	10.0% to 50.0%
Motor vehicles	20.0% to 33.0%
Furniture and fittings	5.0% to 22.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. At the date of revaluation, the carrying amount must equal the fair value. This is done by by adjusting the gross book value of the asset and accumulated depreciation; or by eliminating accumulated depreciation and adjusting the gross book value of the asset to equal revalued amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating income/(expenses)-net' in profit or loss. On disposal of revalued assets, the surplus on revaluation remaining in revaluation reserve for these assets is transferred to retained earnings.

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.

Investment property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group or the Company, are classified as investment properties. Investment properties comprise office buildings and retail outlets leased out under operating lease agreements.

Some properties may be partially occupied by the Group, with the remainder being held for rental income or capital appreciation. If that part of the property occupied by the Group can be sold separately, the Group accounts for the portions separately. The portion that is owner-occupied is accounted for under IAS 16, and the portion that is held for rental income or capital appreciation or both is treated as investment property under IAS 40. When the portions cannot be sold separately, the whole property is treated as investment property only if an insignificant portion is owner-occupied. The Group considers the owner-occupied portion as insignificant when the property is more than 95% held to earn rental income or capital appreciation. In order to determine the percentage of the portions, the Group uses the size of the property measured in square metre.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably. This is usually when all risks are transferred.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost has incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the year in which they arise.

Subsequent expenditure is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment property (continued)

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is calculated on the basis of recent transactions in similar properties adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers.

The Group only enters as lessor into lease agreements that are classified as operating leases (IAS 17). A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. The properties leased out under operating leases are included in 'Investment properties'. Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term. The Group makes payments to agents for services in connection with negotiating lease contracts with the Group's lessees. The letting fees are capitalised within the carrying amount of the related investment property and depreciated over the lease term.

Right of use assets

Following the adoption of IFRS 16, the Group has presented the right of use assets separately in the statement of financial position. Alternatively, the Group may choose to resent right of use assets that do not meet the definition of investment property within property, plant and equipment.

Right-of-use assets are measured at cost comprising the following:

• the amount of the initial measurement of lease liability

• any lease payments made at or before the commencement date less any lease incentives received

• any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of IT equipment and small items of office furniture.

Insurance contracts

(a) Classification

One of the Group's subsidiary issues contracts that transfer insurance risk. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

(b) Recognition and measurement

The Group issues long-term insurance contracts with fixed and guaranteed terms. These contracts insure events associated with human life (for example death, or survival) over a long duration. Premiums are recognised as revenue when they become payable by the contract holder. Premiums are shown before deduction of commission.

Benefits are recorded as an expense when they are incurred.

A liability for contractual benefits that are expected to be incurred in the future is recorded when the premiums are recognised. The liability is determined as the sum of the expected discounted value of the benefit payments and the future administration expenses that are directly related to the contract, less the expected discounted value of the theoretical premiums that would be required to meet the benefits and administration expenses based on the valuation assumptions used (the valuation premiums).

The liability is based on assumptions as to mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued. A margin for adverse deviations is included in the assumptions.

The liabilities are recalculated at each reporting date using the assumptions established at valuation date.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Insurance contracts (Continued)

(c) Minimum capital requirement test

As required by the Long Term Insurance Solvency Rules, an insurer shall at all times maintain a solvency margin that is at least equal to the Minimum Capital Requirement. The Minimum Capital Requirement for an insurer shall be determined by its actuary as the higher of a stress test requirement determined in accordance with guidelines issued by the Financial Services Commission to ensure that the long-term insurer remains solvent or the higher of an amount of Rs 25 million or an amount representing 13 weeks' operating expenses. The purpose of the set stress requirement is to quantify the minimum level of assets in excess of liabilities so as to enable the insurer to meet all the obligations as and when they are due and to provide sufficient cushion against adverse deviations in experience in any of the variables used in the valuation of liabilities. Stress Test Requirements equals the higher of the "Termination Capital Adequacy Requirements" (TCAR) and the "Ordinary Capital Adequacy Requirements" (OCAR).

As set out in (b) above, long-term insurance contracts with fixed terms are measured based on assumptions set out at the valuation date.

(d) Reinsurance contracts held

Contracts entered into by one of the Group's subsidiaries with reinsurers under which the subsidiary is compensated for losses on one or more contracts issued by the subsidiary and that meet the classification requirements for insurance contracts in (a) above are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the subsidiary under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

The benefits to which the subsidiary is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of short-term balances due from reinsurers (classified within financial assets held at amortised cost), as well as longer term receivables (classified as reinsurance assets) that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract.

Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. In certain cases a reinsurance contract is entered into retrospectively to reinsure a notified claim under the subsidiary's property or casualty insurance contracts. Where the premium due to the reinsurers differs from the liability established by the subsidiary for the related claim, the difference is amortised over the estimated remaining settlement period.

The subsidiary assesses its reinsurance assets for impairment on a quarterly basis. If there is objective evidence that the reinsurance asset is impaired, the subsidiary reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in profit or loss. The subsidiary gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is also calculated following the same method used for these financial assets.

(e) Receivables and payables related to insurance contracts

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Company reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in profit or loss. The Company gathers the objective evidence that an insurance receivable is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is also calculated under the same method used for these financial assets.

Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (Continued)

(b) Computer software costs

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software.

These costs are amortised over their estimated useful life (5 years).

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

(c) Patent rights and licences

Separately acquired patents and licences are initially recognised at cost. Subsequently, they are carried at cost less amortisation. Amortisation is calculated using the straight-line method to allocate the cost of patent and licences over their useful lives of 5 – 15 years.

(d) Indefeasible Rights of Use (“IRU”)

Capacity purchased on an Indefeasible rights of use (“IRU”) basis is shown under non-current assets. The IRU is amortised on a straight-line basis over the contract period of 15 years from the effective date of the IRU’s purchase. Remaining useful life is approximately is 7 years.

Impairment of non-financial assets

Intangible assets are not subject to amortisation and an assessment is made at each reporting date whether there is any impairment indication. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. There were no indicators of impairment during the year hence an impairment assessment was not deemed necessary as the ongoing factors which might have triggered an indication such as the Russian invasion of Ukraine did not have a direct impact on the Group.

Trade receivables

Trade receivables are amounts due from customers for goods and services sold in the ordinary course of the business. They are generally due for settlement within 30 and 90 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The Group and Company apply the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables.

Trade receivables have been grouped based on shared credit characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over the last 3 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified Gross Domestic Product (GDP) to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the average cost (“AVCO”) method and includes all costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work-in progress comprises purchase price, materials and all applicable expenses. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Property held for resale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

Common Control transactions

Common control transactions occur frequently, particularly in the context of reorganizations. Combinations between entities that are under common control are excluded from the scope of the business combinations. Common control transactions are generally accounted for by the receiving entity based on the nature of the transactions. The accounting for common control transactions is based on the nature of what is transferred or exchanged as part of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 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.

Contingent assets

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events that are not wholly within the control of the entity. These are treated as off-balance sheet items but have been disclosed in Note 32(ii) since it is more likely than not that an inflow of benefits will occur.

Share capital

Ordinary shares are classified as equity.

Trade payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is done within one year or less. If not they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company’s subsidiaries and associates operate and generate taxable income. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Provision for asset retirement obligations

This provision relates to the estimated cost of dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located to its original condition. The Group provides for the anticipated costs associated with the restoration of leasehold property to its original condition at inception of the lease, including the removal of items included in plant and equipment that is erected on leased land.

The Group only recognises these decommissioning costs for the proportion of its overall number of sites for which it expects decommissioning to take place. The expected percentage has been based on actual experience in the respective operations.

A provision is made for the present value of the estimated future decommissioning costs at the end of the life of the site/ expected lease term. When this provision gives rise to future economic benefits, an asset is recognised, otherwise the costs are charged to profit or loss. The estimated cost is discounted at a pre-tax rate that reflects current market assessments of the time value of money. The increase in the decommissioning provision due to the passage of time is recognised as a finance cost.

Employee benefits

(a) Pension obligations

The Group has both defined benefit and defined contribution plans. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

• Defined benefit pension

Group companies operate various pension schemes for employees eligible for a defined benefit schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

Where employees are not covered under defined pension scheme, the present value of severance allowances calculated on the basis the enacted laws in the countries where the respective entity operates has been provided for. The present value of severance allowances has been disclosed within unfunded obligations under retirement benefit obligations.

• Defined contribution plan

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (continued)

(b) Other post-employment obligations

Some group companies provide post-retirement healthcare and other benefits apart from pensions to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

(c) Termination benefits

Termination benefits are payable when employment is terminated by a group entity before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(d) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Leases

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance leases or operating leases. From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Until 31 December 2018, leases of property, plant and equipment where the group, as lessee, had substantially all the risks and rewards of ownership were classified as finance leases. Finance leases were capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, were included in other short-term and long-term payables. Each lease payment was allocated between the liability and finance cost. The finance cost was charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases was depreciated over the asset's useful life, or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Revenue from contracts with customers and rental income recognition

Performance Obligations

Revenue from contracts with customers is recognised to the extent that it is probable that the economic benefits will flow to the group and revenue can be reliably measured. In short, revenue is recognised by reference to each distinct performance obligation in the contract with the customer. The Group serves across diverse industries including telecommunications, media, information and technology, real estate, tourism, hospitality, retail, financial services and energy and its main sources of revenue are across the following clusters.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers and rental income recognition (Continued)

The Telecommunications, Media and IT cluster entails the provision of services which includes: mobile revenue, roaming and interconnect, enterprise revenue, tower rental deferred revenue, business intelligence, IT consulting and project management services, subscription television direct to home satellite broadcasting and re- broadcasting services and from sale of telephone and equipment.

The Real estate cluster includes rental income from the leasing out of property. Rental income which is generated from operating leases on investment properties is included in the Statement of Profit or Loss owing to its operating nature. For the tourism and hospitality cluster, revenue is generated from provision of hotel and travel services which includes the invoiced value for room, food and beverages, air tickets and other hotel and travel services, net of value added tax and discounts.

The Retail cluster derives revenue from the transfer of goods at a point in time and is measured at the fair value of the consideration received or receivable, stated net of discounts, returns, allowances and value added taxes.

Timing of Revenue Recognition

The group derives most of its revenue from the sale of goods and services. Revenue is recognised at a point in time when control of the goods or services rendered are actually transferred to the customer. Generally, this is when the goods are delivered to the customer or services provided and when the performance obligation is satisfied, that is, when control of the goods or services rendered is actually transferred to the customer. Revenue is recognised from services provided over time as customers simultaneously receive and consume the benefits provided to them. Each service is deemed as distinct and signifies a performance obligation.

Life assurance fund

At the end of every year the amount of the liabilities of the life assurance fund is established. Effective from the year 2004, the adequacy of the fund is determined annually by actuarial valuation. Under current legislation, an annual actuarial reporting is required by Financial Services Commission. Based on the annual actuarial valuation, the actuary recommends the bonus declaration and the amount of actuarial surplus that can be transferred from profit or loss.

Dividend distribution

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

2 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Market risk is the risk of loss due to the factors that affect an entire market or asset class. Market risk is also known as undiversifiable risk because it affects all asset classes and is unpredictable. Three primary sources of risk affect the overall market: foreign exchange risk, equity price risk and interest rate risk.

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Gearing has been calculated on the financial position of the Group.

Risk management is carried out under policies approved by the Board of directors.

(a) Market risk

• Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar ("USD"), Euro ("EUR"), Great Britain Pound ("GBP") and Indian rupee ("INR"). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Group companies individually manage foreign exchange risk against their functional currency by forecasting their requirements for foreign currencies and retaining, wherever possible, such amounts necessary to settle amounts denominated in foreign currencies. The Group companies also use leading and lagging to behove from currency fluctuations.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

• Foreign exchange risk (Continued)

Sensitivity analysis

The profitability of the Group and Company is sensitive to foreign exchange gains/losses on translation of fair value through OCI, loans and receivables, cash and cash equivalents, net of borrowings and trade and other payables. The tables below depicts the sensitivity of the Group's and Company's post tax profit to changes in the exchange rates of the major currencies to which the Group and Company is exposed.

	USD	EUR	GBP	INR
Group – 2022	**%**	**%**	**%**	**%**
Hypothetical rate of appreciation/(depreciation) of the Mauritian rupee against the foreign currency	**(1)**	**5**	**10**	**8.9**
	USD	**EUR**	**GBP**	**INR**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Hypothetical effect on group post-tax profit and retained earnings:				
Increase/(Decrease) in post-tax profit and retained earnings for the year ended 31 December 2022	**871**	**1,378**	**49,766**	**36,292**

	USD	EUR	GBP	INR
Group – 2021	%	%	%	%
Hypothetical rate of appreciation of the Mauritian rupee against the foreign currency	(10)	(1)	(9)	(8)
Hypothetical effect on group post-tax profit and retained earnings:				
Increase/ (Decrease) in post-tax profit and retained earnings for the year ended 31 December 2021	(20,633)	81,619	(34,989)	(16,731)

	2022		2021	
	USD	**EUR**	USD	EUR
	%	**%**	%	%
Company				
Hypothetical rate of appreciation/(depreciation) of the Mauritian rupee against the foreign currency	**(1)**	**5**	(10)	(1)
	USD	**EUR**	USD	EUR
	Rs'000	**Rs'000**	Rs'000	Rs'000
Increase/(Decrease) in post-tax profit and retained earnings for the year ended 31 December	**(14)**	**125**	(71)	(6)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Equity Price risk

Equity price risk is the risk that arises from security price volatility – the risk of a decline in the value of a security or a portfolio.

Due to the fact that the Group holds shares in Bharti Airtel and Airtel Africa which are listed on the Bombay Stock Exchange and National Stock Exchange respectively, the Group is exposed to equity securities price risk in respect of the financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. The Group's strategy for its financial assets at fair value through OCI is to hold them for long term capital appreciation and is not influenced by short term market fluctuations and not held for trading purposes. However, the Directors monitor the equity markets on a daily basis and the Board of Directors meet on a regular basis to review the performance of these investments as these investments are listed on overseas stock exchanges and are subject to volatility in terms of price and foreign exchange as well.

The financial assets at fair value through other comprehensive income consists primarily of investment in a company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange. During the year ended 31 December 2022, the market price of this investment has gained **18%** (2021 – 34%) of its value compared to the market price in 2021. At 31 December 2022, if the price of the investment had increased / decreased by a further **18%** (2021 – 34%), with all variables held constant, equity would have been **Rs 90 million** (2021 – Rs 158 million) higher/ lower.

The value of quoted shares held at fair value through profit or loss would have increased/decreased by **Rs 38 million** (2021 – Rs 41 million) if a change of 10% occurred in the share price. The value of unquoted shares held at fair value through profit or loss would have increased/decreased by **Rs 10 million** (2021 – Rs 11 million) if a change of 10% occurred in the share price.

The Group is not exposed to any other significant price risk at 31 December 2022.

• Interest rate risk

The Group analyses its interest rate exposure on a dynamic basis as borrowings are both at fixed and floating interest rates. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on with respect to its interest bearing assets and liabilities.

The significant interest-bearing assets include loans, hire purchase debtors and cash at bank. The loans arising on the life assurance business are on a fixed interest rate basis and are not subject to interest rate fluctuations. Interest on hire purchase debtors is fixed by law and is also not subject to interest rate fluctuations. The effective interest rate on cash and cash equivalents was **0.03%** (2021 – 0.02%); the impact of a 0.75% shift would cause a maximum shift in the post tax profit of **Rs 6,679,000** (2021 – Rs 2,756,000).

With respect to interest-bearing liabilities, significant interest rate risk arises on the Group bank loans which are at variable rates. The effective interest charge on bank loans was **3.1%** (2021 – 2.7%); the impact of a 0.75% shift would cause a maximum shift in post tax profit of **Rs 55,402,000** (2021 – Rs 49,274,000).

The Company's effective interest charge on bank loans was **4.4%** (2021 – 3.6%); the impact of a 0.75 % shift would cause a maximum shift in post tax profit of **Rs 20,938,000** (2021 – Rs 20,940,000).

(b) Credit risk

Credit risk relate to the risk of a counterparty defaulting on its contractual obligations emanating into financial loss to the Group and the Company. Credit risk arises from cash and cash equivalents, financial assets held at amortised cost and financial assets at fair value through OCI.

To manage credit risk with respect to cash and cash equivalents, the Group and Company transacts with only highly reputable financial institutions, with high quality S&P and Moody's ratings. The Directors have assessed that the credit risk associated with cash and cash equivalents is insignificant based on the historical information of the financial strengths of the financial institutions.

Due to the diversity of the Group's activities, the credit risks associated with each type of receivables are managed according to their nature and are described below. The credit quality of these receivables is provided in Note 18. Credit risk is managed through regular discussions of directors with the CFO on the exposure of the Group and Company to credit risk and critical assessment of the Group's and Company's provision matrix which is detailed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

The credit quality of financial assets at fair value through OCI is disclosed in Note 16. Credit risk is managed by the Board of each subsidiary.

Trade receivables

The Group has policies in place to control the level of debts to ensure that sale of products and services are made to customers with an appropriate credit history. Such policies include credit vetting before sale, setting up credit limits, disconnection (cellular phone and pay TV subscribers) and subscription payments through direct debits amongst others.

Loans and other loans receivable

Exposure to credit risk for loans receivable is managed through analysis of the ability of borrowers to meet interest and capital repayment obligations and by changing the lending limits where appropriate.

Hire purchase debtors

Hire purchase debtors comprise of a wide variety of customers buying on hire purchase facilities and are from different sectors of the economy. The Group has no significant concentrations of credit risk and has policies in place to ensure that the vetting criteria are assessed and reviewed in order to take into consideration economic realities. All credit applications go through a rigorous vetting process and material contracts are subject to management approval. At the level of operations, outstanding debts are continuously monitored and relevant provisions/diminution in value is recognised as and when they become apparent.

The maximum exposure to credit risk is represented by the book values of the receivables carried in the statement of financial position without taking into account the value of any collateral obtained. Hire purchase debtors are secured over the hire purchase assets and the latter's fair values approximate the carrying amounts of hire purchase debtors at the reporting date.

Rating of assets bearing credit risks

Credit Ratings	2022 Rs'000	2021 Rs'000
A+	-	-
A	3,934	4,525
A-*	-	-
AAA	-	-
Aa3	-	-
BBB+	-	-
BBB+*	-	-
BBB-*	-	-
Baa1**	-	-
Baa2**	-	-
Baa3**	500,465	697,565
CARE MAU AA	9,219	-
CARE MAU A+	-	2,000
CARE MAU A+*	-	16,829
CARE MAU AA	-	34,212
CARE MAU A*	25,939	25,547
CARE MAU AA-	-	-
CARE MAU AA*	-	8,253
CARE MAU AA_*	-	10,946
CARE MAU AAA	-	-
CARE MAU BBB+	-	1,000

The remaining assets bearing credit risks are unrated. *The ratings for foreign investments were taken from ratings provided by Standard & Poor's. ** The ratings for local equity (MCB and SBM) and for government treasury bills and notes were taken from ratings provided by Moody's. *** The ratings for local equity were taken from ratings provided by Care Ratings. The unrated assets consist of equity investments, secured housing and policy loans, unsecured and secured loans receivable from related parties, other receivables, fixed deposits from financial institutions and cash balances.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Liquidity risk arises in a situation where the Group and Company are unable to meet their short-term financial obligations without incurring losses. The Group and Company faces liquidity risk as their financial liabilities are subject to contractual payments. Prudent liquidity risk management policies implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the finance department aims at maintaining flexibility in funding by keeping committed credit lines available. Bank overdraft limits are regularly monitored and management conducts quarterly review of the subsdiaries' statement of cash flows.

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

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Group					
At 31 December 2022					
Borrowings	**2,589,369**	**1,959,723**	**3,451,344**	**3,252,093**	**11,252,529**
Lease liabilities	**328,059**	**253,341**	**210,328**	**390,515**	**1,182,243**
Trade and other payables	**1,532,306**	**12,582**	**11,160**	**-**	**1,556,048**
Life assurance funds	**181,040**	**93,880**	**110,075**	**436,519**	**821,514**
	4,630,774	**2,319,526**	**3,782,907**	**4,079,127**	**14,812,334**
At 31 December 2021					
Borrowings	1,186,686	1,118,013	4,561,179	2,973,365	9,839,243
Lease liabilities	219,428	204,527	451,715	912,168	1,787,838
Trade and other payables	1,069,444	3,312	3,126	-	1,075,882
Life assurance funds	95,982	136,401	162,646	535,533	930,562
	2,571,540	1,462,253	5,178,666	4,421,066	13,633,525

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Company					
At 31 December 2022					
Borrowings	**642,641**	**785,471**	**1,746,748**	**1,508,677**	**4,683,537**
Lease liabilities	**22,268**	**10,206**	**7,198**	**-**	**39,672**
Trade and other payables	**55,866**	-	-	-	**55,866**
Guarantees	**236,818**	-	-	-	**236,818**
	957,593	**795,677**	**1,753,946**	**1,508,677**	**5,015,893**
At 31 December 2021					
Borrowings	557,299	122,443	2,221,999	1,558,485	4,460,226
Lease liabilities	25,933	11,525	8,542	5,478	51,478
Trade and other payables	51,690	-	-	-	51,690
Guarantees	297,773	-	-	-	297,773
	932,695	133,968	2,230,541	1,563,963	4,861,167

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Concentration Risk

Concentration risk describes the level of risk in an organisation's portfolio arising from concentration to a single counterparty. Concentration risk can arise from uneven distribution of exposures (or loan) to its borrowers. Within the Group, there is a risk that the loans granted to related parties are impaired due to unfavourable circumstances. Concentration risk measurement is based on the percentage of the related party loans to the total debt of the Group can be used a measure. As at 31 December 2022, the concentration risk of the Group was deemed to be negligible.

(e) Fair value estimation

The fair value of financial assets at fair value through OCI that are traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group and Company is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, unquoted shares) is determined using valuation techniques. The Group and Company use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long term debt. Other techniques, such as discounted cash flows, are used to determine the fair value of the remaining instruments.

The carrying amounts of financial assets held at amortised cost less impairment provision are assumed to approximate their fair values. The carrying values of financial liabilities also approximate their fair values.

• Fair values hierarchy

In accordance with the amendment to IFRS 13, the Group and Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

• Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

• Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

• Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1	Level 2	Level 3	Total
Group – 2022	Rs'000	Rs'000	Rs'000	Rs'000
Assets				
Financial assets at fair value through profit or loss				
– Trading securities	**376,745**	**-**	**104,568**	**481,313**
Land and buildings (Property, Plant and Equipment-Note 10)	**-**	**1,940,083**	**465,611**	**2,405,694**
Land and buildings (Investment Properties- Note 11)	**-**	**2,302,960**	**961,247**	**3,264,207**
Financial assets at fair value through OCI				
– Equity securities	**906,494**	**-**	**32,140**	**938,634**
– Debt securities	-	**228,236**	-	**228,236**
Total assets	**1,283,239**	**4,471,279**	**1,563,566**	**7,318,084**

Group – 2021	Level 1	Level 2	Level 3	Total
Assets	Rs'000	Rs'000	Rs'000	Rs'000
Financial assets at fair value through profit or loss				
– Trading securities	412,385	-	114,861	527,246
Land and buildings (Property, Plant and Equipment-Note 10)	-	2,344,980	-	2,344,980
Land and buildings (Investment Properties- Note 11)	-	2,810,597	-	2,810,597
Financial assets at fair value through OCI				
– Equity securities	1,004,100	-	17,975	1,022,075
– Debt securities	-	302,241	-	302,241
Total assets	1,416,485	5,457,818	132,836	7,007,139

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Fair values hierarchy (continued)

Company – 2022

	Level 1 Rs'000	Level 2 Rs'000	Level 3 Rs'000	Total Rs'000
Assets				
Financial assets at fair value through OCI				
– Equity securities	**-**	**-**	**32,140**	**32,140**
Land and buildings (Note 10)	**-**	**8,690**	**-**	**8,690**
Total assets	**-**	**8,690**	**32,140**	**40,830**

Company – 2021

	Level 1 Rs'000	Level 2 Rs'000	Level 3 Rs'000	Total Rs'000
Assets				
Financial assets at fair value through OCI				
– Equity securities	3	-	17,975	17,978
Land and buildings (Note 10)	-	8,404	-	8,404
Total assets	3	8,404	17,975	26,382

The fair values of the loans approximate their carrying amounts.

The Group is exposed to equity securities and debt securities price risks. If the fair value of the investments increases/decreases by 5%, other factors remaining unchanged, the Group's profit for the year and financial assets (at fair value through profit or loss and financial assets at fair value through OCI) would increase/decrease by **Rs 82,409,150** (2021 – Rs 92,662,000).

The Group's financial assets valued at fair value through profit or loss are directly related to the fair valuation of the investee entity. The investee entity uses various valuations methods to value its underlying investment assets. Level 3 includes all investments classified as financial assets at fair value through profit or loss. The investments have been valued using the share of net asset value ("NAV") of the respective investee companies. At 31 December 2022, had the fair value increased/decreased by **1%** (2021- 1%), the carrying amount would have increased/decreased by **Rs 1,045,080** (2021 – Rs 1,148,610).

The Group is exposed to equity securities and debt securities price risks as described in Note 2(a).

Following valuation of land and buildings during the year ended 31 December 2022, some assets have been classified under Level 3 (priorly in Level 2 during year ended 31 December 2021).

The following table presents the movements in Level 3 instruments for the years ended 31 December 2022 and 2021:

	Financial asset at fair value through profit or loss Rs'000	Financial asset at fair value through OCI Rs'000	Total Rs'000
Group – 2022			
Balance at 01 January 2022	**114,861**	**17,975**	**132,836**
Total gains recognised in profit or loss	**(6,915)**	**-**	**(6,915)**
Purchases	**-**	**14,165**	**14,165**
Sales/Transfers	**(3,378)**	**-**	**(3,378)**
Balance at 31 December 2022	**104,568**	**32,140**	**136,708**
Change in unrealised gains for the period included in profit or loss for assets held at the end of the reporting period	**(3,698)**	-	**(3,698)**
Group – 2021			
Balance at 01 January 2021	89,087	14,975	104,062
Total gains recognised in profit or loss	(1,579)	-	(1,579)
Purchases	45,280	3,000	48,280
Sales/Transfers	(17,927)	-	(17,927)
Balance at 31 December 2021	114,861	17,975	132,836
Change in unrealised gains for the period included in profit or loss for assets held at the end of the reporting period	(1,579)	-	(1,579)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Fair values hierarchy (continued)

	2022 Rs'000	2021 Rs'000
Company		
Financial assets at fair value through OCI		
Balance at 01 January	**17,975**	14,975
Purchases	**14,165**	3,000
Balance at 31 December	**32,140**	17,975

• Financial instruments by category

	Financial assets held at amortised cost Rs'000	Financial assets at fair value through profit or loss Rs'000	Financial assets at fair value through OCI Rs'000	Total Rs'000
Group – 2022				
Financial assets per statement of financial position:				
Financial assets held at amortised cost excluding non-financial assets	**988,633**	-	-	**988,633**
Financial assets at fair value through OCI	-	-	**1,166,870**	**1,166,870**
Financial assets at fair value through profit or loss	-	**481,313**	-	**481,313**
Cash and cash equivalents	**1,072,865**	-	-	**1,072,865**
Total	**2,061,498**	**481,313**	**1,166,870**	**3,709,681**
Group – 2021				
Financial assets per statement of financial position:				
Financial assets held at amortised cost excluding non-financial assets	1,115,736	-	-	1,115,736
Financial assets at fair value through OCI	-	-	1,324,316	1,324,316
Financial assets at fair value through profit or loss	-	527,246	-	527,246
Cash and cash equivalents	443,207	-	-	443,207
Total	1,558,943	527,246	1,324,316	3,410,505

All financial assets at fair value through profit or loss are designated in this category upon initial recognition.

Financial liabilities for the Group are all carried at amortised cost and are as follows:

	2022 Rs'000	2021 Rs'000
Group		
Financial liabilities per statement of financial position:		
Borrowings	**9,400,638**	8,300,742
Lease liabilities	**1,029,809**	1,091,234
Trade and other payables (excluding non- financial liabilities)	**1,556,048**	1,075,882
Life assurance fund	**821,514**	930,562
	12,808,009	11,398,420

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

• Financial instruments by category (Continued)

	Financial assets held at amortised cost	Financial assets at fair value through OCI	Total
	Rs'000	**Rs'000**	**Rs'000**
Company – 2022			
Financial assets per statement of financial position:			
Financial assets at fair value through OCI	-	**32,140**	**32,140**
Financial assets held at amortised cost -excluding non financial assets	**589,389**	-	**589,389**
Cash and cash equivalents	**5,116**	-	**5,116**
Total	**594,505**	**32,140**	**626,645**
Company – 2021			
Financial assets per statement of financial position:			
Financial assets at fair value through OCI	-	17,978	17,978
Financial assets held at amortised cost -excluding non financial assets	835,648	-	835,648
Cash and cash equivalents	59,582	-	59,582
Total	895,230	17,978	913,208

Financial liabilities for the Company are all carried at amortised cost and are as follows:

	2022	2021
	Rs'000	Rs'000
Company		
Financial liabilities per statement of financial position:		
Borrowings	**3,825,122**	3,817,222
Lease liabilities	**34,751**	43,920
Trade and other payables (excluding non- financial liabilities)	**55,866**	51,690
	3,915,739	3,912,832

(e) Capital risk management

The subsidiary's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings') as shown in the statement of financial position less cash and cash equivalents. The Group regards 'equity' as shown in the statement of financial position as being capital. Total capital is calculated as capital plus net debt.

The Board of Directors assesses the impact of each significant new investment on the gearing of the Group and Company as part of the investment appraisal process on a quarterly basis. The Group and Company have met all their debt covenants with their respective financial institutions. The gearing ratios at 31 December 2022 and 2021 were as follows and are within the target set by the Board of 60%-85%:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Net debt	**8,327,773**	7,857,535	**3,820,006**	3,757,640
Capital	**2,088,284**	1,812,268	**2,238,646**	2,185,320
Total capital	**10,416,057**	9,669,803	**6,058,652**	5,942,960
Gearing ratio	**79.95%**	81.26%	**63.05%**	63.23%

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Financial risk arising in the Life Assurance Business subsidiary (the "LABS")

The following relate to the LABS which is the subsidiary that operates a life assurance business.

The LABS exposes the Group to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long-term its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts. The most important components of this financial risk are interest rate risk, equity price risk, foreign currency risk and credit risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the LABS and the Group face are primarily interest rate risk and equity price risk.

The LABS manages financial risks via its Investment Committee which is mandated to achieve long-term investment returns in excess of its obligations under insurance and investment contracts. The principal technique of the Investment Committee is to match assets to the liabilities arising from insurance and investment contracts by reference to the type of benefits payable to contract holders. For each distinct class of liabilities, a separate portfolio of assets is maintained. The LABS has not changed the processes used to manage its risks from previous periods.

Fixed and guaranteed insurance contracts

Insurance contracts with guaranteed and fixed terms have benefit payments that are fixed and guaranteed at the inception of the contract. The financial component of these benefits is usually a guaranteed fixed interest rate (for the insurance contracts, this rate may apply to maturity and/or death benefits) and hence the LABS's primary financial risk on these contracts is the risk that interest income and capital redemptions from the financial assets backing the liabilities is insufficient to fund the guaranteed benefits payable.

Liquidity risk

Liquidity risk is the risk that the LABS is unable to meet its obligations when they fall due as a result of policyholder benefit payments, cash requirements from contractual commitments, or other cash outflows, such as debt maturities. Such outflows would deplete available cash resources for operational, trading and investments activities. In extreme circumstances, lack of liquidity could result in reductions in the statement of financial position and sales of assets, or potentially an inability to fulfil policyholder commitments. The risk that the LABS will be unable to do so is inherent in all insurance operations and can be affected by a range of institution-specific and marketwise events including, but not limited to, credit events, systemic shocks and natural disasters.

The LABS is exposed to daily calls on its available cash resources with regard to claims and maintains a certain level of cash resources in the bank to service the daily claims. Investments are also made in certain liquid investments such as Government Treasury bills and investments in equity shares that are traded in active markets and can be readily disposed of. The Company has also made arrangements in its reinsurance programme to cater for large claims whereby its reinsurers will pay their share of these losses within a short period of time through cash calls.

Mismatch risk

All insurance liabilities are asset backed. Mismatch risk arises when the nature, term and currency of backing assets are different from the nature, term and currency of liabilities. Nature of liabilities refers to whether they are fixed, indexed or variable (DPF) at the LABS's discretion.

The following tables indicate the contractual amount and timing of cash flows arising from the insurance liabilities and the extent of duration-matching for these contracts. They summarise the Company's exposure to interest rate risks for these assets and liabilities. When debt securities mature, the proceeds not needed to meet the liability cash flows will be re-invested in floating rate securities, and the interest rate swaps are used to secure fixed interest rate cash flows. The reinvestment of these net positive proceeds in the earlier years will fund the negative cash flows displayed in the table below for the later years.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

2 FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Financial risk arising in the Life Assurance Business subsidiary (the "LABS") (Continued)

Mismatch risk (Continued)

At 31 December 2022	Estimated cash flows (undiscounted)				
	Carrying amount	**0 - 5 yrs**	**5 - 10 yrs**	**10 - 15yrs**	**>15 years**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Liabilities					
Life insurance - life	**814,666**	**191,251**	**160,037**	**124,324**	**176,978**
Outstanding claims	**10,800**	**10,800**	-	-	-
Trade and other payables	**75,827**	**72,827**	-	-	-
Total	**901,293**	**274,878**	**160,037**	**124,324**	**176,978**

At 31 December 2021	Estimated cash flows (undiscounted)				
	Carrying amount	0 - 5 yrs	5 - 10 yrs	10 - 15yrs	>15 years
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Liabilities					
Life insurance - life	923,714	236,609	196,884	157,968	195,639
Outstanding claims	24,224	24,224	-	-	-
Trade and other payables	72,454	72,454	-	-	-
Total	1,020,392	333,287	196,884	157,968	195,639

The liability period analysis does not agree with the total carrying amount due to the fact that the period analysis is undiscounted whilst the total carrying amount is discounted.

Rs 9,827,029 (2021: Rs 14,177,908) for deposit from policyholders has been excluded from Trade and other payables.

The Company intends to manage the net cash outflows position arising from Year 5 onwards as follows:

- Mismatch risk
- Available-for-sale investments would be reinvested in similar instruments at maturity;
- The value of investment portfolio classified as "financial assets at fair value through profit or loss" is expected to increase in the future as the Company realises the fair value gain upon sale of investments and proceeds are reinvested in similar instruments;
- Amount of loans disbursed, other than mortgaged loans, is expected to increase and hence, the interest income generated from these loans would increase.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

3 MANAGEMENT OF INSURANCE RISK

The LABS issues contracts with the following risk characteristics:

- Transfer of mortality/morbidity risks, with partial transfer of investment risks (participating policies);
- Transfer of mortality/morbidity risks only (pure protection policies);
- Transfer of mortality/morbidity and investment risks (guaranteed savings type policies) and
- Transfer of longevity risks (pension policies).

Mortality/Morbidity Risks

These are risks that higher than expected deaths/disability claims are paid out by the LABS. Management of these risks is by way of:

(i) Growing the portfolio

Law of large numbers implies that predictability of claims (in aggregate) increases as the portfolio grows. This reduces the LABS's exposure to extreme variability in claims pay-out.

(ii) Underwriting

This refers to the identification of risk at various landmark of the policy lifetime. In particular, the following main types of underwriting are used:

- At inception, medical underwriting (as per Grid) is carried out to ensure that the prospect adheres to the minimum health requirements set by the LABS and its reinsurer;
- At inception, financial underwriting is carried out to identify the paying capacity of prospects as well as the justification for insurance;
- At inception, pastime underwriting and/or occupation underwriting identifies risky activities and ensures that the premiums charged is commensurate with the risk at hand; or
- Claims underwriting, as the name suggests, examines the conditions of the death/disability claims and whether any breach of policy conditions may exist.

(iii) Actuarial assumptions

These are set based on the LABS's actual mortality/morbidity experience and are reviewed on an annual basis.

(iv) Reinsurance

Variability in claims pay-out is mopped up by reinsurers who participate in claims above the LABS's retention limit. The LABS uses individual surplus reinsurance and all amounts in excess of Rs 500,000 are reinsured. The split between gross and net of reinsurance sums assured is given below:

	2022	2021
	Rs'million	Rs'million
Individual Business Sum Assured		
Gross of Reinsurance	**9,205**	7,709
Net of Reinsurance	**2,955**	2,941
Group Business Sum Assured		
Gross of Reinsurance	**1,544**	1,581
Net of Reinsurance	**594**	618

Longevity Risks

This is the risk of the insured living longer than expected. The LABS manages such risks by using conservative actuarial assumptions where it is typically assumed that the insured lives live longer than the life expectancy as per the South African mortality tables (SA 85/90). Annual checks are also carried out to ensure that pension is being paid to pensioners who are still alive.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

3 MANAGEMENT OF INSURANCE RISK (CONTINUED)

Investment Risks

This is the risk that investment returns are lower than expected. The LABS manages this risk by:

- Holding a diversified investment portfolio;
- Adopting a long term investment strategy approved by the actuary;
- Keeping a matched investment position (e.g. guaranteed products are backed by fixed income and bond type investments);
- Setting the investment return target in accordance with the pricing and reserving assumptions;
- Smoothing of bonuses by using a 3-year declaration period and – Adjusting bonuses to reflect actual market performance.
- Adjusting bonuses to reflect actual market performance.

Long term insurance contracts

For long term insurance contracts, where the insured event is death, the most significant factors that could negatively impact the insurance claims submitted to the LABS are diseases like heart problems, diabetes, high blood pressure or changes in lifestyle, such as eating habits, smoking and lack of exercise, resulting in higher claims being submitted to the LABS.

For contracts where survival is the insured risk, the most significant factor is continued improvement in medical science and social conditions that would increase longevity. The liabilities in terms of insurance contracts are based on recommendations of the LABS's Actuary.

The table below presents the concentration of insured benefits across five bands of insured benefits per individual life assured.

Benefits assured per life assured at the end of 2022	**Total benefits insured**			
	Before reinsurance		**After reinsurance**	
Rs	**Rs**		**Rs**	
0 – 200,000	**1,319,291,283**	**6%**	**1,319,291,283**	**6%**
200,000 – 400,000	**1,875,711,010**	**9%**	**1,875,711,010**	**9%**
400,000 – 800,000	**2,071,210,040**	**10%**	**2,071,210,040**	**10%**
800,000 – 1,000,000	**501,998,241**	**2%**	**501,998,241**	**2%**
More than 1,000,000	**15,401,289,450**	**73%**	**15,401,289,450**	**73%**

Benefits assured per life assured at the end of 2021	**Total benefits insured**			
	Before reinsurance		**After reinsurance**	
Rs	**Rs**		**Rs**	
0 – 200,000	1,370,566,427	8%	1,370,566,427	18%
200,000 – 400,000	1,924,770,805	11%	1,924,770,805	26%
400,000 – 800,000	2,012,743,578	12%	1,862,278,147	25%
800,000 – 1,000,000	466,078,905	3%	269,000,000	4%
More than 1,000,000	11,508,469,920	67%	2,020,000,000	27%

The following table for annuity insurance contracts illustrates the concentration of risk based on bands that group these contracts in relation to the amount payable per annum as if the annuity were in payment at the year end. The LABS does not hold any reinsurance contracts against the liabilities carried for these contracts.

	Total annuities payable per annum			
Annuity payable per annum per life insured	**2022**		2021	
Rs	**Rs**	**%**	Rs	%
0 – 20,000	**3,167,784**	**7%**	3,148,305	7%
20,000 – 40,000	**4,381,400**	**9%**	4,374,130	9%
40,000 – 80,000	**9,998,759**	**22%**	10,476,925	22%
80,000 – 100,000	**1,757,636**	**4%**	1,766,396	3%
More than 100,000	**28,048,135**	**59%**	28,094,493	59%

3 MANAGEMENT OF INSURANCE RISK (CONTINUED)

Long term insurance contracts (continued)

Insurance risk for contracts disclosed in this note is also affected by the policyholders' right to pay reduced or no future premiums, to terminate the contract completely, or to exercise a guaranteed annuity option. As a result, the amount of insurance risk is also subject to policyholders' behaviour. On the assumption that policyholders will make decisions rationally, overall risk can be assumed to be aggravated by such behaviour.

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the LABS faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The LABS has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

(a) Frequency and severity of claims

Insurance risk for contracts disclosed in this note is also affected by the contract holders' right to pay reduced or no future premiums, to terminate the contract completely, or to exercise a guaranteed annuity option. As a result, the amount of insurance risk is also subject to contract holder behaviour. On the assumption that contract holders will make decisions rationally, overall insurance risk can be assumed to be aggravated by such behaviour. For example, it is likely that contract holders whose health has deteriorated significantly will be less inclined to terminate contracts insuring death benefits than those contract holders remaining in good health. This results in an increasing trend of expected mortality, as the portfolio of insurance contracts reduces due to voluntary terminations.

The actual mortality claim experience versus expected are shown below:

Year	**Actual no of death Claims**	**Actual Death** Claim (Rs)	**Expected Death Claim (Rs)**	**Actual Claim/** Expected Claim (%)
2011	41	3,575,562	8,191,451	44
2012	31	3,848,552	10,868,957	35
2013	39	4,709,953	12,334,995	38
2014	29	4,784,529	15,479,908	31
2015	34	10,795,677	19,588,505	55
2016	38	4,625,979	23,432,984	20
2017	41	12,770,307	10,308,235	124
2018	40	6,600,452	10,060,485	66
2019	30	5,965,709	7,525,000	79
2020	42	8,307,955	6,500,000	128
2021	53	12,995,233	7,300,000	178
2022	47	5,077,281	6,000,000	85
Overall	465	84,057,189	137,590,520	61

The LABS has factored the impact of contract holders behaviour into the assumptions used to measure these liabilities associated with long term insurance contracts.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

3 MANAGEMENT OF INSURANCE RISK (CONTINUED)

Long term insurance contracts (continued)

(a) Frequency and severity of claims (continued)

Claim Frequency & Reinsurance Recoveries

The table below shows the number of death/morbidity claims and reinsurance recoveries.

	2022	2021
No of death/morbidity claims		
Individual Life	40	49
Group	7	4

	2022	2021
Reinsurance recoveries	Rs'000	Rs'000
Individual Life	15,573	5,750

In relation to the portfolio at risk, the incidence of death/morbidity claims has been stable, as evidenced by the actuarial assumptions used for the year end valuation.

(b) Sources of uncertainty in the estimation of future benefit payments and premium receipts

Uncertainty in the estimation of future benefit payments and premium receipts for long-term insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behaviour.

The LABS uses appropriate base tables of South African mortality tables (SA 85/90). An investigation into the actual experience of the LABS over the last three years is carried out, and statistical methods are used to adjust the crude mortality rates to produce a best estimate of expected mortality for the future.

Where data is sufficient to be statistically credible, the statistics generated by the data are used without reference to an industry table. Where this is not the case, the best estimate of future mortality is based on standard industry tables adjusted for the LABS's overall experience.

For contracts that insure survival, an adjustment is made for future mortality improvements based on trends identified in the data and in the continuous mortality investigations performed by independent actuarial bodies. The impact of any historical evidence of selective termination behaviour will be reflected in this experience. The LABS maintains voluntary termination statistics to investigate the deviation of actual termination experience against assumptions. The LABS Actuaries use statistical methods to determine appropriate termination rates. An allowance is then made for any trends in the data to arrive at a best estimate of future termination rates.

The LABS currently monitors default premiums by sending default reminder notices to clients requesting for payment of unpaid premium. Besides policyholders are also given the option to revive their policies for which certain conditions have to be met according to the revival policies and guidelines. Pricing of all new products is determined by the actuary after thorough consideration of the mortality tables as per actuarial guides. Process used to decide on assumptions.

(c) Process used to decide on assumptions

Assumptions used to work out future liabilities under long-term insurance contracts are estimated by the LABS and its actuaries. Firstly, best estimate assumptions are worked out based on past experience and expectations of future developments. These are then adjusted with prescribed margins, as per the FSC solvency rules and actuarial guidance notes.

• Mortality

Estimates are made as to the expected number of deaths for each of the years in which the LABS is exposed to risk. These estimates are based on South African mortality tables (SA 85/90) (in the absence of local ones), adjusted where appropriate (e.g. for AIDS) to reflect the local experience. For contracts that insure the risk of longevity, prudent allowance is made for expected mortality improvements. Prescribed and additional margins are built into these estimates to allow for future uncertainty.

• Morbidity

Given the low financial significance of morbidity on the LABS and its predictability, morbidity tables are not used to model morbidity claims. A simpler approach used by the actuaries is to compare morbidity premiums against morbidity claims and work out any inadequacy in the premiums charged. For the last three years, this exercise has shown that the premiums are enough to cover expected claims. Any major change to morbidity experience in the industry will however be modelled differently.

Morbidity risk is managed by ensuring proper underwriting and ensuring that proper reinsurance treaties are in place that limit risk to what is acceptable according to the LABS's Risk Appetite Statement.

• Expenses

Expenses are estimated on a going concern basis. Per policy, expenses are split between acquisition and renewal expenses. Expenses incurred for the benefit of policies to be sold in the future are amortised over the relevant future period. Provision is made for the impact of future business volumes and inflation on expenses. The risk of expense overruns is managed by proper budgeting process, constant monitoring of expenses against budget throughout the year and by ensuring sufficient volumes are sold and/or acquired to support the expense base.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

3 MANAGEMENT OF INSURANCE RISK (CONTINUED)

Long term insurance contracts (continued)

(c) Process used to decide on assumptions (continued)

• Investment Income

Future investment return is estimated for each asset class and split between income return and capital gains. The starting point for this estimate is the risk free rate of return (government bonds) reflecting expectations of future economic and financial developments. The risk premium corresponding to the different asset types is then added based on the various risk profiles, asset term, capital growth and comparable yielding investments.

• Inflation

Investment income and inflation assumption are inter-twined. The gap between risk free returns and inflation over the last 20 years is worked out and projected into the future.

• Persistency

Policy lapses/surrenders are estimated from historical LABS and industry available data. These are adjusted to reflect changes in the legal, tax and business environment (e.g. removal of tax incentives or inability to surrender pension plans). Uncertainty in the estimation of future benefit payments and premium receipts for long-term insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behaviour. The LABS uses South African mortality base tables (SA85/90) according to the type of contract being written. An investigation into the actual experience of the LABS is carried out, and the LABS's actuary use statistical methods to compare the fit of the mortality tables with the actual claims experience. Adjustments to the selected standard mortality table are then worked out to optimise the fit of the mortality model.

• Uncertainty in premium income

The LABS's actuary builds in provision for non-receipts of future premiums (arising from deaths, withdrawals, surrenders, defaults, etc.) due in his valuation basis. Future premiums on business in force as at the valuation date are modelled by projecting the probability adjusted cashflows to the valuation date. This basis is used to determine the position of the life fund every year. Further, cost of all new products is determined by the actuary after thorough consideration of the key assumptions.

• Uncertainty in payment of benefits

Uncertainty in benefit paym-nts arises from changes in underlying mortality trends (eg mortality improvement, increasing life expectancies) and the economic environment. The actuary builds in margins in his valuation assumptions that reflect mortality improvements/deterioration, as warranted by the particular policy being valued. For example, for endowment plans, higher deaths than expected will be a source of uncertainty in benefit payouts while for annuities; uncertainty arises from higher life expectancy. Bonus rates are used to reduce uncertainty in payouts due to changes in the economic environment. Bonus rates are not guaranteed and are reviewed in line with current and future market prospects.

(d) Sensitivity analysis

At 31 December 2022, the actuarial liability in respect of the life business issued by the LABS amounted to **Rs 1,051,183,000** (2021 – 1,140,336,000) as assessed by the LABS's actuary. The following table presents the sensitivity of the value of insurance liabilities to movements in the assumptions used in the estimation of insurance liabilities.

Assumptions	Change in Variable	Change in liability	Change in liability
		2022	2021
		Rs'000	Rs'000
Worsening of mortality	+ 5% p.a.	(1,060)	1,322
Drop on Return on investment	- 2% p.a.	135,311	169,658
Worsening of renewal expense rate	+ 10% p.a.	9,012	12,480
Worsening of lapse rate	+ 10% p.a.	(10,982)	(15,400)

The LABS's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The LABS's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the LABS.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Sale of services	4,636,209	4,298,988	2,727	931
Sale of goods	736,817	508,516	-	-
	5,373,026	4,807,504	2,727	931
Timing of revenue recognition				
At a point in time	855,157	713,617	-	-
Over time	4,517,869	4,093,887	2,727	931
	5,373,026	4,807,504	2,727	931

5 OTHER OPERATING INCOME – NET

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
(i) Other operating income and expenses:				
Other operating income				
Dividend income	17,328	12,872	489,936	445,405
Management fee income	3,018	1,515	44,357	40,115
Other fee income	5,227	5,881	21,090	17,880
Green loan investment grant	12,639	-	-	-
Net foreign exchange gain – non-financing activities	2,243	219	-	-
Others	23,158	35,926	351	148
	63,613	56,413	555,734	503,548
Other operating expenses:				
Management fee expense	(2,539)	(6,630)	(3,913)	(9,351)
Other fee expenses	(4,604)	(7,697)	(5,794)	(1,868)
	(7,143)	(14,327)	(9,707)	(11,219)
Other operating income/(expenses)- net	56,470	42,086	546,027	492,329
(ii) Other gains:				
Profit on disposal of property, plant and equipment	106,941	8,040	-	637
Profit on disposal of subsidiaries	-	-	43,751	-
Profit on disposal of financial assets through OCI*	8,004	-	8,004	-
	114,945	8,040	51,755	637
(iii) Life assurance business:				
Income	140,713	260,803	-	-
Expenses	(249,761)	(270,162)	-	-
Transfer from life assurance fund (Note 23)	109,048	9,359	-	-
	-	-	-	-

*This profit relate to a debt instrument.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

5 OTHER OPERATING INCOME – NET (CONTINUED)

Profit on disposal of property, plant and equipment relate mostly to the disposal of technical equipment of Emtel Ltd. Following the launch of 5G technology in July 2022, Emtel Ltd has modernised its equipment by disposing of its obsolete assets to a third party.

'Others' relate mostly to deposits forfeited.

The net income and expenses of the life assurance business is accounted under other income above and the surplus or deficit is recognised under Life Assurance Funds (Note 23).

6 OPERATING PROFIT

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
The following items have been charged/(credited) in arriving at operating profit:				
Profit on disposal of property, plant and equipment (Note 5)	(106,941)	(8,040)	-	(637)
Depreciation on property, plant and equipment (Note 10)	767,596	776,780	12,391	17,449
Depreciation on right of use assets (Note 13(i))	171,867	185,829	5,688	5,855
Cost of inventories expensed	593,616	483,482	-	-
Staff costs (Note 7)	957,477	872,396	165,173	133,731
Fees paid to auditors:				
- audit services	8,747	7,789	1,313	1,340
- tax and advisory services	1,925	3,382	1,305	1,286
Amortisation of intangible assets (Note 12)	57,243	55,604	1,693	3,882
Impairment charge of receivables (Note 18)	1,267	16,088	-	-
Repairs and maintenance costs	125,419	116,039	8,233	7,296
Network operational expenses	597,226	622,915	-	-
Channels and broadcasting costs	937,466	941,222	-	-
Advertising and promotion	91,855	63,996	-	-
Commission to dealers	69,221	68,593	-	-
Inbound direct costs	57,666	5,204	-	-
Business support services	77,768	75,088	-	-
Outsourced calls	16,789	21,008	-	-
Solidarity tax levy on turnover (Note 9)	32,184	26,975	-	-
Write offs of property, plant and equipment (Note 10)	6,500	13,346	-	-
Donations	8,232	415	8,177	415
Direct expenses arising from rental properties	28,222	21,397	4,062	3,650
Write off of project costs	7,992	9,596	-	-

7 STAFF COSTS

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Wages and salaries	642,900	564,439	77,387	74,904
Social security costs	33,283	33,969	5,594	5,269
Pensions cost – defined benefit plans (Note 25)	57,320	57,531	26,885	24,173
Other short term benefits	223,974	216,457	55,307	29,385
	957,477	872,396	165,173	133,731
	Number	Number	Number	Number
Number of full time employees at year end	1,114	983	77	71

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

8 FINANCE COSTS – NET

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
Finance costs:				
Interest expense on:				
Bank overdrafts	**4,058**	12,826	**621**	6,358
Bank borrowings	**184,501**	186,809	**54,922**	98,674
Bonds	**191,999**	122,259	**92,849**	23,839
Loans from subsidiaries (Note 33)	**-**	-	**3,542**	4,187
Loans from related parties (Note 33)	**16,310**	15,710	**16,424**	14,046
Shareholder's loan (Note 33)	**-**	32	**-**	-
Loan from directors (Note 33)	**2,901**	805	**217**	805
Import loans	**4,806**	4,229	**-**	-
Amortisation of bond issue transaction costs	**3,224**	3,822	**1,183**	347
Interest on lease liabilities from:				
Subsidiaries (Note 33)	**-**	-	**550**	633
Related parties (Note 33)	**2,170**	2,655	**1,504**	1,731
Third parties	**57,586**	56,018	**406**	771
Unwinding of asset retirement obiligations (Note 26)	**1,207**	4,901	**-**	-
Foreign exchange loss arising on financing activities	**13,883**	20,396	**224**	-
Others	**16,185**	6,195	**1,075**	674
	498,830	436,657	**173,517**	152,065
Finance income:				
Interest income on:				
Short term bank deposits	**(372)**	(67)	**-**	-
Loans to shareholders (Note 33)	**(15,750)**	(16,095)	**(15,750)**	(16,095)
Loans to subsidiaries (Note 33)	**-**	-	**(6,217)**	(20,874)
Loans to related parties (Note 33)	**(1,365)**	(304)	**(1,325)**	(264)
Others	**(500)**	(680)	**-**	-
Foreign exchange gain arising on financing activities	**(25,264)**	(4,646)	**(11)**	(778)
	(43,251)	(21,792)	**(23,303)**	(38,011)
Finance costs – net	**455,579**	414,865	**150,214**	114,054

9 INCOME TAX EXPENSE

The Group is liable to income tax on its profits, as adjusted for income tax purposes at the average tax rate of **17%** (2021 – 17%), of which 2% relates to Corporate Social Responsibility Fund. At 31 December 2022, the Group and Company had accumulated tax losses of **Rs 703,158,000** (2021 – Rs 818,934,000) and **Rs 527,401,000** (2021 – Rs 605,817,000) respectively.

Solidarity levy is calculated at the rate of 5 per cent of the "book profit" of Emtel Ltd and 1.5 per cent of its turnover and is payable in the following year.

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
Charge for the year				
Based on the profit for the year, as adjusted for tax purposes	**86,405**	83,750	**-**	-
Under/(over) provision in previous year	**293**	4,950	**-**	-
Solidarity levy	**32,184**	25,482	**-**	-
Corporate Social Responsibility	**16,945**	-	**-**	-
Deferred income tax charge (Note 19)	**(2,333)**	22,623	**-**	-
	133,494	136,805	**-**	-

9 INCOME TAX EXPENSE (CONTINUED)

A reconciliation between the actual income tax charge and the theoretical amount that would arise using the applicable income tax rate for the Group and Company follows:

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
Profit before taxation	**473,070**	45,770	**159,257**	153,135
Tax calculated at 17% including CSR	**80,421**	62,912	**27,074**	26,033
Impact of:				
Dividend income	**-**	-	**(83,289)**	(75,719)
Other exempt income	**(13,833)**	(27,697)	**(13,833)**	(11,484)
Non-allowable expenses	**13,814**	66,050	**48,420**	42,067
Share of profits of associates	**(15,973)**	(10,164)	**-**	-
Unrecognised deferred tax written off during the year	**13,764**	15,717	**13,764**	15,717
Deferred income tax not provided in current year	**18,170**	3,849	**7,864**	3,386
Deemed foreign tax credit applicable to certain subsidiaries	**(2,443)**	(1,435)	**-**	-
Solidarity levy	**32,184**	26,975	**-**	-
Other permanent differences	**7,390**	598	**-**	-
Actual income tax charge	**133,494**	136,805	**-**	-

(a) i) Current income tax liability

	2022 Rs'000	2021 Rs'000
At 01 January	**43,999**	77,948
Transfer to current tax asset	**-**	735
Charge for the year	**134,067**	109,232
Adjustment prior year	**275**	4,987
Paid during the year	**(98,167)**	(148,915)
Exchange difference	**(3)**	12
At 31 December	**80,171**	43,999

ii) Current income tax asset

	2022 Rs'000	2021 Rs'000
At 01 January	**(81,117)**	(89,797)
Transfer from current tax liability	**-**	(735)
Underprovision/Overprovision	**16**	-
Acquisition through entities under common control	**(2,179)**	-
Charge for the year	**919**	-
Paid during the year	**(363)**	-
Refund received during the year	**72**	9,415
At 31 December	**(82,652)**	(81,117)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

9 INCOME TAX EXPENSE (CONTINUED)

(b) Expiry dates of tax losses

The tax losses are available for set off against future taxable profits as follows:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Up to financial year ending				
31 December 2022	**-**	253,307	**-**	201,816
31 December 2023	**144,322**	144,322	**100,972**	100,972
31 December 2024	**142,531**	142,531	**123,355**	123,355
31 December 2025	**61,690**	61,690	**(5,711)**	(5,711)
31 December 2026	**174,593**	208,824	**151,154**	185,385
31 December 2027	**48,920**	8,260	**40,660**	-
31 December 2028	**131,102**	-	**116,971**	-
	703,158	818,934	**527,401**	605,817

(c) Tax on other comprehensive income

	Before tax	Tax credit	After tax
Group – 2022	**Rs'000**	**Rs'000**	**Rs'000**
Fair value loss on financial assets at fair value through other comprehensive income	**(111,097)**		**(111,097)**
Revaluation of property, plant and equipment	**135,786**	**-**	**135,786**
Remeasurement of post employment benefits	**67,776**	**(4,340)**	**63,436**
Currency translation differences	**13,124**	-	**13,124**
Group share on revaluation of property, plant and equipment in associates	**(2,825)**	-	**(2,825)**
Other comprehensive income	**102,764**	**(4,340)**	**98,424**
Current tax		**-**	
Deferred tax (Note 19(ii))		**(4,340)**	
		(4,340)	
Group – 2021			
Fair value gain on financial assets at fair value through other comprehensive income	330,397	-	330,397
Revaluation of property, plant and equipment	281,694	(8,956)	272,738
Remeasurement of post employment benefits	140,667	(4,520)	136,147
Currency translation differences	68,999	-	68,999
Group share on revaluation of property, plant and equipment in associates	2,279	-	2,279
Other comprehensive income	824,036	(13,476)	810,560
Current tax		-	
Deferred tax (Note 19(ii))		(13,476)	
		(13,476)	

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

9 INCOME TAX EXPENSE (CONTINUED)

The Company had a disagreement with the Mauritius Revenue Authority (MRA) as regards whether the concessionary tax rate of 15% continued to apply to the Company in the years 2005 and 2006 (instead of 25% and 22.5% respectively as was then applicable), the Company paid the total amount claimed by the MRA of Rs 80.4 million (tax assessment of Rs 47.8 million plus penalties and interest of Rs 32.6 million). After objecting to the MRA's assessments, the Company then lodged representations before the ARC. In November 2013, the ARC dismissed Emtel's representations. The Company appealed to the Supreme Court against the ARC's determination. On 20th January 2023, the Supreme Court delivered a judgement dismissing Emtel's application for judicial review. On 7th and 8th February 2023, the Company lodged an application for permission to appeal that judgement to the Judicial Committee of the Privy Council. This amount was disclosed under Financial Assets Held at Amortised Cost during year ended 31 December 2021. Following the Supreme Court judgement on 20th January 2023, which subsequently have an impact on the state of matters during year ended 31 December 2022, the amount has been classified under under Note 9(a)(ii).

10 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and buildings	Plant, equipment, and other assets	Motor vehicles	Furniture and fittings	Asset in progress	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At 01 January 2022						
At Cost	**-**	**8,887,122**	**104,493**	**434,059**	**496,475**	**9,922,149**
At valuation	**2,559,218**	**-**	**-**	**-**	**-**	**2,559,218**
	2,559,218	**8,887,122**	**104,493**	**434,059**	**496,475**	**12,481,367**
Accumulated depreciation	**(214,238)**	**(6,159,666)**	**(90,984)**	**(267,685)**	**-**	**(6,732,573)**
Net book amount	**2,344,980**	**2,727,456**	**13,509**	**166,374**	**496,475**	**5,748,794**
Year ended 31 December 2022						
Additions	**7,761**	**1,322,535**	**8**	**34,672**	**384,197**	**1,749,173**
Disposals	**(17,422)**	**(201,617)**	**(21)**	**(7)**	**-**	**(219,067)**
Revaluation	**135,786**	**-**	**-**	**-**	**-**	**135,786**
Revaluation recognised in life fund	**(16,550)**	**-**	**-**	**-**	**-**	**(16,550)**
Transfer to inventories	**-**	**-**	**-**	**-**	**(147)**	**(147)**
Transfer to intangible assets (Note 12)	**-**	**-**	**-**	**-**	**(6,678)**	**(6,678)**
Transfer to right of use assets (Note 13)	**-**	**-**	**258**	**-**	**-**	**258**
Reclassification	**-**	**114,674**	**-**	**13,381**	**(128,055)**	**-**
ARO Adjustment	**-**	**(6,492)**	**-**	**-**	**-**	**(6,492)**
Write offs	**(2,623)**	**(1,872)**	**-**	**(398)**	**(1,607)**	**(6,500)**
Charge for the year	**(46,238)**	**(692,361)**	**(5,991)**	**(23,006)**	**-**	**(767,596)**
Closing net book amount	**2,405,694**	**3,262,323**	**7,763**	**191,016**	**744,185**	**6,610,981**
At 31 December 2022						
At cost	**-**	**9,190,805**	**52,207**	**424,741**	**744,185**	**10,411,938**
At valuation	**2,524,401**	-	-	**-**	-	**2,524,401**
	2,524,401	**9,190,805**	**52,207**	**424,741**	**744,185**	**12,936,339**
Accumulated depreciation	**(118,707)**	**(5,928,482)**	**(44,444)**	**(233,725)**	**-**	**(6,325,358)**
Net book amount	**2,405,694**	**3,262,323**	**7,763**	**191,016**	**744,185**	**6,610,981**

The revaluation surplus was credited to revaluation reserves.

No property, plant and equipment is pledged as security for borrowings. For security on borrowings, see note 24.

The write offs relate to assets which will not be available for use in the future due to obsolescence and wear and tear.

Asset in progress consists of project cost capitalised relating to technical equipment acquired by Emtel Limited and Emtel Technopolis Ltd, which were not available for use at 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land and buildings	Plant, equipment, and other assets	Motor vehicles	Furniture and fittings	Asset in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2021						
At Cost	-	7,892,208	102,520	408,896	715,273	9,118,897
At valuation	2,328,665	-	-	-	-	2,328,665
	2,328,665	7,892,208	102,520	408,896	715,273	11,447,562
Accumulated depreciation	(174,893)	(5,463,244)	(84,033)	(233,623)	-	(5,955,793)
Net book amount	2,153,772	2,428,964	18,487	175,273	715,273	5,491,769
Year ended 31 December 2021						
Additions	11,320	569,931	2,927	11,778	505,309	1,101,265
Disposals	-	(1,664)	(254)	(784)	-	(2,702)
Revaluation	281,694	-	-	-	-	281,694
Transfer to inventories	-	-	-	-	(2,171)	(2,171)
Transfer to intangible assets (Note 12)	-	-	-	-	(749)	(749)
Transfer to right of use assets (Note 13)	-	-	(700)	-	-	(700)
Transfers to Asset held for sale (Note 21)	-	-	-	-	(317,460)	(317,460)
Reclassification	(58,369)	446,556	-	13,918	(402,105)	-
ARO Adjustment	-	(12,026)	-	-	-	(12,026)
Write offs	(4,092)	(7,883)	-	251	(1,622)	(13,346)
Charge for the year	(39,345)	(696,422)	(6,951)	(34,062)	-	(776,780)
Closing net book amount	2,344,980	2,727,456	13,509	166,374	496,475	5,748,794
At 31 December 2021						
At cost	-	8,887,122	104,493	434,059	496,475	9,922,149
At valuation	2,559,218	-	-	-	-	2,559,218
	2,559,218	8,887,122	104,493	434,059	496,475	12,481,367
Accumulated depreciation	(214,238)	(6,159,666)	(90,984)	(267,685)	-	(6,732,573)
Net book amount	2,344,980	2,727,456	13,509	166,374	496,475	5,748,794

The revaluation surplus was credited to revaluation reserves.

No property, plant and equipment is pledged as security for borrowings. For security on borrowings, see note 24.

The write offs relate to assets which will not be available for use in the future due to obsolescence and wear and tear.

Asset in progress consists of project cost capitalised relating to technical equipment acquired by Emtel Limited and Emtel Technopolis Ltd, which were not available for use at 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Freehold land and buildings	Plant, equipment, and other assets	Motor vehicles	Furniture and fittings	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2021					
At Cost	-	81,356	27,663	37,202	146,221
At valuation	8,545	-	-	-	8,545
	8,545	81,356	27,663	37,202	154,766
Accumulated depreciation	(401)	(37,404)	(19,357)	(13,617)	(70,779)
Net book amount	8,144	43,952	8,306	23,585	83,987
Year ended 31 December 2021					
Additions	-	3,872	2,928	134	6,934
Disposals	-	-	(254)	-	(254)
Revaluation	88	-	-	-	88
Reclassification	172	144	-	(316)	-
Charge for the year	-	(11,118)	(3,400)	(2,931)	(17,449)
Closing net book amount	8,404	36,850	7,580	20,472	73,306
At 31 December 2021					
At Cost	-	85,372	30,337	37,020	152,729
At valuation	8,805	-	-	-	8,805
	8,805	85,372	30,337	37,020	161,534
Accumulated depreciation	(401)	(48,522)	(22,757)	(16,548)	(88,228)
Net book amount	8,404	36,850	7,580	20,472	73,306
Year ended 31 December 2022					
Additions	**-**	**2,795**	**-**	**284**	**3,079**
Revaluation	**286**	**-**	**-**	**-**	**286**
Charge for the year	**-**	**(6,292)**	**(3,204)**	**(2,895)**	**(12,391)**
Closing net book amount	**8,690**	**33,353**	**4,376**	**17,861**	**64,280**
At 31 December 2022					
At Cost	**-**	**88,167**	**30,337**	**37,304**	**155,808**
At valuation	**9,091**	**-**	**-**	**-**	**9,091**
	9,091	**88,167**	**30,337**	**37,304**	**164,899**
Accumulated depreciation	**(401)**	**(54,814)**	**(25,961)**	**(19,443)**	**(100,619)**
Net book amount	**8,690**	**33,353**	**4,376**	**17,861**	**64,280**

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

If land and buildings were stated on historical cost basis, the amounts would be as follows:

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Cost	2,008,127	1,789,390	5,181	5,181
Accumulated depreciation	(237,712)	(190,918)	(400)	(400)
Net book value	1,770,415	1,598,472	4,781	4,781

Fair Values of land and buildings

The Group's land and buildings were revalued, based on fair value model, on 31 December 2022 by independent valuers namely Noor Dilmohamed & Associates and Elevante Property Services (new valuer during the year). They have the appropriate qualifications and recent experience in the valuation of land and buildings in the relevant locations.

Noor Dilmohamed & Associates carried out valuation on market comparison approach. The valuation of land and buildings has been determined using the fair value basis. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its land and buildings into the three levels prescribed under the accounting standards. Elevante carried out valuation based on income approach this year, while valuation on these assets by Noor Dilmohamed & Associates was based market approach last year. The valuation has been prepared in accordance with the RICS Valuation – Global Standards, 2022, which adopts and applies the International Valuation Standards (IVS) published by the International Valuation Standards Council (IVSC). The income approach was deemed more reasonable for these assets as the estimate the future value of a property and the cash flow that the property would generate are more relevant to the business model of the Group.

The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown in revaluation reserves' in shareholders' equity.

2022	Significant other observable inputs	
Recurring fair value measurements	GROUP	COMPANY
	Rs'000	Rs'000
Level 2:		
Land	32,330	4,635
Buildings	1,907,753	4,055
Level 3:		
Land	65,611	-
Buildings	400,000	-
	2,405,694	8,690

2021	Significant other observable inputs (Level 2)	
Recurring fair value measurements	GROUP	COMPANY
	Rs'000	Rs'000
Land	105,064	4,349
Buildings	2,239,916	4,055
	2,344,980	8,404

The table below indicates the amount of land and buildings, which have been transferred between levels 2 and 3 and the net movement following valuation:

	Rs'000
Level 2 movement:	
At 1 January 2022	2,344,980
Transfer to level 3	(465,611)
Fair value movement	60,714
At 31 December 2022	**1,940,083**
Level 3 movement:	
Transfer from level 2	**465,611**

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Level 2 fair values of land and buildings have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant unobservable input into this valuation approach is price per square meter. Level 3 fair values of land and buildings have been derived using the income approach. The key observable inputs used are:

Discount Rate	**10.75% – 11%**
Terminal Rate	**7.50% – 8%**

The properties sensitivity matrix for the largest properties classified under Level 3 is as follows:

Emtel Arsenal

Rs'000		Yield		
		7.75%	**8.00%**	**8.25%**
	10.75%	142,800	140,600	138,600
Discount rate	**11.00%**	140,500	138,300	136,300
	11.25%	138,100	136,000	134,100

Emtelworld

Rs'000		Yield		
		7.50%	**7.75%**	**8.00%**
	10.50%	260,400	256,200	252,300
Discount rate	**10.75%**	256,100	251,900	248,100
	11.00%	251,800	247,800	244,000

The Price per Square Metre Sensitivity is as follows:

	2022 Rs' 000	2021 Rs' 000
Land		
Impact of an increase of 0.5% in Price per Square Metre	162	23
Impact of a decrease of 0.5% in Price per Square	(162)	(23)
Building		
Impact of an increase of 0.5% in Price per Square Metre	9,538	20
Impact of a decrease of 0.5% in Price per Square	(9,538)	(20)

11 INVESTMENT PROPERTIES

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At 01 January	2,810,598	2,749,790	242,974	242,557
Additions	280,716	41,117	-	-
Disposals	-	-	(3,800)	-
Fair value gains/(loss) recognised in statement of comprehensive income	163,997	14,397	3,054	417
Fair value gains recognised in the income statement of Life Assurance Business	16,888	12,731	-	-
Write-off of project costs	(7,992)	(7,438)	-	-
At 31 December	3,264,207	2,810,597	242,228	242,974

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

11 INVESTMENT PROPERTIES (CONTINUED)

The Group's land and buildings were revalued, based on fair value model, on 31 December 2022 by independent valuers namely Noor Dilmohamed & Associates and Elevante Property Services (new during the year). They have the appropriate qualifications and recent experience in the valuation of land and buildings in the relevant locations.

Noor Dilmohamed & Associates carried out valuation on market comparison approach. The valuation of land and buildings has been determined using the fair value basis. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its land and buildings into the three levels prescribed under the accounting standards. Elevante carried out valuation based on income approach this year compared to market approach last year. The valuation has been prepared in accordance with the RICS Valuation – Global Standards, 2022, which adopts and applies the International Valuation Standards (IVS) published by the International Valuation Standards Council (IVSC). This change in valuation is attributed to the fact that this is a more appropriate approach for income generating assets based on industry conditions prevailing during the current year. Therefore, the valuation of some of the buildings moved from level 2 to level 3, as indicated by the table as follows:

	Rs'000
Level 2 movement:	
At 1 January 2022	2,810,597
Transfer to level 3	(961,247)
Fair value movement	453,610
At 31 December 2022	**2,302,960**
Level 3 movement:	
Transfer from level 2	**961,247**

	Significant other observable inputs			
Recurring fair value measurements	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Level 2:				
Land	**2,165,241**	2,187,932	**161,394**	162,140
Buildings	**137,719**	622,665	**80,834**	80,834
Level 3:				
Buildings	**961,247**	-	**-**	-
	3,264,207	2,810,597	**242,228**	242,974

The Price Per Square Metre Sensitivity is as follows:

Group:	**2022 Rs' 000**	2021 Rs' 000
Land		
Impact of an increase of 0.5% in Price per Square Metre	**10,826**	10,940
Impact of a decrease of 0.5% in Price per Square	**(10,826)**	(10,940)
Building		
Impact of an increase of 0.5% in Price per Square Metre	**688**	3,113
Impact of a decrease of 0.5% in Price per Square	**(688)**	(3,113)

The Price Per Square Metre Sensitivity is as follows:

Company:	**2022 Rs' 000**	2021 Rs' 000
Land		
Impact of an increase of 0.5% in Price per Square Metre	**806.97**	810.70
Impact of a decrease of 0.5% in Price per Square	**(806.97)**	(810.70)
Building		
Impact of an increase of 0.5% in Price per Square Metre	**404.17**	404.17
Impact of a decrease of 0.5% in Price per Square	**(404.17)**	(404.17)

Level 2 fair values of land and buildings have been derived from observable sales prices of comparable land and buildings in close proximity and are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter.

Level 3 fair values of buildings have been derived using the income approach based on the forecast rental income per the existing agreements with the tenants of the relevant properties. The unobservable inputs and their quatitative information used in the fair value measurements are as follows:

	2022
Discount rate	**10.50% – 11.75%**
Exit yield	**7.50% – 8.75%**

The properties sensitivity matrix for the largest properties is as follows:

Phoenix Central

Rs'000		Yield		
		8.25%	**8.50%**	**8.75%**
	11.25%	648,200	638,000	628,500
Discount rate	**11.50%**	636,600	626,700	617,400
	11.75%	625,400	615,700	606,600

Les Arcades Currimjee

Rs'000		Yield		
		8.00%	**8.25%**	**8.50%**
	11.00%	388,400	382,300	376,600
Discount rate	**11.25%**	381,700	375,800	370,200
	11.50%	375,200	369,400	363,900

Investment properties value as at 31 December 2022 included project costs incurred by a Plaisance Aeroville Ltd, a subsidiary, in prior years amounting to Rs 76,734,347, which were for the real estate development project. Due to delays in the start of the project, the project costs capitalised were reviewed at the end of the current financial year and capitalised costs of **Rs 7,992,219** (2021 – Rs 9,595,645) was written off for the year ended 31 December 2022. As at 31 December 2022, the full amount of the project costs has been written off.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

11 INVESTMENT PROPERTIES (CONTINUED)

Rental income and operating expenses from investment properties were as follows:	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
Rental income	**107,679**	78,952	**11,162**	10,968
Direct operating expenses arising from investment properties that generated rental income	**28,222**	21,397	**4,062**	3,650
Direct operating expenses from investment properties that did not generate rental income	**1,352**	7,161	**-**	-

No investment property is pledged as security for borrowings. For security on borrowings, see note 24.

12 INTANGIBLE ASSETS

	Patent rights and licences	Computer software	Indefeasible rights of use	Total
Group	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Cost:				
At 1 January 2021	79,971	115,100	654,930	850,001
Additions	34,042	4,826	-	38,868
Disposal	-	(2,551)	-	(2,551)
Transfer from property, plant and equipment	-	749	-	749
Write offs	-	(4,831)	-	(4,831)
At 31 December 2021	114,013	113,293	654,930	882,236
Additions	**2,124**	**13,349**	**-**	**15,473**
Transfer from property, plant and equipment	-	**6,678**	**-**	**6,678**
Write offs	-	**(13)**	**-**	**(13)**
Adjustment	-	**(453)**	**-**	**(453)**
At 31 December 2022	**116,137**	**132,854**	**654,930**	**903,921**
Amortisation:				
At 1 January 2021	56,624	95,204	355,115	506,943
Amortisation for the year	6,638	10,141	38,825	55,604
Disposal	-	(2,551)	-	(2,551)
Write offs	-	(4,831)	-	(4,831)
Adjustment	-	(233)	-	(233)
At 31 December 2021	**63,262**	**97,730**	**393,940**	**554,932**
Amortisation for the year	**8,313**	**10,105**	**38,825**	**57,243**
Write offs	-	**(13)**	**-**	**(13)**
Adjustment	-	**(453)**	**-**	**(453)**
At 31 December 2022	**71,575**	**107,369**	**432,765**	**611,709**
Net book value:				
At 31 December 2022	**44,562**	**25,485**	**222,165**	**292,212**
At 31 December 2021	50,751	15,563	260,990	327,304

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

12 INTANGIBLE ASSETS (CONTINUED)

Since no indicator of impairment has been identified during the year, an impairment assessment was not required.

Company	**Rs'000**
Cost:	
At 01 January 2021	29,522
Additions	1,643
At 31 December 2021	31,165
Additions	**174**
At 31 December 2022	**31,339**
Accumulated amortisation:	
At 01 January 2021	23,536
Amortisation for the year	3,882
At 31 December 2021	27,418
Amortisation for the year	**1,693**
At 31 December 2022	**29,111**
Net book value:	
At 31 December 2022	**2,228**
At 31 December 2021	3,747

The amortisation charge for the year is included in profit or loss within the 'administrative expenses' line.

13 LEASES

This note provide information where the Group and the Company are lessees.

(i) Right of use assets

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
At 01 January	**1,154,803**	1,076,447	**31,892**	38,335
Additions	**112,810**	291,734	**-**	-
Transfer (to)/from property, plant and equipment	**(258)**	700	**-**	-
Depreciation charge	**(171,867)**	(185,829)	**(5,688)**	(5,855)
Derecognition	**(11,380)**	(28,249)	**-**	(588)
At 31 December	**1,084,108**	1,154,803	**26,204**	31,892

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
Right of use assets split by asset category:				
Land	**361,041**	850,190	**-**	-
Building	**703,542**	287,590	**26,204**	31,892
Motor vehicle	**19,525**	17,023	**-**	-
	1,084,108	1,154,803	**26,204**	31,892

NOTES TO THE FINANCIAL
STATEMENTS

31 December 2022 (Continued)

13 LEASES (CONTINUED)

(i) Right of use assets (continued)

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
Depreciation charge split by asset category:				
Land	**744**	744	**-**	-
Building	**165,439**	180,073	**5,688**	5,855
Motor vehicle	**5,684**	5,012	**-**	-
	171,867	185,829	**5,688**	5,855

(ii) Costs associated to lease

Costs associated to lease

The costs associated to lease consist of expenses incurred by a subsidiary, (IKO (Mauritius) Hotel Limited), to comply with Article 21 of the Industrial Site Lease Agreement with respect to relocation of National Coast Guard, construction of public access road, re-routing of existing services and upgrading of public beach. The costs incurred are amortised with effect from the date of handing over to the relevant authorities over the remaining life of the lease.

Prepaid operating lease

In 2004, a subsidiary (Emtel Ltd), entered into a land lease agreement with Business Parks of Mauritius Ltd for the lease of 2 acres of land at Ebene CyberCity for a period of 30 years, renewable at the lessee's option for two further consecutive periods of 30 years.

In 2010, a subsidiary (Le Chaland Hotel Limited), deposited Rs 25 million as contribution to the Tourism Fund in connection with the Group's hotel project at La Cambuse. During the year ended 31 December 2015, the Company deposited an additional Rs 23,690,060 to the Tourism Fund, as required by the revised State Land Act. The contribution acts as an up-front payment to the revised land lease agreement dated June 2015, starting as from January 2015. In previous years, the lease rental was being amortised based on the draft lease agreement dated 2010. Upon signature of the revised lease agreement in June 2015, the previous amortisation reserve has been written back and amortisation is being recorded as from January 2015, over a period of 60 years to 2074.

(iii) Lease Liabilities

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
At 01 January	**1,091,234**	978,495	**43,920**	53,562
Additions	**96,852**	253,885	**-**	3,000
Derecognition	**(8,436)**	(29,535)	**-**	(715)
Interest expense	**59,756**	58,673	**2,460**	3,135
Payments	**(209,597)**	(170,284)	**(11,629)**	(15,062)
At 31 December	**1,029,809**	1,091,234	**34,751**	43,920
Current	**164,741**	165,430	**8,290**	9,162
Non-current	**865,068**	925,804	**26,461**	34,758
At 31 December	**1,029,809**	1,091,234	**34,751**	43,920

NOTES TO THE FINANCIAL
STATEMENTS

31 December 2022 (Continued)

13 LEASES (CONTINUED)

(iii) Lease Liabilities

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
The statement of comprehensive shows the following amount relating to leases:				
Depreciation charge of right of use assets	**171,867**	185,829	**5,688**	5,855
Interest expense (included in finance costs)	**59,756**	58,673	**2,460**	3,135
Expenses relating to leases of low value assets that are not shown as short term leases accounted in administrative expenses	**502**	3,370	**502**	232
Expense relating to variable lease payments not included in lease liabilities	**3,069**	23 ,293	**-**	-

The total cash outflow for the year ended 31 December 2022 for the Group and Company leases amount to **Rs 209,597,000** and **Rs 11,629,000** respectively (2021 – Rs 170,284,000 and Rs 15,062,000 respectively).

14 INVESTMENTS IN SUBSIDIARIES

	2022 Rs'000	2021 Rs'000
Company		
Cost:		
At 01 January	**5,744,112**	5,031,638
Additional equity injections into existing subsidiaries	**329,384**	642,474
Subordinated loan given to subsidiary	**-**	70,000
Disposals	**(83,609)**	-
At 31 December	**5,989,887**	5,744,112
Impairment charge/(write backs)		
At 01 January	**436,787**	349,666
Charge for the year	**-**	119,821
Write back for the year	**-**	(32,700)
At 31 December	**436,787**	436,787
Net book amount:		
At 31 December	**5,553,100**	5,307,325

As at 31 December 2022, the directors have reviewed the carrying amounts of investments in subsidiaries that have an impairment indicator. A range of methods including income approach, net assets value and market value have been used and the valuation method for each entity has been determined based on the nature and operations of the specific entity. An impairment loss is recognised for the amount by which the investments' carrying amount exceeds the fair value derived from the valuation method.

The only Company with an impairment indicator as at 31 December 2022 as per IAS 36 was Silver Wings Travel Ltd. The discounted cashflow method was used as part of the income approach to assess the recoverable amount at year end. The future cashflow was discounted using the weighted average cost of capital.

A subordinated loan of Rs 70M given by the holding Company during the year ended 31 December 2021, which represents the current investment. As at 31 December 2022, the recoverable amount was estimated to be Rs128M and this was based on a discounted cashflow method based on a forecast of five years, a growth rate of 3% and applying a discount rate of 16.19%. Based on this valuation, the directors concluded no impairment for the year ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

14 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Below are the results of the valuation exercise for Silver Wings Travel Ltd:

	Fair Value	Valuation Technique	Unobservable inputs	Range of inputs
31 December 2022				
Silver Wings Travel Ltd	101,700	Discounted cashflow	Weighted average cost of capital	16.19%

Sensitivity analysis

	Rs' 000
Weighted average cost of capital- +0.5% point rate	**(5,744)**
Weighted average cost of capital- -0.5% point rate	**6,179**
Impact of an increase 0.5% in the growth rate	**4,592**
Impact of a decrease 0.5% in the growth rate	**(4,256)**

Details of the Group's direct subsidiary companies, which principal place of business and incorporation is Mauritius, are:

Name	Description of shares held	% holding 2022	2021	Principal activity
L'Avenir Precinct Ltd	Ordinary	**100**	-	Real estate activities with rental of own or leased property
Batimex Ltd	Ordinary	**100**	100	Trading in building materials and sanitary products
CH Management Ltd	Ordinary	**100**	100	Professional and Management Consultancy Services
CJ Investments Ltd	Ordinary	**100**	100	Dormant
Compagnie Immobilière Limitée	Ordinary	**89.53**	66.81	Renting of property
Currimjee Informatics Limited	Ordinary	**100**	100	Supply and installation of computer hardware and software
Currimjee Real Estate Ltd	Ordinary	**100**	100	Property development and management
Emtel Limited	Ordinary	**75**	75	Cellular phone operator
E-Skills Ltd	Ordinary	**100**	100	Provider of HRD services
Facilicare Ltd	Ordinary	**100**	100	Web portals (E-Commerce, on line sale, marketing, via mail or internet)
Island Life Assurance Co. Ltd	Ordinary	**100**	100	Long term insurance business
IKO (Mauritius) Resort Village Ltd	Ordinary	**100**	100	Land promoter and developer
Lux Appliances Ltd	Ordinary	**100**	100	Sale of vacuum cleaner
Mauritius Properties Ltd	Ordinary	**100**	100	Dormant
Multi Channel Retail Limited*	Ordinary	**-**	100	Property development and management
Plaisance Aeroville Hotel Limited	Ordinary	**100**	100	Own and operate a hotel and all related facilities
Plaisance Aeroville Ltd	Ordinary	**100**	100	Land promoter and developer
Screenage Limited	Ordinary	**80**	80	Technology driven solutions and advisory services.
Seejay Cellular Limited	Ordinary	**100**	100	Investment holding
Silver Wings Travels Ltd	Ordinary	**100**	100	Travel agent and tour operator
Zac Investments Ltd	Ordinary	**50**	50	Investment in properties

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

14 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Group, indirectly, holds investments in the following subsidiaries:

Name	Principal place of business	Description of shares held	Effective % Holding 2022	2021	Principal activity
Eight IKO Villas Ltd	Mauritius	Ordinary	**100**	100	Land promoter and developer
Emtel MFS Co Ltd	Mauritius	Ordinary	**75**	75	Mobile financial services
Emtel Technopolis Ltd	Mauritius	Ordinary	**75**	75	Land and infrastructure for satellite farming project
Em Vision Ltd	Mauritius	Ordinary	**67.5**	67.5	Investment holding
Island Investment Properties Limited	Mauritius	Ordinary	**100**	100	Investment in properties
IKO (Mauritius) Hotel Limited	Mauritius	Ordinary	**100**	100	To own and operate a hotel
IKO (Mauritius) Property Development Limited	Mauritius	Ordinary	**100**	100	Development of building projects for sale
MC Vision Ltd	Mauritius	Ordinary	**35.73**	35.73	Operator of Pay TV broadcasting
Multi Channel Retail Limited*	Mauritius	Ordinary	**100**	-	Property development and management
Multi Contact Ltd	Mauritius	Ordinary	**51.3**	51.3	Call centre and BPO services
Zac Properties Ltd	Mauritius	Ordinary	**50**	50	Investment in properties

All subsidiaries have year-end of 31st of December except for Mauritius Properties Ltd, which is 30th of June.

* Compagnie Immobilière Limitée (CIL) engaged in a major transaction during the year (effective on 01 December 2022), which led to the acquisition of the totality of the issued shares of Multi Channel Retail Limited (MCR). In the books of CIL, investment property value has increased by 354% from Rs 358,650,000 to Rs 1,631,100,000. Currimjee Real Estate Ltd has transferred its shares to CIL. The Directors regard CIL as the holding company and Currimjee Limited as the ultimate holding and controlling party of Multi Channel Retail Limited.

As at 31 December 2022, Compagnie Immobilière Limitée (CIL) holds 100% of Multi Channel Retail Limited representing 67,234,119 ordinary shares.

Summarised financial information on subsidiaries with material non-controlling interests

Summarised statement of financial position as at 31 December 2022 and 2021:

	Emtel Limited 2022 Rs'000	Emtel Limited 2021 Rs'000	MC Vision Ltd 2022 Rs'000	MC Vision Ltd 2021 Rs'000
Current				
Assets	**1,212,245**	801,152	**226,560**	160,798
Liabilities	**(2,150,075)**	(1,153,537)	**(393,831)**	(316,985)
Total net current (liabilities)/assets	**(937,830)**	(352,385)	**(167,271)**	(156,187)
Non-Current				
Assets	**5,620,019**	5,137,043	**439,198**	487,698
Liabilities	**(3,265,800)**	(3,400,284)	**(178,434)**	(247,820)
Total non-current net assets	**2,354,219**	1,736,759	**260,764**	239,878
Net Assets	**1,416,389**	1,384,374	**93,493**	83,691
% ownership held by Non-controlling interest at 31 December	**25%**	25%	**64.27%**	64.27%
Non-controlling interest	**354,097**	346,094	**60,088**	53,788

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

14 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Summarised financial information on subsidiaries with material non-controlling interests (continued)

Summarised income statement for the year ended 31 December 2022 and 2021:

	Emtel Limited		MC Vision Ltd	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Revenue from contracts with customers	**3,240,350**	3,128,630	**1,247,618**	1,277,689
Profit/(Loss) before income tax	**675,440**	509,310	**(1,235)**	32,250
Income tax expense	**(119,605)**	(128,970)	**(353)**	(5,385)
Post tax profit/(loss) from operations	**555,835**	380,340	**(1,588)**	26,865
Other comprehensive income	**7,984**	278,650	**9,943**	9,448
Total comprehensive income	**563,819**	658,990	**8,355**	36,313
Profit/(Loss) attributable to non-controlling interest	**138,959**	95,085	**(1,021)**	17,266
Total comprehensive income allocated to non-controlling interest	**140,959**	164,747	**5,369**	23,338
Dividend paid to non-controlling interest	**132,951**	129,030	**-**	64,270

Summarised statement of cash flows as at 31 December 2022 and 2021:

	Emtel Limited		MC Vision Ltd	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Cash flows from operating activities				
Cash generated from operations	**1,683,680**	1,183,064	**300,829**	207,140
Interest paid (net)	**(151,558)**	(140,299)	**(11,374)**	(9,056)
Income tax refund/(paid)	**(87,825)**	(145,394)	**-**	8,170
Contributions made for post-employment benefits	**(16,107)**	(11,014)	**(12,564)**	(4,982)
Net cash generated from operating activities	**1,428,190**	886,357	**276,891**	201,272
Net cash used in investing activities	**(393,474)**	(996,814)	**(114,311)**	(188,346)
Net cash used in financing activities	**(438,938)**	(41,187)	**(99,419)**	(105,016)
Net (decrease)/increase in cash and cash equivalents	**595,778**	(151,644)	**63,161**	(92,090)
Cash and cash equivalents at beginning of year	**30,453**	183,635	**89,041**	191,252
Effect of exchange rate changes	**(4,420)**	(1,538)	**(12,091)**	(10,121)
Cash and cash equivalents at end of year	**621,811**	30,453	**140,111**	89,041

The Group controls MC Vision Ltd by virtue of its shareholders agreement which allows Currimjee Jeewanjee and Company Limited to nominate the chairman of the board who has a casting vote.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

15 INVESTMENTS IN ASSOCIATES

	2022 Rs'000	2021 Rs'000
Group		
Equity accounting:		
At 01 January	**428,586**	420,720
Share of profit after tax for the year	**93,959**	59,787
Dividends paid	**(54,450)**	(54,295)
Additions	**-**	95
Exchange difference	**(2,825)**	2,279
At 31 December	**465,270**	428,586
Company		
At 01 January	**41,967**	41,872
Additions	**-**	95
At 31 December	**41,967**	41,967

Set out below are the associates of the Group as at 31 December 2022, which, in the opinion of the directors, are material to the Group. The associates as listed below have share capital consisting solely of ordinary shares which are held directly by the Group;

Nature of investment in associates 2022 and 2021:

Name	Place of business	Description of shares held	Proportion of ownership %	Principal activity
Ceejay Gas Ltd	Mayotte	Ordinary	33.33	Investment holding and trading in liquefied petroleum gas.
Total Mauritius Limited	Mauritius	Ordinary	25	Import and distribution of petroleum products, lubricants and liquefied petroleum gas.
Abana (Mauritius) Ltd	Mauritius	Ordinary	29.33	Online platform for buyers and sellers in the Textile & Apparel sector across Africa

Financial information of the Group's associates, all of which are unquoted, are set out below:

Summarised statement of financial position as at 31 December 2022 and 2021:

	Total (Mauritius) Ltd		Ceejay Gas Ltd	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Current				
Cash and cash equivalents	**175,470**	171,325	**212,136**	261,930
Other current assets	**1,674,370**	1,100,609	**57,169**	102,253
Total current assets	**1,849,840**	1,056,462	**269,305**	340,836
Financial liabilities excluding trade payables	**465,460**	320,444	**-**	13,418
Other current liabilities including trade payables	**1,696,645**	1,314,906	**177,957**	252,540
Total current liabilities	**2,162,105**	1,493,902	**177,957**	250,055
Non-current				
Assets	**2,066,606**	1,961,400	**612,417**	644,312
Other liabilities	**253,726**	260,309	**454,148**	478,952
Net Assets	**1,500,615**	1,337,675	**249,619**	263,585

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

15 INVESTMENTS IN ASSOCIATES (CONTINUED)

Summarised statement of comprehensive income for the year ended 31 December 2022 and 2021:

	Total (Mauritius) Ltd		Ceejay Gas Ltd	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Revenue from contracts with customers	**10,298,488**	6,169,668	**527,308**	510,934
Cost of sales	**(9,219,106)**	(5,321,155)	**(240,466)**	(193,138)
Gross profit	**1,079,382**	848,513	**286,842**	317,796
Depreciation and amortisation	**-**	7,914	**(72,874)**	(75,354)
Other income	**14,380**	10,928	**6,550**	23,893
Interest expense	**(26,905)**	(22,189)	**(4,917)**	(27,670)
Other expenses	**(609,799)**	(611,624)	**(201,644)**	(196,423)
Profit before tax from continuing operations	**457,058**	233,542	**13,957**	42,242
Income tax expense	**(97,429)**	(36,725)	**(5,446)**	(8,937)
Profit after tax	**359,629**	196,817	**8,511**	33,305
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income	**359,629**	196,817	**8,511**	33,305

Reconciliation of summarised financial information

	Total (Mauritius) Ltd	Ceejay Gas Ltd
	Rs'000	**Rs'000**
Opening net assets 01.01.21	1,331,219	251,536
Profit for the period	196,817	33,304
Exchange difference	-	6,838
Remeasurement of post employment benefits	(10,993)	-
Dividends	(179,368)	(28,093)
Closing net assets 31.12.21	1,337,675	263,585
Profit for the period	**359,629**	**8,511**
Exchange difference	**-**	**(8,560)**
Remeasurement of post employment benefits	**2,880**	**-**
Dividends	**(199,569)**	**(13,917)**
Closing net assets 31.12.22	**1,500,615**	**249,619**

	Total (Mauritius) Ltd	Ceejay Gas Ltd	Abana (Mauritius) Ltd	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Interest in associates (25%, 33.33% and 29.33%)				
2022	**375,154**	**83,198**	**6,918**	**465,270**
2021	337,111	87,853	3,622	428,586

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at fair value through other comprehensive income are carried at fair value and can be analysed follows:

	2022	2021
Group	**Rs'000**	Rs'000
Non-current	**1,166,870**	1,324,316

Group	Quoted shares	Unquoted shares	Local debentures	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
At 01 January 2021	580,201	14,975	391,584	986,760
Additions	24,200	3,000	18,331	45,531
Net fair value gain transferred to equity	330,262	-	181	330,443
Net fair value gain transferred to life fund	-	-	(42,178)	(42,178)
Foreign currency translation adjustment	69,438	-	-	69,438
Disposals	-	-	(65,678)	(65,678)
At 31 December 2021	**1,004,101**	**17,975**	**302,240**	**1,324,316**
Additions	**68**	**14,165**	**-**	**14,233**
Net fair value gain transferred to equity	**(111,097)**	**-**	**-**	**(111,097)**
Net fair value gain transferred to life fund	**-**	**-**	**8,501**	**8,501**
Foreign currency translation adjustment	**13,422**	**-**	**-**	**13,422**
Disposals	**-**	**-**	**(82,505)**	**(82,505)**
At 31 December 2022	**906,494**	**32,140**	**228,236**	**1,166,870**

Sensitivity analysis has been disclosed under Note 2 "Equity Price Risk"

Dividend income received on the quoted investment in Seejay Cellular Ltd amounts to **Rs 16,460,946** as at 31 December 2022 (2021- Rs 13,013,306).

The bonds and securities attract interest at rates between **3.5% and 5.64%** (2021 – 1.375% and 6.8%). These financial assets are denominated in the following currencies below:

	2022	2021
	Rs'000	Rs'000
Indian rupees	**500,465**	465,524
Mauritius rupees	**260,377**	311,645
United States dollars	**-**	8,571
Great Britain pound	**406,028**	538,576
	1,166,870	1,324,316

	Quoted shares	Unquoted shares	Total
	Rs'000	**Rs'000**	**Rs'000**
Company			
Cost:			
At 01 January 2021	3	18,215	18,218
Additions	-	3,000	3,000
At 31 December 2021	**3**	**21,215**	**21,218**
Additions	**-**	**14,165**	**14,165**
Disposal	**(3)**	**-**	**(3)**
At 31 December 2022	**-**	**35,380**	**35,380**
Impairment charge:			
At 01 January 2021	-	(3,240)	(3,230)
Charge for the year	-	**-**	**-**
At 31 December 2021 and 2022	-	**(3,240)**	**(3,240)**
Net book amount			
At 31 December 2022	**-**	**32,140**	**32,140**
At 31 December 2021	3	17,975	17,978

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets at fair value through other comprehensive income.

All the financial assets at fair value through other comprehensive income of the Company are denominated in Mauritian rupees. The directors have reviewed the carrying amounts of these financial assets at 31 December 2022 and noted no additional impairment is required.

The directors assess the credit quality of each investment at a subsidiary level and ensure that appropriate procedures made to ensure credit quality.

Sensitivity analysis has been disclosed under Note 2 "Equity Price Risk".

None of these financial assets either is past due or impaired.

17 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Quoted shares	Unquoted shares	Total
	Rs'000	Rs'000	Rs'000
Group			
Domestic			
At 01 January 2021	167,147	89,087	256,234
Additions	2,043	8	2,051
Disposals	(13,237)	(17,927)	(31,164)
Net fair value gain/(loss)	46,103	(5,926)	40,177
Net gain/(loss) on disposal	(1,330)	655	(675)
At 31 December 2021	**200,726**	**65,897**	**266,623**
Additions	**33,240**	**-**	**33,240**
Disposals	**(7,582)**	**(3,698)**	**(11,280)**
Net fair value gain/(loss)	**(4,188)**	**3,788**	**(400)**
Net gain/(loss) on disposal	**11**	**243**	**254**
At 31 December 2022	**222,207**	**66,230**	**288,437**
Foreign			
At 01 January 2021	85,751	-	85,751
Additions	206,854	45,272	252,126
Disposals	(111,773)	-	(111,773)
Net fair value gains	6,515	3,692	10,207
Net gain on disposal	24,312	-	24,312
At 31 December 2021	**211,659**	**48,964**	**260,623**
Additions	**-**	**-**	**-**
Disposals	**-**	**-**	**-**
Net fair value gains	**-**	**-**	**-**
Net gain/(loss) on disposal	**(57,121)**	**(10,626)**	**(67,747)**
At 31 December 2022	**154,538**	**38,338**	**192,876**
Total			
At 31 December 2022	**376,745**	**104,568**	**481,313**
At 31 December 2021	412,385	114,861	527,246

All financial assets at fair value through profit or loss are included in non-current assets since the directors have no express intention of disposing of those investments within the next 12 months.

Included in quoted shares is an amount of **Rs 3,933,620** (2021 – Rs 4,525,404) in respect of investments in related companies.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18 FINANCIAL ASSETS HELD AT AMORTISED COST

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Financial assets held at amortised cost:				
Not later than one year	**707,904**	906,998	**300,860**	567,201
Later than one year	**408,422**	397,764	**292,869**	272,069
	1,116,326	1,304,762	**593,729**	839,270

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Loans				
Loans receivable arising on life assurance business (Note 18 (i))	**73,237**	67,706	**-**	-
Loans to subsidiaries (Note 33(iii)(c))	**-**	-	**65,650**	64,638
Loan to parent (Notes (ii) and 33(iii)(a))	**292,869**	532,069	**292,869**	532,069
Loans to directors (Note 33(iii)(b))	**-**	347	**-**	347
Loans to other related parties (Notes (ii) and 33(iii)(a))	**15,638**	31,006	**14,638**	30,006
Loans to third parties	**4,344**	4,344	**-**	-
	386,088	635,472	**373,157**	627,060
Trade and other receivables				
Trade receivables (Note (iii))	**305,082**	265,179	**28**	51
Receivable from:				
Subsidiaries (Note 33(iv)(e))	**-**	-	**181,544**	179,613
Associates (Note 33(iv) (a))	**1,001**	5,022	**187**	4,473
Shareholders (Note 33(iv) (b))	**8,379**	1,785	**8,379**	1,633
Directors (Note 33(iv) (c))	**274**	390	**274**	390
Other related parties (Note 33(iv) (d))	**12,144**	10,444	**9,656**	6,691
Deposits with financial institutions (Note (v))	**-**	3,320	**-**	-
VAT receivable	**46,141**	14,152		
Accrued income	**46,922**	63,098		
Prepayments	**87,791**	96,869	**4,340**	3,622
Deposits	**17,648**	75,758	**-**	-
Advance to supplier	**20,788**	728	**-**	-
Other receivables	**184,068**	132,545	**16,164**	15,737
	730,238	669,290	**220,572**	212,210
	1,116,326	1,304,762	**593,729**	839,270

The loans to related parties bear interest at a rate of **3.25%** (2021 – 3.25%). The carrying values of the loans to related parties approximate their fair values. The fair values are within level 2 of the fair value hierarchy.

The Group has reviewed the financial strength of all relevant counterparties for all loans and receivables (with the exception of trade receivables which is discussed separately below) and performed a separate ECL review on the other receivables and concludes from these assessment that potential impact of expected credit losses on these balances is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

(i) **Loans receivable arising on life assurance business**

	GROUP	
	2022	2021
	Rs'000	Rs'000
Secured loans (at amortised cost):		
At 01 January	**84,393**	70,558
Loans granted	**32,859**	38,906
Interest	**-**	170
Loans refunded	**(30,294)**	(25,241)
At 31 December	**86,958**	84,393
The movement in loss allowance is as follows:		
At 01 January	**(16,687)**	(18,134)
Reversal during the year	**2,966**	1,447
At 31 December	**(13,721)**	(16,687)
Carrying amount:		
At 31 December	**73,237**	67,706

The estimated fair values of the loans are the discounted amount of the estimated cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value. The effective interest rates were in the range of **3% to 14%** (2021 – 3% to 14%).

The fair values of the loans approximate their carrying amounts.

At 31 December 2022, loans amounting to **Rs 34,742,929** (2021 – Rs 31,820,875) were overdue which includes impaired and not impaired. These overdue loans receivables are secured by mortgaged properties.

Loans arising on life assurance business, **Rs 138,427,615** (2021 – Rs 143,298,887), are considered neither past due nor impaired when loan instalments are overdue for less than three months. When they are overdue for more than three months, they are tested for impairment individually and are considered impaired when the value of their mortgaged property is less than the carrying value of the loan receivable. The loans are secured against mortgaged properties.

The ageing analysis of the loans arising on the life assurance business which are considered overdue and not impaired were as follows:

	GROUP	
	2022	2021
	Rs'000	Rs'000
Between 6 months to 1 year	**10,547**	9,091
Between 1 to 2 years	**2,311**	1,399
More than 2 years	**5,870**	5,316
Total overdue but not impaired originated loans	**18,728**	15,806

The amount of impaired loans amount to **Rs 13,720,586** (2021 – Rs 16,687,030). The other classes within financial assets held at amortised cost do not contain impaired assets.

ncluded in the loans are **Rs 382,282** (2021 – Rs 446,067) in respect of loans made to directors and key management personnel.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

(ii) Other loans

The loans to the parents, Currimjee Ltd and Currimjee Jeewanjee Properties Ltd, are unsecured and bear interests at **4.35% to 6.5%** (2021 – 4.25% to 6.5%).

All the other loans bear interest between **3.25%** and **6.5%** (2021- 3.25% and 6.5%).

There are no overdue or non-performing loans.

At 31 December 2022, the carrying values of all loans receivable approximate their fair value.

The directors assess the credit quality of each receivable at a subsidiary level and ensure that appropriate procedures made to ensure credit quality.

(iii) Trade receivables

At 31 December 2022, trade receivables include loss allowance on receivables amounting to **Rs 112,724,173** (2021 – Rs 156,516,917):

	GROUP	
	2022	2021
	Rs'000	Rs'000
Trade receivables – net	**305,082**	265,179
Provision for impairment	**112,724**	156,517
Gross amount receivable	**417,806**	421,696
Neither past due nor impaired	**259,398**	188,908
Past due but not impaired	**45,684**	76,271
Past due and impaired	**112,724**	156,517
Total past due	**158,408**	232,788
Gross amount receivable	**417,806**	421,696

The movement in provision for impairment of receivables is as follows:

	GROUP	
	2022	2021
	Rs'000	Rs'000
At 01 January	**156,517**	149,989
Bad debts	**-**	9,717
Bad debts written off	**(43,816)**	(1,804)
Reversal for the year	**(1,244)**	(17,473)
Charge for the year	**1,267**	16,088
At 31 December	**112,724**	156,517

The Group and 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.

The expected loss rates are passed on the payment profiles of sales over a period of 36 months before 31 December 2022 or 31 December 2021 respectively and the corresponding historical credit losses experienced within this period. The Company has established a linear relationship of the bad debts with respect to its revenue per year based on historical data adjusted by the growth rate in the percentage of the bad debts on its revenue.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

(iii) Trade receivables (Continued)

On that basis, the loss allowance as at 31 December 2022 and 31 December 2021 was determined as follows for the trade receivables:

2022	**Current**	**30 to 60 days**	**60 to 90 days**	**More than 90 days**	**Total**
Expected loss rate	**0% to 16%**	**0% to 31%**	**0% to 56%**	**3% to 99%**	
Gross carrying value (Rs'000)	**130,413**	**77,228**	**126,177**	**86,988**	**417,806**
Loss allowance (Rs'000)	**1,647**	**3,700**	**79,522**	**27,855**	**112,724**
2021					
Expected loss rate	0% to 22%	0% to 34%	0% to 45%	0% to 99%	
Gross carrying value (Rs'000)	160,689	50,886	4,428	205,693	421,696
Loss allowance (Rs'000)	3,294	2,804	1,162	149,257	156,517

The Group assessed the recoverability of trade receivables based on the debtors capacity to repay their debts. Amount which are considered doubtful are specifically provided for. In addition, a provision under the expected credit loss model is recognised to account for the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the assets as at the reporting date with the risk of default at date of initial recognition. It considers available reasonable and supportive forward looking information. The Group defines the risk of default as being significant losses in the time value of money.

(iv) Deposits with financial institutions

Deposits placed with financial institutions have maturities ranging from 1 - 2 years and earn interest at the rate of **3.4%-4.4%** (2021 - 2.6%) per annum for the year ended 31 December 2022. Placement is made through a fund manager who ensures the credit quality of these deposits.

At 31 December 2022, statutory deposits comprised of fixed deposit certificates of **Rs 10,000,000** (2021 - Rs 10,000,000).

(v) The maximum exposure to credit risk at reporting date is the carrying value of each class of loans and receivables mentioned above.

(vi) The Group does not hold any collateral as security other than already disclosed in note 18(i) and 18(iv).

(vii) Currency profile of financial assets held at amortised cost

The carrying amounts of the Group's and Company's loans and receivables are denominated in the following currencies:

	GROUP		**COMPANY**	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Mauritian Rupees	**890,173**	1,041,474	**589,389**	835,648
US Dollars	**49,620**	28,585	**-**	-
Euros	**39,982**	38,515	**-**	-
Great Britain Pounds	**3,858**	7,162	**-**	-
Other	**5,000**	-	**-**	-
	988,633	1,115,736	**589,389**	835,648

Financial assets at amortised cost exclude deposits with financial institutions, amount receivable from MRA, prepayments and deposits.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

18 FINANCIAL ASSETS HELD AT AMORTISED COST (CONTINUED)

(vii) Currency profile of financial assets held at amortised cost (continued)

The Group has reviewed the financial strength of all relevant counterparties for all loans and receivables (with the exception of trade receivables which is discussed separately below) and performed a separate ECL review on the other receivables and concludes from these assessment that potential impact of expected credit losses on these balances is immaterial.

19 DEFERRED INCOME TAX

Liabilities

	GROUP		**COMPANY**	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
At 01 January	**276,347**	240,248	**-**	-
Income statement (credit)/charge	**(2,333)**	22,623	**-**	-
Charge to other comprehensive income (Note 9(c))	**4,340**	13,476	**-**	-
At 31 December	**278,354**	276,347	**-**	-

The movement in deferred income tax liabilities is as follows:

Group - 2022

	At 01 January 2022	**(Credit)/ charge to income statements**	**Charge to other comprehensive income**	**At 31 December 2022**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Deferred income tax liabilities:				
Accelerated capital allowances	**276,057**	**29,495**	-	**305,552**
Unrealised exchange gain	**-**	**-**	-	**-**
Revaluation of property, plant and equipment	**49,128**	**(38,681)**	**-**	**10,447**
	325,185	**(9,186)**	**-**	**315,999**
Deferred income tax assets:				
Provision for impairment of receivables	**(26,605)**	**7,332**	-	**(19,273)**
Allowance for tax losses	**(3,025)**	**472**	-	**(2,553)**
Retirement benefit obligations	**(8,933)**	**2,149**	**4,340**	**(2,444)**
Lease liabilities	**(10,275)**	**(3,100)**	**-**	**(13,375)**
	(48,838)	**6,853**	**4,340**	**(37,645)**
Net deferred income tax liabilities	**276,347**	**(2,333)**	**4,340**	**278,354**

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

19 DEFERRED INCOME TAX (CONTINUED)

Liabilities (Continued)

Group – 2021

	At 01 January 2021	Charge/ (credit) to income statements	Charge to other comprehensive income	At 31 December 2021
	Rs'000	Rs'000	Rs'000	Rs'000
Deferred income tax liabilities:				
Accelerated capital allowances	249,021	27,036	-	276,057
Unrealised exchange gain	77	(77)	-	-
Revaluation of property, plant and equipment	40,172	-	8,956	49,128
	289,270	26,959	8,956	325,185
Deferred income tax assets:				
Provision for impairment of receivables	(23,465)	(3,140)	-	(26,605)
Allowance for tax losses	(5,124)	2,099	-	(3,025)
Retirement benefit obligations	(13,286)	(167)	4,520	(8,933)
Lease liabilities	(7,147)	(3,128)	-	(10,275)
	(49,022)	(4,336)	4,520	(48,838)
Net deferred income tax liabilities	240,248	22,623	13,476	276,347

The movement in deferred income tax assets and liabilities is as follows:

The directors have not recognised a deferred income tax asset attributable to the following as future taxable profits may not be available against which the temporary differences can be utilised:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Tax losses carried forward	**169,810**	138,049	**123,967**	102,989
Accelerated capital allowances	**18,932**	2,446	**11,946**	(5,483)
Provision for retirement benefit obligations	**72,709**	96,796	**69,123**	88,617
Provision for bad and doubtful debts	**3,507**	3,418	**-**	-
Others	**3,389**	2,010	**1,683**	456
	268,347	242,719	**206,719**	186,579

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

20 INVENTORIES

	GROUP	
	2022	Restated 2021
	Rs'000	Rs'000
At cost:		
Finished goods and goods for resale	**71,640**	71,839
Telephone sets, related spares and accessories	**63,970**	36,484
Spare parts and consumables	**2,970**	1,570
Goods in transit	**5,018**	9,822
Work in progress	**2,438**	7,389
Villas (Note 21)	**290,117**	317,460
Others	**47,125**	34,442
	483,278	479,006
At net realisable value:		
Telephone sets, related spares and accessories	**2,764**	528
Finished goods and goods for resale	**361**	-
	3,125	528
Total at 31 December	**486,403**	479,534

Inventories have been restated during the year ended 31 December 2022. During the year ended 31 December 2021, Villas (Note 21) were classified under Assets held for sale (see restatement in note 35 and assets held for sale in note 21).

21 ASSETS HELD FOR SALE

	GROUP	
	2022	Restated 2021
	Rs'000	Rs'000
Group		
At 01 January	**-**	-
Transfer from Work in progress (Note 10)		317,460
Transfer to inventories (Notes 20 and 35)		(317,460)
At 31 December	**-**	-

During the year ended 31 December 2021, Eight IKO Villas completed the construction of the villas and these were deemed to be ready for sale. Given the entity is structured as land promoter and developer, properties constructed by the entity should be classified as inventory (Note 20). This has been reclassified in the prior year, see restatement note 35.

22 SHARE CAPITAL

Group and Company

	2022	2021	**2022**	2021
	Number	Number	**Rs'000**	Rs'000
Authorised:				
Ordinary shares of Rs 100 each	**300,000**	300,000	**30,000**	30,000
Issued and fully paid:				
Ordinary shares of Rs 100 each	**297,000**	297,000	**29,700**	29,700

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

23 LIFE ASSURANCE FUNDS

	2022 Rs'000	2021 Rs'000
Group		
Life assurance business:		
Income	140,713	260,803
Expenses	(249,761)	(270,162)
Deficit	(109,048)	(9,359)
Transfer from life assurance funds	109,048	9,359
	-	-
At 01 January	930,562	940,099
Transfer from life assurance funds	(109,048)	(9,537)
At 31 December	821,514	930,562
Non-current	640,474	834,580
Current	181,040	95,982
	821,514	930,562

The abridged statement of comprehensive income of ILA is as follows:

	2022 Rs'000	2021 Rs'000
INCOME		
Net insurance premium revenue	160,321	155,327
Investment and other income/(expense)	(19,608)	105,476
Total revenue	140,713	260,803
EXPENDITURE		
Claims and surrenders	(147,522)	(179,451)
Pensions	(25,036)	(25,043)
Operating expenses	(70,794)	(54,271)
Other expenditure	(6,409)	(11,397)
	(249,761)	(270,162)
Deficit for the year	(109,048)	(9,359)
Transfer from life assurance fund	109,048	9,359
Total comprehensive income for the year	-	-

The Group consolidates its life assurance business, ILA, through other income in the income statement, refer to the Other income (Note 5).

The Group's actuary for its life insurance business is QED Actuaries and Consultants (Pty) Ltd. The Group's actuary for pension business is Aon Hewitt Ltd.

The Group has provided the breakdown of life assurance fund due within 1 year and more than 1 year based on best estimates available.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

23 LIFE ASSURANCE FUNDS (CONTINUED)

At 31 December 2022, the adequacy of the life assurance fund has been assessed based on the following assumptions:

- Interest rate of **8.20%** (2021: 6.21%)
- Assumed lapse rates of **20%, 10%, 7.5% and 7.5%** for years 1,2,3 and 4+ (2021: 20%, 10%, 7.5% and 7.5%)
- Expense inflation rate of **4.08%** (2021: 2.68%) and
- Mortality table **50% SA 85/90** (2021: 27% SA 85/90)

24 BORROWINGS

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Non-current				
Bank loans - secured	3,459,153	3,097,926	1,163,500	1,163,500
Bonds	4,100,000	4,350,000	2,200,000	2,200,000
Unamortised transaction cost	(11,755)	(14,696)	(8,287)	(9,470)
	7,547,398	7,433,230	3,355,213	3,354,030
Current				
Bank overdrafts (Note 29)	135,574	47,609	6,495	5,114
Bank loans - secured	1,090,808	467,497	-	-
Bonds	250,000	-	-	-
Unamortised transaction cost	(2,941)	(3,282)	(1,183)	(1,183)
Import loans	42,118	34,724	23,748	24,981
Interest in bank loans	11,188	1,041	-	-
Interest on bonds	42,882	35,654	31,067	23,839
Loans payable to subsidiaries (Note 33(v)(d))	-	-	129,458	136,958
Loans payable to related parties (Note 33(v) (a))	283,611	267,269	280,324	256,483
Loans payable to shareholders (Note 33(v) (b))	-	-	-	-
Loans payable to directors (Note 33(v) (c))	-	17,000	-	17,000
	1,853,240	867,512	469,909	463,192
Total borrowings	9,400,638	8,300,742	3,825,122	3,817,222

The borrowing rate is between **3.27% and 7.5%** (2021 – 3.77% and 7%).

Bank loans

The bank loans are secured by floating charges on the assets of the Group and the Company and also by the pledge of shares and can be analysed as follows:

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Current				
Within one year	1,090,808	467,497	-	-
Non-current				
After one year and before two years	882,804	597,822	-	-
After two years and before five years	1,495,756	1,833,654	1,163,500	1,163,500
After five years	1,080,593	666,450	-	-
	3,459,153	3,097,926	1,163,500	1,163,500
Total bank loans	4,549,961	3,565,423	1,163,500	1,163,500

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

24 BORROWINGS (CONTINUED)

Bank overdrafts

The bank overdrafts and other banking facilities are secured by floating charges on all of the assets of the Company.

The denomination and effective interest rates of the bank loans are as follows:

	3.27% to 7.50%	Total
	Rs'000	**Rs'000**
Group – 2022		
Mauritian rupees	**4,056,288**	**4,056,288**
Euros	**493,673**	**493,673**
	4,549,961	**4,549,961**
Group – 2021		
Mauritian rupees	3,047,472	3,047,472
Euros	517,951	517,951
	3,565,423	3,565,423
Company- 2022		
Mauritian rupees	**1,163,500**	**1,163,500**
Company- 2021		
Mauritian rupees	1,163,500	1,163,500

The bank loans are scheduled for payment as follows:

	2023	2024	2025	2026	2027	Later than 2027	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Group – 2022							
Mauritian rupees	**1,090,808**	**860,934**	**1,032,056**	**209,676**	**130,898**	**731,917**	**4,056,289**
Euros	**-**	**21,870**	**38,804**	**40,946**	**43,376**	**348,676**	**493,672**
	1,090,808	**882,804**	**1,070,860**	**250,622**	**174,274**	**1,080,593**	**4,549,961**
Company – 2022							
Mauritian rupees	**-**	**582,300**	**581,200**	**-**	**-**	**-**	**1,163,500**

	2022	2023	2024	2025	2026	Later than 2026	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Group – 2021							
Mauritian rupees	429,426	546,027	1,389,728	157,291	131,250	393,750	3,047,472
Euros	38,071	51,795	51,795	51,795	51,795	272,700	517,951
	467,497	597,822	1,441,523	209,086	183,045	666,450	3,565,423
Company – 2021							
Mauritian rupees	-	-	1,163,500	-	-	-	1,163,500

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

24 BORROWINGS (CONTINUED)

Bonds

The bank bonds facilities are secured by floating charges on the Company's assets and have been contracted at fixed interest rate which range between 2.20% and 5.15% for the Group and 3.77% and 5.64% for the Company.

	GROUP			COMPANY		
2022	**Current**	**Non-Current**	**Total**	**Current**	**Non-Current**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Bond	**250,000**	**4,100,000**	**4,350,000**	**-**	**2,200,000**	**2,200,000**
Interest on bonds	**39,941**	**(11,755)**	**28,186**	**29,884**	**(8,287)**	**21,597**
	289,941	**4,088,245**	**4,378,186**	**29,884**	**2,191,713**	**2,221,597**

	GROUP			COMPANY		
2021	Current	Non-Current	Total	Current	Non-Current	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Bond	-	4,350,000	4,350,000	-	2,200,000	2,200,000
Interest on bonds	32,372	(14,696)	17,676	22,656	(9,470)	13,186
	32,372	4,335,304	4,367,676	22,656	2,190,530	2,213,186

The transaction cost incurred on the issue of bonds and the amount recognised under borrowings are as follows:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**17,978**	9,627	**10,653**	-
Bond issue transaction costs incurred	**-**	12,173	**-**	11,000
Amortisation	**(3,282)**	(3,822)	**(2,366)**	(347)
At 31 December	**14,696**	17,978	**8,287**	10,653

The bonds are scheduled for payment as follows:

	2023	2024	2025	2026	2027	Later than 2027	Total
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Group – 2022							
Mauritian rupees	**250,000**	**500,000**	**300,000**	**1,350,000**	**-**	**1,950,000**	**4,350,000**
Company – 2022							
Mauritian rupees	**-**	**-**	**-**	**850,000**	**-**	**1,350,000**	**2,200,000**

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

24 BORROWINGS (CONTINUED)

Bonds (continued)

	2022 Rs'000	2023 Rs'000	2024 Rs'000	2025 Rs'000	2026 Rs'000	Later than 2026 Rs'000	Total Rs'000
Group – 2021							
Mauritian rupees	-	250,000	500,000	1,100,000	500,000	2,000,000	4,350,000
Company – 2021							
Mauritian rupees	-	-	-	800,000	-	1,400,000	2,200,000

Net debt reconciliation

This section sets out an analysis of the net debt and the movements in net debt of each of the periods presented.

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Cash and cash equivalents, including bank overdraft	**(937,291)**	(395,598)	**1,379**	(54,468)
Borrowings	**9,265,065**	8,253,133	**3,818,627**	3,812,108
Lease liabilities	**1,029,809**	1,091,234	**34,751**	43,920
Foreign exchange loss arising on financing activities	**13,883**	20,396	**224**	-
Net debt	**9,371,466**	8,969,165	**3,854,981**	3,801,560
Cash and cash equivalents, excluding bank overdraft	**1,072,865**	(443,207)	**(5,116)**	(59,582)
Gross debt with fixed interest rates	**3,524,253**	2,541,815	**150,000**	150,000
Gross debt with variable interest rates	**4,774,348**	6,870,557	**3,710,097**	3,711,142
Net debt	**9,371,466**	8,969,165	**3,854,981**	3,801,560

	GROUP			COMPANY		
	(Cash)/ bank overdraft	Borrowings	Lease liabilities	Cash/ bank overdraft	Borrowings	Lease liabilties
Net debt as at 01 January 2021	(290,394)	7,039,045	978,495	168,425	3,359,743	53,562
Foreign exchange adjustments	3,822	-	-	107	-	-
Recognition/ acquisition	-	-	253,893	-	-	3,000
Non-cash movements:	-	-	-	-	-	-
Interest expense (Note 8)	-	309,068	58,673	-	122,513	-
Interest payments (presented as operating cash flows)	-	(193,573)	(58,673)	-	-	-
Cash flows	(109,026)	1,098,593	(141,154)	(223,000)	329,852	(12,642)
Net debt as at 31 December 2021	**(395,598)**	**8,253,133**	**1,091,234**	**(54,468)**	**3,812,108**	**43,920**
Foreign exchange adjustments	**2,837**	**-**	**-**	**1,064**	**-**	**-**
Acquisition	**-**	**-**	**96,852**	**-**	**-**	**-**
Non-cash movements:	**-**	**-**	**-**	**-**	**-**	**-**
Interest expense (Note 8)	**-**	**376,500**	**59,756**	**-**	**147,771**	**-**
Interest payments (presented as operating cash flows)	**-**	**(397,496)**	**(59,756)**	**-**	**(22,860)**	**-**
Cash flows	**(544,530)**	**1,032,928**	**(158,277)**	**54,783**	**(118,392)**	**(9,169)**
Net debt as at 31 December 2022	**(937,291)**	**9,265,065**	**1,029,809**	**1,379**	**3,818,627**	**34,751**

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

25 POST – EMPLOYMENT BENEFITS

Defined benefit pension plan

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Amounts recognised in the statement of financial position:				
Present value of funded obligations	**464,078**	536,721	**160,632**	189,528
Fair value of plan assets	**(427,929)**	(317,064)	**(157,241)**	(103,782)
Deficit of funded plans	**36,149**	219,657	**3,391**	85,746
Present value of unfunded obligations	**403,457**	434,143	**403,216**	434,143
Liability in the statement of financial position	**439,606**	653,800	**406,607**	519,889

The Group operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. Pensions in payment are generally updated in line with the inflation rate and benefit payments for funded obligations are from ILA managed Pension Fund.

The movement in the defined benefit obligation over the year is as follows:

Group

	Present Value of obligation Rs'000	**Fair value of plan assets Rs'000**	**Total Rs'000**
At 01 January 2022	**970,864**	**(317,064)**	**653,800**
Current service cost	**33,211**	**-**	**33,211**
Interest cost	**43,555**	**(17,745)**	**25,810**
Past service gains	**(1,701)**	**-**	**(1,701)**
	1,045,929	**(334,809)**	**711,120**
Remeasurements:			
Return on plan assets excluding amount included in interest expense	**(6,055)**	**41,769**	**35,714**
Gains from change in demographic assumptions	**(386)**	-	**(386)**
Gain from change in financial assumptions	**(56,687)**	-	**(56,687)**
Experience gains	**(44,614)**	-	**(44,614)**
Exchange differences	**(107,742)**	**41,769**	**(65,973)**
Contribution -Employers	-	**(194,386)**	**(194,386)**
Payment from plans –Benefit payments	**(64,904)**	**59,497**	**(5,407)**
Settlements	**(8,131)**	**8,131**	**-**
Other movements	**2,383**	**(8,131)**	**(5,748)**
	(70,652)	**(134,889)**	**(205,541)**
At 31 December 2022	**867,535**	**(427,929)**	**439,606**

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

25 POST – EMPLOYMENT BENEFITS (CONTINUED)

The movement in the defined benefit obligation over the year 2021 is as follows:

Group (Continued)

	Present Value of obligation	Fair value of plan assets	Total
	Rs'000	Rs'000	Rs'000
At 01 January 2021	1,116,182	(280,948)	835,234
Current service cost	36,653	-	36,653
Interest cost	29,009	(7,988)	21,021
Past service cost	(143)	-	(143)
	1,181,701	(288,936)	892,765
Remeasurements:			
Return on plan assets excluding amount included in interest expense	-	(19,702)	(19,702)
Gain from change in financial assumptions	(51,132)	-	(51,132)
Experience gains	(69,833)	-	(69,833)
Exchange differences	(120,965)	(19,702)	(140,667)
Contribution -Employers	-	(82,242)	(82,242)
Payment from plans –Benefit payments	(92,573)	76,517	(16,056)
Other movements	2,701	(2,701)	-
	(89,872)	(8,426)	(98,298)
At 31 December 2021	970,864	(317,064)	653,800

NOTES TO THE FINANCIAL STATEMENTS
31 December 2022 (Continued)
25 POST – EMPLOYMENT BENEFITS (CONTINUED)

Company

	Present Value of obligation	Fair value of plan assets	Total
	Rs'000	**Rs'000**	**Rs'000**
At 01 January 2022	**623,671**	**(103,782)**	**519,889**
Current service cost	**7,991**	**-**	**7,991**
Interest cost/(income)	**27,363**	**(6,049)**	**21,314**
Past service cost	**(2,420)**	**-**	**(2,420)**
	656,605	**(109,831)**	**546,774**
Remeasurements:			
Return on plan assets excluding amount included in interest/(income)	-	**14,355**	**14,355**
Loss/(Gain) from change in financial assumptions	**9,678**	-	**9,678**
Experience gains	**(47,316)**	-	**(47,316)**
Exchange differences	**(37,638)**	**14,355**	**(23,283)**
Contribution -Employer	-	**(112,354)**	**(112,354)**
Payment from plans –Benefit payments	**(55,119)**	**50,589**	**(4,530)**
	(55,119)	**(61,765)**	**(116,884)**
At 31 December 2022	**563,848**	**(157,241)**	**406,607**

The movement in the defined benefit obligation over the year 2021 is as follows:

	Present Value of obligation	Fair value of plan assets	Total
	Rs'000	Rs'000	Rs'000
At 01 January 2021	738,070	(104,096)	633,974
Current service cost	11,054	-	11,054
Interest cost/(income)	18,002	(2,490)	15,512
Past service cost	(2,393)	-	(2,393)
	764,733	(106,586)	658,147
Remeasurements:			
Return on plan assets excluding amount included in interest/(income)	-	(6,672)	(6,672)
Loss/(Gain) from change in financial assumptions	20,586	-	20,586
Experience losses	(91,966)	-	(91,966)
Exchange difference	(71,380)	(6,672)	(78,052)
Contribution -Employer	-	(55,879)	(55,879)
Payment from plans –Benefit payments	(69,682)	65,355	(4,327)
	(69,682)	9,476	(60,206)
At 31 December 2021	623,671	(103,782)	519,889

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

25 POST – EMPLOYMENT BENEFITS (CONTINUED)

The significant actuarial assumptions were as follows:

	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Discount rate	**6% to 6.7%**	4.4% to 4.8%	**6% to 6.7%**	4.5% to 4.8%
Salary growth rate	**4% to 5.3%**	1.0% to 3.8%	**2.0% to 5.3%**	2.0% to 3.0%

Average life expectancy in years for a pensioner retiring at age 63 to 65

Retiring at the end of the reporting period

	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Male	**9.7 to 9.8**	11.2 to 17.3	**9.7 to 9.8**	11.4 to 11.5
Female	**11 to 11.1**	12.9 to 21.7	**11 to 11.1**	13.2 to 13.3

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Group – 2022			
Discount rate	**1%**	**99,492**	**117,864**
Salary growth rate	**1%**	**44,768**	**38,282**
Group – 2021			
Discount rate	1%	118,700	153,323
Salary growth rate	1%	51,400	42,745
Company – 2022			
Discount rate	**1%**	**45,472**	**52,041**
Salary growth rate	**1%**	**9,332**	**8,360**
Company – 2021			
Discount rate	1%	56,727	71,476
Salary growth rate	1%	12,161	10,895

Plan assets are comprised as follows:

2022	GROUP Quoted Rs'000	GROUP Unquoted Rs'000	GROUP Total Rs'0000	COMPANY Quoted Rs'000	COMPANY Unquoted Rs'000	COMPANY Total Rs'000
Equities -Overseas	**59,910**	**-**	**59,910**	**22,014**	**-**	**22,014**
Equities -Local	**115,541**	**4,279**	**119,820**	**42,455**	**1,572**	**44,027**
Fixed interest securities- Overseas	**21,396**	**-**	**21,396**	**7,862**	**-**	**7,862**
Fixed interest securities- Local	**25,676**	**64,189**	**89,865**	**9,434**	**23,586**	**33,020**
Cash and others	**136,938**	**-**	**136,938**	**50,318**	**-**	**50,318**
	359,461	**68,468**	**427,929**	**132,083**	**25,158**	**157,241**

2021	GROUP Quoted Rs'000	GROUP Unquoted Rs'000	GROUP Total Rs'000	COMPANY Quoted Rs'000	COMPANY Unquoted Rs'000	COMPANY Total Rs'000
Equities -Overseas	19,024	-	19,024	6,227	-	6,227
Equities -Local	101,460	9,512	110,972	33,210	3,113	36,323
Fixed interest securities- Overseas	-	-	-	-	-	-
Fixed interest securities- Local	22,194	66,584	88,778	7,265	21,794	29,059
Cash and others	-	98,290	98,290	-	32,173	32,173
	142,678	174,386	317,064	46,702	57,080	103,782

The Group and Company operate a final salary defined benefit pension plan for its employees. The plan exposes the Group and Company to normal risks associated with defined benefit pension plans, such as investment, interest, longevity and salary risks.

Investment risk: The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk: The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

The Company's expected employer contribution for the next year is **Rs 53,783,000** and the weighted average duration of the defined benefit obligation is between 6 and 13 years.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

26 PROVISION FOR ASSET RETIREMENT OBLIGATIONS

The provision is in respect of the dismantling and removal of equipment from leased cell sites for the period if the operating lease is not renewed.

	GROUP 2022 Rs'000	GROUP 2021 Rs'000
At 01 January	**69,237**	73,799
Additional provision during the year	**890**	2,757
Disposal adjustments	**(350)**	(194)
Change in assumptions	**(6,492)**	(12,026)
Finance charge	**1,207**	4,901
At 31 December	**64,492**	69,237

	GROUP 2022 Rs'000	GROUP 2021 Rs'000
Inflation Rate	**4.72%**	3.88%
Bond Rate:		
5 years	**4.56%**	2.90%
10 years	**5.85%**	4.19%
15 years	**6.35%**	4.40%
20 years	**6.85%**	4.68%

27 TRADE AND OTHER PAYABLES, PROVISION FOR OTHER LIABILITIES AND CHARGES AND DEFERRED REVENUE

(i) TRADE AND OTHER PAYABLES

	GROUP 2022 Rs'000	GROUP 2021 Rs'000	COMPANY 2022 Rs'000	COMPANY 2021 Rs'000
Not later than one year	**1,532,306**	1,069,444	**55,866**	51,690
Later than one year	**23,742**	6,438	**-**	-
	1,556,048	1,075,882	**55,866**	51,690
Bills payable (secured)	**50,977**	51,503	**-**	-
Trade payables	**599,146**	234,185	**98**	237
Other payables	**257,976**	312,782	**15,268**	12,847
Accruals	**473,374**	401,764	**34,116**	27,507
Amount due to subsidiaries (Note 33(vi)(e))	**-**	-	**5,426**	7,207
Amount due to other related parties (Note 33(vi)(c))	**169,536**	36,429	**390**	2,824
Amount due to associates (Note 33(vi)(a))	**33**	131	**-**	98
Amount payable to shareholder (Note 33(vi) (d))	**-**	347	**-**	-
Amount due to directors(Note 33(vi) (b))	**570**	970	**568**	970
Dividends payable	**4,436**	37,771	**-**	-
	1,556,048	1,075,882	**55,866**	51,690

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

27 TRADE AND OTHER PAYABLES, PROVISION FOR OTHER LIABILITIES AND CHARGES AND DEFERRED REVENUE (CONTINUED)

(ii) PROVISION FOR OTHER LIABILITIES AND CHARGES

The Group provision for other liabilities and charges relates to solidarity levy charge on revenue payable to the tax authorities. The movement in provision is shown below:

	GROUP 2022 Rs'000	GROUP 2021 Rs'000
At 01 January	**47,324**	46,552
Charge for the year	**50,344**	47,324
Adjustment for prior year	**24**	(183)
Paid during the year	**(47,348)**	(46,369)
At 31 December	**50,344**	47,324

(iii) DEFERRED REVENUE

	GROUP 2022 Rs'000	GROUP 2021 Rs'000
Airtime	**124,186**	125,134
Subscription received in advance (pay TV subscribers)	**81,767**	88,620
Deposits	**89,890**	84,121
Income received in advance	**18,104**	30,996
Total at 31 December	**313,947**	328,871

This represents mainly airtime sold to distributors for which revenue will be recognised once it is purchased and consumed by the end customer and subscription received in advance for TV subscribers. Income received in advance relate to payments received in advance from clients on maintenance and support contracts. Deposits are from tenants based on contractual agreements. The material movements year on year have been shown below.

	GROUP 2022 Rs'000	GROUP 2021 Rs'000
Airtime		
At 01 January	**125,134**	118,103
Additions	**2,904,084**	2,701,917
Released	**(2,905,032)**	(2,694,886)
At 31 December	**124,186**	125,134
Subscription received in advance (pay TV subscribers)		
At 01 January	**88,620**	90,621
Additions	**12,793**	6,087
Released	**(19,646)**	(8,088)
At 31 December	**81,767**	88,620
Deposits		
At 01 January	**84,121**	78,595
Net movement	**5,769**	5,526
At 31 December	**89,890**	84,121

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

28 CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Profit before taxation	473,070	45,770	159,257	153,135
Adjustments for:				
Depreciation on property, plant and equipment (Note 10)	767,614	776,780	12,391	17,449
Depreciation on right of use assets (Note 13(i))	171,867	185,930	5,688	5,855
Amortisation of intangible assets (Note 12)	57,244	55,604	1,693	3,882
Profit on disposal of property, plant and equipment (Note 5)	(106,941)	(8,040)	-	(637)
Profit on disposal of subsidiaries	-	-	(51,755)	-
Write offs of property, plant and equipment (Note 10)	6,500	13,346	-	-
Net impairment (write-back)/charge on investment in subsidiaries (Note 14)	-	-	-	(25,100)
Fair value (gain)/loss on investment properties (Note 11)	(163,997)	(14,397)	(3,054)	(417)
Write off of project costs (Note 11)	7,992	7,438	-	-
Derecognition of lease liabilities (Note 13)	-	(1,286)	-	(127)
Unrealised foreign exchange differences	(325)	(439)	-	-
Unwinding of asset retirement obligation (Note 26)	1,207	4,901	-	-
Depreciation adjustment on ARO	540	2,563	-	-
Impairment charge on financial assets held at amortised cost	(1,267)	16,088	-	-
Share of profit of associated companies (Note 15)	(93,959)	(59,787)	-	-
Gains recognised in reserves of associates	(2,825)	-	-	-
Dividend income (Note 5)	(17,328)	(12,872)	(489,936)	(445,405)
Finance costs - net	465,181	263,041	149,150	131,642
	1,564,573	1,274,640	(216,566)	(159,723)
Working capital changes				
(Increase)/decrease in inventories	(6,722)	(17,887)	-	-
Decrease/(Increase) in trade and other receivables	200,674	(193,654)	(48,317)	376,481
Increase in trade and other payables	499,963	65,423	16,737	(8,475)
(Decrease)/ increase in provision for other liabilities	(47,344)	772	-	-
(Decrease) in deferred revenue	14,924	7,031	-	-
Movement in retirement benefits obligations	(146,418)	(40,767)	(89,999)	(36,034)
Increase in life assurance funds and liabilities of life assurance company	(2,365)	(54,111)	-	-
	512,712	(233,193)	(121,579)	331,972
Cash generated from/(used in) operations	2,077,285	1,041,447	(338,145)	172,249

29 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following amounts:

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Cash and cash equivalents	1,072,865	443,207	5,116	59,582
Bank overdrafts (Note 24)	(135,574)	(47,609)	(6,495)	(5,114)
	937,291	395,598	(1,379)	54,468

30 DIVIDENDS

	COMPANY	
	2022 Rs'000	2021 Rs'000
Proposed and paid		
Rs 436.03 per share (2021 – Rs 378.79)	129,500	112,500

31 CAPITAL COMMITMENTS

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Capital commitments for property, plant and equipment:				
Authorised and contracted for	109,000	181,414	-	-

32 (i) CONTINGENCIES

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Guarantees				
On loans and bank overdraft facilities of subsidiaries, associates and related companies	2,096,727	1,084,727	2,096,727	1,084,727
Bank guarantees	55,818	82,267	1,091	2,361

At 31 December 2022, the Group and Company had contingent liabilities in respect of bank guarantees in the ordinary course of business amounting to **Rs 55,818,000** (2021 – Rs Rs 82,267,000) and **Rs 1,091,000** (2021 – Rs 2,361,000) respectively, from which it is anticipated that no material liabilities will arise.

32 (ii) CONTINGENT ASSETS AND LIABILITIES

Emtel v/s ICTA, Mauritius Telecom (MT), Cellplus Mobile Communications and Ministry of Telecommunications

Emtel has lodged a claim for damages in excess of Rs 1 billion (plus interest and costs) against the ICTA, MT, Cellplus and the Ministry of Telecommunications for losses incurred as a result of inter alia failure by the authorities to ensure a level of playing field and unfair competitive practices. The matter was heard over the course of six weeks in May and June 2016. On 9 and 10 August 2017, the Supreme Court handed down its judgment in favour of Emtel awarding it a total amount of Rs 554,139,900 with interest at the legal rate and costs to be paid by all Defendants except the Ministry of Telecommunications. Each of the ICTA, MT and Cellplus have appealed against the judgment to the Court of Civil Appeal. Those three appeals were heard in November 2019, February 2020 and March 2020. On 17 November 2021, the Court of Civil Appeal reversed the judgment of the trial court and dismissed Emtel's claim for damages in two separate judgments. Emtel has appealed against those two appeal judgments to the Judicial Committee of the Privy Council.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

32 (ii) CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Silver Wings Ltd was subject to a fraud by the previous accountant. The matter is being handled by Silver Wings's lawyers and a minimum re-imbursement of Rs 20M is expected from the previous accountant, out of which Rs 3M has already been re-imbursed.

Emtel v/s Data Communications Ltd (DCL)

Emtel has sued DCL for unpaid services supplied by Emtel. In the course of the case, DCL has counter claimed the sum of Euros 1.5 million from Emtel for allegedly failing to supply an uninterrupted data service in respect of an International Private Line leased from Emtel. The case is not yet in shape for trial as DCL was subject to both an insolvency process and a receivership. In February 2021, the Court was informed that DCL is no more in receivership. An extension of time was requested to obtain the permission of the Court to proceed against DCL which is in liquidation. The matter is therefore still at pleadings stage. At this point the Board of Directors does not believe that Emtel will be required by the Court to settle the amount claimed by DCL.

33 RELATED PARTY TRANSACTIONS

The Group is directly controlled by Currimjee Limited which owns 62.95% of the Company's shares.

The particulars of the significant transactions carried out with related parties are presented below.

The other receivables from related parties are receivable within 1 year. The terms of loans receivable from and loans payable to related parties are also disclosed below.

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
(i) Sales of goods and services				
Associates	**2,943**	2,437	**-**	-
Shareholders	**495**	809	**-**	-
	3,438	2,768	**-**	-
Rental income				
Subsidiaries	**-**	-	**6,647**	6,272
Management fee income				
Subsidiaries	**-**	-	**42,894**	38,600
Shareholders	**759**	-	**-**	-
Associates	**1,464**	1,515	**1,464**	1,515
Entity significantly influenced by the directors of the Company	**795**	-	**-**	-
	3,018	1,515	**44,358**	40,115
(ii) Purchases of goods and services				
Purchases of goods				
Associates	**7,881**	5,601	**-**	-
Entity significantly influenced by the directors of the Company	**719,982**	754,141	**-**	-
	727,863	759,742	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

33 RELATED PARTY TRANSACTIONS (CONTINUED)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Management fee expense excluding Currimjee Limited				
Subsidiaires	**-**	-	**3,192**	2,721
Interest expense				
Subsidiaries	**-**	-	**4,092**	7,844
Related parties	**18,480**	15,710	**17,928**	10,389
Shareholders	**-**	32	**-**	-
Directors	**2,901**	805	**217**	805
	21,381	16,547	**22,237**	19,038
Interest income				
Subsidiaries	**-**	-	**6,217**	20,874
Related parties	**1,365**	264	**1,325**	264
Shareholders	**15,750**	16,095	**15,750**	16,095
	17,115	16,359	**23,292**	37,233
Currimjee Limited (common directorships)				
Management fees	**1,369**	1,238	**1,369**	1,238
	1,369	1,238	**1,369**	1,238
Key management compensation				
Salaries and other short term employee benefits	**121,378**	159,360	**93,236**	81,553
Post employment benefits	**2,397**	7,185	**-**	-
	123,775	208,729	**93,236**	99,590

Key management personnel of the Company refers to directors (executive and non-executive) and members of the senior management team of the Company as disclosed in the Corporate Governance report. Key management personnel of the Group refers to key management personnel of the Company and key management personnel of subsidiaries.

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
(iii) Loans receivable (Note 18):				
(a) Loans to related parties				
Parent company	**292,869**	532,069	**292,869**	532,069
Subsidiaries of sister Company	**14,285**	30,000	**14,285**	30,000
Entity significantly influenced by the directors of the Company	**1,353**	1,006	**353**	6
	308,507	563,075	**307,507**	562,075

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

33 RELATED PARTY TRANSACTIONS (CONTINUED)

(iii) Loans receivable (Note 18) (Continued):

The above loans to related parties are unsecured, repayable at call, bearing interest ranging from **3.25%** to **6.5%** per annum (2021 - 3.25% to 6.5%).

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
(b) *Loan to directors*	**-**	347	**-**	347
The above loan to directors are unsecured, interest free and repayable at call.				
(c) *Loans to subsidiaries*	**-**	-	**65,650**	64,638
The loans to subsidiaries are repayable at call and bears interest rates as follows:				
Interest free loan	**-**	-	**-**	-
Interest rate of **3.85%-6.5%** (2021 - 3.85%-6.5%)	**-**	-	**65,650**	64,638
	-	-	**65,650**	64,638
(iv) Amounts receivable (Note 18):				
(a) *Associates*				
At 01 January	**5,022**	5,334	**4,473**	4,824
Movement during the year	**(4,021)**	(312)	**(4,286)**	(351)
At 31 December	**1,001**	5,022	**187**	4,473
(b) *Shareholders*				
At 01 January	**1,785**	19	**1,633**	3
Movement during the year	**6,594**	1,766	**6,746**	1,630
At 31 December	**8,379**	1,785	**8,379**	1,633
(c) *Directors*				
Amount receivable from directors	**274**	390	**274**	390
(d) *Other related parties*				
Entities significantly influenced by the Group	**-**	-	**-**	-
Other related parties	**12,144**	10,444	**9,656**	6,691
	12,144	10,444	**9,656**	6,691
(e) *Subsidiaries*				
Amounts receivable from subsidiaries	**-**	-	**181,544**	179,613

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

33 RELATED PARTY TRANSACTIONS (CONTINUED)

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
(v) Loans payable to (Note 24):				
(a) *Related parties*				
Entities significantly influenced by the Group	**7,500**	7,500	**7,500**	-
Shareholders of the ultimate parent	**163,435**	141,966	**163,435**	141,966
Close family members of shareholders of the ultimate parent	**112,676**	117,803	**109,389**	114,517
	283,611	267,269	**280,324**	256,483

- The loan payable to entities significantly influenced by the Group are unsecured, repayable within one year and interest payable at the rate of **6%** (2021 - 6% to 7%) per annum.

- The loan payable to the shareholders of the ultimate parent are unsecured, repayable at call and bear interest at the rate of **5.35%** (2021 - 5.35% to 5.35%) per annum.

- The loan payable to close family members of shareholders of the ultimate parent are unsecured, repayable at call and bear interest at the rate of **5.35%** (2021 - 5.35%) per annum.

	GROUP		COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
(b) *Shareholders*				
At 01 January	**-**	999	**-**	300,000
Repaid during the year	**-**	(999)	**-**	(300,000)
At 31 December	**-**	-	**-**	-
- The loan payable to shareholders are unsecured, repayable at call and bear interest at the rate of Nil (2021 - 6.35%) per annum..				
(c) *Directors*				
At 01 January	**17,000**	-	**17,000**	-
Raised during the year	**-**	17,000	**-**	17,000
Repaid during the year	**(17,000)**	-	**(17,000)**	-
At 31 December	**-**	17,000	**-**	17,000
- The loan payable to directors are unsecured, repayable at call and bear interest at the rate of **5.35%** (2021 - 5.35%) per annum.				
(d) *Subsidiaries*				
Loan payable to subsidiaries	**-**	-	**129,458**	136,958

- The loan payable to subsidiaries are unsecured, repayable at call and bear interest at the rate of **6% to 7%** (2021 - 6% to 7%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

33 RELATED PARTY TRANSACTIONS (CONTINUED)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
(vi) Amounts due to (Note 27):				
(a) Associates	**33**	131	**-**	98
(b) Directors	**570**	970	**568**	970
(c) Other related parties				
Entities significantly influenced by the Group	**166,480**	32,508	**-**	-
Other related entities	**3,056**	3,921	**390**	2,824
	169,536	36,429	**390**	2,824
(d) Shareholders	**-**	347	**-**	-
(e) Subsidiaries	**-**	-	**5,426**	7,207

The Group has reviewed the financial strength of all related parties and deems that they are able to repay these debts as they fall due. Therefore, the impact of ECL is deemed to be immaterial.

34 CONVERTIBLE DEBENTURES

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 01 January	**205,940**	-	**-**	-
Bonds issued during the year	**104,000**	208,000	**-**	-
Fees attributable to convertible bonds	**-**	(2,060)	**-**	-
At 31 December	**309,940**	205,940	**-**	-

During the financial year ended 31 December 2021, IKO (Mauritius) Hotel Limited has signed a subscription agreement with the Mauritius Investment Corporation Ltd ("MIC"), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds for a total amount of Rs 312 million comprising of 312 bonds of Rs 1 million each. One of the main objectives of the MIC is to provide financial support to companies impacted by the Covid-19 pandemic and in particular to the tourism sector which had the worst impact due to the full border closure.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022 (Continued)

35 CORRECTION OF PRIOR PERIOD ERRORS

In the prior year, Eight IKO Villas were included under 'asset held for sale'. This amount has been reclassified under 'Inventories' for the year ended 31 December 2021, in line with IAS 2 – Inventories. Eight IKO Villas completed the construction of the villas and these were deemed to be ready for sale. Given the entity is structured as land promoter and developer, properties constructed by the entity, the villas should be classified as inventory. Accordingly, the company has restated the prior year figures in line with the requirement of IAS 8- Accounting policy, changes in accounting estimates and error. Note that the villas were only classified as 'Asset held for sale' as at 31 December 2021 and therefore, this restatement has no impact as at 31 December 2020.

The table below summarises the impact of the adjustment following the reclassification:

	GROUP		
	As previously stated	**Adjustments**	**As restated**
	Rs000	**Rs000**	**Rs000**
Statement of financial position (extract)			
As at 31 December 2021			
Asset held for sale	317,460	(317,460)	-
Inventories	162,074	317,460	479,534

The above reclassification has no impact on the statement of cash flows and no impact on the statement of comprehensive income.

36 SUBSEQUENT EVENTS

There are no material events after the reporting period which should require disclosure of adjustments to the financial statements for the year ended 31 December 2022.

37 PARENT AND ULTIMATE PARENT

The directors regard Currimjee Limited (previously known as Fakhary Limited), a company incorporated in Mauritius, as the Company's parent and ultimate controlling party.

38 INCORPORATION AND REGISTERED OFFICE

The Company is a private limited company incorporated and domiciled in Mauritius. The registered office and place of business of the Company is at 38, Royal Street, Port Louis.

NOTES

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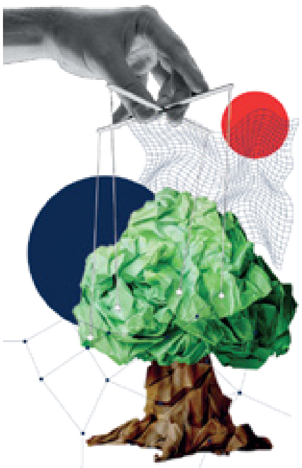

CURRIMJEE
SINCE 1890

Currimjee Jeewanjee and Company Limited
38, Royal Street, Port Louis 11602, Mauritius
T: +230 650 6200 | F: +230 240 8133
www.currimjee.com | contact@currimjee.com