



COMPAGNIE IMMOBILIERE LIMITEE

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

BRN: C06000766

A CURIMJEE COMPANY



ANNUAL REPORT 2021

CONTENTS

	Overleaf
Notice of Annual Meeting	
Financial Highlights	2 - 3
Business Model	4 - 5
Chairman's Statement	6 - 7
Corporate Information	9
Report from the Board of Directors	10 - 11
Corporate Governance Report	13 - 32
Statement of Compliance	33
Certificate from the Company Secretary	34
Independent Auditor's Report	35 - 38
Statement of Profit or Loss and Other Comprehensive Income	39
Statement of Financial Position	40
Statement of Changes In Equity	41
Statement of Cash Flows	42
Notes to the Financial Statements	43 - 70

NOTICE OF ANNUAL MEETING

Notice is hereby given that the Annual Meeting of **Compagnie Immobilière Limitée (“the Company”)** will be held at the Boardroom of Le Nénuphar, 1st Floor, Arcades Currimjee, 256, Royal Road, Curepipe on the **05th of September 2022 at 10.00 hours** to transact the following business:

RESOLUTIONS TO BE VOTED AS ORDINARY RESOLUTIONS

- To adopt the Minutes of the Annual Meeting of Shareholders held on 29th of September 2021 as true proceedings of the meeting.
ORDINARY RESOLUTION I
“**RESOLVED** that the Minutes of the Annual Meeting of Shareholders held on 29th of September 2021 be adopted as true proceedings of the meeting.”
- To consider the Annual Report for the year ended 31st December 2021.
- To receive the Auditors’ Report for the year ended 31st December 2021.
- To consider and adopt the Audited Financial Statements for the year ended 31st December 2021.
ORDINARY RESOLUTION II
“**RESOLVED** that the Audited Financial Statements for the year ended 31st December 2021 be adopted.”
- To re-appoint Mr Anil C Currimjee as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION III
“**RESOLVED** that Mr Anil C Currimjee be hereby re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders.”
- To re-appoint Mr Raffi Currimjee as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION IV
“**RESOLVED** that Mr Raffi Currimjee be hereby re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders.”
- To re-appoint Me. Yusuf H A Aboobaker S.C as Director of the Company, to hold office until the next Annual Meeting of Shareholders, in accordance with Section 138(6) of the Companies Act 2001.
ORDINARY RESOLUTION V
“**RESOLVED** that Me. Yusuf H A Aboobaker S.C be hereby re-appointed as Director of the Company in accordance with Section 138(6) of the Companies Act 2001, to hold office until the next Annual Meeting of Shareholders.”
- To re-appoint Mr Sanjiv K Mihdidin as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION VI
“**RESOLVED** that Mr Sanjiv K Mihdidin be re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders.”
- To re-appoint Mr M Iqbal Oozeer as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION VII
“**RESOLVED** that Mr M Iqbal Oozeer be re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders.”
- To re-appoint Mrs P Vanesha Sannassee Pareemamun as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION VIII
“**RESOLVED** that Mrs P Vanesha Sannassee Pareemamun be re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders.”
- To re-appoint Mr Saleem Karimjee as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION IX
“**RESOLVED** that Mr Saleem Karimjee be re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders.”
- To re-appoint Mr Reshan K Rambocus as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION X
“**RESOLVED** that Mr Reshan K Rambocus be re-appointed as Director of the Company, to hold office until the next Annual Meeting of Shareholders.”

NOTICE OF ANNUAL MEETING

- To confirm the appointment of Mr. Mark C Olivier as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION XI
“**RESOLVED** that the appointment of Mr. Mark C Olivier as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed.”
- To confirm the appointment of Mr. Johannes H P Van Der Merwe as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION XII
“**RESOLVED** that the appointment of Mr. Johannes H P Van Der Merwe as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed.”
- To confirm the appointment of Ms. Ferial J Aumeerally as Director of the Company, to hold office until the next Annual Meeting of Shareholders.
ORDINARY RESOLUTION XIII
“**RESOLVED** that the appointment of Ms. Ferial J Aumeerally as Director of the Company, to hold office until the next Annual Meeting of Shareholders, be hereby confirmed.”
- To re-appoint, on recommendation of the Board, Messrs BDO & Co as Auditors of the Company for the year ending 31st December 2022 and to authorise the Board of Directors to fix their remuneration.
ORDINARY RESOLUTION XIV
“**RESOLVED** that Messrs BDO & Co be re-appointed as Auditors of the Company for the year ending 31st December 2022 and that the Board of Directors be authorised to fix their remuneration.

By Order of the Board

12th August 2022



Currimjee Secretaries Limited
Per Ramanuj Nathoo
(Secretary)

Notes

- A member entitled to attend and vote at this Annual Meeting may appoint a proxy, whether member or not, to attend and vote on his or her behalf. A proxy needs not be a member of the Company.
- The proxy forms, duly signed, to be effective, must be deposited at the Registered Office of the Company - Attention: The Secretary, at 38, Royal Street, Port Louis, not less than 24 hours before the Annual Meeting of Shareholders.
- For the purpose of this Annual Meeting, the Directors have resolved, in compliance with section 120(3) of the Companies Act 2001, that the Shareholders entitled to receive notice of the meeting and attend such meeting shall be those Shareholders whose names are registered in the share register of the Company as at 05th August 2022.
- The Minutes of the Annual Meeting of Shareholders held on 29th September 2021 are available for consultation by the Shareholders during office hours, at the Registered Office of the Company.
- The Board of Directors of Compagnie Immobilière Limitée wishes to assure its Shareholders that all the all prevailing national sanitary protocols will be strictly observed so as to ensure the smooth running of the meeting.
- We are closely monitoring the evolution of Covid-19 in Mauritius. If it becomes necessary or appropriate to make further changes to the arrangements for the holding of the Annual Meeting, we will ensure that shareholders are given as much notice as possible.
- In the event that this meeting cannot be held on 05th September 2022 due to an extreme weather event(1), the meeting shall be held on the business day immediately following the day when the extreme weather condition warning has been removed, at the same time and place.

Note (1): An extreme weather event here means torrential rain, flood, flash flood, storm surge and includes any other weather condition likely to endanger life or property in the vicinity of the venue of such meeting.

This Communiqué is issued pursuant to Rule 14 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

Dear Shareholder,

The Board of Directors is pleased to present the Annual Report of **Compagnie Immobilière Limitée** (the "Company") for the year ended 31st December 2021. This report was approved by the Board of Directors on 29th March 2022.

The Annual Meeting of Shareholders of the Company will be held on **05th September 2022 at 10:00 hours** at the Boardroom of Le Nénuphar, 1st Floor, Arcades Currimjee, 256, Royal Road, Curepipe.

The Annual Meeting is an important day in the calendar as it enables the Board to engage with its shareholders on a range of matters concerning the business of the meeting. In addition, it provides a valuable forum for shareholders to ask questions. On behalf of the Board, we strongly encourage you to attend this Annual Meeting.

In view of the Covid-19 pandemic, the Board of Directors of the Company wishes to assure its Shareholders that all prevailing national sanitary protocols will be strictly observed so as to ensure the smooth running of the meeting.

Sincerely,

Anil C Currimjee
Chairman

12th August 2022



FINANCIAL HIGHLIGHTS

2019

Figures Mauritian Rupees - Rs M

- Revenue	25.8
- Operating Profit	17.3
- NAT	14.6
- Investment Property Value	314.7
- Equity	311.6
- Debt	1.6
- Investment During the year	5.3
- CSR Contribution	0.3
- Dividend paid	9.3

Figures in Percentage %

- Increase in Property Value	1.8
- Dividend Yield	4.8
- Net Yield on developed Properties	5.5
- Occupancy	85

Figures Mauritian Rupees - Rs

- Share Price	725
---------------	-----

Figures Mauritian Rupees - Rs K

- Investment in CSR Activities	267
- Interest Paid	

Figures in M²

- Net Leasable Area	5,115
---------------------	-------

Figures in Year

- WALE	2.5
--------	-----

Figures in Percentage %

Tenant mix:

- Food Outlets%	8
- Services%	12
- Retail%	20
- Offices%	60

2020

Figures Mauritian Rupees - Rs M

- Revenue	23
- Operating Profit	11.2
- NAT	9.1
- Investment Property Value	328.4
- Equity	328.4
- Debt	6.6
- Investment During the year	
- CSR Contribution	0.2
- Dividend paid	

Figures in Percentage %

- Increase in Property Value	4.4
- Dividend Yield	
- Net Yield on developed Properties	3.6
- Occupancy	75

Figures Mauritian Rupees - Rs

- Share Price	600
---------------	-----

Figures Mauritian Rupees - Rs K

- Investment in CSR Activities	157
- Interest Paid	

Figures in M²

- Net Leasable Area	5,115
---------------------	-------

Figures in Year

- WALE	1.9
--------	-----

Figures in Percentage %

Tenant mix:

- Food Outlets%	8
- Services%	12
- Retail%	20
- Offices%	60

FINANCIAL HIGHLIGHTS

2021

Figures Mauritian Rupees - Rs M

- Revenue
- Operating Profit
- NAT
- Investment Property Value
- Equity
- Debt
- Investment During the year
- CSR Contribution
- Dividend paid

Figures in Percentage %

- Increase in Property Value
- Dividend Yield
- Net Yield on developed Properties
- Occupancy

Figures Mauritian Rupees - Rs

- Share Price

Figures Mauritian Rupees - Rs K

- Investment in CSR Activities
- Interest Paid

Figures in M²

- Net Leasable Area

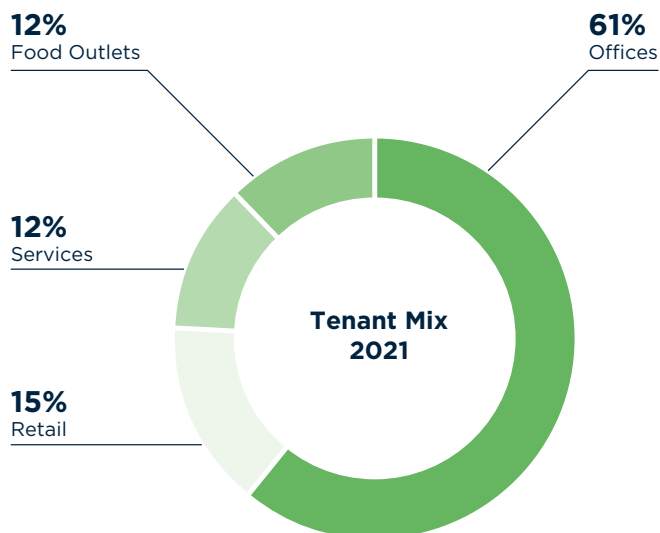
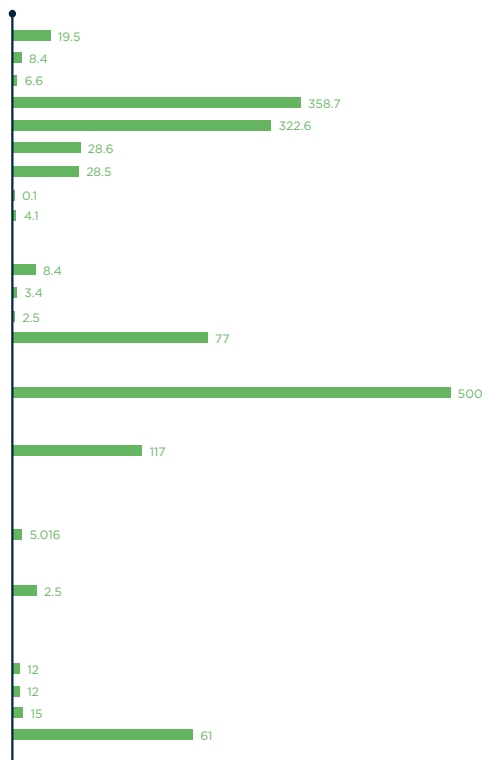
Figures in Year

- WALE

Figures in Percentage %

Tenant mix:

- Food Outlets%
- Services%
- Retail%
- Offices%



OUR CAPITALS TO CREATE VALUE

Financial Capital

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

- Equity:

Rs 322.6M (2020: Rs 320.5M)

- Net Debt:

Rs 28.6M (2020: Rs 6.6M)

Human and Intellectual Capital

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

Relationship Capital

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

Manufactured Capital

- Les Arcades Currimjee, centrally located as a mixed use property including retail, food and office spaces

- Property assets value:

Rs 358.7M (2020: Rs 328.4M)

- Investments during the year:

Rs 28.5M (2020: Rs 2.2M)

Social and Natural Capital

- Investment in CSR activities:

Rs 117K (2020: Rs 157K)

- Continued upkeep of our environmentally friendly installations at Les Arcades Currimjee

OUR VALUE CREATING ATTRIBUTES

• Asset Management

Strategic asset manager sets strategies and objectives for the property manager to implement. It covers the tenancy mix, rental rates, marketing, competitive analysis, financial management and cost controls which is escalated down for the property manager to execute.

The asset manager also advises on any refurbishment and major capex initiative.

• Property Management

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

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

Facilities management is perceived as more than a support function. Its strategic value lies in the efficient day-to-day management and maintenance of Arcades Currimjee.

Facilities team are mandated to deliver and sustain an improved service level delivery through utility management intervention.

• Sustainability Management

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

OUTPUT AND OUTCOME

Financial Capital

Dividends paid

Rs 4.1M (2020: Rs 0)

Interest paid

Rs 332K (2020: Rs 0)

Net Profit After Tax

Rs 6.6M

Human and Intellectual Capital

- Tenant Mix; **Food outlets 12%, Services 12%, Retail 15% and Offices 61%**
- Brand – Distinctive brand identity (Les Arcades Currimjee)
- Capability and capacity reinforcement at the level of the managers
- Introduction of MDA Property Management Software

Relationship Capital

- Positive and constructive relationship with stakeholders
- Meaningful relationships with our tenants
- Weighted average lease expiry: **2.1 years**

Manufactured Capital

Net Leasable Area

5,016 m2

Net Operating Income

Rs 8.4M

Increase in property value

8.4% (2020: 4.4%)

Net yield on developed properties

2.5% (2020: 3.6%)

Occupancy

77%

Social and Natural Capital

- CSR Contribution; **Rs 0.1M**
- CIL has been awarded the Mauritius Stock Exchange of Mauritius Sustainability Index (SEMSI) since 2015 and commended in 2019.
- The Company is a member of the Green Building Council since 2016
- Continued investment in energy solutions
- Procurement – Environmentally responsible suppliers are favoured.



Dear Shareholders,

I am pleased to present to you the Annual Report of Compagnie Immobilière Limitée ("the Company" or "CIL") for the year 2021.

Les Arcades Currimjee is a landmark and historical property owned by CIL and is iconic to the town of Curepipe. Since its acquisition by the Currimjee Group in the 1950s, the property has undergone many successful redevelopments and repositioning. The main objectives of these different initiatives were to adapt to the changing business context and to meet an ever-evolving customer needs. As detailed further below, Year 2021 was another year where the Arcades underwent a major redevelopment.

On the economic front, 2021 has remained a challenging year for the country as a whole due to the second lockdown of March 2021, the volatile hectic situation and the consequent closure of boundaries until October 2021. Post the opening of the country to foreign visitors and the resulting picking up of the Hospitality and Retail sectors, we witnessed during the 1st quarter of 2021 an economic optimism locally.

The swooping of the economies on globally along 2021 brought along new challenges. The unique post pandemic circumstances stimulated an increase in demand for goods and disrupted global supply chains. Continued lockdowns and ongoing public health protocols in China and some other countries stalled production and transportation, leading to higher prices for many goods. Inflation in many countries has reached record-high figures exacerbated now by the war in Ukraine. In Mauritius, consumer price index inflation reached 4.0% in December 2021 and nearly 11% at the time of writing this annual report. The significant depreciation of the rupees has made it harder for Mauritians to make ends meet—particularly those with low incomes.

Despite the high inflationary pressures, the Mauritian economy is recovering with a GDP growth of 4% for 2021. The resumption of air travel and the full reopening of the borders as from October 2021 is contributing to the economics', inspired growth prospect. Today, around 76% of the population are fully vaccinated.

On the business front, we took the bold decision in 2021 to proceed with a major uplifting project of the Retail Section of the Arcades so as to modernize the mall with a new tenant mix and a particular focus on urban regeneration and conservation of our cultural heritage. This initiative is in line with our values and despite the difficult situation, the Company is confident that this renovation will position Les Arcades Currimjee as a modern mall within a mixed-use context and enhance long-term value creation. The project coincides with the planned infrastructural improvement of the Curepipe urban fabric with the upcoming new metro urban terminal and the Curepipe regeneration masterplan. Equally important to us are our tenants whom we extended the valuable support in terms of relief measures coupled with extra marketing activities to help them overcome the challenges of their business during the Covid-19 lockdown and the renovation.

As we are finalizing this Annual Report, the renovation is practically completed with a near 100% occupancy for the offices and 80% for the retail segment. We are confident to fill in the remaining retail space by the end of 2022. We have also completed the infrastructural works on the land acquired close to the property to provide an additional 40 parking spaces for the tenants and visitors of the Arcades. In line with our sustainability values, the new mall is fully equipped with LED lights and the parking with solar lights. We have enhanced our rainwater collection capabilities and also introduced soft landscape areas and new plants have been integrated both inside and outside of the property. The roof PV system which was shut off during the renovation works has been reactivated.

OUR FINANCIAL PERFORMANCE

Due to the lockdown and the renovation project, our occupancy level was on average down to 72% during 2021. Coupled with the latter and the provision of relief measures, the revenue in 2021 decreased from Rs 23 M to Rs 19.5 M.

The company recorded a profit after tax of Rs 6.6 M in 2021 as compared to 9.1 M in 2020. The profit after tax was inclusive of a fair value gain of Rs 1.8 M [2020: Rs (0.1 M)].

DIVIDEND

The company declared and paid a dividend of Rs 17 per share in 2021 (Year 2020 -Nil) representing a dividend yield of 3.4%.

GOVERNANCE AND BOARD MATTERS

At CIL, we strongly believe that a robust governance framework contributes towards improving the efficiency of the Board, enhancing business performance, sustaining growth, maximizing returns to Shareholders and protecting their long-term interests. We strive to ensure that the highest standards of corporate governance are upheld at all levels within the organisation and embedded in our culture. I am delighted to report that the Company has applied all the principles of the National Code of Corporate Governance of Mauritius (2016) ("the Code") and has complied with the material aspects of the Code. The Corporate Governance Report that follows sets out how CIL is applying the Code's principles.

SUSTAINABILITY INITIATIVES

Health and Safety

The Company ensures that its operations are compliant with the Occupational Safety and Health Act 2005. Year 2021 has been a challenging year for Health and Safety in regards to the ongoing Covid-19 pandemic situation. The safety of all stakeholders remained one of the top priorities of the Company. The Company maintained strict precautions such as daily rigorous cleaning of Les Arcades Currimjee, provision of Personal Protective Equipment (PPEs) to the security guards, hand sanitizers were placed across Les Arcades Currimjee.

Environment & Sustainability

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

The environmental commitments are as follows:

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

These commitments are aligned with the United Nations Sustainable Development Goals (UN SDGs) and are regrouped under four strategic drivers:

- Addressing climate change
- Preserving ecosystems & natural resources
- By product and waste management
- Safe and Engaged company and community

Sustainability Recognition

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

Energy Management

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

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

The Company also uses energy efficient electrical equipment and accessories and a number of energy saving devices. Since September 2016, Arcades Currimjee is operating with 100 % LED lighting.

An off-grid Photovoltaic System has also been installed

since May 2017 and contributed in 2019 to 18% of the total electrical consumption in the common areas of the ground floor of Les Arcades Currimjee. A study has been carried out in financial year 2020 to assess the feasibility of increasing its capacity to supply the remaining 100% of the above-mentioned areas. Total production for the year 2021 is 1,405KWh.

Rainwater Collection

Rainwater harvesting and utilization for the cleaning of the common areas of Les Arcades Currimjee is operational since 2015. The existing rain water collection capacity has been increased in 2019 by 22% and the Company is now operating with a total capacity of 13,500 Litres. A total of 137 m³ of rain water was collected and used in 2021. An increase of 116% was recorded in water consumption for the year 2021.

Procurement

The Company follows the Group's purchasing policy whereby environmentally responsible suppliers and Green Suppliers are favoured and also adheres to the Green Suppliers Directory of CJ & CO Ltd.

Waste Management

Recyclable wastes are segregated in terms of paper, IT and organic waste. Since 2019, food tenants in Les Arcades Currimjee have been encouraged to recycle their used kitchen oil through Bio-oil Ltd. The amount of Bio-oil collected for year 2021 was 150 kg.

Corporate Social Responsibility

The Company has contributed an amount of Rs 117,098 for the year 2021 to the Currimjee Foundation (Year 2020: Rs 156,890).

LOOKING FORWARD

We remain resilient and agile in this dynamic environment are looking forward to the completion of the refurbishment project of Les Arcades Currimjee. As we are finalising this annual report, we are also amidst a major restructuring within the Real Estate Cluster and high on the agenda is to build a diversified and bigger portfolio both sectoral and geographically.

ACKNOWLEDGEMENT

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

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



Mr Anil C Currimjee

Chairman



WHO WE ARE

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

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

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

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





Directors of the Company

Chairman & Non-Executive Director

Mr Anil C Currimjee

Executive Director

Mr. Sanjiv Kumar Mihdidin

Non-Executive Directors

Mr. Raffi Currimjee

Mr. Anwar Moollan, SC (resigned on 14 February 2022)

Mr. Yusuf Hassam Aboo Baker, SC

Mr. Mohammad Iqbal Oozeer

Mrs. Vanesha Pareemamun

Mr. Saleem Karimjee

Independent Non-Executive Directors

Mr. Reshan Rambocus (appointed on 24 April 2020)

Mr. Mark Olivier (appointed on 20 January 2022)

Mr. Johannes H P Van Der Merwe (appointed 13 May 2022)

Ms. Feriel J Aumeerally (appointed on 12 July 2022)

Secretary

Currimjee Secretaries Limited

Registered Office

38, Royal Street

Port Louis

Principle Place of Business

Les Arcades Currimjee, 256 Royal Road

Curepipe

External Auditor

BDO & Co

10, Frère Félix de Valois Street

Port Louis

Bankers

The Mauritius Commercial Bank Ltd

SBI (Mauritius) Ltd

REPORT FROM BOARD OF DIRECTORS

Dear Shareholders

The Board of Directors is pleased to present the Annual Report of **COMPAGNIE IMMOBILIERE LIMITEE** ("the Company") for the year ended 31 December 2021.

Legal Form and Principal Activity

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

Results

The Company recorded a reduction in both revenue and operating profit from Rs 23.0m to Rs 19.5m and Rs 9.1m to Rs 6.6m respectively for the year ended 31 December 2021 compared to year 2020. The main reasons being lower occupancy due to the Arcades renovation project and the implementation of Covid-19 related tenant relief measures. Consequently, the basic and diluted earnings per share have dropped from Rs 34.30 to Rs 24.91. The Company recorded a fair value gain upon revaluation of investment properties of Rs 1.8m compared to a loss of Rs 0.1m in 2020.

The secured tenancy, in relation to the project, reached 88% as at 31 December 2021 and some tenants started trading during Q1 of 2022. The renovation project is on target and is expected to be completed by Q2 2022. The newly renovated Arcades and start of operations of a number of new tenants are being well received by the target market. The operational and financial benefit of the renovation project will accrue as from second quarter of year 2022.

From a strategic perspective, the Company continues to engage closely with relevant stakeholders to develop an Area Regeneration Plan for Curepipe, integrated with the National Regeneration Programme (NRP). The NRP is a Government initiative to revitalize the central area of cities, towns and larger villages, and offers urban developers with similar incentives as the Smart City Schemes.

The Company declared a dividend of Rs 17 per share in 2021 (Year 2020 – nil) representing a dividend yield of 3.4%

The share price closed at Rs 500 as at 31 December 2021 (31 December 2020: Rs 600).

Statement of Directors' responsibilities in respect of the Financial Statements

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

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

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

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

Statement of Directors' responsibilities in respect of the Financial Statements (Continued)

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.

Auditor

BDO & Co has been re-appointed as auditor for year ended 31 December 2021. The fees paid to the Auditor were as follows:

	2021	2020
	Rs	Rs
Audit fees	257,500	250,000
Tax fees	60,000	48,312
	317,500	298,312

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

Acknowledgements

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

Signed on behalf of the Board of Directors on 29 March 2022



Mr Anil C Currimjee

Chairman



Mr M Iqbal Oozeer

Director



Introduction

The Company is a Public Interest Entity and listed on the Development & Enterprise Market of the Stock Exchange of Mauritius Ltd. The Board fully endorses the eight principles espoused by the National Code of Corporate Governance of Mauritius 2016 ('the Code'). Details on how the Company has applied the Code's principles are set out in this Report.

The Company forms part of the Real Estate Cluster of the Currimjee Group and has a Management Agreement with Currimjee Real Estate Ltd, formerly known as Currimjee Property Management and Development Limited for the provision of Asset and Property Management Services to the Company. Mr. Sanjiv Kumar Mihdidin, Chief Executive Officer of the Real Estate Cluster manages the day-to-day affairs of the Company.

The Board, with the support of the Management Team of Currimjee Real Estate Ltd, formerly known as Currimjee Property Management and Development Limited and driven by the Company's five core values, namely Integrity, Foresight, Responsibility, Passion and Openness, is committed to maintain and advocate an effective corporate governance framework while applying the principles of the Code.

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

Throughout this Report, we have highlighted how the Company, supported by its strong governance structure, has navigated through the crisis, with the collaboration of the Management Team.

The Board believes that all material information on the Company and its governance framework, recommended to be disclosed on the website as per the Code, is available to shareholders and stakeholders through (i) publication of the quarterly Abridged Financial Statements on the website of the Stock Exchange of Mauritius and in the local newspapers, and (ii) the Annual Report & Financial Statements filed at the Registrar of Companies. The Company is currently in the process of constructing its website and will be launched in 2022.

Principle 01: Governance Structure

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

Statement of Accountabilities

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

The Board's governance structure is set out in an approved Board Charter ('the Charter'), which defines the role, function and objective of the Board of Directors and its Board Committee, the Position Statements of the Chairman and the Company Secretary.

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

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

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

Committee Membership: None

Qualifications:

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

Experience:

- Council Member 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.
- Director of numerous companies within the Currimjee Group.

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

Mr. Raffi Currimjee – Mauritian Citizen and Resident - Non-Executive Director

Committee Membership: Member of the Audit & Risk Committee

Qualification:

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

Experience:

- Deputy Managing Director of Quality Beverages Limited, a company listed on the Stock Exchange of Mauritius.
- Held key executive Positions in the Food and Beverage Cluster of the Currimjee group for the last 25 Years and has participated as a Non-executive director on the Board of the Currimjee family holding company, Currimjee Ltd and on numerous subsidiaries of the Currimjee group.

Directorship in other public and listed companies: Quality Beverages Limited, Island Life Assurance Co. Ltd and Soap & Allied Industries Limited

Mr. Yusuf Hassam Aboo Baker, SC – Mauritian Citizen & Resident – Non-Executive Director

Committee Membership: None

Qualifications:

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

Experience:

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

Directorship in other public or listed companies: None

Mr. Sanjiv Kumar Mihdidin – Mauritian Citizen and Resident - Executive Director

Committee Membership: None

Qualifications:

- BTech (Hons) in Civil Engineering from the University of Mauritius
- MSc in Environmental Engineering from the University of Newcastle, UK.
- MBA (specialization in Finance) from the University of Mauritius.
- Executive Education programmes at University of Cape Town, London Business School and INSEAD

Experience:

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

Directorship in other public or listed companies: None

Mr M Iqbal Oozeer – Mauritian Citizen & Resident – Non-Executive Director

Committee Membership: None

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 Currimjee Jeewanjee and Company Limited for nearly over thirty years.
- Currently Chief Finance Officer and Director of Currimjee Jeewanjee and Company Limited

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

Mrs Vanesha Pareemamun - Mauritian Citizen and Resident - Non-Executive Director

Committee Membership: None

Qualifications:

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

Experience:

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

Directorship in other public or listed companies: None

Mr Saleem Karimjee - Non - Citizen of Mauritius and Resident - Non-Executive Director

Committee Membership: Audit & Risk Committee.

Qualifications:

- BSc in Mechanical Engineering (1982), and MSc in Robotics (1985) from Texas A&M University, USA
- MBA from INSEAD, France, 1991

Experience:

- Executive Director of several family businesses in Tanzania (1986-94)
- 27-year career with International Finance Corporation (IFC), a member of the World Bank Group (1992- 2019); Board Director for numerous IFC investee companies
-

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

Mr Reshan Rambocus - Mauritian Citizen and Resident - Independent Director

Committee Membership: Chairman of the Audit & Risk Committee

Qualifications:

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

Experience:

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

Directorship in other public or listed companies: Phoenix Beverages Limited

Mr Mark Olivier – Non-Mauritian Citizen and Resident - Independent Director (appointed on 20 January 2022)

Mark has over 25 years' experience in managing debt, property and private equity assets and providing corporate finance and strategic advice, predominantly to public companies in the United Kingdom.

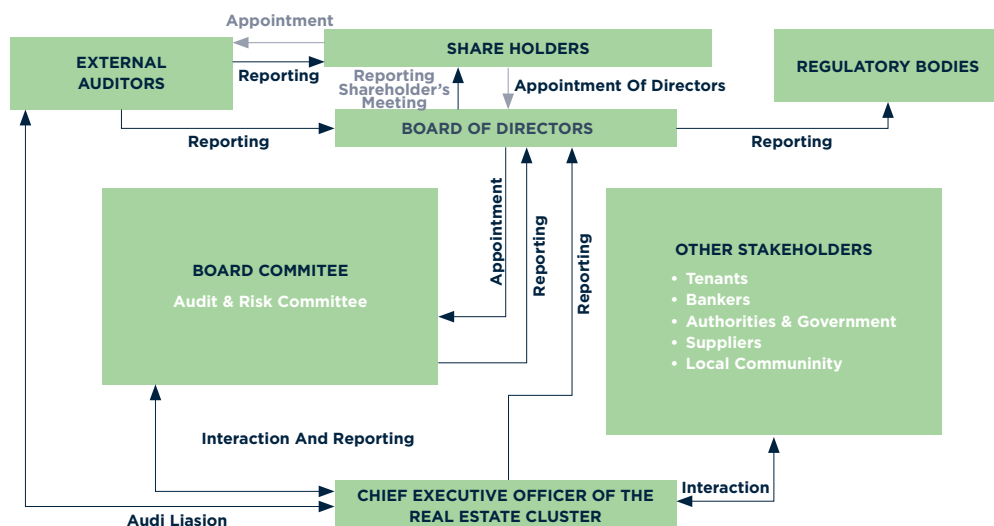
Prior to founding Hibridge Capital UK Limited (a London-based, boutique private equity and advisory business) in 2003, he was a shareholder and employee of Hawkpoint Partners UK Limited, which was previously the corporate finance division of NatWest Markets Limited. He worked for BoE Limited, where he served on the executive committee of the group's international business headquartered in London, and worked at KPMG as a manager in their London offices.

For over 12 years he has managed a closed ended fund investing in affordable, residential properties located in central london and rented predominantly to local Councils.

He is currently the Chairperson of African Rainbow Capital Investments Limited, Lighthouse Properties Limited and Trellidor Holdings Limited, listed on the Main Board of the JSE. He was previously Chairperson of Rockcastle Global Real Estate Company Limited since inception and prior to its merger with NEPI. Mark was also Chairperson of a China- and retail-focused real estate company managed by Blackstone Inc. and Macquarie Asset Management prior to its disposal.

Corporate Governance Framework

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



Principle 02: The Structure of the Board and its Committees

'The Board should contain independently minded Directors. It should include an appropriate combination of executive Directors, independent Directors and non-independent non-executive Directors to prevent one individual or a small group of individuals from dominating the Board's decision taking. 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.'

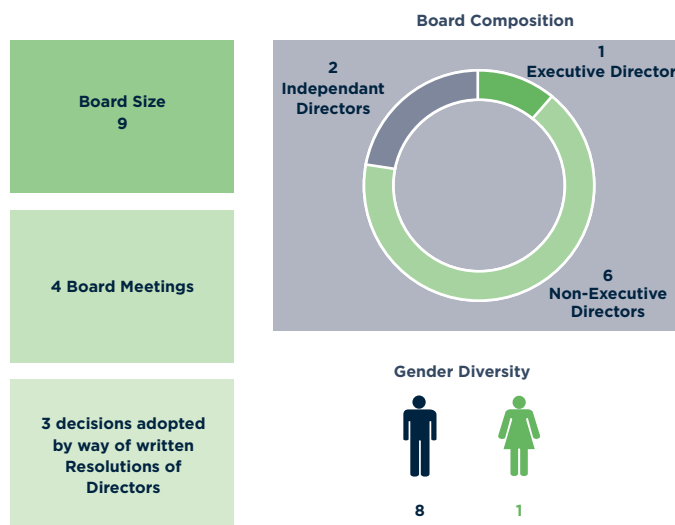
Size and Composition of the Board

The Company is led by a unitary Board of 9 Directors including 2 Independent Directors, 6 Non-Executive Directors, including the Chairman, and 1 Executive Director.

Mr. Mark Olivier was appointed as Independent Director on 20 January 2022. Following the amendment brought to the Mauritian Companies Act 2001 with respect to the definition of Independent Directors, Mr. Saleem Karimjee has been re-classified as Non-Executive Director. Me. Anwar Moollan has resigned as Director on 14 February 2022.

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, set of expertise, knowledge and gender representation is appropriate to enable it to carry out its duties and responsibilities in an effective and competent manner.



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 responsible for leading and controlling the Company as well as meeting all legal and regulatory requirements and acts in the best interest of its Shareholders.

Board Meeting Process



The Audit & Risk Committee normally precedes 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

The Board met four times during the year under review. In view of the prevailing travel restrictions during the Covid-19 pandemic, Board Meetings were mostly organized by videoconference to give the opportunity to all Directors to attend and participate at Board Meetings and to respect the sanitary protocols.

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

Financial Matters & Strategy

- Approval of the Annual Report for the year ended 31 December 2020.
- Quarterly review of the performance of the Company against budget, including operational and financial highlights.
- Approval of the annual operating plan ('AOP') for year 2022-2024.
- Approval of banking facilities
- Update on Refurbishment project of the Arcades Currimjee
- Declaration of Dividend

Governance

- Monitoring of implementation plan for the Code.
- Approval of Corporate Governance Report for the financial year 2020.
- Approval of the Board Assessment Questionnaire for the financial year 2020.
- Receive Reports from Chairman of Audit & Risk Committee.
- Approval of Board Charter.
- Review of Directors' fees.

The Board has established the Audit & Risk Committee that is entrusted with specific responsibilities to oversee the affairs of the Company with powers to act on behalf of the Board in accordance with its respective terms of reference.

CORPORATE GOVERNANCE REPORT (CONTINUED)

The Terms of Reference of the Audit & Risk Committee is subject to annual reviews.

Audit & Risk Committee	
Composition	Mr. Reshan K Rambocus (Chairman)
	Mr. Raffi Currimjee
	Mr. Saleem Karimjee
Main Terms of Reference	<ul style="list-style-type: none"> Monitor the integrity of the financial statements and annual report and reviewing significant financial reporting issues and judgements therein; Review the Company's internal controls related to financial reporting and disclosure controls and procedures and monitoring the effectiveness of the internal audit function; Review the internal audit recommendations and monitoring their implementation; Make recommendations to the Board in relation to the appointment, re- appointment and removal of the External Auditor;
Main Terms of Reference	<ul style="list-style-type: none"> 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 reviewing policies related to risk management; Monitor the "Related Party Transaction Policy" as established by the Board.
Focus areas for year 2021	<ul style="list-style-type: none"> Review of Audited Financial Statements for financial year 2020. Review of client service report from external auditors and letter of representation. Appointment of Ernst & Young as Internal Audit Service Provider and approval of 3-year audit plan. Review of internal audit reports. Review of Enterprise Risk Management Reports. Approval of external auditor's engagement letter and client service plan for the audit year 2021.

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 & Committee Members	Category of Directors	Board Meeting	Audit & Risk Committee
Number of meetings during Year 2021		4	5
Mr. Anil C Currimjee	Non-Executive	4	N/A
Mr. Raffi Currimjee	Non-Executive	3	5
Mr. Anwar Moollan ¹	Non-Executive	3	N/A
Mr. Yusuf Hassam Aboo Baker	Non-Executive	3	N/A
Mr. Sanjiv Kumar Mihdidin	Executive	4	N/A
Mr. Reshan Rambocus	Independent	4	5
Mr. M Iqbal Oozeer	Non-Executive	3	N/A
Mrs. Vanesha Pareemamun	Non-Executive	4	N/A
Mr. Saleem Karimjee	Non-Executive	4	4

1. Mr. Anwar Moollan resigned as Director on 14 January 2022.

2. Mr. Mark Olivier has been appointed as an Independent Director on 20 January 2022

Principle 03: Director Appointment Procedures

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

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

The Nomination and Remuneration Committee of Currimjee Jeewanjee and Company Limited ("CJ & Co Ltd), the holding company, oversees the appointment, replacement and removal of Directors on the Board of the Company.



Professional Development of Directors

The Company provides regular updates and the necessary resources to the Directors to best develop their knowledge and capabilities. Directors are kept abreast of trends in the business, competitive and regulatory environments regularly at Board Meetings.

The Board recognizes and nurtures talent and a Talent Development Programme, at the level of the holding company, is in place to ensure that the Company 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.

The Nomination & Remuneration Committee of CJ & Co Ltd recommends succession plans for Directors. They ensure that when the replacement of Chairman/Directors are made, candidates with the requisite skills and experience are identified, considering the Company's current and future needs. The Company has a business continuity plan for the Executive Director.

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 Mauritian 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;
- > 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 is not allowed to take part in any discussion or decision on transactions in which they have an interest.

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

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

Information

The Chairman, with the assistance of the Management Team of Currimjee Real Estate Ltd, formerly known as Currimjee Property Management and Development Limited, and the Secretary, ensures that Directors receive necessary information for them to perform their duties and that the Board has sufficient time for consultation and decision making.

The Directors have access to the Management Team of Currimjee Real Estate Ltd, formerly known as Currimjee Property Management and Development Limited.

Information Technology and Information Security Governance

The Company has a Management Agreement with Currimjee Real Estate Ltd, formerly known as Currimjee Property Management and Development Limited including the provision of IT services. Currimjee Real Estate Ltd, formerly known as Currimjee Property Management and Development Limited has outsourced the management of its IT infrastructure requirements to CJ & CO Ltd. In the continued consolidation of its Information Security Framework, in 2021, CJ IT completed its IT policies based on the ISO27001:2013 standard.

The Audit & Risk Committee of CJ & Co Ltd has approved a new ISMS Policy that replaces the previous Computer Policy. An explanatory session was carried out in December 2021 to the Business Leadership Team and another one is planned early 2022 for all users of subsidiaries falling under the responsibility of CJ. A business impact assessment of the CJ Private Cloud system was carried out to evaluate risks to which it was exposed.

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

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

Board, Board Committee & Individual Director evaluation

The Board is evaluated on an annual basis. The exercise is carried out internally through the circulation of a questionnaire. The results and appropriate action plans are presented at the Board.

The Board evaluation questionnaire for the year 2021 has also been approved by the Board and will be used to assess the performance of the Board for year 2021.

The evaluation of the Audit & Risk Committee will be conducted for the year 2021.

Remuneration Philosophy

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

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

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

Name of Director	Category of Director	Year 2021	Year 2020
Mr Anil C Currimjee	Non-Executive	NIL	NIL
Mr Raffi Currimjee	Non-Executive	NIL	NIL
Me Anwar Moollan, SC ¹	Non-Executive	Rs 230,000	Rs 140,000
Me Yusuf Hassam Aboo Baker	Non-Executive	Rs 230,000	Rs 140,000
Mr. Sanjiv Kumar Mihdidin	Executive	NIL	NIL
Mr. M Iqbal Oozeer	Non-Executive	NIL	NIL
Mrs. Vanesha Pareemamun	Non-Executive	NIL	NIL
Mr. Reshan Rambocus	Independent	Rs 340,000	N/A
Mr. Saleem Karimjee	Independent	Rs 290,000	N/A

1. Mr. Anwar Moollan resigned as Director on 14 January 2022.

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

Directors' Service Contracts

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

Directors' & Officers' Liability Insurance

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

Directors' Interests and Dealings in Shares

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

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

None of the Directors traded in the Company's shares during the year under review. The following table details the interests of the Directors in the share capital of the Company as at 31 December 2021:

	Interests in the Company's shares	
	Number of Shares	
	Direct	Indirect*
Mr. Anil C Currimjee	50	9,771
Mr. Raffi Currimjee	-	8,011
Me Anwar Moollan, SC	-	-
Me Yusuf Hassam Aboo Baker	-	-
Mr. Sanjiv Kumar Mihdidin	-	-
Mr. M Iqbal Oozeer	-	-
Mrs. Vanesha Pareemamun	-	-
Mr. Reshan Rambocus	-	-
Mr. Saleem Karimjee	-	-

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

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.

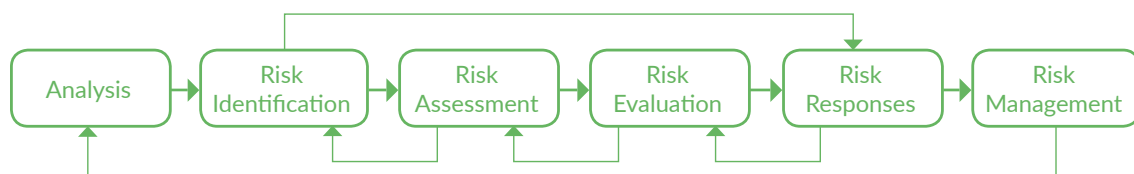
Risk Governance

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

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

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

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



The key risks identified by the Company are:

Risk Factor	Mitigating actions
Competitiveness of our properties and competition	<ul style="list-style-type: none"> • Continuous market assessment and customer needs. • Property maintenance plans in place and being implemented. • Keeping abreast of new developments and other factors that can impact our properties. • Enhance organisational and operational effectiveness. • Upgrading of the facilities to modern requirements and new customer needs. • Improve tenant mix and quality of tenancy. • Aggressive Marketing strategy. • Implement customer centricity focus. E.g. CRM.
Delay in project implementation and cost overrun	<ul style="list-style-type: none"> • Management of projects using the latest project management techniques such as critical path analysis, value engineering techniques and proactive identification of project risks/mitigating measures. • Careful drafting of consultancy and suppliers contracts. • Close monitoring of consultant and contractors in fortnightly meetings and regular project update reporting. • Value engineered design and construction. • Negotiation and agreement with suppliers with ex-stock as far as possible.
General Hazards and calamities	<ul style="list-style-type: none"> • Regular internal and external assessment followed by corrective actions as required. • Ensure that Standard Operating Procedures (SOPs) are up to date with regular training and simulation e.g. fire drills. • Ensure data recovery plan in place. • Ensuring adequate insurance covers are in place.
Compliance with Internal procedures and Legislations	<ul style="list-style-type: none"> • Regular site inspections of properties to assess compliance with law (by Currimjee Real Estate Ltd & consultant). • Regular internal audit exercises are carried out for assurance purposes. • Annual refresher training on health & safety. • Code of conduct, HR policies and Environmental & Sustainability Charter in place and fulfilling the requirements of SEMSI.
Financial Risk	<ul style="list-style-type: none"> • The financial risks are disclosed under Note of the financial statements
Economic recession and changes in market condition	<ul style="list-style-type: none"> • Diversify property portfolio to include various segments such as industrial, offices, service based retail and residential. • Activate Business Continuity Plan to allow for operations to continue during lockdown period. • Diversify tenant mix so as to balance out revenue stream away from high risk tenancy such as retail. • Expand retail offers to digital online platforms to reduce dependency on in-shop trading. • Implement tenants retention strategies e.g relief measures and rental reviews.

CORPORATE GOVERNANCE REPORT (CONTINUED)

Risk Factor	Mitigating actions
Loss of Revenue and failure to generate expected yield	<ul style="list-style-type: none"> • Regular reviews (monthly, quarterly, yearly) of the key performance indicators. E.g. revenue figures of tenants and overall yield. • Increase marketing effort. • Implementation of asset management framework leveraging on digital solutions and regular meetings to take stock of performance. • Adapt office space offerings to the new context of work from home. E.g. hybrid co-working spaces. • Develop new strategies to maximise yield. E.g. convert vacant and common spaces into revenue generating space for short term/temporary rental. • Lobby for non-extension of legally protected tenancy.
Debtors risk	<ul style="list-style-type: none"> • Tight due diligence and credit screening of potential tenants. • Adequate collaterals within tenancy contracts such as deposit level and personal guarantee. • Strict implementation of debtors management process. • Regular meeting with legal advisors to keep track of litigations and legal cases.
Cyber threats	<ul style="list-style-type: none"> • Implementation of a robust cybersecurity framework. • Continuous monitoring and upgrade of our IT infrastructure & cloud environment. • Anti-virus and firewalls are installed and updated regularly across all systems. • Yearly drills and assessment of disaster recovery facilities. • Secured and controlled access to IT resources. • Regular awareness programmes carried out on information security issues. • External and internal IT audit (including pen tests every 2 years). • Network redundancy alternatives in place. • Our disaster recovery is structured around a state-of-the-art data centre belonging to one of the subsidiaries of the group. • Training and upgrading skills of our team. • Leveraging on IT skills across the group.

Internal Control

The Board is responsible for monitoring the system of internal control and must satisfy itself that the system is functioning effectively. Currimjee Real Estate Ltd is responsible for the design, implementation and monitoring of the internal control system. Appropriate processes, procedures and policies incorporating relevant internal controls, have been designed and implemented, to provide reasonable assurance that the control objectives are attained. The Board 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 delegated 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 report on any weaknesses in the internal control systems and make recommendations to Currimjee Real Estate Ltd and to the Audit & Risk Committee for appropriate actions.

Whistleblowing policy

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

Principle 6 - Reporting with Integrity

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

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

Health and Safety

The Company ensures that its operations are compliant with the Occupational Safety and Health Act 2005. Year 2021 has been a challenging year for Health and Safety in regards to the ongoing Covid-19 pandemic situation. The safety of all stakeholders remained one of the top priorities of the Company. The Company maintained strict precautions such as daily rigorous cleaning of Les Arcades Currimjee, provision of Personal Protective Equipment (PPEs) to the security guards, hand sanitizers were placed across Les Arcades Currimjee.

Environment & Sustainability

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

The environmental commitments are as follows:

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

These commitments are aligned with the United Nations Sustainable Development Goals (UN SDGs) and are regrouped under four strategic drivers:

- Addressing climate change
- Preserving ecosystems & natural resources
- By product and waste management
- Safe and Engaged company and community

Sustainability Recognition

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

Energy Management

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

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

The Company also uses energy efficient electrical equipment and accessories and a number of energy saving devices. Since September 2016, Arcades Currimjee is operating with 100 % LED lighting.

An off-grid Photovoltaic System has also been installed since May 2017 and contributed in 2019 to 18% of the total electrical consumption in the common areas of the ground floor of Les Arcades Currimjee. A study has been carried out in financial year 2020 to assess the feasibility of increasing its capacity to supply the remaining 100% of the above-mentioned areas. Total production for the year 2021 is 1,405KWh.

Rainwater Collection

Rainwater harvesting and utilization for the cleaning of the common areas of Les Arcades Currimjee is operational since 2015. The existing rain water collection capacity has been increased in 2019 by 22% and the Company is now operating with a total capacity of 13,500 Litres. A total of 137 m³ of rain water was collected and used in 2021. An increase of 116% was recorded in water consumption for the year 2021.

Procurement

The Company follows the Group's purchasing policy whereby environmentally responsible suppliers and Green Suppliers are favoured and also adheres to the Green Suppliers Directory of CJ & CO Ltd.

Waste Management

Recyclable wastes are segregated in terms of paper, IT and organic waste. Since 2019, food tenants in Les Arcades Currimjee have been encouraged to recycle their used kitchen oil through Bio-oil Ltd. The amount of Bio-oil collected for year 2021 was 150 kg.

Corporate Social Responsibility

The Company has contributed an amount of Rs 117,098 for the year 2021 to the Currimjee Foundation (Year 2020: Rs 156,890).

Donations

The Company did not make any political, non-political or charitable donations during the year under review (Year 2020: Rs Nil).

Principle 7 - Audit

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

Internal Audit

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

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

- Review the risk assessment results of prior years to establish the Company's risk profile, which will enable a three-year risk based internal audit plan (IA plan) to be formulated and agreed upon by the Audit and Risk Committee.
- Conduct internal audits as per the agreed IA plan and report on the audit outcomes to the Audit and Risk Committee.
- Conduct internal audits using its qualified and competent staff, up to date technology and leading class risk- based methodology in line with IIA standards.
- Perform data analytics enabled internal audits to provide greater coverage over entire populations of data and internal controls, and thereby provide greater insights into areas under review.

The Internal Auditor's methodology aims ultimately to position the internal audit reviews to proactively drive strategic value to the organization, 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 mechanism to identify performance improvement opportunities (including robustness and efficiency of operations, quality of information for better decision making, optimizing use of available resources such as technology).
- c. Strategic insights that improve business performance.
- d. Prioritization of recommendations to facilitate implementation and sense of achievement.

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

The Internal Auditor uses the existing risk register and apply their tools, knowledge resources and experience to identify any additional risks they believe are relevant. This forms the basis for crafting a 3-year internal audit plan that focuses on the higher risk areas which will be subject to audits.

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

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

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

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

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

External Audit

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

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

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

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

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

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

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

	2021 (Rs)	2020 (Rs)
Audit fees	257,500	250,000

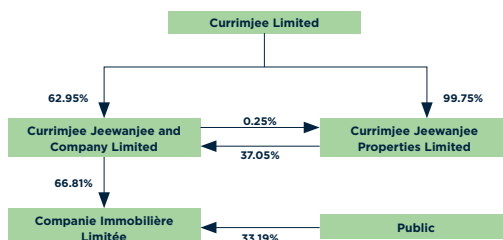
The Board ensures that provision of permissible non-audit services by the External Audit firm are delivered by a team of officers that is completely independent from the external audit team, to ensure that the Auditor's objectivity and independence are safeguarded.

Principle 8 - Relations with Shareholders and Other Key Stakeholders

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

Ownership Structure

As at 31 December 2021, the Company has issued 266,400 Ordinary Shares of Rs 10 each and the shareholding structure of the Company is set out below:



Company's Key Stakeholders

The Company is committed to respond to the needs and expectations of its key stakeholders and considers 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, Communiqués).



Shareholders' Agreement

There was no such agreement with any of its Shareholders for the year under review.

Share Registry and Transfer Office

The Share Registry is managed by the Company Secretary and the Company had 184 registered Shareholders as at 31 December 2021.

Shareholding Profile

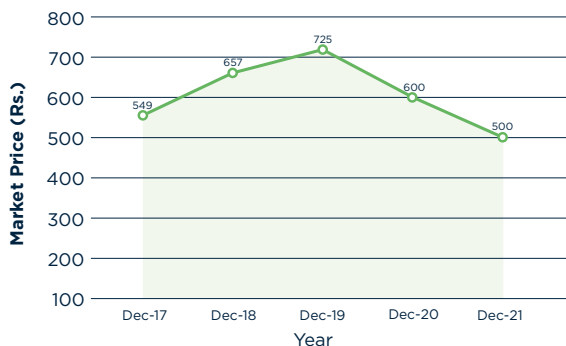
The share ownership and the category of Shareholders as at 31 December 2021 are set out below:

Number of Shareholders	Size of Shareholding	Number of Shares Owned	% of Total Issued Shares
153	1-500	14,269	5.36
15	501-1,000	10,545	3.96
12	1,001-5,000	21,406	8.04
1	5,001-10,000	8,512	3.20
2	10,001-50,000	33,676	12.64
1	100,001-250,000	177,992	66.81
184	Total	266,400	100%

Number of Shareholders	Category of Shareholders	Number of Shares Owned	% of Total Shares Issued
159	Individual	44,202	16.59
2	Pension & Providence Funds	300	0.11
23	Other Corporate Bodies	221,898	83.30
184		266,400	100%

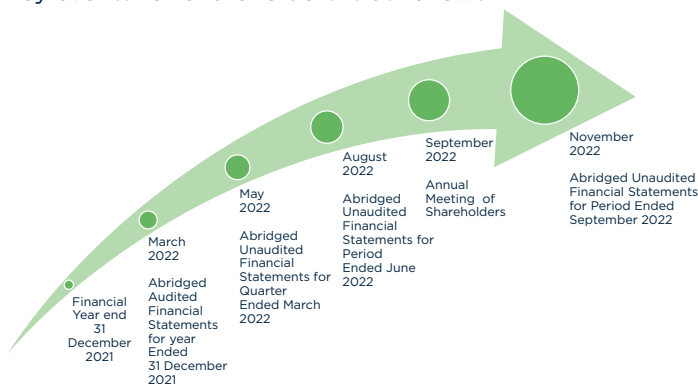
Share Price Information

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



Calendar of key events

The calendar of key events for Shareholders is as follows:



Employee Share Scheme

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

Dividend Policy

Payment of dividends is subject to the profitability of the Company, its cash flow, reserves and its capital expenditure requirements.

The Board has declared and paid a final dividend of Rs 4,528,800 for the year under review (Year 2020: Rs Nil).

Approved by the Board of Directors and signed on its behalf on 29 March 2022.

Mr Anil C Currimjee
Chairman

Mr M Iqbal Oozeer
Director

Section 75 (3) of the Financial Reporting Act)

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

Reporting Period: 01 January 2021 to 31 December 2021

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

Website disclosures

The Board believes that all material information on the Company and its governance framework, recommended to be disclosed on the website as per the Code, is available to shareholders and stakeholders through (i) publication of the quarterly Abridged Financial Statements on the website of the Stock Exchange of Mauritius and in the local newspapers, and (ii) the Annual Report & Financial Statements filed at the Registrar of Companies. The Company is currently in the process of constructing its website and will be launched in 2022.

Principle 1: Governance Structure

Profile of Directors

The Board has decided to only disclose other directorship in public and listed companies. Details of other directorships are available at the Company's registry.

Principle 2: The Structure of the Board and its Committees

The Board is composed of one Executive Director and the latter is of sufficient calibre to manage the Company.

Principle 4: Director Duties, Remuneration and Performance

Individual Director Evaluation

Evaluation of the individual Directors has not been undertaken during the current year. The Board is in the process of carrying out the Individual Director evaluation for year 2021.

SIGNED BY:



Mr Anil C Currimjee
Chairman



Mr M Iqbal Oozeer
Director

Date: 29 March 2022

CERTIFICATE FROM THE COMPANY SECRETARY

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

We certify that in terms of the compliance report as submitted and approved by the Board, the Company has filed with the Registrar of Companies, for the year ended 31 December 2021, all such returns as are required of the Company under the Mauritian Companies Act 2001.



Currimjee Secretaries Limited
Per Ramanuj Nathoo (Mr)
Secretary

Date: 29 March 2022

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF COMPAGNIE IMMOBILIERE LIMITEE



Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of Compagnie Immobilière Limitée (the "Company"), on pages 33 to 64 which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 33 to 64 give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

The Company - Investment Properties

The Company's investment properties amounting to Rs 358,650,000 as at 31 December 2021 (2020: Rs 328,405,000) representing 97% of the total assets of the Company, have been carried at fair value, with changes in fair value being reflected in profit or loss. During the year ended 31 December 2021, the Company recognised a fair value gain of Rs 1,761,791 (2020: fair value loss of Rs 65,451) on its investment properties, as described in Note 11.

The fair valuation of these properties at 31 December 2021 has been performed by an independent valuer, Noor Dilmohamed & Associates.

When determining the valuation of investment properties, estimates have been developed by the independent valuation specialists based on the most appropriate source data and are subject to significant judgement.

The fair valuation of the Company's investment properties is dependent on market conditions and key assumptions made. The sales comparison approach has been used as the method of valuation.

The investment properties consist primarily of commercial properties which are leased out to a wide range of tenants and also two vacant land.

It is key audit matter due to significant judgment and estimates involved in the external valuer's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDERS OF COMPAGNIE IMMOBILIERE LIMITEE

Audit Response

Reviewing the data used by the valuer in their valuation by:

- Comparing the current year (2021) actual results with the figures included in the prior year (2020) forecast to consider whether any forecasts included assumptions that, with hindsight, had been optimistic;
- Challenging the assumptions used by the independent valuation specialists and Directors;
- Reviewing the methodology applied, the inputs and assumptions used such as the price per square metre (for building) and price per arpent (for the two vacant land) against sales prices of comparable properties in close proximity;
- Verifying the data inputs such as the size of the properties used in the valuation by agreeing these to the contracts and title deeds;
- Assessing the valuer's qualifications and expertise.
- Reviewing the completeness and adequacy of the disclosure in the financial statements for compliance with International Financial Reporting Standards, including disclosure on significant inputs.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 public interest entity has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDERS OF COMPAGNIE IMMOBILIERE LIMITEE

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDERS OF COMPAGNIE IMMOBILIERE LIMITEE

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

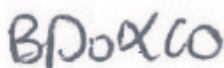
Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider following matters. We confirm that:

- We have no relationship with, or interests in, the Company, other than in our capacity as auditors and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

This report is made solely to the members of Compagnie Immobilière Limitée (the "Company"), as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



BDO & Co
Chartered



Rookaya Ghanty, FCCA
Accountants Licensed by FRC

Port Louis,
Mauritius

29 March 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31 December 2021

	2021	2020
	Rs	Rs
Revenue (Note 4(a))	19,457,824	23,010,927
Recoveries (Note 4(b))	108,127	118,515
Other operating income	132,741	33,190
Fair value gain/(loss) on investment properties (Note 11)	1,761,791	(65,451)
Administrative expenses (Note 6)	(13,235,848)	(9,258,551)
Loss allowance on trade receivables (Note 13)	180,883	(2,670,674)
Operating profit (Note 5)	8,405,518	11,167,956
Finance cost (Note 7)	(332,467)	-
Profit before income tax	8,073,051	11,167,956
Income tax expense (Note 8(a))	(1,437,873)	(2,030,921)
Profit for the year	6,635,178	9,137,035
Other comprehensive income/(loss)		
Item that will not be reclassified to profit or loss		
Remeasurement of post-employment benefit (asset)/obligation, net of tax (Note 17(iii))	9,000	(84,000)
Total other comprehensive income/(loss)	9,000	(84,000)
Total comprehensive income for the year	6,644,178	9,053,035
Basic and diluted earnings per share (Note 9)	24.91	34.30

The notes on pages 43 to 70 form an integral part of the financial statements.
Auditor's report is on pages 35 to 38.

STATEMENT OF FINANCIAL POSITION

As At 31 December 2021

ASSETS

Non-current assets

Equipment (Note 10)
Investment properties (Note 11)
Intangible assets (Note 12)
Retirement benefit assets (Note 17)

Current assets

Trade and other receivables (Note 13)
Current tax asset (Note 8(c))
Cash and cash equivalents (Note 14)

Total assets

EQUITY AND LIABILITIES

Equity

Stated capital (Note 15(a))
Share premium (Note 15(b))
Retained earnings

Total equity

Liabilities

Non-current liabilities

Retirement benefit obligations (Note 17)
Deferred tax liabilities (Note 8(d))
Borrowings (Note 16)

Current liabilities

Trade and other payables (Note 19)
Current tax liability (Note 8(c))
Borrowings (Note 16)
Dividend payable (Note 20)

Total liabilities

Total equity and liabilities

2021	2020
Rs	Rs
85,912	69,137
358,650,000	328,405,000
554,038	344,197
54,000	-
359,343,950	328,818,334
3,531,666	3,858,936
663,087	-
4,725,335	6,562,822
8,920,088	10,421,758
368,264,038	339,240,092
2,664,000	2,664,000
36,007,074	36,007,074
283,923,947	281,808,569
322,595,021	320,479,643
-	139,000
1,298,221	428,593
25,791,789	-
27,090,010	567,593
10,351,198	17,691,021
-	260,726
7,515,383	-
712,426	241,109
18,579,007	18,192,856
45,669,017	18,760,449
368,264,038	339,240,092

Approved and authorised for issue by the Board of Directors on 29 March 2022 and signed on its behalf by:



Mr Anil C Currimjee
Chairman



Mr M Iqbal Oozeer
Director

The notes on pages 43 to 70 form an integral part of the financial statements.
Auditor's report is on pages 35 to 38.

STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31 December 2021

	Stated capital	Share premium	Retained earnings	Total equity
	Rs	Rs	Rs	Rs
At 01 January 2020	2,664,000	36,007,074	272,755,534	311,426,608
Profit for the year	-	-	9,137,035	9,137,035
Other comprehensive loss for the year	-	-	(84,000)	(84,000)
Total comprehensive income for the year	-	-	9,053,035	9,053,035
At 31 December 2020	2,664,000	36,007,074	281,808,569	320,479,643
Profit for the year	-	-	6,635,178	6,635,178
Other comprehensive income for the year	-	-	9,000	9,000
Total comprehensive income for the year	-	-	6,644,178	6,644,178
Dividend declared (Note 20)	-	-	(4,528,800)	(4,528,800)
At 31 December 2021	2,664,000	36,007,074	283,923,947	322,595,021

The notes on pages 43 to 70 form an integral part of the financial statements.
Auditor's report is on pages 35 to 38.

STATEMENT OF CASH FLOWS

For The Year Ended 31 December 2021

Cash flows from operating activities

Profit before income tax

Adjustments for

(Decrease)/increase in retirement benefit (assets)/obligations (Note 17)

Fair value (gain)/loss on investment properties (Note 11)

(Decrease)/increase in loss allowance on trade receivables (Note 13)

Depreciation of equipment (Note 10)

Amortisation (Note 12)

Interest expense (Note 7)

Profit on disposal on equipment

Operating profit before working capital changes

Decrease/(increase) in trade and other receivables

Decrease in trade and other payables

Cash (used in)/generated from operations

Interest paid (Note 7)

Income tax paid (Note 8(c))

Retirement benefit paid (Note 17)

Net cash (used in)/generated from operating activities

Cash flows from investing activities

Purchase of equipment (Note 10)

Proceed from disposal of equipment (Note 10)

Purchase of intangible assets (Note 12)

Purchase of investment properties (Note 11)

Net cash used in investing activities

Cash flows from financing activities

Proceeds from borrowings (Note 16(c))

Repayment of borrowings (Note 16(c))

Dividend paid (Note 20)

Net cash generated from/(used in) financing activities

Net (decrease)/increase in cash and cash equivalents

Cash and cash equivalents at beginning of year

Cash and cash equivalents at end of year (Note 14)

Non-cash transactions:

Purchase of investment properties (Note 11)

2021	2020
Rs	Rs
8,073,051	11,167,956
(184,000)	84,000
(1,761,791)	65,451
(180,883)	2,670,674
23,825	47,936
160,160	109,613
332,467	-
(20,261)	-
6,442,568	14,145,630
508,153	(3,476,114)
(7,339,823)	(455,056)
(389,102)	10,214,460
(332,467)	-
(1,492,058)	(2,310,410)
-	(33,000)
(2,213,627)	7,871,050
(40,600)	(45,500)
20,261	33,600
(370,001)	(124,970)
(28,483,209)	(2,245,451)
(28,873,549)	(2,382,321)
34,000,000	-
(692,828)	-
(4,057,483)	(476,505)
29,249,689	(476,505)
(1,837,487)	5,012,224
6,562,822	1,550,598
4,725,335	6,562,822
-	11,550,000

The notes on pages 43 to 70 form an integral part of the financial statements.
Auditor's report is on pages 35 to 38.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

1 GENERAL INFORMATION

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

Its main activity is the rental of property.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and interpretations issued by the IFRS Interpretations Committee applicable to companies reporting - under IFRS. The financial statements also comply with the Mauritian Companies Act. The financial statements have been prepared under the historical cost convention, except that Investment Properties are stated at fair value.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The financial statements are presented in Mauritian Rupees which is the Company’s functional and presentation currency and all values are rounded to the nearest rupee (Rs), except when otherwise indicated.

Going concern and Impact of COVID 19

The newly renovated Arcades and start of operations of a number of new tenants are being well received by the target market. The Company continues to engage closely with relevant stakeholders to develop an Area Regeneration Plan for Curepipe, integrated with the National Regeneration Programme (NRP). The NRP is a Government initiative to revitalize the central area of cities, towns and larger villages, and offers urban developers with similar incentives as the Smart City Schemes.

The Company is in a net current liability position of Rs 9,658,919 as at 31 December 2021 (Year 2020: Rs 7,771,098). Net current liability includes deposits from tenants amounting to Rs 5,885,428 (Year 2020: Rs 4,211,656).

The net current liability excluding deposits from tenants would have been Rs 3,773,491 (Year 2020: Rs 3,559,442). Most of the trade payables were paid during the first quarter of year 2022.

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

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in the process of applying the Company’s accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements and their effect are disclosed in Note 2.2.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Critical accounting estimates and assumptions

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

• *Revaluation of investment properties*

The investment properties were revalued on 31 December 2021 by an independent valuer, Noor Dilmohamed & Associates. The best evidence of fair value is the current price in an active market for similar properties as disclosed in Note 11. In making its judgement, the valuer considers information from a variety of sources including direct market evidence for land and comparable sales for commercial buildings in the retail sector. The fair values are within the level 2 of the fair value hierarchy.

• *Expected credit losses of trade receivables*

The Company uses a provision matrix to calculate ECLs for trade receivables as disclosed in Note 13. The provision rates are based on days past due and a percentage are used in the calculation. The provision matrix is based on historical default rate. The Company adjust the historical credit loss experience with forward looking information.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions.

• *Retirement Benefit Obligations*

The present value of the pension obligations depend 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, future salary increases, mortality rates and future pension increases. Any changes in these assumptions will impact the carrying amount of pension obligations as disclosed in Note 17.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the 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 the terms of the related pension liability.

• *Deferred tax on investment properties*

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties the Directors reviewed the Company's investment property portfolio and concluded that none of the Company's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale as disclosed in Note 8(d). Therefore, in determining the Company's deferred taxation on investment properties, the Directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Company has not recognised any deferred taxes on changes in fair value of investment properties as the Company is not subject to any capital gain taxes on disposal of its investment properties.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Changes in accounting policy and disclosures

(a) Amendments to published Standards effective in the reporting period:

IFRS 16 Leases

Covid 19 related rent concessions: Effective June 1, 2020, further to IFRS 16 amendment to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic. The amendment provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

The amendments have no significant impact on the Company's financial statements.

(b) Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 01 January 2021 or later periods, but which the Company has not early adopted.

At reporting date of these financial statements, the following were in issue but not yet effective:

IFRS 9 Financial Instruments

Annual Improvements to IFRS Standards 2018-2020: The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The Company is still evaluating the effect of the standards, amendment to published standards and interpretations issued but not yet effective, on the presentation of its financial statements.

2.4 Foreign currency translation

Functional and presentation currency

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

2.5 Equipment

Equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Equipment (Continued)

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

Equipment	20%
Furniture and fittings	10%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period. Equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Intangible assets

Computer software costs

Costs that are directly associated with the production of identifiable and unique software controlled by the Company and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

These costs are recognised as assets and amortised over their estimated useful life (not exceeding 3 years).

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

Computer software is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gain or loss arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss when the asset is derecognised.

2.7 Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Company, are classified as investment properties. Investment properties comprises freehold lands and a commercial building.

Investment properties are measured initially at cost, including transaction and project costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost has been incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Investment properties (Continued)

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the year in which they arise. Subsequent expenditure is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is calculated on the basis of recent transactions in similar properties adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers.

Transfers are made to (or from) investment property only when there is evidence of a change in use (such as commencement of development or inception of an operating lease to another party). For a transfer from investment property to inventories, the deemed cost for subsequent accounting is the fair value at the date of change in use. If an inventory property becomes an investment property, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss. The Company considers as evidence

the commencement of development with a view of sale (for a transfer from investment property to inventories) or inception of an operating lease to another party (for a transfer from inventories to investment property).

Investment property is derecognised either when it has been disposed of (i.e. at the date the recipient obtains control of the investment property in accordance with the requirement for determining when a performance obligation is satisfied in IFRS 15) or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property, the Company considers the effects of variable consideration, the existence of a significant financing component, noncash consideration, and consideration payable to the buyer (if any) in accordance with the requirement for determining the transaction price in IFRS 15.

2.8 Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Current and deferred income tax (Continued)

Deferred income tax, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

However, if the deferred income tax 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, it is not accounted for.

2.9 Trade and other receivables

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

Trade receivables are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Default arises when the tenants fail to pay their rental and charges within a period of 30 days.

The Company applies the IFRS 9 simplified approach for measurements of expected credit loss for trade receivables, the application of a provision matrix requires significant assumptions and judgements, such as:

- Determining the appropriate groupings of receivables into categories of shared credit risk characteristics;
- Determining the period over which historical loss rates are obtained to develop estimates of expected future rate;
- Determining the historical loss rates; and
- Calculating the expected credit losses

Impairment allowance for trade receivables is recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the impairment allowance is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve months expected credit losses are recognised.

For those for which credit risk has increased significantly and are determined to be credit impaired, lifetime expected credit losses are recognised.

The Company determine that trade receivables are 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- A breach of contract such as a default or being past due the agreed credit term; or
- It is probable that the debtor will enter bankruptcy or other financial reorganisation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Trade and other receivables (Continued)

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

An entity shall derecognise a financial asset when, and only when:

- (a) the contractual rights to the cash flows from the financial asset expire, or
- (b) it transfers the financial asset as set out in paragraphs 3.2.4 and 3.2.5 of IFRS 9 and the transfer qualifies for derecognition in accordance with paragraph 3.2.6 of IFRS 9.

2.10 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.

2.11 Stated capital

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

2.12 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior

to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value net of any transaction costs and subsequently measured at amortised cost using the effective interest method. The liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.13 Borrowings

Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. 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.

Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. 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.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Borrowings (Continued)

Borrowing costs

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 Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.14 Corporate Social Responsibility (CSR)

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax recognized in the profit or loss and the income tax liability on the statement of financial position.

2.15 Value Added Tax

Revenue, expenses and assets are recognized net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of asset or service is not recoverable from the taxation authority, in which case,

the value added tax is recognized as part of the expense item as applicable.

- Receivables and payables that are stated with the amount of value added tax included.
- The net amount of value added taxes recoverable from or payable to the taxation authority is included as part of receivable or payables in the statement of financial position.

2.16 Retirement benefit (assets)/obligations

The Company has both defined benefit and defined contribution plans. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

- Defined benefit pension

Companies operate various pension schemes for employees eligible for a defined benefit schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Retirement benefit (assets)/obligations (Continued)

• Defined benefit pension (Continued)

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

Where employees are not covered under defined pension scheme, the present value of severance allowances calculated on the basis of the enacted laws in the countries where the respective entity operates has been provided for. The present value of severance allowances has been disclosed within unfunded obligations under retirement benefit obligations.

• Defined contribution plan

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a

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

2.17 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities and is shown net of value added tax. The Company earns revenue from acting as a lessor in operating leases. Rental Income arising from operating leases on investment property is accounted over the lease term as per the lease agreement and is included in revenue in the statement of profit or loss.

2.17.1 Rental income

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

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



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17.2 Recoveries

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

2.17.3 Interest income

Interest income is recognised using the effective interest method.

2.17.4 Dividend income

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

2.17.5 Dividend distribution

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

3 FINANCIAL RISK MANAGEMENT

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

(a) Market risk

• Currency risk

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

• Interest rate risk

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

The bank loan bears a variable interest rate of 4.1% p.a with no margin.

Interest rate analysis

The Company's income and cash flows may be affected by changes in market interest rates. The Company's policy is to maximise returns on interest-bearing assets. The Company's interest rate risk arises from bank loans which are issued at variable interest rate and cash in hand and at bank.

The method use was historical observation whereby the Company has used the interest rate of the Bank of Mauritius from December 2020 to December 2021 to assess for sensitivity, which eventually resulted in 1% change in the sensitivity analysis rate. Based on the simulations performed, at 31 December 2021 and 2020, if interest rate on the bank loans had increased/(decreased) by 1%, with all other variables held constant, the pre-tax profit for the year would have decreased/increased by **Rs 380,325** (Year 2020: Rs Nil).

(b) Credit risk

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

For banks, the Company transacts only with highly reputable financial institutions. The credit quality of this financial asset can be assessed by the historical information about the financial strengths of the financial institutions the Company is dealing with.

The Directors assess the credit quality of the customer, taking into account its financial position, past experience, deposit available and payment trends. Individual risk limits are set based on internal ratings in accordance with the limits set by the board. The utilisation of credit limits is regularly monitored. The maximum exposure to credit risk at 31 December 2021 and 2020 is the carrying amount of the financial assets.

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

(c) Liquidity risk

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

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

3 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

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

The table below analyses the Company derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
	Rs	Rs	Rs	Rs
At 31 December 2021				
Trade and other payables	10,351,198	-	-	10,351,198
Borrowings	8,760,132	19,893,868	7,468,213	36,122,213
Dividend payable	712,426	-	-	712,426
At 31 December 2020				
Trade and other payables	17,691,021	-	-	17,691,021
Dividend Payable	241,109	-	-	241,109

(d) Fair values

The carrying amounts of trade and other receivables, cash and cash equivalents, borrowings and trade and other payables approximate their fair values. The fair value of the Company's investment properties at 31 December 2021 and 31 December 2020 has been arrived at on the basis of valuation carried out on the respective dates by Noor Dilmohamed & Associates, independent valuers not related to the Company.

The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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

(e) Financial instruments by category

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

(f) Capital risk management

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

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

3 FINANCIAL RISK MANAGEMENT (Continued)

(f) Capital risk management (Continued)

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

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

	2021	2020
	Rs	Rs
Total borrowings	33,307,172	-
Less: cash at bank and in hand (Note 14)	(4,725,335)	(6,562,822)
Net debt/(cash)	28,581,837	(6,562,822)
Total equity	322,595,021	320,479,643
Total capital	351,176,858	313,916,821
Gearing ratio	8.9%	N/a

4 REVENUE AND RECOVERIES

(a) Revenue is made up as follows:

	2021	2020
	Rs	Rs
Rental income	18,274,759	21,550,536
Service charges	1,183,065	1,460,391
	19,457,824	23,010,927

The principal activity of the Company is that of Real estate activities.

(b) Recoveries is made up as follows:

	2021	2020
	Rs	Rs
Utility charges billed back to tenants	108,127	118,515
Timing of revenue recognition	19,457,824	23,010,927
Over time	108,127	118,515
At a point in time	19,565,951	23,129,442

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

5 OPERATING PROFIT (PROFIT BEFORE TAXATION)

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

Fees paid to the auditor for:

- audit services

- other services

Depreciation of equipment (Note 10)

Amortisation of intangible assets (Note 12)

Company secretarial fees

2021	2020
Rs	Rs
257,500	250,000
60,000	48,312
23,825	47,936
160,160	109,613
475,000	475,000

6 ADMINISTRATIVE EXPENSES

Wages & salaries (Note 18)

Facilicare Fee

Repairs and maintenance

Rates and taxes

Advertising & Marketing

Insurances

Electricity, water and telephone

Printing, postages and stationery

Asset and Property Management fees

Leasing fees

Legal and professional charges

Bank charges

Licences

Cleaning expenses

General expenses

Depreciation on equipment (Note 10)

Amortisation (Note 12)

2021	2020
Rs	Rs
2,957,988	2,000,249
1,312,264	-
863,695	906,887
254,517	254,517
410,650	369,578
159,827	170,577
340,294	352,660
171,494	126,503
2,828,350	2,690,300
1,497,915	-
1,392,122	1,203,397
62,109	12,106
198,697	138,290
438,852	362,584
163,089	513,354
23,825	47,936
160,160	109,613
13,235,848	9,258,551

7 FINANCE COSTS

Interest expense

2021	2020
Rs	Rs
332,467	-

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

8 INCOME TAX

(a) Income tax expense

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

Corporate Social Responsibility

The Company is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year to implement a CSR programme in accordance with its own CSR framework. Where the amount paid out of the CSR fund is less than the amount provided under the fund, the difference shall be remitted to the Director-General at the time of submission of the income tax return of the year under review.

	2021	2020
	Rs	Rs
Current income tax charge for the year	457,287	2,092,603
Under provision of current income tax charge in previous year	110,958	91,586
Deferred income tax expense (Note (e))	869,628	(153,268)
Income tax expense for the year	1,437,873	2,030,921

(b) Income tax reconciliation

	2021	2020
	Rs	Rs
Profit before income tax	8,073,051	11,167,956
Tax at the rate of 17%	1,372,419	1,898,553
Non-allowable expenses	65,454	132,368
	1,437,873	2,030,921

(c) Income tax in statement of financial position

	2021	2020
	Rs	Rs
At 1 January	260,726	386,944
Income tax charge	457,287	2,092,603
Under provision of current income tax charge in previous year	110,958	91,589
Less: Tax deduction at source (TDS) paid	(742,465)	(838,545)
Less: Tax paid under APS	(632,495)	(1,314,975)
Less: CSR paid	(117,098)	(156,890)
	(663,087)	260,726

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

8 INCOME TAX (Continued)

(d) Income tax in statement of financial position (Continued)

Disclosed as follows in the statement of financial position:

	2021	2020
	Rs	Rs
Current tax asset	663,087	-
Current tax liability	-	260,726

(e) Deferred tax liabilities

	2021	2020
	Rs	Rs
At 1 January	(428,593)	(581,863)
Movement for the year	(869,628)	153,270
At 31 December	(1,298,221)	(428,593)

Deferred tax liabilities arise from the following:

2021

Accelerated capital allowances
Provision for loss allowance on trade receivables
Retirement benefit
Deferred income tax liabilities

At 01 January 2021	Charge to statement of profit or loss	At 31 December 2021
Rs	Rs	Rs
(926,257)	(1,489,513)	(2,415,770)
474,034	652,695	1,126,729
23,630	(32,810)	(9,180)
(428,593)	(869,628)	(1,298,221)

2020

Accelerated capital allowances
Provision for loss allowance on trade receivables
Retirement benefit
Deferred income tax liabilities

At 01 January 2020	Charge to statement of profit or loss	At 31 December 2020
Rs	Rs	Rs
(631,073)	(295,184)	(926,257)
48,530	425,504	474,034
680	22,950	23,630
(581,863)	153,270	(428,593)

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

9 EARNINGS PER SHARE

The calculation of earnings per share is based on profit after tax of **Rs 6,635,178** (Year 2020: Rs 9,137,035) and on 266,400 ordinary shares outstanding for the two years ended 31 December 2021 and 2020.

Diluted EPS for the financial year 31 December 2021 stands at Rs 24.91 (Year 2020: Rs 34.30).

10 EQUIPMENT

COST

At 31 December 2019

Additions

Disposals

At 31 December 2020

Additions

Disposals

At 31 December 2021

DEPRECIATION

At 31 December 2019

Charge for the year

At 31 December 2020

Charge for the year

Disposal

At 31 December 2021

NET BOOK VALUE

At 31 December 2021

At 31 December 2020

Equipment	Furniture and fittings	Total
Rs	Rs	Rs
2,432,200	483,769	2,915,969
45,500	-	45,500
(33,600)	-	(33,600)
2,444,100	483,769	2,927,869
-	40,600	40,600
(453,844)	(351,558)	(805,402)
1,990,256	172,811	2,163,067
2,392,339	418,457	2,810,796
12,525	35,411	47,936
2,404,864	453,868	2,858,732
9,377	14,448	23,825
(453,844)	(351,558)	(805,402)
1,960,397	116,758	2,077,155
29,859	56,053	85,912
39,236	29,901	69,137

Depreciation expense of **Rs 23,825** (2020: Rs 47,936) has been charged in administrative expenses.

The Directors have assessed for any impairment loss on equipment and have estimated that equipment have not suffered any impairment loss as at 31 December 2021 (Note 6).

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

11 INVESTMENT PROPERTIES

	2021	2020
	Rs	Rs
At 01 January	328,405,000	314,675,000
Additions	28,483,209	13,795,451
Fair value gain/ (loss) on land	3,545,655	(8,355)
Fair value loss on building	(1,783,864)	(57,096)
At 31 December	358,650,000	328,405,000

The fair value of the Company's investment properties at 31 December 2021 and 31 December 2020 has been arrived at on the basis of valuation carried out on the respective dates by Noor Dilmohamed & Associates, independent valuers not related to the Company. They have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The valuation was arrived at with reference to open market values.

		Significant other observable inputs (Level 2)
		Rs
At 31 December 2021		
Recurring fair value measurements	- Developed Land	146,230,000
	- Building	185,120,000
	- Bare Land	27,300,000
Price per arpent	- Developed Land	146,230,000
Average Price per square metre	- Building	25,325
Price per arpent	- Bare Land	78,000,000

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

11 INVESTMENT PROPERTIES (Continued)

		Significant other observable inputs (Level 2)
		Rs
At 31 December 2020		
Recurring fair value measurements	- Developed Land	141,530,000
	- Building	159,575,000
	- Bare Land	27,300,000
Price per arpent	- Developed Land	142,000,000
Average Price per square metre	- Building	22,500
Price per arpent	- Bare Land	78,000,000

Level 2 fair values of land and retail units have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size.

The following amounts have been recognised in profit and loss:

	2021	2020
	Rs	Rs
Rental income	19,457,824	23,010,927
Direct operating expenses arising from investment properties that generate rental income	(7,822,219)	(5,867,447)
Direct operating expenses arising from investment properties that did not generate rental income	(457,397)	(432,737)

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

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

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

11 INVESTMENT PROPERTIES (Continued)

The non-cash transaction of Rs 11,550,000 for financial year 2020 relates to amount due for purchase of land.

12 INTANGIBLE ASSETS

COST

At 1 January

Additions

At 31 December

AMORTISATION

At 1 January

Charge for the year

At 31 December

NET BOOK VALUES

At 31 December

Computer Software 2021	Computer Software 2020
Rs	Rs
453,810	328,840
370,001	124,970
823,811	453,810
109,613	-
160,160	109,613
269,773	109,613
554,038	344,197

Amortisation expense of **Rs 160,160** (Year 2020: Rs 109,613) has been charged in administrative expenses (Note 6).

13 TRADE AND OTHER RECEIVABLES

Trade receivables

Loss allowance on trade receivables

Trade receivables – net

Amounts due from related parties (Note 20)

Other receivables

Total

2021	2020
Rs	Rs
1,849,482	4,072,084
(1,126,729)	(2,788,434)
722,753	1,283,650
928,265	1,889,312
1,880,648	685,974
3,531,666	3,858,936

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

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

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

13 TRADE AND OTHER RECEIVABLES (Continued)

Other receivables are made up mainly of TDS receivable of **Rs 383,569** (Year 2020: Rs 446,448).

The Company applies IFRS 9 provision matrix to calculate expected credit losses (ECL). To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Company has made use of forward looking information in their assessment of ECL which were GDP and inflation.

As at 31 December 2021 and 31 December 2020, the lifetime expected loss on trade receivables is as follows:

	Current	Between 30 to 60 Days	Between 60 to 90 Days	Between 90 to 180 Days	Greater than 180 Days	Total
	Rs	Rs	Rs	Rs	Rs	Rs
At 31 December 2021						
Expected loss rate	1%	5%	15%	25%	99%	
Gross carrying value	645,724	131,532	151,055	151,914	1,063,660	2,143,885
Expected credit losses	6,462	6,577	22,658	37,978	1,053,054	1,126,729
At 31 December 2020						
Expected loss rate	21%	39%	79%	81%	73%	
Gross carrying value	692,569	404,689	779,372	1,135,444	1,303,166	4,315,240
Expected credit losses	148,416	156,008	613,327	923,892	946,791	2,788,434

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

	2021	2020
	Rs	Rs
01 January	2,788,434	285,468
(Decrease)/Increase in loss allowance recognised in profit or loss during the year	(180,883)	2,670,674
Write off	(1,480,822)	(167,708)
At 31 December	1,126,729	2,788,434

The decrease in loss allowance on trade receivables is mainly due to the fact that there has been few tenants exit with long outstanding balance. The current tenants are paying more regularly after being able to stabilize following the Covid 19 crisis.

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For The Year Ended 31 December 2021

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

The amount due from related parties are unsecured, interest-free, and are repayable on demand. All transactions with related parties are at arm's length basis and in the normal course of business.

14 CASH AND CASH EQUIVALENTS

2021	2020
Rs	Rs
4,725,335	6,562,822

Cash at bank and in hand

Reconciliation of liabilities arising from financing activities:

2020	Cashflows	2021
Rs	Rs	Rs
-	33,307,172	33,307,172

Bank loans (Note 16)

15(a) STATED CAPITAL

2021	2020	2021	2020
Rs	Rs	Number	Number
2,664,000	2,664,000	266,400	266,400
2,664,000	2,664,000	266,400	266,400

Authorised: Ordinary shares of Rs 10 each

Issued and fully paid:

Ordinary shares of Rs 10 each

At 01 January and 31 December

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

15(b) SHARE PREMIUM

Share premium of Rs 36,007,074 relates to amount subscribed for share capital in excess of nominal value.

16 BORROWINGS

(a)

2021	2020
Rs	Rs
7,515,383	-
25,791,789	-
33,307,172	

Current

Bank borrowings

Non-current

Non-current Bank borrowings

Total borrowings

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For The Year Ended 31 December 2021

16 BORROWINGS (CONTINUED)

(b) The maturity of non-current bank loan is as follows:

	2021	2020
	Rs	Rs
After one year and before two years	9,189,282	-
After two years and before three years	9,311,142	-
After three years and before five years	7,291,365	-
Net defined benefit (asset)/ liability at the end of the year	25,791,789	-

(c) The movement in bank loan is as follows:

	2021	2020
	Rs	Rs
Proceeds from borrowings	34,000,000	-
Repayment of borrowings	(692,828)	-
	33,307,172	-

(d) The carrying amounts of the borrowings are denominated in Mauritian Rupees.

(e) The loans are secured by fixed and floating charges on all the Company's assets totaling to **Rs 68,000,000**.

(f) Rate of Interest is MCB Prime Lending Rate (currently **4.10%** p.a.).

(g) Capital and Interest are repaid for a duration of 114 months in equal and consecutive instalments as from final disbursement of loan.

(h) The carrying amount of the bank borrowings approximates to the fair value, as the impact of discounting is not significant.

17 RETIREMENT BENEFIT (ASSETS)/OBLIGATIONS

The plan exposes the Company to normal risks associated with defined benefit pension plans such as investment, interest, longevity and salary risks. All staffs and their corresponding retirement benefits were transferred to a new group entity effective as from 01 January 2021.

Investment risk: (where the plan is funded): The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk: (where the plan is funded and an annuity is paid over life expectancy): The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For The Year Ended 31 December 2021

17 RETIREMENT BENEFIT (ASSETS)/OBLIGATIONS (Continued)

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.

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

	2021	2020
	Rs	Rs
At the start of the year	139,000	4,000
Amount recognised in profit or loss	(184,000)	84,000
Amount recognised in other comprehensive income	(9,000)	84,000
Less employer contributions	-	(33,000)
At the end of the year	(54,000)	139,000

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

	2021	2020
	Rs	Rs
Current service cost	-	85,000
Past service cost	(181,000)	-
Net interest cost	(3,000)	(1,000)
	(184,000)	84,000

(iii) The amounts recognised in other comprehensive income:

	2021	2020
	Rs	Rs
Return on plan assets above interest income	(9,000)	9,000
Liability experience loss	-	29,000
Liability loss due to change in financial assumptions	-	46,000
	(9,000)	84,000

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

	2021	2020
	Rs	Rs
Reconciliation of Present Value of Defined Benefit Obligation		
At the start of the year	335,000	172,000
Current service cost	-	85,000
Interest cost	-	9,000
Past service cost	(181,000)	
Liability experience gain	-	29,000
Liability loss due to change in financial assumptions	-	46,000
Less Benefits paid	-	(6,000)
Less Benefits transferred	(154,000)	-
At the end of the year		335,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For The Year Ended 31 December 2021

17 RETIREMENT BENEFIT (ASSETS)/OBLIGATIONS (Continued)

Reconciliation of Fair Value of Plan Asset

	2021	2020
	Rs	Rs
At the start of the year	196,000	168,000
Interest income	3,000	10,000
Employer contribution	-	33,000
Benefits paid	-	(6,000)
Benefits transferred	(154,000)	-
Return on plan assets excluding interest income	9,000	(9,000)
At the end of the year	54,000	196,000
Net defined benefit (asset)/ liability at the end of the year	(54,000)	139,000

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

	2021	2020
Discount rate	N/A	2.7%
Rate of salary increase	N/A	2.0%
Average retirement age	N/A	63
Average life expectancy for:		
- Male at ARA	N/A	12.3 years
- Female at ARA	N/A	13.5 years

Retirement benefits have been based on the report dated 11 February 2022 submitted by AON Hewitt Ltd.

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

	2021	2020
	Rs	Rs
Increase due to 1% decrease in discount rate	N/A	23,000
Decrease due to 1% increase in discount rate	N/A	21,000
Increase due to 1% increase in salary increase rate	N/A	32,000
Decrease due to 1% decrease in salary increase rate	N/A	29,000

The sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the corresponding rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

Future Cash flows:

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

Expected employer contribution for the next year is Rs Nil.

Weighted average duration of the defined benefit obligation is Nil.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For The Year Ended 31 December 2021

17 RETIREMENT BENEFIT (ASSETS)/OBLIGATIONS (Continued)

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

Plan assets are comprised as follows:

	2021			2020		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs	Rs	Rs	Rs	Rs	Rs
Local equities	17,280	1,620	18,900	56,840	5,880	62,720
Loan	3,780	11,340	15,120	33,320	52,920	86,240
Overseas bonds and equities	3,240	-	3,240	23,520	-	23,520
Others	16,740	-	16,740	23,520	-	23,520
	41,040	12,960	54,000	137,200	58,800	196,000

18 EMPLOYEE BENEFIT EXPENSES

	2021	2020
	Rs	Rs
Wages and Salaries, including termination benefits	2,773,988	1,878,822
Social Security Costs	-	76,427
Pension Costs - defined benefit plan (Note 17(ii))	184,000	31,741
- defined contribution plan	-	13,259
	2,957,988	2,000,249

19 TRADE AND OTHER PAYABLES

	2021	2020
	Rs	Rs
Trade payables	638,517	471,678
Amounts due to related companies (Note 20)	111,462	179,539
Rental deposits	5,885,428	4,211,656
Other payables and accruals	3,715,791	12,828,148
	10,351,198	17,691,021

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

The rental deposits are interest free and represent 3 months of the rent. The deposits are refundable upon termination of the lease agreement. Rental deposits include an amount of **Rs 2,209,397** (Year 2020: Rs 1,080,565) due to related parties (Note 21).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For The Year Ended 31 December 2021

20 DIVIDEND PER SHARE

The dividends declared in 2021 were **Rs 4,528,800** (Rs 17 per share) (Year 2020: Rs Nil).

	2021	2020
	Rs	Rs
01 January	241,109	241,109
Dividend declared	4,528,800	-
Dividend paid	(4,057,483)	-
	712,426	241,109

21 RELATED PARTIES (Continued)

During the year ended 31 December 2021 and 31 December 2020 the following transactions were carried out with related parties.

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

Receipts of services

	2021	2020
	Rs	Rs
Management services from fellow subsidiary (Currimjee Real Estate Ltd)	4,326,265	2,690,300

Secretarial services from fellow subsidiary (Currimjee Secretaries Limited)

	475,000	475,000
--	---------	---------

Key management compensation:

Directors' remuneration

	1,475,000	300,000
--	-----------	---------

Additions to investment properties:

Fellow subsidiary (Batimex Ltd)

	647,338	-
--	---------	---

Fellow subsidiary (Facilicare Ltd)

	487,093	-
--	---------	---

Fellow subsidiary (Currimjee Real Estate Ltd)

	710,093	-
	1,844,524	

Rendering of Services

Rent of building to fellow subsidiaries

	4,504,632	4,851,793
--	-----------	-----------

Outstanding balances

Payable to fellow subsidiaries

	111,462	179,359
--	---------	---------

Trade and other receivables from fellow subsidiaries

	928,265	1,889,315
--	---------	-----------

Rental deposits from holding company (Currimjee Jeewanjee & Co. Ltd)

	1,759,397	630,565
--	-----------	---------

Rental deposits from fellow subsidiaries

	450,000	450,000
--	---------	---------

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For The Year Ended 31 December 2021

21 RELATED PARTIES (Continued)

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

The amount due from receivables represent rental and charges due from holding company and subsidiaries.

Rental deposit represent deposit for rental of premises from holding company and subsidiaries.

All transactions with related parties are within the normal course of business.

22 HOLDING AND ULTIMATE HOLDING

The Directors regard Currimjee Jeewanjee and Company Limited as the holding company and Currimjee Limited, as the ultimate holding and controlling party. Both companies are incorporated in the Republic of Mauritius.

23 CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	2021 (Rs)	2020 (Rs)
Construction in progress	6,392,459	-

The refurbishment of the Arcades are progressing well and is expected to be completed by March 2022

24 EVENTS AFTER REPORTING DATE

There are no subsequent events after the reporting date.

