ANNUAL INTEGRATED REPORT **2023**

Ciel

PEOPLE POWERED SUCCESS

CIEL's impressive 2023 financial results are a testimony to our entrepreneurial spirit and the dedication displayed by the invaluable people who work in the Group. Comprised of diverse teams, we embarked on a collective journey towards a common vision. We are proud of what we have achieved.

Our teams have been key in navigating through challenges, effectively transforming them into prospects for growth. The concept of 'People Powered Success' eloquently encapsulates this unwavering dedication to exceed expectations and pioneer innovation. Irrespective of individual roles or geographical boundaries, we remained united under the banner of one cohesive entity – the CIEL family.

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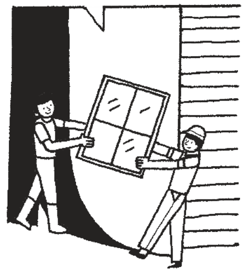

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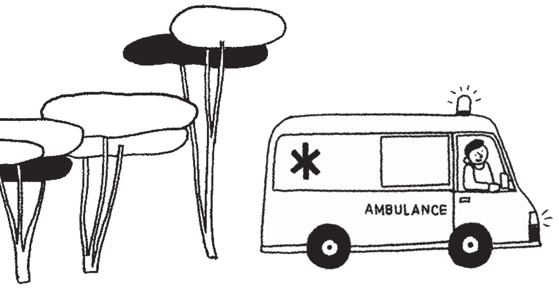

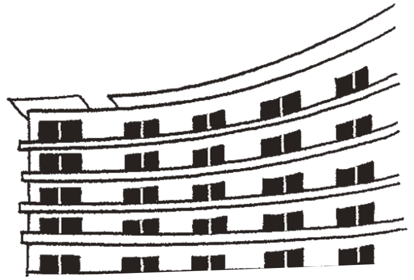

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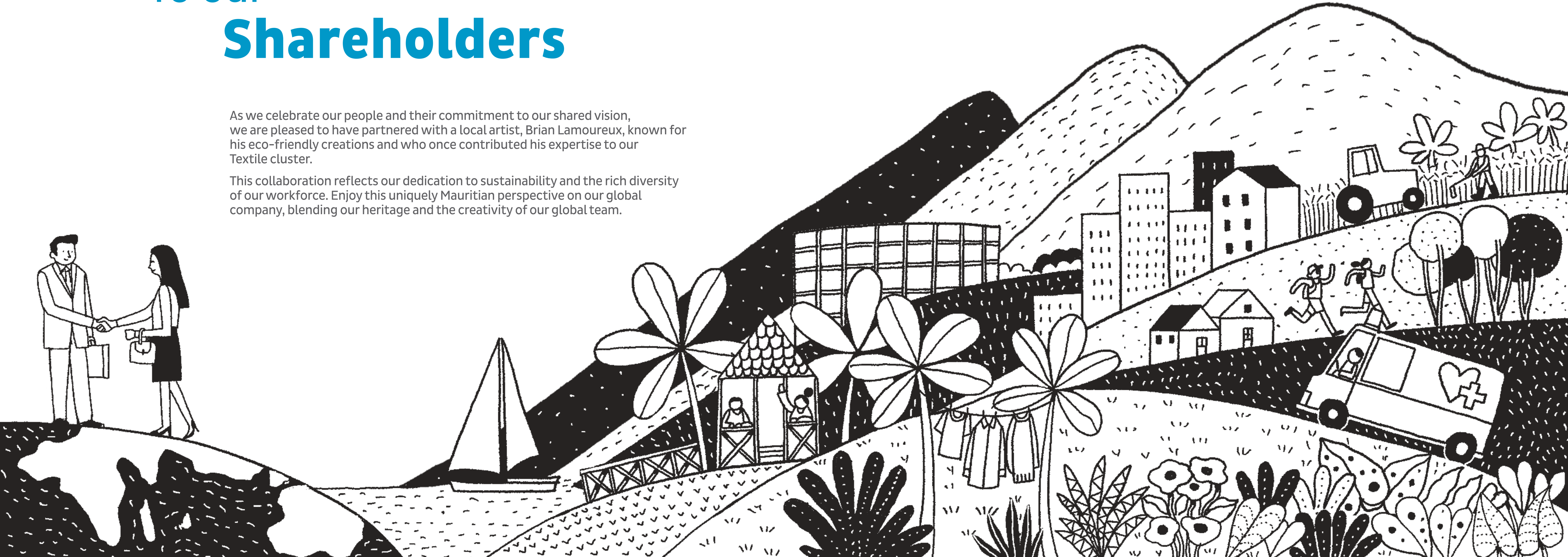
To our
Shareholders

As we celebrate our people and their commitment to our shared vision, we are pleased to have partnered with a local artist, Brian Lamoureux, known for his eco-friendly creations and who once contributed his expertise to our Textile cluster.

This collaboration reflects our dedication to sustainability and the rich diversity of our workforce. Enjoy this uniquely Mauritian perspective on our global company, blending our heritage and the creativity of our global team.



About this **Report**

BRIAN LAMOUREUX

@321an

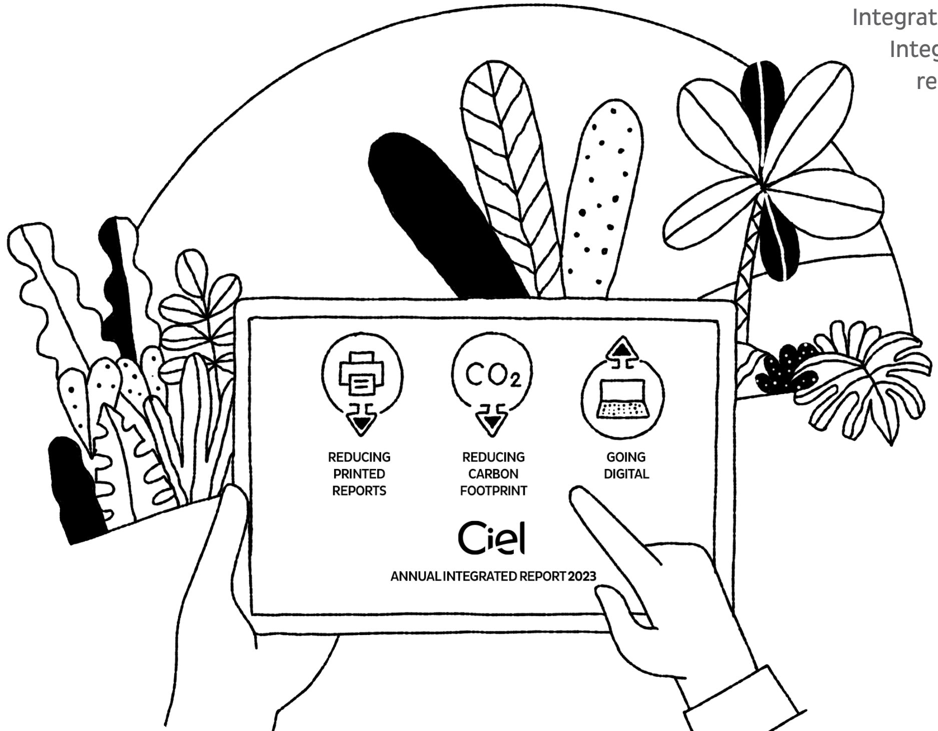
Illustrator for this report

A talented artist and illustrator, Brian discovered his love for drawing early in life, making it a natural and effortless passion. Initially unassuming of a professional art career, he diligently honed his skills, embracing varied styles from naive illustration to heightened realism. His recent artistic explorations delve into surrealism, drawing inspiration from his surroundings and childhood memories. Notable milestones include the impactful "Porlwi by Light 2015" event and an award from a prestigious illustration competition in Japan during his student years. Following 15 years of experience at Tropic Knits as a men's clothing designer, Brian now balances commercial and personal projects, valuing time and cherishing a simple, joyful life.

A New Era of Reporting

CIEL Limited (CIEL or the Group) is committed to reducing its environmental impact and continuously improving its eco-friendly practices as an integral part of its long-term strategy and operational approach.

Aligned with our sustainability commitments and by virtue of the recent Practice Direction (No. 2 of 2022) issued by the Registrar of Companies pursuant to section 12(8) of the Companies Act 2001 on the sending of annual reports and financial statements: this year's annual integrated report has been fully digitalised and may be viewed on on our website. www.annual-report.cielgroup.com. Shareholders may still request a printed copy of the report by contacting the Company Secretary, CIEL Corporate Services Ltd, on +230 404 2200 or by email at the following address: cdc@cielgroup.com



The report may also be inspected at the Company's registered office, 5th Floor, Ebène Skies, rue de l'Institut, Ebène, during working days between 9.00 am and 5.00 pm.

What Guides our Reporting Process

This report has been developed following the guidelines of Integrated Reporting, whose aim is to drive connectivity between sustainability disclosure and financial statements. Throughout the report you will find IFRS 9 compliance for financial metrics and adherence to CIEL's Sustainability Strategy 2020-2030 for non-financial and material issues. Our strategy, material topics and related KPIs are guided by the International Finance Corporation (IFC) Performance Standards and we have also responded to the call to action of the United Nations (UN) Sustainable Development Goals (SDGs) as can be seen in our Group strategy.

The IFRS Foundation has recently consolidated the Value Reporting Foundation (SASB standards, the Integrated Reporting Framework and the Integrated Thinking Principles) into its remit and created the International Sustainability Standards Board (ISSB). In July 2023, the ISSB released IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2: Climate-related Disclosures. It should be noted that adhering to this guidance is an endeavour that CIEL is currently assessing. As part of this journey, we aim to define and mine accurate data to implement these guidelines over the coming years.

Financial and Non-Financial Reporting

In line with the concept of double materiality, our integrated report extends beyond financial reporting and includes non-financial performance, opportunities, risks and outcomes. All of which are attributable to or associated with our key stakeholders, and have a significant influence on our ability to create and preserve value, sustainably, while minimising value erosion.

Scope and Materiality

This report covers the financial year ended 30 June 2023 (FY23) in terms of performance. We have included only what we believe is material, regarding risks, issues, and opportunities that have or can have a significant positive or negative impact on the operations, profitability or brand equity of the Group.

We have disclosed information that is material to the sustainability of the business and could influence financial decisions made by our stakeholders. We want you to understand how, through effective management, strategic direction, and innovation, we create value for all our stakeholders over the short, medium, and long term.

It was prepared by CIEL Head Office, in close collaboration with our clusters' management teams. We welcome your feedback on the report and invite you to share your comments or questions to: investorrelations@cielgroup.com.

Forward-Looking Statements

This report contains forward-looking statements which, by their nature, involve risk and uncertainty because they relate to future events and circumstances that may be beyond our control. We therefore advise readers to use caution in interpreting any forward-looking statements in this report.

CIEL at a **Glance**

10+
COUNTRIES

30+
BRANDS

37,500
EMPLOYEES

6
SECTORS

MUR **11.0** BN
MARKET CAP

MUR **112** M
INVESTED IN SOCIAL PROJECTS

OUR PURPOSE

FOR A WORLD
WE CAN ALL FEEL
PROUD OF

OUR VALUES

PEOPLE AT HEART
EXCELLENCE AT CORE
ETHICAL & SUSTAINABLE

KEY FIGURES AS AT 30 JUNE 2023

GROUP CONSOLIDATED REVENUE
MUR **35,409** M
24%
MUR 28,525M - 30 June 2022

EBITDA
MUR **7,084** M
34%
MUR 5,269M - 30 June 2022

GROUP PROFIT AFTER TAX
MUR **4,302** M
100%
MUR 2,154M - 30 June 2022

PROFIT ATTRIBUTABLE TO OWNERS
MUR **2,653** M
>100%
MUR 1,300M - 30 June 2022

GROUP EARNINGS PER SHARE
MUR **1.57**
>100%
MUR 0.77 - 30 June 2022

EBITDA MARGIN
20.0 %
18.5%
30 June 2022

DEBT TO EBITDA
1.7
2.5
30 June 2022

ROCE
14.1 %
9.7%
30 June 2022

COMPANY NAV PER SHARE
MUR **11.03**
(12)%
MUR 12.49 - 30 June 2022

GROUP NAV PER SHARE
MUR **12.38**
18%
MUR 10.50 - 30 June 2022

A Letter from our **Chairman**

Dear Shareholder,

As we report on another year of strong results, I would like to share some thoughts on the road that brought us to where we are today.

Strategic Transformation

Ten years ago, CIEL embarked on a journey of growth and adapted its structure to upcoming challenges. At the time, we took decisive steps to strengthen our foundations through a major restructuring of our share capital while reorganising our diversified operations into five business clusters across Mauritius, Africa and Asia.

As part of our journey, CIEL was officially listed on The Stock Exchange of Mauritius (SEM) in 2014. This move not only enhanced our visibility but also allowed us to raise MUR 2 bn in equity through a private placement. The international investors who came on board contributed both their expertise and capital towards our expansion. CIEL was thus able to increase its stakes in key subsidiaries, including a majority ownership in Sun Limited and the strengthening of CIEL Finance through a controlling interest in BNI Madagascar. We also initiated the buyout of CIEL Textile to be wholly owned by the Group and invested in Wellkin Hospital, bringing significant impetus to our Healthcare activities.

This expansion plan was successfully executed without incurring excessive debt, in line with our prudent financial practices. Throughout this transformative phase, we maintained a relentless focus on operational excellence, efficiency and talent development – values deeply ingrained in our corporate culture. These principles, coupled with the difficult decisions made during the COVID-19 crisis, have positioned us for the swift and robust recovery we are currently witnessing.

The Power of Our People

People are not merely a part of our business; they are its essence. In this report, we aim to shine a spotlight on the true engine of our growth and our theme, “People-Powered Success”, underscores the central role that individuals play in our journey.

Our achievements today are founded on the agility and dedication of our teams. Their efforts have been nothing short of remarkable. We uphold a culture of recognition and reward, celebrating exceptional individuals and teams across CIEL.

A Letter from our **Chairman** (Cont'd)

A Year of Continued Growth

Amidst a complex global economic landscape, CIEL demonstrated remarkable tenacity and growth. As the world continued its recovery from the profound disruptions caused by the COVID-19 pandemic, geopolitical tensions such as the ongoing Ukraine-Russia conflict and shifting trade dynamics, new challenges emerged. Rising inflationary pressures, driven by disruptions in global supply chains and escalating commodity prices, further complicated the situation.

In the face of these challenges, CIEL's performance has been outstanding, with our bottom line doubling during the financial year. This success is a testament to the strategic foresight, meticulous planning and most importantly, operational execution that has characterised the activities of all our clusters.

Across our diverse businesses, notable achievements marked the year. The Hotels & Resorts cluster, CIEL Textile and CIEL Finance all surpassed the MUR 1 bn earnings milestone. C-Care also experienced steady revenue growth following the much improved performance of the Ugandan operations. Our Properties arm continued optimising non-core assets with the launch of various projects and the Agro sector benefited from revenue growth, largely due to an excellent sugar price.

In recognition of these encouraging results, the Board declared a total dividend of MUR 0.28 for the financial year ended June 2023, representing a 33% increase from the previous year. This dividend reflects the Group's commitment to delivering value to its shareholders.

Shaping A World We Can All Feel Proud Of

Sustainability is an integral part of our identity as a responsible corporate citizen. Our CIEL Sustainability Strategy 2020-2030 serves as a roadmap for our journey.

Throughout the financial year, a number of prestigious accolades demonstrated our dedication to sustainable practices. CIEL Textile earned the coveted PwC Sustainability Award in the Manufacturing category, while La Pirogue, a Sunlife resort, received the Gold Distinction in the Best Sustainable Hotel category at the Sustainable Tourism Mauritius Awards 2023, alongside an EarthCheck Silver Certification. We have also completed a Group-wide carbon accounting exercise in line with the Green House Gas (GHG) Protocol and updated our climate strategy to align with the Science-Based Targets Initiative (SBTI).

We set about in this report to shine a spotlight on the true engine of our success: Our People

Our commitment to sustainability extends beyond business operations. The establishment of CIEL Foundation in 2004 and the Go Beyond Gender initiative reflects our dedication to making a positive impact in the communities in which we operate as well as our substantial efforts towards achieving gender balance.

Furthermore, succession planning is an integral part of our people management approach and a key element of our risk management policy at the Group level, as well as for all our subsidiaries. We are committed to nurturing talent across CIEL, providing our employees with opportunities to thrive. With this policy in mind, in January of this year, Guillaume Dalais was appointed Deputy Group Chief Executive. Guillaume joined the Group in 2008 and held leadership roles in the Finance, Textile and Property clusters. He is now working alongside our Group Chief Executive, Jean-Pierre Dalais, to ensure a seamless leadership transition.

Embracing the Future

CIEL Group continually seeks growth and expansion in both our current and new sectors and geographies. This forward-looking perspective is integral to our identity and essential to our continued success. Furthermore, periodic strategic reviews ensure our adaptability in a swiftly evolving global landscape.

Our appreciation extends to all our stakeholders, including the authorities, our shareholders and partners, dedicated Executives and the entire CIEL family. Your collective efforts have propelled us forward and we are excited about the continued collaboration and support that will lead us to new milestones.

We would also like to express our appreciation to the Board and especially to our outgoing Board member, Pierre Danon, who has seen the Group through the last nine years. We welcome our new Independent Director, Aïsha C. Timol, who will contribute to our ongoing growth and sustainable success.

Our determination, innovation and strategic foresight will continue to guide our path, shaping a brighter tomorrow.

P. Arnaud Dalais
Chairman

A Strategic Presence in **Emerging Markets** and Summarised **Group Structure**

Ciel Textile

- **Woven**
  - Aquarelle
  - Laguna
- **Knits**
  - CDL
  - Tropic
- **Knitwear**
  - Floreal
  - FSM

Ciel Finance

- Bank One
- BNI MADAGASCAR
- MITCO
- CIEL Corporate Services
  - Azur Financial Services
  - EM Insurance Brokers

Ciel Healthcare

- **C-Care**
  - **C-Care (Mauritius)**
    - C-Care Darné
    - C-Care Wellkin
    - C-Care Tamarin
    - C-Care Grand Baie
  - **C-Care (International)**
    - C-Care Uganda
  - **C-Lab**

Ciel Hotels & Resorts

- **Sun**
  - **Sunlife**
    - Sugar Beach
    - La Pirogue
    - Long Beach
    - Ambre
  - **Branded**
    - Four Seasons Mauritius at Anahita
    - Shangri-La Le Touessrok Resort & Spa
  - **Tour Operators**
    - Solea
    - World Leisure Holidays
- Anahita Residences & Villas

Ciel Properties

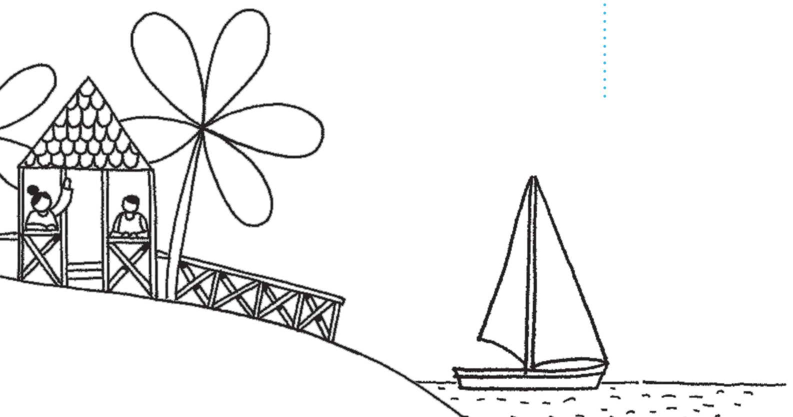
- CIEL Properties Development
- Evolis Properties
- Ferney

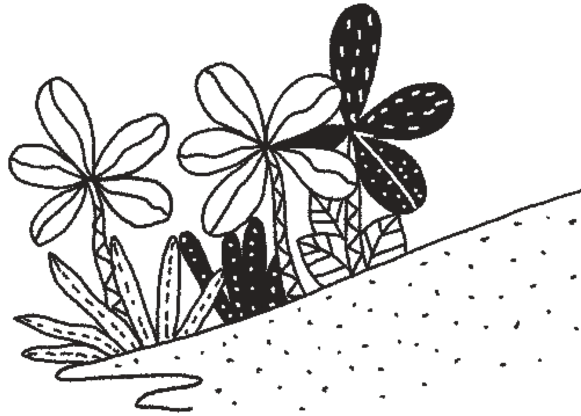
Ciel Agro

- **Alteo Group**
  - Alteo (Mauritius)
  - MIWA Sugar (East Africa)

A Unique **Portfolio of Brands**

Ciel Textile	Ciel Finance	Ciel Healthcare	Ciel Hotels & Resorts	Ciel Properties	Ciel Agro
AQUARELLE	BANK ONE	C care	sunlife	ebene skies	alteo
LAGUNA	BNI MADAGASCAR	C lab	SUGAR BEACH MAURITIUS	evolis PROPERTIES	MIWA SUGAR
TROPIC	MITCO Mauritius International Trust Company Limited	C pharma	LA PIROGUE MAURITIUS	LA VALLÉE DE FERNEY	
CDL			LONG BEACH MAURITIUS	FERNEY	
FLOREAL			ambre MAURITIUS		
FSM			FOUR SEASONS		
			SHANGRI-LA LE TOUESSROK MAURITIUS		
			ANAHITA		





The above logos represent only our key brands.

A Strong Network of **Global Partners**

FAMILY INVESTMENT HOLDING COMPANIES

Peugeot INVEST

Fimalac

DENTRESSANGLE investing through passion

DEVELOPMENT FINANCE INSTITUTIONS

PROPARCO GROUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT

IFC International Finance Corporation WORLD BANK GROUP

RECOGNISED INDUSTRY PLAYERS

AXIAN LET'S GROW TOGETHER

SHANGRI-LA LE TOUESSROK MAURITIUS

IBL TOGETHER

FOUR SEASONS

Tereos

I&M Bank LIMITED

MARIETTON DEVELOPPEMENT

Quadran

PRIVATE EQUITY FUNDS

IFHA INVESTMENT FUND FOR HEALTH IN AFRICA

Pursuing Excellence in **an Evolving World**

Power in Passion

Sophie's career path has grown with her dedication. Over the course of a decade, she honed her communication skills, developing into a confident leader.

She progressed from Waitress to Head Waitress and currently holds the position of Assistant Restaurant Manager, earning respect in an industry that tends to be male dominated.

Sophie thrives on embracing new challenges both within her career and personal life. Her journey has not only motivated her to advocate for equality within the hospitality sector but also to foster determination and transformation in the workplace.

On a personal note, her passion for learning languages, her love for mystery novels, and her Sega dance skills add depth and vibrancy to her inspiring story.

Sophie ANTHONY
Assistant Restaurant Manager
La Pirogue, Mauritius

An Interview with **our Group Chief Executive**

"At CIEL, we possess a powerful asset that holds the potential to drive positive change across our operational regions – **our dedicated and talented people.**"

How has CIEL navigated challenges and harnessed opportunities in the past financial year?

In our dynamic operating landscape, the cornerstone of our success remains our strategic approach and how we leverage synergies within our respective sectors and markets.

The recent improvements in economic prospects in Mauritius, East Africa and Madagascar and the impressive growth unfolding in India have presented us with substantial opportunities. Our strategy, centred on deploying our operations across six strategic sectors and investing into these burgeoning markets, continues to showcase its merit. It is not just about conducting business; it is about strategically positioning ourselves to thrive in the markets of tomorrow.

The COVID-19 pandemic posed significant challenges, especially impacting our Hotels & Resorts cluster. However, we chose to see this crisis as an opportunity to streamline our cost structure, foster agility and establish greater efficiency and resilience.

Our strategic intent of operating across multiple jurisdictions and diversified clusters is now bearing fruit. Today, every facet of our business is thriving, with improved profit margins, and our investments in skilled teams are delivering remarkable results. Our teams, be it at the Head Office or within each cluster, have raised the bar in terms of excellence, ensuring the efficient operation of our diverse activities.

Our Group is now in an optimal position to capitalise on our achievements and maintain our growth momentum in the dynamically evolving environments in which we operate. We remain vigilant, continually seeking opportunities amidst macroeconomic challenges, and stand fully prepared to harness the exponential growth potential of India and Africa, where our substantial presence places us at the forefront of increasing opportunities.

What key achievements and financial milestones has the Group reached in the past year?

Our unwavering dedication to our strategic vision of internationalisation and diversification has yielded exceptional results. We are pleased to present the key highlights of our performance for the financial year concluding on 30 June 2023.

Group Performance

Our journey of success is characterised by exceptional revenue growth, underpinned by sustained expansion across all our business sectors. Our Group Consolidated Revenue reached MUR 35.4 bn, a significant increase from MUR 28.5 bn reported in the prior year.

Our EBITDA for the period reached MUR 7.1 bn, with an EBITDA Margin accounting for 20% of our total turnover. This represents a 1.5 percentage point increase compared to the previous year, highlighting our dedication to operational efficiency.

> Our unwavering dedication to our strategic vision of internationalisation and diversification has yielded exceptional results.

Moreover, our Group Profit after Tax has doubled, surging to MUR 4.3 bn. These figures are a testament to the robustness of our operations and our ability to navigate and win even in the face of challenging economic landscapes.

A notable aspect of our performance is the sustained increase in our Return on Capital Employed (ROCE) to 14.1%, a metric that is given significant importance within our organisation. This reaffirms our commitment to optimising our capital allocation strategies and delivering superior returns to our valued stakeholders.

Cluster Performance

Hotels & Resorts achieved a PAT of MUR 1.5 bn and both the Finance and Textile clusters crossed the MUR 1 bn mark. Our Hotels & Resorts segment thrived due to a strategic focus on the revival of tourism post COVID-19 and execution excellence. Strong demand for our assets and ongoing investments to guest experiences have resulted in enhanced margins. This is driven by significant rate improvements and solid occupancy. We have also observed impressive progress in ancillary revenue streams.

The Textile cluster capitalised on product diversification and a robust Woven segment. Expanding our factory capacity and selling 30% of our production in the domestic Indian market, highlight the strength and future potential of our operations. Following on exceptional results achieved last year, partly due to COVID-19 tests, the Healthcare cluster continued to grow, driven by strategic capital investments and patient-centric care.

An Interview with **Our Group Chief Executive** (Cont'd)

In the Finance cluster, our company has delivered a robust financial performance, marked by improved banking margins and innovative lending strategies. These endeavours have not only fortified our position in the financial industry but have also contributed significantly to our overall success. In the Properties cluster, we remained resolute in our commitment to property regeneration and sustainable development. Our Agro business benefited from strong performances in sugar revenue in Mauritius, Tanzania and Kenya. Furthermore, our prudent investments in real estate in Mauritius have realised fair value gains.

In summary, our success is a testament to the dedication of our exceptional teams and the value of the assets we own. These results have a direct impact on our balance sheet, reducing our debt and positioning CIEL strongly for future investments.

How have the advancements made in risk management, governance and sustainability contributed to the overall strategy and performance of CIEL?

In terms of risk management, we have undergone a substantial transformation in our procedures. Our commitment to proactive risk identification and mitigation is evident through our structured review process at the Audit & Risk Committee level. This rigorous oversight ensures that our management team remains focused on identified risks, empowering us to pre-empt and implement effective mitigation strategies.

Turning to sustainability, our 2020-2030 Strategy encompasses three core pillars: fostering a vibrant workforce, championing inclusive growth and activating climate response. We have taken substantial steps to reduce our carbon intensity and have committed to a Science-Based Targets Initiative with the support of a renowned consultancy firm in sustainable business strategies. This strategy, and most importantly its implementation, has rallied everyone within the Group.

In the realm of social responsibility, our commitment extends far beyond our business operations. We play a significant role in the region by actively engaging in various community initiatives. Our Foundation is spearheading impactful work, making a tangible difference in the communities we serve. Furthermore, all our business clusters are actively involved in community engagement, reaffirming our dedication to being a responsible corporate citizen and contributing to the well-being of the societies in which we operate.

I am personally very proud of the impact that we have in creating jobs and developing our talent. I strongly feel that both current and future members of the CIEL family have great career and growth opportunities ahead of them.

To promote diversity and gender balance, we have set ambitious targets for 2030 and launched various programmes across the Group. While there is room for improvement in the Board composition, we are progressing rapidly on the management and senior leadership fronts. Ongoing training sessions by reputable institutions like HEC and the University of Stellenbosch, along with the initiation of the Active Allies and Women in Leadership programmes, underscore our commitment to empowering women within the organisation.

Looking into the future, where will growth continue to come from for the Group?

With our strategic roadmap in place, CIEL Group is poised for continued growth and expansion. This reflects our commitment to continuously create value in the markets where we operate.

> To promote diversity and gender balance, we have set ambitious targets for 2030 and launched various programmes across the company.

In Healthcare, we are making significant investments, such as the launch of C-Care Grand Baie and expanding our existing hospitals, including establishing a new oncology centre at C-Care Darné. These initiatives are designed to ensure the delivery of premium medical care in Mauritius and position us for further growth in Africa. We welcome the competition that is developing in our markets and believe that our well-established presence will enable us to continue improving patient care.

The Hotels & Resorts sector, led by SUN, is well-positioned to benefit from its unique product offering. Our prime assets in Mauritius provide opportunities for both portfolio enhancement and property development, contributing to increased revenue and profitability.

Financial services will play a crucial role in driving CIEL's results upward, with a focus on improving our digital offerings while leveraging our core assets. In Textile, we anticipate consolidation in the region and significant growth in India in the coming year. We are taking necessary actions to remain competitive, particularly in the Fine Knits segment.

The Properties cluster, including the smart city project in Ferney and Phase 2 of Nouvelle Usine, is expected to gain momentum in the next year, further expanding our portfolio and revenue streams. Agro is also set for an encouraging future, operating in markets with a sugar deficit in Africa and having the potential for expansion in Mauritius, especially in property development activities.

As we look ahead, the digital revolution and the role of AI are transforming the way we work. We view this as an opportunity to enhance efficiency and liberate resources for more value-added work. Leveraging data and tapping into the available skills will be pivotal as we embrace this digital revolution.

Our Group's strategic diversification and geographic positioning are key factors that maintain our competitive edge, especially in emerging markets. Our commitment to operational excellence and making a positive impact has positioned us well for future growth.

We are deeply appreciative of our dedicated teams who have been instrumental in our success. Their hard work and dedication have been pivotal to our achievements and we are motivated by the potential to take CIEL to even greater heights in the years ahead. As we move forward, we aim to increase our positive impact on the countries where we have a presence, reinforcing our commitment to sustainable growth and making a difference in the communities in which we operate.

Jean-Pierre Dalais
Group Chief Executive

Our **Investment Strategy Affirmed**

Long-Term Investing for Sustainable Value

1. Leveraging Recognised Expertise

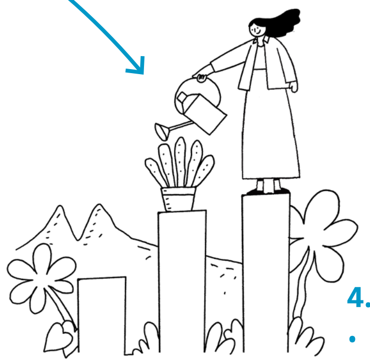
- Manufacturing and service excellence
- Capital allocation and treasury management
- Experienced and accomplished leadership

2. Promoting Entrepreneurial Spirit

- Decentralised management
- Good governance that promotes an entrepreneurial spirit

3. Creating Regional Success

- Build on business models developed in Mauritius and regionally
- Perfect core capabilities
- Become Top 3 in each of the sectors where we operate



4. Invest in Sustainable Businesses

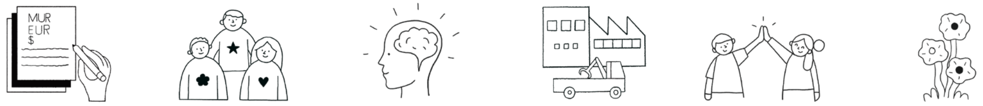
- Provide long-term competitive advantage to businesses
- Embed ESG principles

5. Diversifying into Africa and Asia

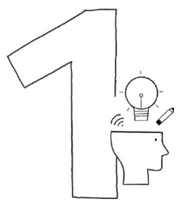
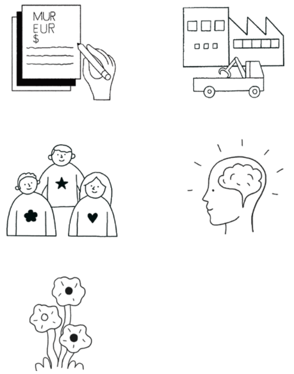
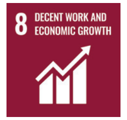
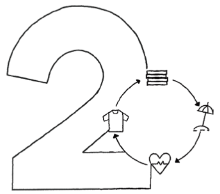
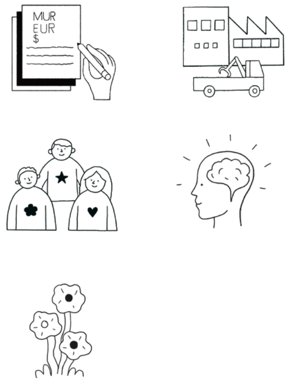
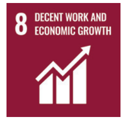
- Pioneers in investing in East Africa, Bangladesh and India
- Presence in growth sectors and economies

Our **Strategic Pillars**

1 External Shocks
2 Cyber Threats
3 Talent Retention & Recruitment
4 Compliance
5 Competition Threat
6 Fraud
7 Business Continuity
8 Liquidity & Funding
9 Climate Change & ESG
10 Communication



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

STRATEGIC PILLAR	VALUE CREATED (KPI)	PROGRESS THIS YEAR	KEY CAPITALS IMPACTED	SDGs TACKLED	ASSOCIATED RISKS	STAKEHOLDERS BENEFITTED	NEXT STEPS
 Performance with Focus on EBITDA Generation	EBITDA Margin	• Increased revenue by 24% with solid growth across clusters to reach MUR 35.4 bn • Contained costs across clusters notwithstanding headwinds from rising inflation and increased interest rates • EBITDA margin increased year-on-year to reach 20.0% from 18.5%% in the prior year		 	1 2 3 4 5 6 7 8 9 10	• Customers • Our People • Government • Suppliers • Shareholders • Financial and Strategic Partners	• Increase focus on improving cash flow and EBITDA generation • Grow market share in each sector and protect margins • Continued focus on optimising operations with strict cost control intiatives • Focus on foreign currency positioning
 Asset Management Optimisation	ROCE	• All clusters back to profitability with Group Profit after Tax increasing by 100% to reach MUR 4.3 bn • Successful brand launch of Sunlife well received by partners and guests (occupancy at 74%) • Investment in new factory in India to capitalise on supply chain shifts towards the region for Textile cluster • Consildation of Finance cluster and buyout of minority shareholder • Continued refurbishment of current facilities in Mauritius and Uganda and development of new clinics (launch in FY24) • Properties cluster successfully completed building regeneration project with 96% occupancy (Evolis) • Decreased Interest Bearing Debt by MUR 1.1 bn		 	1 3 4 7 8	• Customers • Our People • Government • Shareholders • Financial and Strategic Partners	• Build on the solid foundation of the diversified portfolio • Expand in sectors and regions with strong potential for growth ie. India • Sustain profitability of existing assets • Maintain suitable asset mix for long-term value creation • Strong balance sheet for future investment

Our **Strategic Pillars** (Cont'd)

1 External Shocks · 2 Cyber Threats · 3 Talent Retention & Recruitment · 4 Compliance · 5 Competition Threat
6 Fraud · 7 Business Continuity · 8 Liquidity & Funding · 9 Climate Change & ESG · 10 Communication

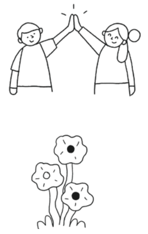
Financial Capital · Human Capital · Intellectual Capital · Manufactured Capital · Social & Relationship Capital · Natural Capital

STRATEGIC PILLAR	VALUE CREATED (KPI)	PROGRESS THIS YEAR	KEY CAPITALS IMPACTED	SDGs TACKLED	ASSOCIATED RISKS	STAKEHOLDERS BENEFITTED	NEXT STEPS
3 Presence in Selective Regional Markets	Share of Revenue & Profits from International Markets	• Pioneers in investing in Africa and Asia • Past portfolio consolidation is yielding benefits • Textile - Indian (Woven) operations had an excellent performance • Bank One - increased loans and advances through focus on sub-Saharan Africa strategy • BNI Madagascar – largest bank by assets in Madagascar continued to deliver good returns • C-Care Uganda - continues to expand footprint in the region and remained profitable • Consistent returns from our associate, MIWA Sugar, operating in Kenya and Tanzania	Financial Capital, Manufactured Capital, Human Capital, Intellectual Capital, Natural Capital	8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 17 Partnerships for the Goals	1, 3, 4, 5, 7, 8, 10	• Customers • Our People • Government • Shareholders • Financial and Strategic Partners	• Expanding footprint in the region, East Africa, Bangladesh and India • Capture new opportunities in growth sectors • Positioning for competitive edge • Continue to consolidate our presence in regional markets • Maintain competitiveness in fast growing sectors and markets
4 Nurturing Today's Talent for the Future	Fostering a Vibrant Workforce Metrics	• Training of more than 1,000 leaders on Gender Equity via e-learning • Launch of the first Women Forum and training of 33 women talent in collaboration with Stellenbosch University • HR digitalisation initiatives across clusters • Implementation of a Group-wide Employee Engagement Survey • First international HR Forum in Mauritius with participants from India, Bangladesh, Madagascar and Uganda • Leadership development training programmes in collaboration with top universities • Launch of the third edition of the CIEL Innovation Awards	Human Capital	3 Good Health and Well-being; 4 Quality Education; 5 Gender Equality; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure	3, 5, 7, 9, 10	• Customers • Our People	• Conduct diagnostic to develop targets and action plan for enhanced integration of People with Disabilities (PwD) • Develop action plan at Group and cluster level based on results of Employee Engagement Survey • Achieve top employer certification for eligible business units • Acceleration of Women-friendly policies across the Group • Adoption of HR digital platform by employees • Develop and implement HR standards that promote best practices across the Group

Our **Strategic Pillars** (Cont'd)

1 External Shocks	6 Fraud
2 Cyber Threats	7 Business Continuity
3 Talent Retention & Recruitment	8 Liquidity & Funding
4 Compliance	9 Climate Change & ESG
5 Competition Threat	10 Communication

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

STRATEGIC PILLAR	VALUE CREATED (KPI)	PROGRESS THIS YEAR	KEY CAPITALS IMPACTED	SDGs TACKLED	ASSOCIATED RISKS	STAKEHOLDERS BENEFITTED	NEXT STEPS
 **Embrace Sustainability for Long Term Value Creation**	**Activate Climate Response & Champion Inclusive Growth Dashboards**	• Conducted a Group-wide carbon accounting exercise including scope 1, 2 and 3 • Group-wide deployment of an award-winning digital sustainability management tool enhancing our data governance and transparency • Held a Group-wide Sustainability Forum providing capacity-building to over 100 participants across the Group on sustainable value chains and circularity, and created a platform to discuss challenges and exchange best practices • Furthering the integration of sustainability into our business offering notably with the launch of the Ferney Farm Living, regeneration of 2 ex-industrial assets into spaces offering innovative work, storage and lifestyle solutions, integration of sustainability into our #ComeAlive experiences at our resorts, increase of certified sustainable raw materials at CIEL Textile, to name but a few. • Started an assessment of the solar energy potential at a Group level			1 3 4 7 8 9 10	• Customers • Our People • Communities • The Environment	• Group strategy and targets review • Group Climate Strategy update • Explore feasibility of Climate Risk Assessment at Group and cluster level • Define solar action plan based on assessment • SBTI and Carbon Disclosure Project (CPD) commitment for CIEL Textile • Waste and circularity strategy for CIEL Textile • Integration of digital tools to the sustainability platform • Foundation in Madagascar • Secure long-term funding for biodiversity protection and awareness raising projects

Our **Business Model**

Key Group Inputs

HUMAN CAPITAL

37,500
Employees

469,320
Hours invested in training

90%
Participation rate for employee engagement survey

FINANCIAL CAPITAL
MANUFACTURED CAPITAL

MUR **4.2** bn
Free cash flow

MUR **30** bn
Total equity

MUR **98.1** bn
Total assets

19
Factories

6
Hotels and Resorts

34
Buildings and Healthcare facilities

SOCIAL & RELATIONSHIP CAPITAL
NATURAL CAPITAL

MUR **21.8**M
Funds engaged in community empowerment

177,419 MWh
Consumption of energy

FOR A WORLD
WE CAN ALL FEEL
PROUD OF

Our clusters provide outputs in the form of products and services

Key Outcomes
Value Created for our Stakeholders

HUMAN CAPITAL

MUR **1.2**M
Average annual revenue per employee[1]

1,415
Transfers and internal promotions

62%
Trust Index[2]

FINANCIAL CAPITAL
MANUFACTURED CAPITAL

MUR **11.0** bn
Market capitalisation

MUR **4.3** bn
Profit after tax

MUR **0.28**/share
Dividends declared

36.5M
Garments per year

74%
Occupancy in hotels

MUR **2.0** bn
Value of Evolis Properties

SOCIAL & RELATIONSHIP CAPITAL[3]
NATURAL CAPITAL

▲**145,000**
Beneficiaries for community empowerment projects

▼**58%**
Carbon intensity compared to baseline of 2020

37,500
Native trees planted in the Ferney Conservation zone

1 This metric excludes Alteo, Bank One, Cotona and other associates

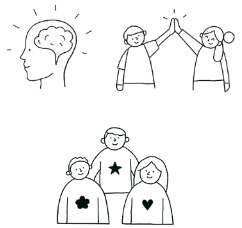
2 The Group uses the 'Trust Index' from the Great Place to Work methodology which measures the quality of employees' experience and engagement

3 The Social & Relationship Capital figures exclude CIEL Foundation

Stakeholder **Engagement**

1 External Shocks
2 Cyber Threats
3 Talent Retention & Recruitment
4 Compliance
5 Competition Threat
6 Fraud
7 Business Continuity
8 Liquidity & Funding
9 Climate Change & ESG
10 Communication

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

STAKEHOLDER	INTERESTS & CONCERNS	HOW WE ENGAGE	RELATED STRATEGIC PILLAR (KPIs)	CAPITALS IMPACTED	RISK AWARENESS
OUR PEOPLE	Employees wish to know more about the Group and how it is doing with: • Diversity and inclusion • Work environment • Learning and development opportunities • Health and safety of employees • Recognition, fair assessment and feedback • Succession planning • Open and honest dialogue and communication • Effective grievance mechanisms	• Exchange of ideas and best practices through **Group functional forums** (HR, Sustainability, Finance & Risk Forums) • Foster and nurture an innovative culture within the Group through recognition programmes such as **innovation awards, excellence awards at both Group and cluster levels** • **CIEL Annual Symposium** held with the management teams across all clusters to communicate on the Group strategy and goals • A deep dive **Employee Engagement Survey** is conducted bi-yearly. A regular annual independent survey is also conveyed by an external service provider. Action plans are developed following results in collaboration with employees through focus groups • Promoting awareness around gender and diversity through the **Go Beyond Gender Programme** and the creation of specific training programmes for the management and team leaders • **Workers' councils/unions** are across most sites to discuss key topics such as Health and Safety and working conditions with employees • Our employees have access to **learning and development tools** as well as tailor-made training programmes with leading international training institutions (HEC, Stellenbosch University and India Institute of Management Bangalore) • **Structured performance management** in place to provide direction and regular feedback to our employees • Encouraging **informal social interactions** among colleagues to enhance team spirit and collaboration • **Grievance policy and mechanism** in place across sites and concerns are addressed through a consultative approach with relevant stakeholders	 		3, 4, 6, 10

Stakeholder **Engagement**

1 External Shocks
2 Cyber Threats
3 Talent Retention & Recruitment
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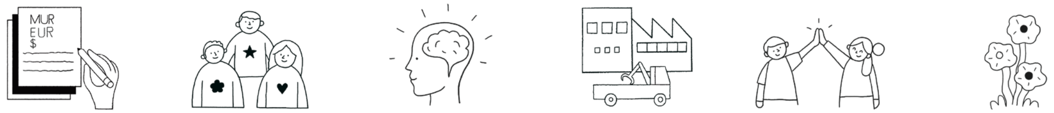
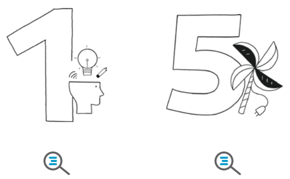
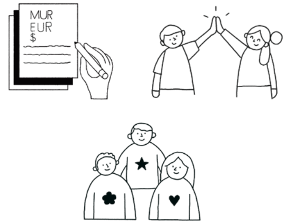
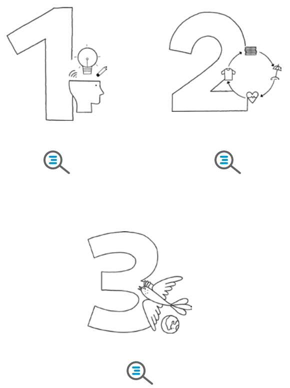
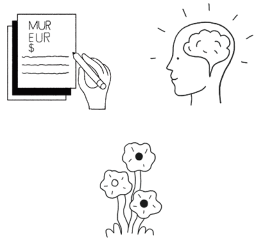
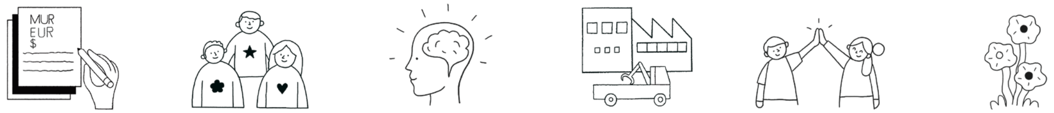


Financial Capital | Human Capital | Intellectual Capital | Manufactured Capital | Social & Relationship Capital | Natural Capital

STAKEHOLDER	INTERESTS & CONCERNS	HOW WE ENGAGE	RELATED STRATEGIC PILLAR (KPIs)	CAPITALS IMPACTED	RISK AWARENESS
OUR REGULATORS, GOVERNMENT AND PUBLIC AUTHORITIES	• Laws regulating permits and licenses • Business environment • Access to talent (both local and overseas) • Business and industry perspectives included in the policy-making process	• CIEL's **public sector engagement efforts** are governed by its code of ethics which ensures that employees uphold the highest standards of ethical conduct in every action taken on CIEL's behalf. Regulatory and public sector engagement activities are also governed by existing laws and regulations • **Consultative meetings** with government and independent public bodies to submit proposals to enhance the local business environment, and to discuss upcoming regulations' impact on businesses • **Collaborative approach** with the Economic Development Board to explore and identify government incentives and financial assistance likely to support and accelerate business development			1, 4, 7, 10
OUR BOARD/ SHAREHOLDERS	• Strategy, financial performance, and market dynamics • Governance and remuneration	• **The annual meeting** is an important corporate event and shareholders are encouraged to attend to express their views and receive feedback from directors on the Group's financial performance and strategic directions. In case a shareholder cannot attend, votes can still be cast on all resolutions through completion of the proxy form/postal vote • Notices of annual meetings are sent to the shareholders within the prescribed period imposed by law and are also published in the press • **The annual integrated report**, which includes the notice of annual meeting, may also be viewed on the Company's website • CIEL publishes, on a quarterly basis, a **financial review document** together with its **unaudited abridged financial statements.** This document provides a detailed review on the clusters of the Group to facilitate the understanding of the financial results			1, 2, 3, 4, 5, 6, 7, 8, 9, 10

Stakeholder **Engagement** (Cont'd)

(1) External Shocks (2) Cyber Threats (3) Talent Retention & Recruitment (4) Compliance (5) Competition Threat
(6) Fraud (7) Business Continuity (8) Liquidity & Funding (9) Climate Change & ESG (10) Communication



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

STAKEHOLDER	INTERESTS & CONCERNS	HOW WE ENGAGE	RELATED STRATEGIC PILLAR (KPIs)	CAPITALS IMPACTED	RISK AWARENESS
OUR LOCAL COMMUNITIES, NGOs and CBOs	• Local employment and support to SMEs • Community health • Being a responsible neighbour • Environmental concerns: plastic pollution, water stewardship, biodiversity and ecosystem stewardship, circular economy • Diversity and inclusion • Responsible sourcing (eg: prioritising local suppliers, protecting human rights, etc.) • Rights of communities (being heard) • Support for research programmes • Supporting NGOs and CBOs to optimise delivery (organisational structure, upskilling, psychological support) • Support to NGOS and CBOs for priority areas: Poverty alleviation, health, disability	• **CSR campaigns and social investments** within clusters or through the CIEL Foundation to train, raise awareness and empower Non-Governmental Organisations (NGOs), Community-Based Organisations (CBOs) and local communities • **ACTogether platform** (social platform aiming at connecting over 100 NGOs together, with the communities and with other agents providing NGOs technical support and at encouraging civil society engagement) • Organisation of specific programs designed to build bridges between employees and communities such as the **Act for Community and Act for Environment programs** • Participation to **consultative committees** and workshops with the Government (e.g.: Ministry of Environment and Solid Waste in Mauritius), business associations and chambers of commerce (e.g. Business Mauritius, International Chamber of Commerce on the Standards for Sustainable Trade) to discuss stakeholders' interests and concerns • **Engagement in industry associations** at national and international levels (eg: Association of Hoteliers and Restaurants in Mauritius, Sustainable Apparel Coalition) • Collaboration with local and international training institutions to **foster research locally** and support students (e.g.: MoU with Université des Mascareignes) or **develop talents locally** (Nursing programme at Charles Telfair Institute & Polytechnique Mauritius) • Collaboration with specialised environmental NGOs (Mauritius Wildlife Foundation, Mission Verte, etc.) • Provision of punctual humanitarian aid (e.g. following the severe drought in Ambovombe, southern Madagascar and donation of food packs in Mauritius)			9 10

Stakeholder **Engagement** (Cont'd)

1 External Shocks
2 Cyber Threats
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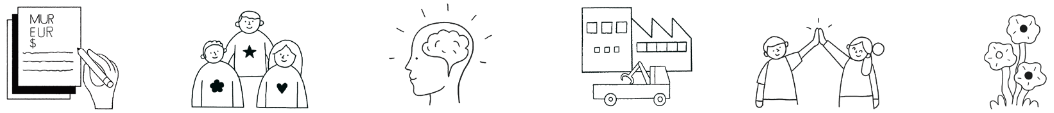
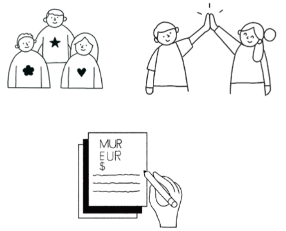
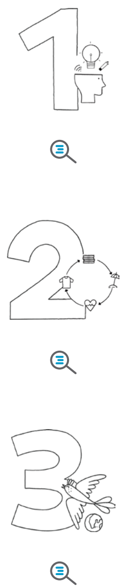
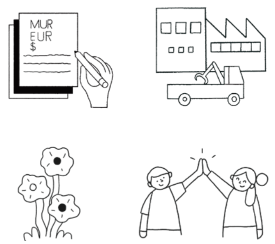


Financial Capital | Human Capital | Intellectual Capital | Manufactured Capital | Social & Relationship Capital | Natural Capital

STAKEHOLDER	INTERESTS & CONCERNS	HOW WE ENGAGE	RELATED STRATEGIC PILLAR (KPIs)	CAPITALS IMPACTED	RISK AWARENESS
OUR CUSTOMERS	• Quality & service • Being a reliable partner (reduced reputation risk and increased transparency) • Safety of our products and infrastructure	• Meetings, audits, surveys, visits • **Customer satisfaction surveys** (internal & external) and partner performance feedback mechanism • Participation in **rating platforms** (Higg Index) and **certifications** (Comparative Health Knowledge System, Earthcheck, Travelife, Zero Discharge of Hazardous Chemicals), **recognition awards** (Industry awards)			4 5 7 8 9 10
OUR FINANCIAL & OTHER STRATEGIC PARTNERS	• The main recurring topic of discussion is financial performance and strategy	• Communication with the financial community in general takes place through **announcements to the stock exchange, press releases** and via emails for those who have opted for **financial communiques** to be sent to them • CIEL further strives to promote dialogue through **analyst meetings** which are conducted twice yearly with a presentation of the financial statements being made by the executives of the Group • Executives also attend **road shows** and **investor conferences** to promote, not only CIEL, but Mauritius as an investment destination • All the financial documents shared with the market are also available for download on CIEL's website			1 2 3 4 5 6 7 8 9 10

Driving **Sustainable Performance**

Building for the Long-term

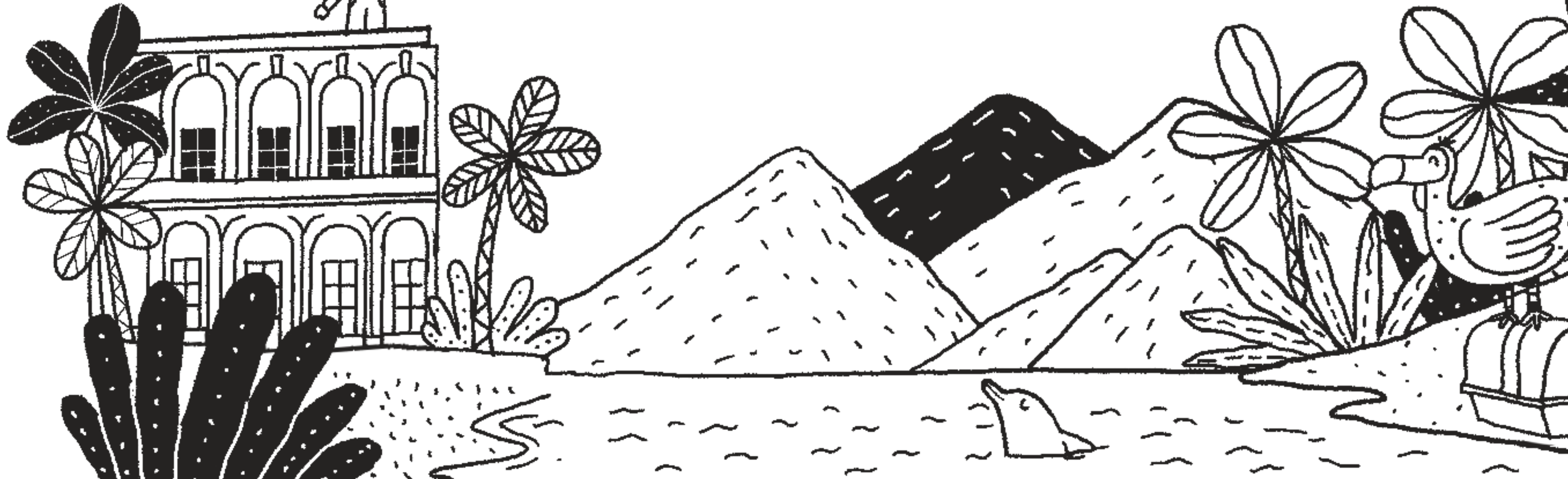
Olivier enthusiastically and effectively oversees a diverse portfolio at Evolis Properties, encompassing commercial, office, warehouse, and industrial assets. His role as an Asset, Property, and Development Manager involves navigating intricate challenges with adaptability and market expertise.

He highlights Nouvelle Usine as a post-COVID success. Passionate about history, geography, travel, and sports, Olivier's guiding principle revolves around relentless personal efforts towards a common goal.

He deeply values the family-oriented work environment at CIEL and is dedicated to propelling Evolis forward, always placing emphasis on both environmental impact and operational excellence.

Olivier LAURE

Head of Evolis Properties
Mauritius



Insights from Our **Group Finance Director**

Strong operational performance, effective cash management, and a successful growth strategy **led the Group to achieve remarkable profit milestones**

This past financial year, our investment approach and finance strategy have remained steadfast. This was supported by a robust portfolio of diversified assets, while adapting to a dynamic environment and a constant commitment to inclusive growth and stakeholder value creation.

Our Group achieved a V-shaped recovery post-pandemic, amidst the challenges posed by the current worldwide macroeconomic environment. It is with pride that I report a record-breaking profit after tax of MUR 4.3 bn for the year ended 30 June 2023. This achievement was driven by solid earnings from all our clusters, demonstrating the inherent strength of both our local and international operations. Our strategy to serve as a net foreign exchange generator to our local market, through our exports that generate hard currencies, is a rare feat given the current domestic market conditions.

Considering that we are an investment holding company, we acknowledge that conventional performance metrics might not fully encapsulate our Group's accomplishments. Therefore, we consistently evaluate our performance using metrics such as "EBITDA margin", "Debt to EBITDA", "Return on Capital Employed" and "Free Cash Flow" which you will see on the coming pages. You will also notice our focus on financial discipline, which is seen in the reduction of indebtedness that aligns well with the best industry norms. This reduction should provide us with the 'firepower' to invest in opportunities in line with our strategic intent. These measurements will further provide our shareholders with comprehensive insights into our performance and the constructive use of assets and debt will enhance transparency and understanding.

This achievement was driven by solid earnings from all our clusters, demonstrating the inherent strength of both our local and international operations

We also go beyond this by seeking transformative ways to conduct business by eliminating inefficient processes and maintaining a healthy balance sheet to ensure the long-term vitality of our organisation. Balancing both strategic foresight and tactical agility has been instrumental in achieving our overall success and contributed to a 33% increase in dividends to our shareholders.

As we venture into a post-pandemic era across many parts of East Africa and South Asia, we witness a landscape nascent with energy, opportunities, and optimism. While challenges remain, the overarching trends that drive our industries in the regions persist.

The growth of East African and South Asian economies, the emergence of middle-class populations and wealth generation remain persistent despite global economic movements.

L. J. Jérôme De Chasteauneuf
Executive Director
Group Finance Director

Insights from Our **Group Finance Director** (Cont'd)

GROUP FINANCIAL REVIEW

Group Income Statement Overview

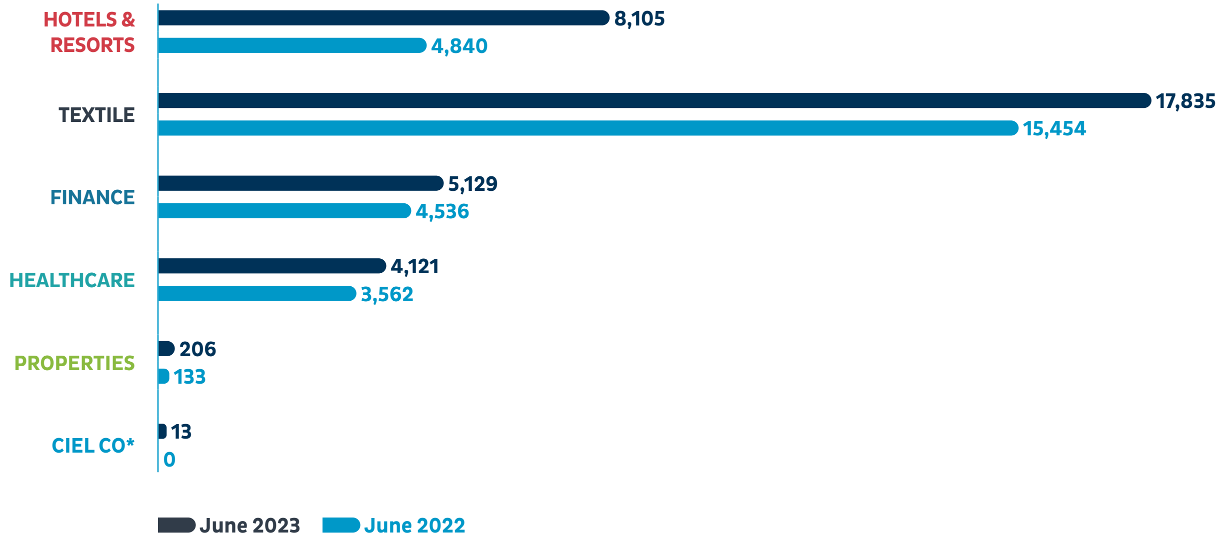
GROUP REVENUE

MUR **35.4** bn
GROUP REVENUE 2023

2022: MUR 28.5 bn

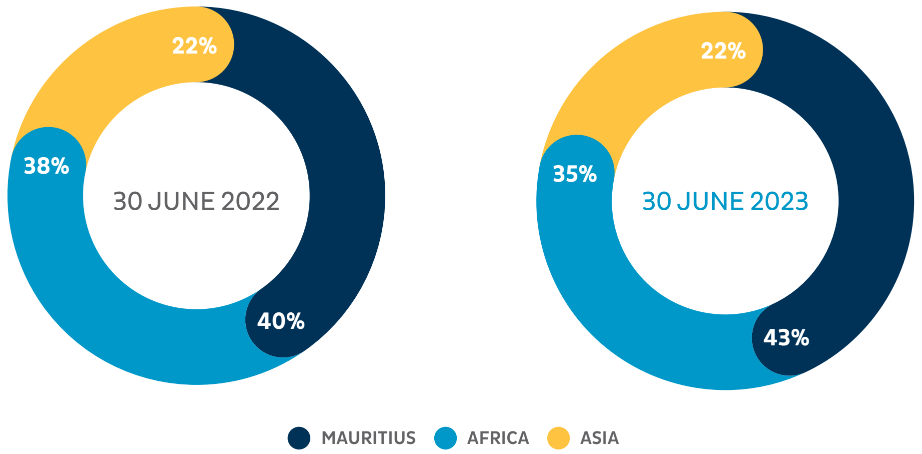
The Group's revenue reached MUR 35.4 bn, up 24% from the prior year due to a solid performance from all clusters. This growth is primarily coming from Textile, Hotels & Resorts, Finance and Healthcare.

REVENUE BY CLUSTER



*CIEL Company includes CIEL Corporate Services Limited (Head Office), Azur Financial Services Limited (Treasury services), FX Market Edge Limited and EM Insurance Brokers Limited (51%) net of Group eliminations

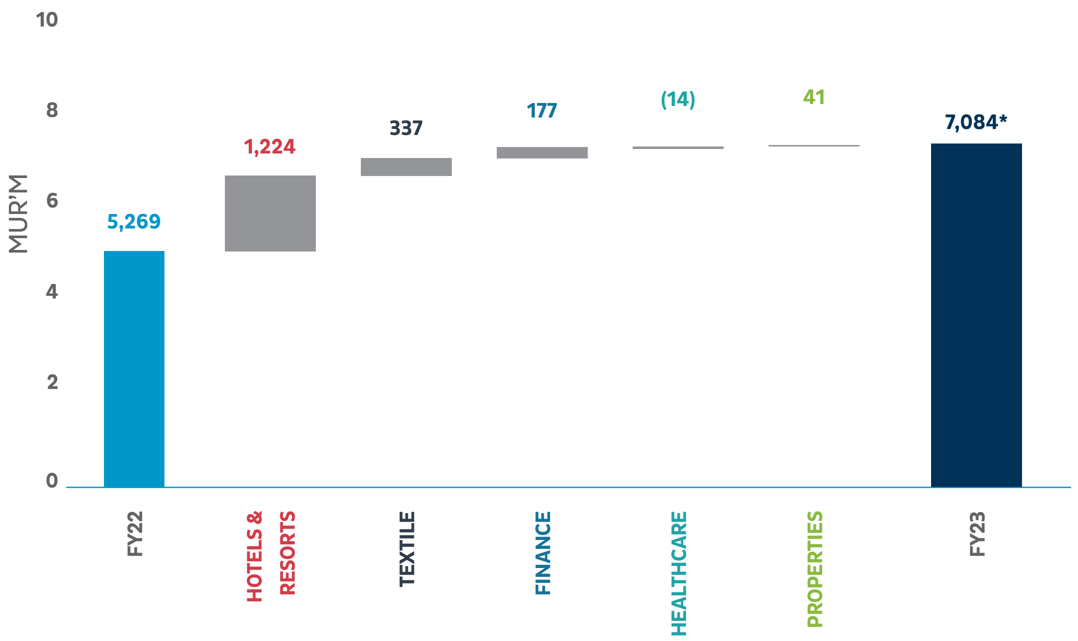
REVENUE BY GEOGRAPHY



Insights from Our **Group Finance Director** (Cont'd)

GROUP FINANCIAL REVIEW (Cont'd)

EBITDA INCREASE OVER THE FINANCIAL YEAR



*Group EBITDA above includes a positive movement of MUR 50M from CIEL Limited which includes CIEL Corporate Services Limited (Head Office), Azur Financial Services Limited (Treasury services), FX Market Edge Limited and EM Insurance Brokers Limited (51%) net of Group eliminations

Earnings Before Interest, Taxation, Depreciation, Amortisation and Expected Credit Losses ("EBITDA") increased to MUR 7.1 bn from the prior year's MUR 5.3 bn, following continued focus on operational efficiencies.

20% EBITDA MARGIN 2023

2022: 18.5%

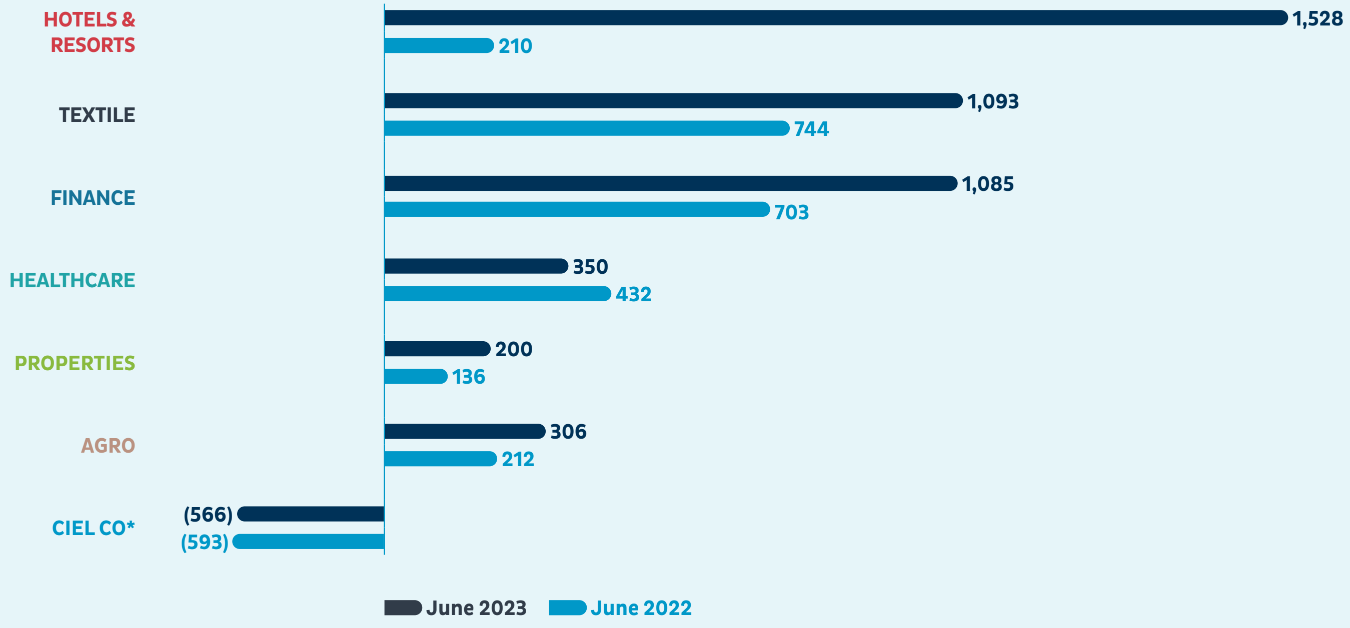
MUR **4.3** bn GROUP PROFIT AFTER TAX 2023

2022: MUR 2.2 bn

GROUP PROFIT AFTER TAX

The Group's profit after tax rose by 100% to reach MUR 4.3 bn, principally due to the turnaround in the Hotels & Resorts cluster and solid earnings performances from the Textile, Finance, Healthcare and Agro clusters.

GROUP PROFIT AFTER TAX BY CLUSTER



*CIEL Company includes CIEL Corporate Services Limited (Head Office), Azur Financial Services Limited (Treasury services), FX Market Edge Limited and EM Insurance Brokers Limited (51%) net of Group eliminations

Insights from Our **Group Finance Director** (Cont'd)

GROUP FINANCIAL REVIEW (Cont'd)

Financial Overview

MUR 'M	2023	2022	% Change
Revenue	35,409	28,525	24%
EBITDA[1]	7,084	5,269	34%
Depreciation and amortisation	(1,393)	(1,390)	0%
Earnings Before Interests and Taxation (EBIT)	5,691	3,879	47%
Expected credit losses	(354)	(474)	(25%)
Net finance costs	(812)	(851)	(5%)
Share of results of associates & joint ventures net of tax	605	432	40%
Profit before tax	5,130	2,986	72%
Taxation	(828)	(545)	52%
Profit from continued operation	4,302	2,441	76%
Loss from discontinued operation	-	(287)	
Profit for the period	4,302	2,154	100%
Profit attributable to:			
Owners of the Parent	2,653	1,300	>100%
Non controlling interests	1,649	854	93%
	4,302	2,154	100%
Basic and diluted earnings per share (MUR)	1.57	0.77	>100%
EBITDA Margin	20.0%	18.5%	
Equity	30,047	26,383	14%
Net Asset Value per Share (Group)	12.38	10.50	18%
Net Asset Value per Share (Company)	11.03	12.49	(12%)
Net Interest Bearing Debt	12,064	13,134	(8%)
Gearing = Debt/(Debt+Equity)	28.6%	33.2%	
DEBT to EBITDA[2]	1.7	2.5	
Capital Employed	42,111	39,517	7%
ROCE	14.1%	9.7%	
Dividend per share (MUR)	0.28	0.21	33%
Market Capitalisation (MUR 'bn)	11,003	11,305	(3%)

[1] *Earning before interest, tax, depreciation, amortisation, impairment and expected credit losses*
[2] *Excludes quasi-equity loan from MIC*

Variances Explained

Expected credit losses for the year ended 30 June 2023 stood at MUR 354M compared to MUR 474M in the prior year largely due to lower provisioning under the IFRS 9 model at BNI level in the year under review.

Net finance costs stood at MUR 812M compared to MUR 851M in the prior year. Despite the general increase in interest rates environment, the net finance cost decreased for the year under review. This was mainly due to the decrease in net debt of MUR 1.1 bn and further supported by the positive gain on exchange realised on cash balances and foreign exchange dealings in the Hotels & Resorts cluster.

Share of profits of associates and joint ventures increased by 40% to MUR 605M. The notable increase coming from MIWA and Alteo, CIEL's attributable share reaching MUR 306M from MUR 212M in the previous year. This was further enhanced by Bank One, whose share of profits increased by 70% on the prior year to reach MUR 320M on account of the increasing asset base coupled with higher net banking income.

Corporate tax charge increased to MUR 828M from MUR 545M, explained mainly by the turnaround in SUN Limited (Hotels & Resorts) activities whilst the increased profitability in Textile's Asian segment attracted higher taxes where rates average between 25% to 34%.

GROUP FINANCIAL STRUCTURE

GROUP FREE CASH FLOW

The Group posted a Free Cash Flow ("FCF") of MUR 4.2 bn, more than 100% increase on the prior year. FCF is arrived at after deducting for maintenance capital expenditure of MUR 1.1 bn but excludes project capex amounting to MUR 881M.

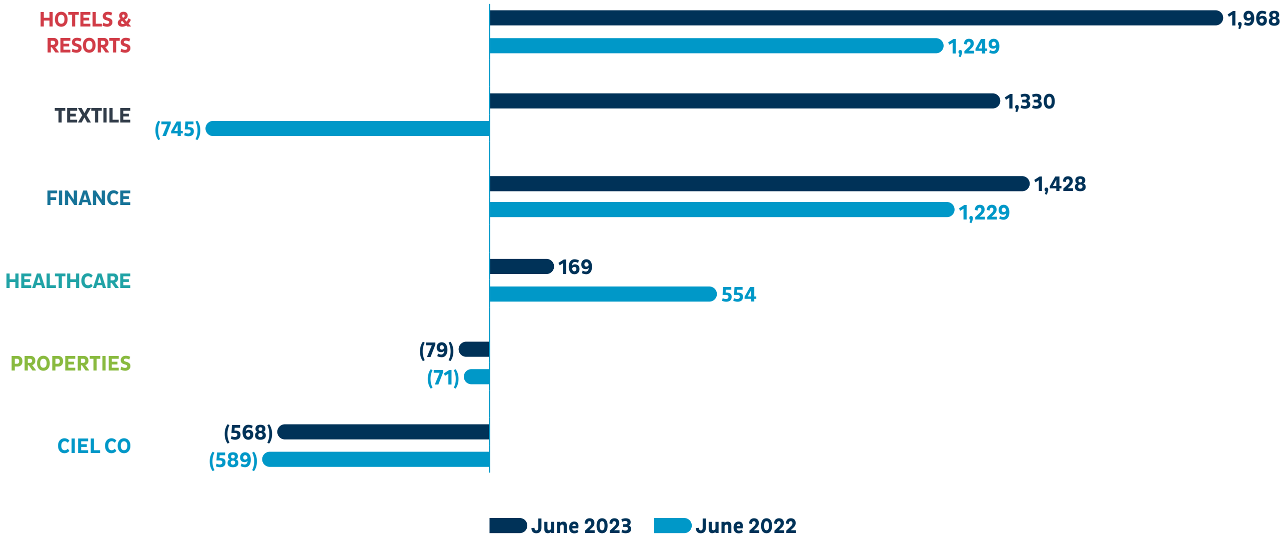
MUR **4.2** bn
GROUP FREE CASH FLOW 2023
2022: MUR 1.6 bn

GROUP GEARING RATIO

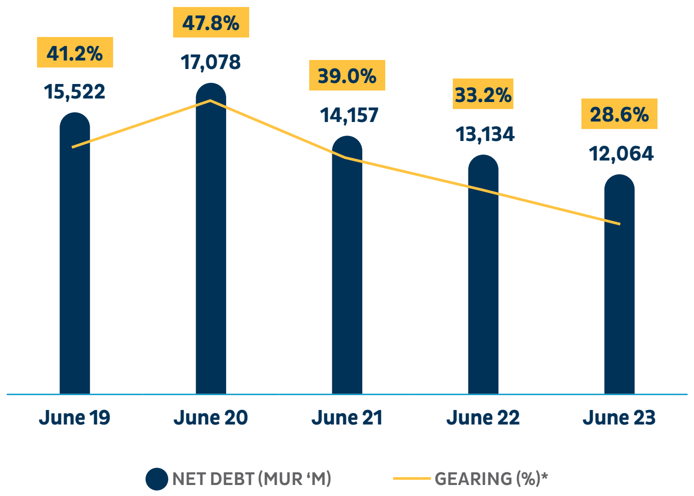
Group net interest-bearing debt decreased by MUR 1.1 bn to MUR 12.1 bn for the year ended 30 June 2023, largely due to the increase in overall cash balances across clusters and the early repayment of bonds at SUN Limited level.

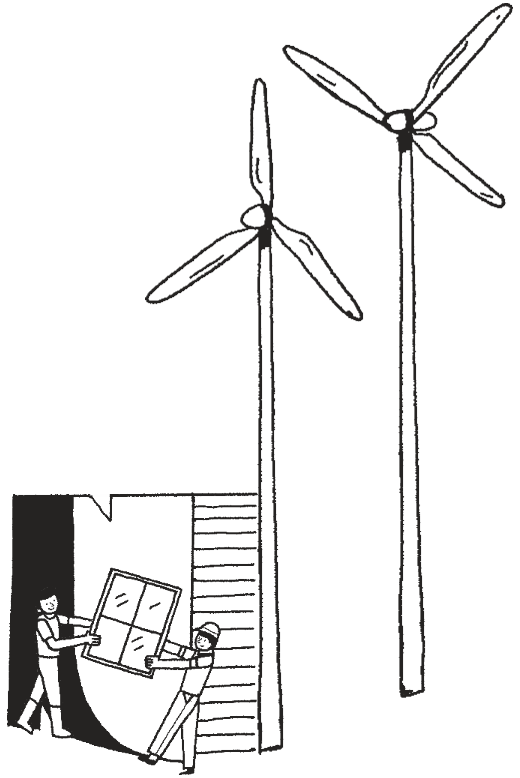
MUR **28.6%** bn
GROUP GEARING RATIO 2023
2022: 33.2%

FREE CASH FLOW BY CLUSTER



GROUP NET INTEREST BEARING DEBT



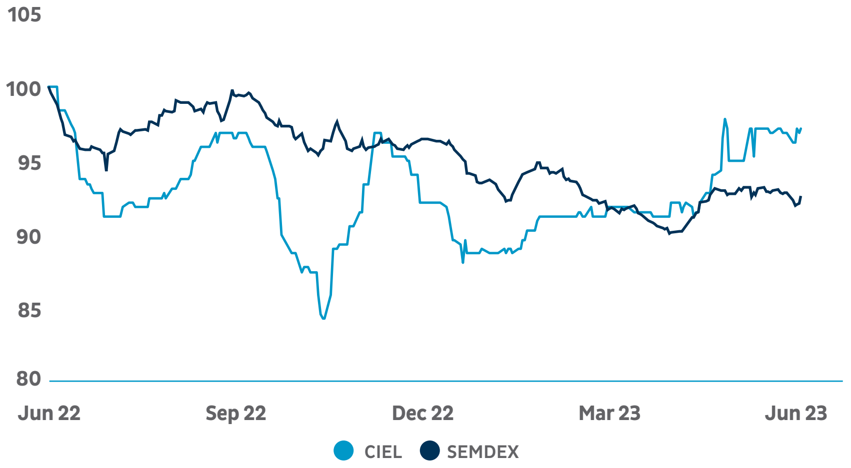


Insights from Our **Group Finance Director** (Cont'd)

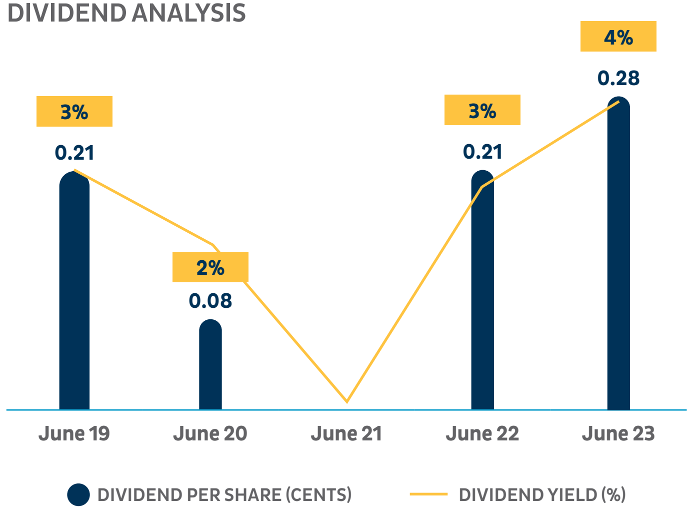
CIEL (COMPANY)

SHARE PRICE INFORMATION

CIEL's share price decreased by 3% to MUR 6.52 from MUR 6.70 at year end 30 June 2022, resulting in a market capitalisation of MUR 11.0 bn. The Stock Exchange of Mauritius Index (SEMDEX) dropped 7% over the same period.

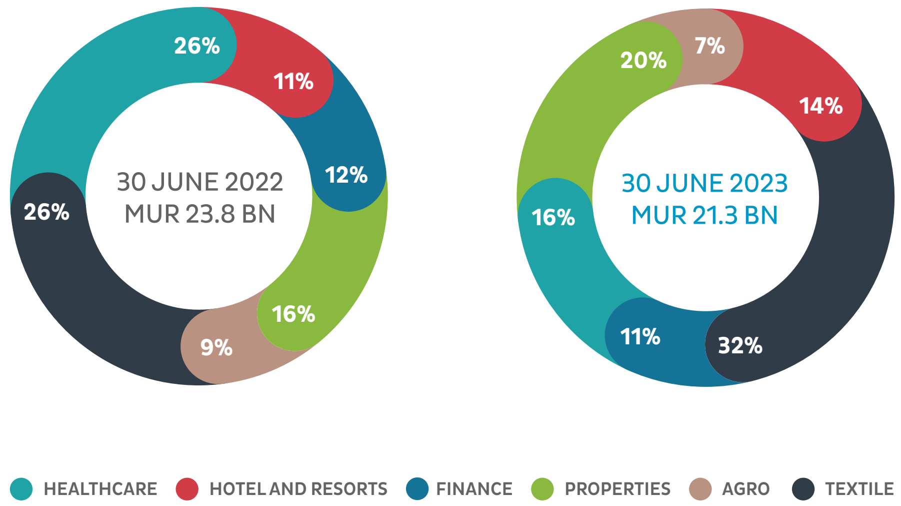


DIVIDEND ANALYSIS



CIEL's dividend policy:
A minimum of 75% of net profits after tax of the Company, depending on the cash flow and financial needs. Payout ratio was 76% for the year ended 30 June 2023 (2022: 104%)

INVESTMENT PORTFOLIO



As at 30 June 2023, the valuation of CIEL's portfolio stood at MUR 21.3 bn, an 11% decline versus the 30 June 2022 position. This can be attributed to the following factors:

- SUN's valuation increased based on the share price increase of 17% to MUR 30.00 from MUR 25.75 at 30 June 2022
- The Textile cluster is revalued once a year in June using the discounted cash flow (DCF) model and has increased its valuation by 11% founded on projections based on its order books and new product mix levels
- The Finance cluster's investments are valued by a mix of DCF (BNI Madagascar), P/E (MITCO) and P/B (Bank One). The decrease in the valuation of CIEL Finance of 17% was mainly due to the cluster's borrowing for the buyout of a minority shareholder, whilst the lower P/E, P/B and higher discount rate negatively affecting the valuation of the underlying assets
- C-Care's valuation is based on the Volume Weighted Average Price which decreased by 48% to MUR 9.76 from MUR 18.82 in the prior year
- The Properties cluster is valued on a NAV basis and the valuation increased by 10% in the year driven by an increase in the fair value of its investment properties; and
- The decrease in the Agro cluster's valuation of 33%, results from the decrease in the share price of Alteo Limited to MUR 8.50 and newly listed MIWA Sugar to MUR 12.74, compared to the combined price at 30 June 2022 of MUR 31.80

Company Net Asset Value fell by 12% to MUR 11.03 per share at 30 June 2023 versus MUR 12.49 at 30 June 2022.

CIEL **Hotels & Resorts**

	CLUSTER REVENUE	EBITDA	PROFIT AFTER TAX
2023	MUR 8,105M	MUR 2,448M	MUR 1,528M
2022	MUR 4,839M	MUR 1,224M	MUR 210M

Francois Eynaud
Chief Executive Officer
Sun Limited

KEY HIGHLIGHTS AND OUTLOOK

“The 2023 financial year has been excellent for Sun. Turnover has increased by more than 30%, group occupancy was at 74% v/s 72% in 2019 as Sunlife increased its market share and Average Daily Rate (ADR) grew by 42% v/s comparable pre-Covid 2019. The high inflation in costs have been mitigated by successful cost management initiatives.

Customer satisfaction ratings were very satisfactory. The new customer experiences under the “Come Alive Collection” were greatly appreciated by our partners and guests.

Several product enhancement initiatives have been implemented, such as room renovations at Long Beach, the refresh of all our Kids Clubs and the renovation of the Buddha Bar restaurant at Sugar Beach.

The launch of the Sunlife Brand-led Transformation project at the end of 2022 was a real success providing huge visibility on international markets and strong engagement from our partners and teams.

On the property side, La Pirogue Residences sales have not yet reached the breakeven/launch point which is expected in FY24 with a new international marketing consultant on board.

The Ile aux Cerfs Regeneration Master Plan has been finalised and entered its implementation phase.

The worldwide lack of skilled staff in the industry has been mitigated by a number of adequate measures and will still be one of our main priorities in FY24.

Looking forward, the demand for travel and for the Mauritian destination remains strong.
Our forward bookings are very encouraging and we expect our first quarter of FY24 to be in line with or better than budget. Provided air connectivity and rates are competitive, we are confident for a successful high season.”

ESG CONTRIBUTION

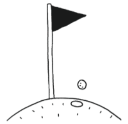
For a World Where Kindness Shines

Our major initiatives at ESG level have been to partner with Utopie and introduce an Integrated ESG system at Sunlife. This will be an improved management and reporting tool with a much more structured approach to our sustainability road map. The goal being to better measure and reduce Sunlife's carbon impact.

Moreover, during the year we have completely eliminated single use plastic in all our hotels and ordered a water desalination plant for Long Beach.

1 PRIVATE ISLAND

6 OWNED AND MANAGED PROPERTIES IN MAURITIUS



1 WORLD RENOWNED GOLF COURSE

2 TOUR OPERATORS

3,500 EMPLOYEES

CIEL **Hotels & Resorts**

CLUSTER PERFORMANCE & STRATEGY

Progress Report for FY23

- The launch of Sunlife Brand-led transformation was a real success providing huge visibility on the markets and strong engagement from our partners and teams
- The 25 new customer experiences under the "Come Alive Collection" umbrella have received big appreciation from our partners and guests. They have boosted Sunlife image as innovative and dynamic
- The sales of La Pirogue Residences have not yet reached the breakeven/launch point which is expected in FY24 with a new international marketing consultant on board.
- The Ile aux Cerfs Master Plan has been finalised and ready to be implemented in FY24
- The lack of skilled staff in the industry has been mitigated by several adequate measures but will remain a priority in FY24 with the launch of our employee experience enhancement programme
- We are satisfied with the progress made on our digitalisation roadmap. Sunlife has moved to Opera Cloud and implemented several digital tools to improve efficiency and customer experience
- On the sustainability front, we have introduced an integrated ESG system which will be an improved management and reporting tool while measuring our carbon impact reduction
- All single-use plastics have been eliminated from Sunlife hotels

Priorities for FY24

- Consolidate the excellent FY23 financial performance
- Strengthen the "Guest Experience Innovation" process
- Property: Fast track our property projects on a "Low risk basis"
- Reach the breakeven sales level and launch of La Pirogue Residences property project
- Launch of our SRL Property 23-acre property project next to Long Beach and Shangri-La Le Touessrok villa project
- Implement the Ile aux Cerfs Regeneration Master Plan
- Roll out our Employee Value Proposition programme to enhance employee experiences, retention and Sunlife attractiveness while implementing all measures to address the lack of skilled staff in the industry
- Finish the soft renovation at Long Beach. Plan successfully the next renovations of our branded hotels
- **Financial**: Continue decreasing our gearing while allowing for sustainable dividends payments and our hotels' next 5 years renovation financing
- **Sales & Marketing**: Optimise ADR growth and continue our market diversification strategy

KEY CLUSTER RISKS

STRATEGIC

- Attractiveness of the Mauritian destination with tough competition of other regional destinations
- Geopolitical tensions impacting key source markets

FINANCIAL

- Continued depreciation of the rupee creates high sustained inflation
- Inflationary pressures have a significant adverse impact on the Group's business and operational results and our customers' ability to travel

OPERATIONAL

- Not being able to attract and retain skilled employees which could adversely impact guest experiences and the subsequent performance of the Group.

COMPLIANCE

- Non-compliance or delay in compliance to regulatory obligations or guidelines

CIEL **Textile**

CLUSTER REVENUE
MUR 17,835M
2023
2022 MUR 15,454M

EBITDA
MUR 2,057M
2023
2022 MUR 1,721M

PROFIT AFTER TAX
MUR 1,093M
2023
2022 MUR 744M

Eric Dorchies
Chief Executive Officer
CIEL Textile

KEY HIGHLIGHTS AND OUTLOOK

"In this financial year, the Woven segment emerged as the most significant growth driver, delivering exceptional performance in India, Mauritius and Madagascar. Floreal, celebrated its 50th anniversary, and has also consistently performed well over the last three years.

Going forward, our primary focus is on reorganising the Knits cluster to adapt to the evolving customer landscape of tomorrow. We hold a dominant position in India's mid-to-up market for shirt manufacturing, with notable clients like Hugo Boss and Polo Ralph Lauren, who are shifting their business from China, thus increasing our market share. There are significant growth prospects in India due to its large population and anticipated market expansion, providing substantial growth opportunities, both domestically and internationally. We remain committed to our sustainability journey and aim to maintain our leadership position in the regions where we operate."

ESG CONTRIBUTION

Demonstrating its commitment and transparency to ESG matters, CIEL Textile has published its Winning Well Report 2022. Here are two significant ESG initiatives within the CIEL Textile cluster:

CIEL Textile and Lacoste Foundation Empowering Madagascar's Youth

CIEL Textile, recognising the pressing challenges faced by the young people in Madagascar, partnered with Lacoste Foundation and Caritas Antsirabe to provide free vocational training across 8 disciplines. These programs equip the young people with valuable skills and experience to secure employment and/or launch entrepreneurial ventures, thus improving their livelihoods. With the support of Aquarelle and the Lacoste Foundation, a training centre has expanded its operations, strengthening ties with the local economy and empowering young Malagasy individuals to take control of their future, thereby breaking the cycle of poverty and unemployment.

CIEL Textile's LEED Platinum-Certified Factories

CIEL Textile showcases its commitment to sustainable manufacturing notably through its two Indian factories Aquarelle Samudra and Laguna Kanakapura, that have achieved the prestigious LEED Platinum Certification. The two facilities prioritize eco-friendly production, with eco-methodologies, natural light wells, responsible water management, renewable energy use, and sustainable landscapes. Aquarelle Samudra is the pioneer among many eco-factories, while Laguna Kanakapura's Platinum LEED rating underscores CIEL Textile's dedication to a greener future, as the group aspires to be among the top global sustainable fashion partners, collectively advancing positive environmental change, shaping a more sustainable tomorrow.

400M USD TURNOVER

4 COUNTRIES

36.5M GARMENTS / YEAR

19 PRODUCTION UNITS

23,000 EMPLOYEES

CIEL **Textile**

CLUSTER PERFORMANCE & STRATEGY

Progress Report for FY23

- Invest and grow our woven shirts manufacturing capacities in India to capture fast-growing demand for "Made in India" products
- Turn around Tropic Group through market-product positioning adjustments and manufacturing performance enhancements
- Manage and provide full support to COTONA (Madagascar) for the JV business plan execution
- Pursue our strategic vision around digitalisation
- Accelerate the deployment of our renewable energy electricity generation across our regions
- CO2 emissions evaluation Scope 1, 2 and 3 as well as implementation of a comprehensive supply chain traceability tool

Priorities for FY24

- #1 high quality woven shirt operator in India and continue to capture growth opportunities both in exports and the domestic market
- Increase demand across segments through sales and marketing
- Continue to consolidate our regional presence (Mauritius and Madagascar) and work closely with COTONA to bring to profitability
- Accelerate momentum on digital transformation
- Renewable energy currently at 36% - 60% by 2025
- Enhancing transparency - deployment of our product traceability solution
- Attract excellent talents to enhance the effectiveness of our high-level succession plan process and launch a CIEL Textile International Graduate Program
- Strong commitment to SBTI targets
- Launch of the CIEL Textile Foundation
- Circularity Roadmap

KEY CLUSTER RISKS

STRATEGIC

- The risk that CIEL Textile is unable to sustain growth due to external shocks to the economies where it operates, to sources of inputs or where material revenues are coming from. This type of risk would result in difficulty to plan and predict financial results, missed performance targets and shareholder dissatisfaction

FINANCIAL

- The risk that foreign exchange rate volatility results in inability to plan and predict financial results due to volatility of costs and revenues

OPERATIONAL

- The risk of reputation damage and loss of business due to cyber related incidents

COMPLIANCE

- The risk that CIEL Textile is unable to manage ever-evolving regulatory and compliance requirements, resulting in fines, revocation of relevant licences and reputational damage

CIEL **Finance**

CLUSTER REVENUE

MUR 5,129M

2023

2022 — MUR 4,544M

EBITDA

MUR 1,601M

2023

2022 — MUR 1,424M

PROFIT AFTER TAX

MUR 1,085M

2023

2022 — MUR 703M

Lakshmana Bheenick
Chief Executive Officer
CIEL Finance

KEY HIGHLIGHTS AND OUTLOOK

"The cluster recorded a 13% uptick in revenue to reach MUR 5.1 bn. This performance was primarily attributed to BNI Madagascar's increase in net banking income led by improved interest rate margins. This resulted in a 12% year-on year rise in EBITDA which closed at MUR 1.6 bn with EBITDA margin of 31.2% at par against FY2022.

Reversal of provisions coupled with higher interest income arising from the growth in loans and advances for Bank One has further enhanced the financial performance. The financial performance of MITCO, which was below the prior year, is expected to improve in line with the revised strategy coupled with the appointment of a Chief Executive.

Profit After Tax of the CIEL Finance Group increased by MUR 382M to reach an all-time high of MUR 1.1 bn for FY2023.

Management is looking forward to consolidating the growth achieved over the last year whilst exploring new growth avenues."

ESG CONTRIBUTION

Consolidating ESG Integration

Governance: Full suite of Sustainability Policies reviewed to consolidate the foundation to integrate ESG in the cluster's operations to keep pace with emerging obligations (regulatory or otherwise).

Other key flagship projects prioritized during the year relate to:

- Roll-out of the UL360 Sustainability Software to gather, analyse and communicate sustainability and ESG data
- Carbon accounting to obtain baseline insights on carbon emissions

2 BANKS

4 COUNTRIES

1 PRIVATE EQUITY FUND

1 FIDUCIARY & CORPORATE SERVICES COMPANY

1,545 EMPLOYEES

CIEL **Finance**

CLUSTER PERFORMANCE & STRATEGY

Progress Report for FY23	Priorities for FY24
CIEL Finance	**CIEL Finance**
• Divestment of non-core assets • Acquisition of minority shareholding in CFL from Amethis Africa Finance • Performance focus on core assets	• Explore investment opportunities • Develop digital products in-house or partnering with Fintech companies (expertise) for regional distribution
BNI MADAGASCAR	**BNI MADAGASCAR**
• Headway in respect of core banking system upgrade • Asset & Liability Management with focus on funding, pricing and asset quality • Collections & Recoveries	• Go-live of latest version of core banking system in H1 2024 • Management of non-performing loans and advances and focus on asset quality • Embed new target operating model to promote client centricity, operational excellence and risk management • Execution of data and digital roadmaps

CLUSTER PERFORMANCE & STRATEGY

Progress Report for FY23	Priorities for FY24
Bank One	**Bank One**
• Embed Sub-Saharan strategy • Growth in domestic mortgage book • Digital Transformation : (Internet/Mobile Banking, POP payment app, MasterCard offering and digital onboarding solution)	• Increase market share across all business lines in Sub-Saharan countries • Embed Data and Digital Strategy • Enhance client-centric target operating model with focus on operational excellence and risk management
MITCO	**MITCO**
• Client retention • Customer service • Business development • Recruitment for critical vacant positions	• Embed new target operating model to promote client centricity, operational excellence and risk management • Focus on customer experience • Digital transformation of core activities and supporting processes • Business Development & Strategic Alliances

KEY CLUSTER RISKS

STRATEGIC
- Competition from non-banking financial services providers

CREDIT
- Deterioration in credit risk profiles

CYBER
- Harnessing cyber risk given that financial services providers remain the prime targets for cybercriminals

COMPLIANCE
- Incremental regulatory and legislative changes

COUNTRY
- Sovereign default concurrent to political risk

CIEL **Healthcare**

CLUSTER REVENUE
MUR 4,121M
2023
2022 MUR 3,562M

EBITDA
MUR 803M
2023
2022 MUR 817M

PROFIT AFTER TAX
MUR 350M
2023
2022 MUR 432M

Hélène Echevin
Chief Executive Officer
C-Care Group

KEY HIGHLIGHTS AND OUTLOOK

"Our 2023 performance has been better than expected despite the fall-off in Covid revenue. These positive results bear testimony to the efforts implemented across C-Care in the last three years, as we sought to elevate patient safety and the patient experience through operational initiatives and investment in state-of-the-art equipment, refurbishment of our facilities, and learning and development programs.

Key milestones for 2023 encompass a significant enhancement of our quality journey with our CHKS accreditation for C-Care Darné and C-Care Wellkin, and our ISO certification at C-Lab.

We have also increased both our bed capacities and lab services coverage both locally and regionally, positioning us firmly on a progressive path.

As we gaze towards 2024, we are excited about several imminent openings, namely C-Care Grand Baie, C-Care Tamarin, C-Care Cancer Centre, and new C-Pharma at Wellkin and Grand Baie.

Our commitment to the community remains unyielding, as epitomised by our initiatives, for instance, C-Care on the Road and One Life One Tree as well as our strategic partnerships with local training institutes for nursing qualifications.

Finally, we will maintain our drive towards a regional expansion strategy to fortify C-Care's footprint. Let's look forward to another year of diligence, resilience, and success, as we continue shaping the future of healthcare."

ESG CONTRIBUTIONS

Carbon Accounting and Management Tool Project

C-Care embarked on its Carbon Accounting exercise in March 2023, enabling us to derive meaningful insights into our greenhouse gas (GHG) emissions. Through this, we aim to develop a comprehensive climate strategy to focus on reducing our emissions in the pursuit of a more environmentally responsible and sustainable future.

Act For Your Community

We have given back to the community by providing free screening for non-communicable diseases in four regions, supported paediatric surgeries and provided breast cancer screening to more than 300 women with restricted access to healthcare through the mobile screening bus 'Bis Roz'.

2 COUNTRIES

3 HOSPITALS

22 PRIMARY AND SECONDARY CARE CLINICS*

4 MAIN CENTRAL LABORATORIES**

41 C-LAB COLLECTION CENTERS***

2,200 EMPLOYEES

** 2 in Mauritius, 20 in Uganda ** 3 in Mauritius, 1 in Uganda*
**** 22 in Mauritius, 19 in Uganda*

CIEL **Healthcare**

CLUSTER PERFORMANCE & STRATEGY

Progress Report for FY23	Priorities for FY24
C-Care International	**C-Care International**
• C-Care Group rebranding executed including new website integrating C-Care Uganda	• Investigate expansion opportunities in East Africa
C-Care Mauritius	**C-Care Mauritius**
• Quality strategy: Comprehensive Health Knowledge System (CHKS) Accreditation obtained • C-Care App: Android version ready to be launched • C-Lab: 8 new collection centres opened • C-Care Grand Baie relocated to Mont Choisy Le Mall	• CHKS Accreditation of C-Care Clinic Grand Baie • C-Care App: Launch of Android and iOS app • C-Lab: Increase number of collection centers • C-Care Wellkin: New day care center with added rooms, OPD refurbishment • C-Care Darne: New oncology centre • C-Care Grand Baie: CT scan installation and grow operating theatre procedures • C-Care Tamarin – Relocation and opening – Installation of CT scan • C-Pharma – Launch at Wellkin, Darné and Grand Baie • Employee engagement survey & Employer Branding Strategy
C-Care Uganda	**C-Care Uganda**
• Rebranding into C-Care has contributed largely to the turn around of the Ugandan activities • C-Care IHK: Replacement of the CT scan, outpatient and maternity ward renovation • C-Care Clinic: Renovations and relocations	• C-Care IHK: Rooms additions • C-Care IMC: Conversion of IMC Gulu and Mokono in IP centers by adding new rooms and 2 new clinics opening
	C-Care Madagascar
	• Strenghthen our presence through the acquisition and development of Centre Technique Biomédical (CTB), a medical laboratory in Madagascar

KEY CLUSTER RISKS

STRATEGIC

- New entrants in the market
- Lack of clinical staff (nurses)
- Decrease in purchasing power caused by high inflation

FINANCIAL

- Risk of recession affecting revenue
- Inflation increasing cost base and not being able to pass this on to customers

OPERATIONAL

- Recruiting and retaining talents

COMPLIANCE

- Risk of data breaches

CIEL **Properties**

CLUSTER REVENUE
MUR 206M
2023
2022 MUR 133M

EBITDA
MUR 278M
2023
2022 MUR 237M

PROFIT AFTER TAX
MUR 200M
2023
2022 MUR 136M

Guillaume Dalais
Deputy Group Chief Executive of CIEL Group
Chief Executive Officer of CIEL Properties

KEY HIGHLIGHTS AND OUTLOOK

"The 2023 financial year marked a significant milestone for CIEL Properties as it successfully achieved its two main strategic objectives. The first achievement was the realisation of Evolis Properties as a fully operational mixed-use property investment vehicle. The second milestone was the launch of La Vallée de Ferney and the subsequent sales of its first phase, Montagne du Lion Farm Living, which has been a success, indicating the start of this promising and socially responsible project.

In the coming year, we will focus on expanding our portfolio, exploring new avenues for investment, and maintaining our reputation for delivering high-quality, socially responsible projects. Our outlook for the 2024 financial year is one of optimism and determination as we continue to strive for excellence and innovation in the real estate industry."

ESG CONTRIBUTION

Evolis

Throughout the fiscal year, we achieved significant milestones in our ESG initiatives. These included the installation of a Photovoltaic system at Ebene Skies producing approximately 96,000 kWh per year, the implementation of rain harvesting and smart metering at Nouvelle Usine and Ebene Skies, and the enhancement of our waste management practices. We implemented a rigorous monitoring system for monthly waste collection, categorised by product type, ensuring more efficient resource allocation.

La Vallée de Ferney

La Vallée de Ferney accelerated its conservation efforts during the year under review with the addition of two hectares of endemic forests within Ferney 150 hectares Conservation Park.
In addition, two endemic plants nurseries are running at full capacity with more than 30,000 plants in stock. The plants will be used for a large-scale reforestation project which will start in 2024. From a community standpoint, La Valle de Ferney successfully launched its bio-farm project with a collective of women from the surrounding villages. Thanks to a partnership with HSBC, 5 ladies received training from Le Vélo Vert on agro-ecology and have started cultivating 2 hectares of arable land.
This initiative along with a reinforced collaboration with Ferney Agri-Hub agri-entrepreneurs contribute to the national food security agenda as well as our Farm to Table concept adopted within Ferney Nature Lodge and Ferney Falaise Rouge Restaurant.

Evolis

Mixed use property investment vehicle

- Total asset value of MUR 2.0 bn
- 72,000 sqm of building
- 18.8 hectares of land

80
EMPLOYEES

Ferney Ltd

A Tropical Agrihood

- La Vallée de Ferney project under a smart city scheme
- 3,200 hectares of land including 100 hectares of nature reserve
- Four lodges at Ferney Nature Lodge for a sensory immersion within nature
- One restaurant Falaise Rouge using the concept from Farm to Table

CIEL **Properties**

CLUSTER PERFORMANCE & STRATEGY

Progress Report for FY23	Priorities for FY24
Evolis Properties Ltd	**Evolis Properties Ltd**
• The launch of Nouvelle Usine around an innovative human-centric working experience was a success with an occupancy rate of more than 90% for Phase 1 • The successful regeneration of the ex-Consolidated Fabrics Ltd building into a 25,000 sqm light industrial and warehousing hub, Flexeo Business Park with a 96% occupancy rate • Achievement of a 97% occupancy rate on a GLA of 65,378 sqm	• The launch of Phase 2 of Nouvelle Usine with a special focus on retail, light industrial, and F&B offerings. The innovative concept, "Shop with a Purpose," is set to launch in March 2024 • Accelerate Evolis digital strategy implementation • Launch of the second phase of Flexeo Business Park. A comprehensive renovation introducing an additional 2500sqm of warehousing and light industrial facilities to the market, starting from February 2024 • Maintain Evolis drive towards continuous improvement of its customer experience, operational excellence and sustainability commitments
La Vallée de Ferney	**La Vallée de Ferney**
• The successful unveiling of La Vallée de Ferney new identity, a Tropical Agrihood • The successful commercialisation of 68 plots within Ferney Farm Living, a unique project to promote sustainable farming and living	• Start of Phase 1 Common Infrastructure works and set-up of a new water treatment plant in Ferney in partnership with the Central Water Authority • Start of Ferney Farm Living construction works and reforestation programme • Launch of Ferney Farm Living Phase 2 with additional plots • Development of Ferney eco-tourism offering with new experiences

KEY CLUSTER RISKS

STRATEGIC

- Ferney Development Ltd project launch and sales realisation

FINANCIAL

- Pre-development costs incurred for Ferney Development Ltd

OPERATIONAL

- Increasing construction and operational costs

COMPLIANCE

- Compliance to AML (Anti-Money Laundering) / CFT (Countering the Financing of Terrorism) regulations

CIEL **Agro**

SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

MUR 306M

2023

2022 MUR 212M

SHARE OF NET ASSETS FROM ASSOCIATES AND JOINT VENTURES

MUR 3,830M

2023

2022 MUR 3,606M

ALTEO		MIWA SUGAR
1	COUNTRY/IES	2
1	SUGAR FACTORY/IES	2
2*	POWER PLANTS	1
1,450	EMPLOYEES	4,300

L. J. Jérôme De Chasteauneuf
Group Finance Director of CIEL
Chairman of Alteo Group

KEY HIGHLIGHTS AND OUTLOOK

“In November last year, the Alteo Group split into two entities: Alteo Limited, focusing on Mauritian operations, and MIWA Sugar, handling East African operations. Alteo aims for sustainable value creation from its Eastern Mauritius land holdings. For example, the Anahita Beau Champ serviced plots are now on sale, coinciding with the successful launch of its Smart City Project's first phase. Additionally, the Agro-business plans to modernise farming through mechanisation, derocking, GPS/GIS technologies, and diversifying sugar production for a varied product mix.

In the 2023 financial year, TPC, a subsidiary of Miwa Sugar, achieved a record sugar production, processing 1,131,073 tonnes of sugarcane to yield 115,224 tonnes of sugar, a third of Tanzania's total production. TPC plans to expand Tanzania's sugar supply and create value from by-products by establishing an 11-million-liter distillery for high-quality ENA (Extra Neutral Alcohol). Miwa Sugar's Kenyan factory, Transmara Sugar Company Limited (TSCL), also had an exceptional year, producing 99,700 tonnes of sugar, a 1.5% increase from the previous record.”

ESG CONTRIBUTION

Sustainable and Pesticide-Free Cultivation

Island Basket Ltd, a subsidiary of Alteo Ltd, produces about 20 varieties of tomatoes under greenhouses which are unique in the Indian Ocean. The tomatoes are tested in laboratories where it is demonstrated that they contain zero pesticide. Currently, 200 tonnes are produced annually.

TPC has established an eco-friendly effluent treatment facility, utilising natural processes enhanced by solar light, wind, microorganisms, and algae to purify factory effluent. The facility includes two settlement ponds, two mulch ponds, and free water surface wetlands, all covering approximately 13 hectares. The effluent volume from the factory varies between 2,592 to 3,888m^3/day.

** 1 bagasse/coal power plant in Mauritius, 1 solar farm in Mauritius*

CIEL **Agro**

PERFORMANCE & STRATEGY - ALTEO

Progress Report for FY23	Priorities for FY24
Property	**Property**
• Anahita Estates Ltd recorded ten serviced plots sales, compared to nine sales of serviced land and two sales of off-plan villas in FY22 • The final phase of Anahita Estate, The Banyans, was launched in February 2023 with all 12 available plots for sale already fully reserved • In May 2023, the new Smart City project, Anahita Beau Champ, was released to the market. The initial residential phase includes 7 villas, 15 apartments and 31 plots of land available for sale • The property cluster of Alteo registered 55 sales of residential plots at Mont Piton 2, Balnea 1 and Balnea 2	• The sale of remaining plots in Anahita Estate will continue during FY24 • Infrastructure works for The Banyans is expected to be completed before the end of FY24. The signing of the 12 title deeds will be done thereafter • The property cluster of Alteo expects to obtain the Smart City Certificate for Anahita Beau Champ during FY24 and launch the infrastructure of the first residential phase and part of the common areas • Alteo will launch new agricultural morcellements in Amaury, Sebastopol, Clavet, Bel Air and Melrose during FY24
Agrobusiness	**Agrobusiness**
• Derocking of ex-manual fields and mechanisation of agricultural activities • EU sugar cost of production (out of beet) is staying near historical highs, with higher beet prices and miscellaneous costs offsetting lower energy prices. EU sugar prices expected to remain high in FY24, with current high price environment	• Enhance the efficiency of the sugar mill and reduce maintenance expenses, with a specific focus on optimising sugar production and ensuring high quality. • Annually transform 150 hectares of low-yielding manual fields into fully mechanised ones. • Enhance field productivity through precision agriculture and the implementation of best management practices, aiming to reduce production costs

PERFORMANCE & STRATEGY - MIWA SUGAR

Progress Report for FY23	Priorities for FY24
TPC – Tanzania	**TPC – Tanzania**
• Continuation of various agricultural development projects • Early confirmation of expected lower cane yields following two-year drought, though partly mitigated by better sugar prices	• Maximize the value derived from sugar cane by-products by implementing a distillery and a bottling plant to produce the highest ENA in accordance with European specifications
Transmara Sugar Company - Kenya	**Transmara Sugar Company - Kenya**
• The rise in sugar production, coupled with higher sugar prices, boosted their profitability • The equipment for the bagasse briquetting plant has been ordered and the commissioning of the plant is anticipated in January 2024. This should considerably reduce the excess bagasse stockpile and be a source of renewable energy going forward	• Increased Production and sales volumes to achieve economies of scale • Installation of a fifth mill and spare evaporation line so as to improve factory efficiency

KEY CLUSTER RISKS

STRATEGIC

- Global sugar market conditions and sugar price volatility affecting performance
- Inability to align with the national energy strategy with regards to the zero-coal policy/dependency on coal for production of electricity
- Unfavorable market conditions in Kenya and Tanzania impacting ability of MIWA to meet shareholders' expectations

FINANCIAL

- Cost pressures impacting on the sugar cluster's performance
- Fluctuations in the exchange rate impacting the financial performance of the company

OPERATIONAL

- Underutilisation of milling capacities due to reduced supply of cane
- Misalignment of cane development versus crushing volume at TSCL may result in an "over-matured' cane situation, pushing farmers to switch for other crops or to sell their cane to other millers

EXTERNAL

- Adverse/extreme weather conditions such as heavy rains, floods, droughts and cyclones
- Increased risk of fire from heavy machinery in the factory, arson in cane fields and bagasse piles

How We Plan to **Sustain Value over Time**

Packed with Perseverance

Govinda's story forms part of the diverse fabric of CIEL, demonstrating how challenges can serve as platforms for success.

Govinda has been a valued member of Laguna's team for the past three years. He efficiently folds and packs shirts in the finishing section. Laguna provides him and many other people with disabilities with the opportunity to thrive.

As the sole provider for his family, he aspires one day to secure a home for them. Govinda is also a talented dancer, inspired by Bollywood beats and traditional Indian dance moves.

At work, and at leisure, he has overcome challenges and is a valuable asset to the Laguna team.

Govinda
Finishing Helper
Laguna, India

Our **ESG Approach**

The progress made in our sustainability journey is indeed a direct result of the **passion and commitment of our employees**

Shifting Mindset

Sustainability is a continuous journey; one, which we believe requires us to build a sustainability mindset that permeates all areas of the Group. People-powered success is the cornerstone of that mindset. The progress made, since 2020, under the three pillars of our sustainability strategy is indeed a direct result of the passion and commitment of our employees to create a world we can all feel proud of.

Investing in Our People

At CIEL, we endeavour to leverage on the collective ability of our 37,500 employees to drive sustainable behaviours in the company and in the communities in which we operate. Nurturing this culture through multiple awareness initiatives and platforms as well as specific learning and development (L&D) programmes has remained a key area of focus this year. The programmes are developed or sourced in collaboration with internal and external experts and supported by a digitalisation process at cluster level. Cultivating the rich diversity brought by our talents and the variety of stakeholders we interact with is also a fundamental principle in our journey. Key milestones in our sustainability journey included organising Group functional forums, such as HR, Sustainability, Finance, and Risk Forums, to foster exchange of ideas and share best practices. We also hosted an Annual Symposium with our management teams, launched CSR campaigns, and continued with our unique 'Act for' initiatives. These programs encourage meaningful connections with our communities by actively participating in multi-stakeholder consultative workshops and a series of informal events aimed at promoting social interactions and enhancing team spirit.

A Culture of Innovation

We also believe in a culture of innovation underpinned by sustainable thinking, to deliver great business results and customer experience. This can be best illustrated by the systematic integration of sustainability as a criteria and category in our recognition programmes such as the Innovation Awards and the Excellence Awards both at Group and Cluster level.

Partnerships

We also recognise that to achieve meaningful change, partnering for impact is the way forward. Our global stakeholder network includes an intricate web of local communities, customers, suppliers, industry associations, non-governmental organisations, civil society organisations, academia, multilateral organisations, governments, our employees, investors and shareholders. Our regular interaction with stakeholders and numerous partners enables us, in our true entrepreneurial spirit, to accelerate our journey and leverage our collective expertise. Some of our long-term partnerships focus on community empowerment: CIEL Foundation, Actogether and Lacoste Foundation, amongst others. Our environmentally-driven partnerships cover efficient management of resources notably on circularity, for example, the Reverse Resources Platform. We further reinforce our commitment towards the local economy through innovative initiatives such as Agri-hub and climate-smart agriculture.

True to our purpose, we will continue to invest in human capital and our network of stakeholders to drive positive and meaningful impact.

Diversity and Ethics

Our engagement on Diversity and Ethics is also a driving force in achieving a sustainability mindset. Our unique Go Beyond Gender programme is a testimony to the Group's commitment to delivering structural changes. This has been supported by investment in the establishment of Go Beyond Gender committees at cluster level, the organisation of the first CIEL Women Forum and a bespoke Women in Leadership Programme.

True to our purpose, we will continue to invest in human capital and our network of stakeholders to drive positive and meaningful impact. We look forward to the implementation of our roadmap across all our operations and geographies as well as the lessons to be learnt along this path.

Dev Sewgobind
Group Head of Human Resources and Sustainability

Foster a **Vibrant Workforce**

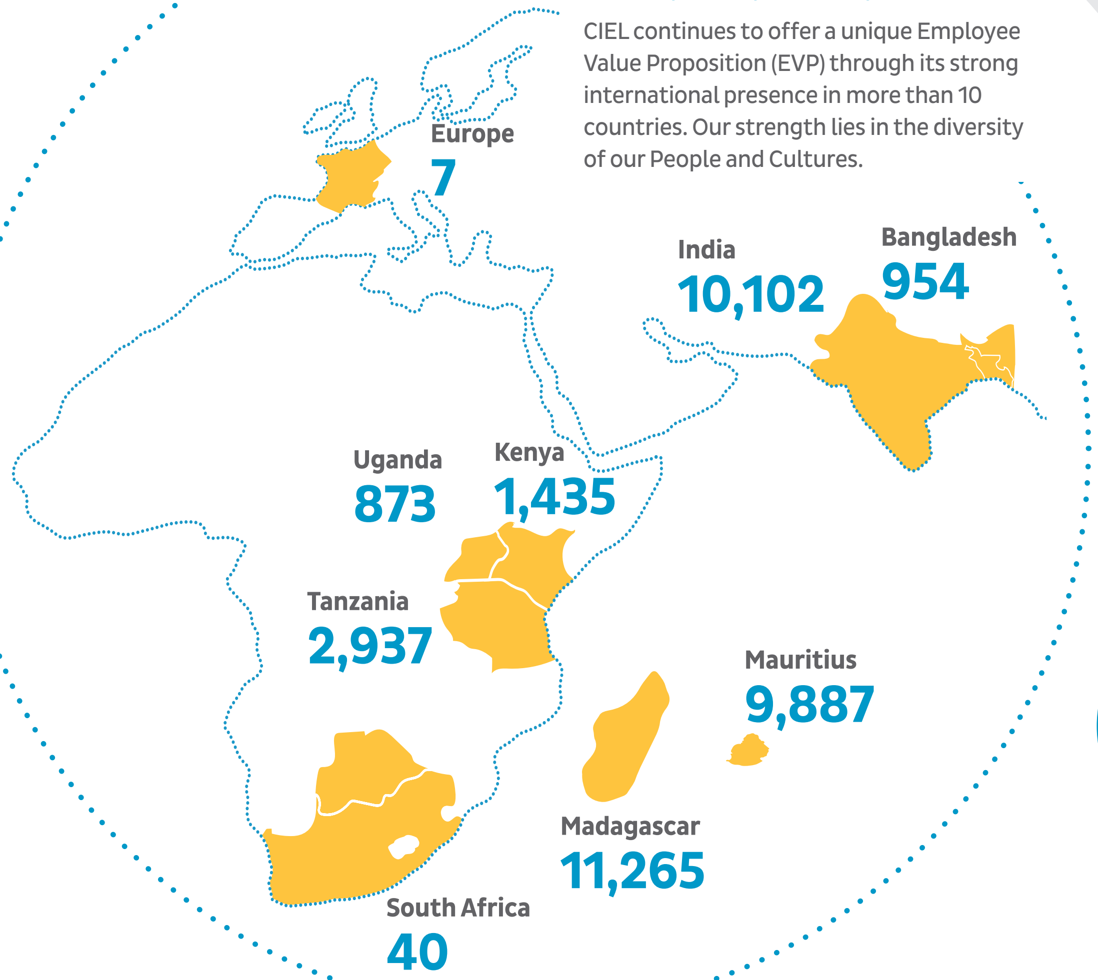
WORK ENVIRONMENT

TOTAL NUMBER OF EMPLOYEES IN THE GROUP

37,500
30 June 2023

Employees by country

CIEL continues to offer a unique Employee Value Proposition (EVP) through its strong international presence in more than 10 countries. Our strength lies in the diversity of our People and Cultures.



26%
Employees **based in Mauritius**

74%
Employees **based outside Mauritius**

EMPLOYEES PER CLUSTER

Ciel Textile	24,167	64.4%
Ciel Hotels & Resorts	3,121	8.3%
Ciel Healthcare	2,562	7.0%
Ciel Finance	1,687	4.5%
Ciel Agro	5,820	15.5%
Ciel Properties	89	0.2%
Ciel Head Office	54	0.1%

39 YRS
Average employee age

7 YRS
Average years of service

Engagement Survey

In line with our commitment to provide employees with a voice and create a conducive work environment, the Group has conducted an Employee Engagement Survey with a recognised independent service provider. The objective is to drive positive changes by taking meaningful actions based on the feedback received. The survey will also enable eligible companies to be certified as an 'Employer of Choice'.

Foster a **Vibrant Workforce** (Cont'd)

DIVERSITY AND ETHICS

CIEL actively invests in delivering an inclusive working environment through diverse strategies and actions.

Introduction of New Group Policies

The Diversity and Inclusion Policy and Harrassment and Bullying Policy were approved by CIEL Board in June 2023.

These policies demonstrate our commitment to provide a working environment free of discrimination, harassment and bullying, and where all stakeholders are treated, and treat others, with dignity, fairness and respect regardless of factors such as gender, disability, age or race.

These two policies will be cascaded to all the Group subsidiaries and monitored.

Employability Programme for People with Disabilities (PwD)

The Group continues to employ PwD contributing to a diverse, inclusive and a positive workplace culture.

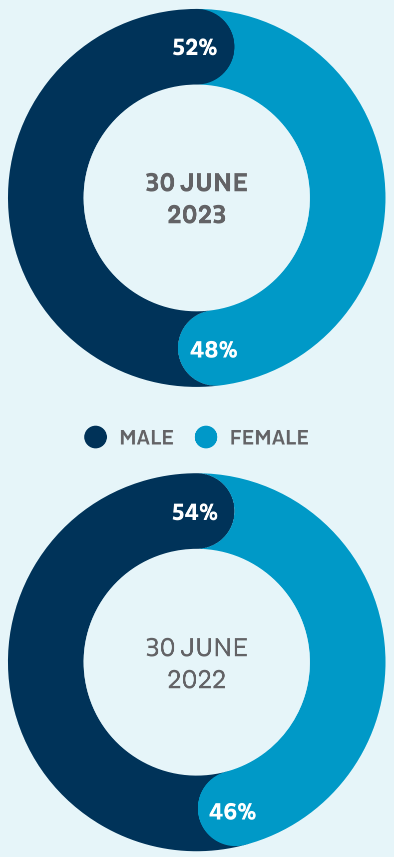
In Asia, the Textile Cluster employs approximately 125 PwD whilst in Mauritius the focus has remained on creating awareness and training of colleagues on this important topic. To date, 116 PwD are in employment in Mauritius, Madagascar, Kenya, Tanzania and Uganda.

98%
Of grievances resolved in FY23
(within defined timelines)

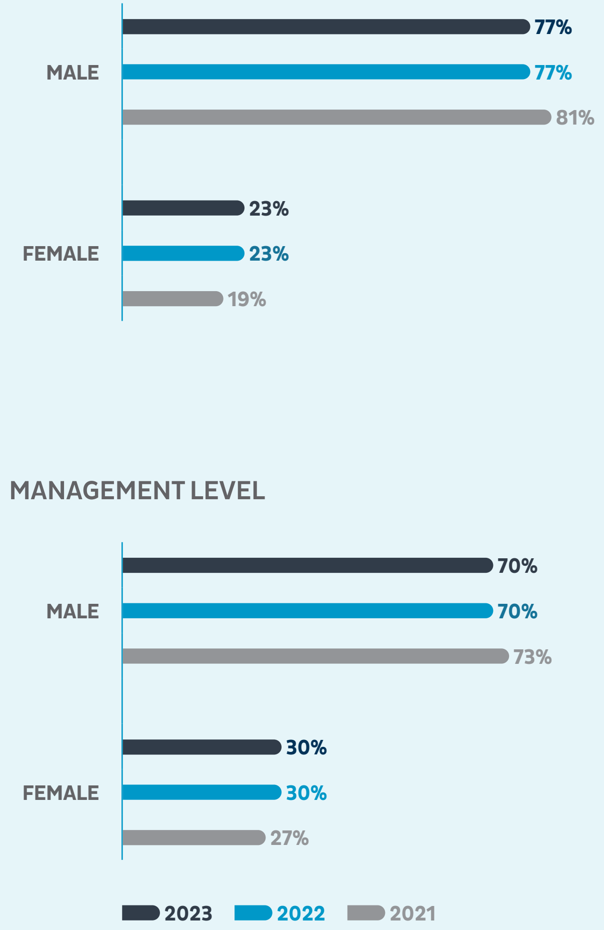
31%
Increase of employees with disabilities in FY23

Gender Balance

GENDER COMPOSITION WITHIN THE GROUP



DIRECTORSHIP LEVEL – CIEL AND SUBSIDIARIES ONLY



Foster a **Vibrant Workforce** (Cont'd)

DIVERSITY AND ETHICS (CONT'D)

Go Beyond Gender Programme

Promoting Diversity and Inclusion through Trainings and Forums

- An E-learning training program was launched in February 2023 on Gender Balance in the Workplace to equip employees with knowledge and tools to proactively promote diversity and inclusion
- CIEL Women in Leadership Development Programme has been designed to equip our talented women with the necessary skills and tools to drive their career growth within the Group. It comprises of two components that started in August 2023:
  - CIEL Accelerating Women in Leadership Programme delivered by Stellenbosch University with a first batch of 33 women
  - CIEL Active Allies for Gender Equity Programme delivered by international consultants where more than 80 leaders were trained on their role as allies in creating an inclusive workplace where their women colleagues can thrive
- First CIEL Women Forum held in March 2023 gathering 110 women across the Group to celebrate achievements, share experiences and build connections

Establish Pay Parity by 2025

- Assessment of remuneration gap done in each cluster and action plans devised to achieve parity

Create a Women-Friendly Environment by 2023

- Each cluster has set up their own committee and are developing diverse solutions to provide greater flexibility and comfort for women

CIEL Accelerating Women in Leadership Programme

CIEL Active Allies for Gender Equity Programme

First CIEL Women Forum held in March 2023

Employee Mobility

CIEL values the potential and skills of its employees and provides them with continuous growth opportunities within the Group.

Total number of appointments (transfers and internal promotions)

1,415	1,146
2023	2022

23%

Foster a **Vibrant Workforce** (Cont'd)

LEARNING AND DEVELOPMENT

Strategic Partnerships

CIEL continues to leverage on strategic partnerships with some of the best universities locally and globally in developing and delivering bespoke training programmes for our talents.

The CIEL HEC Leadership Development Programme in collaboration with HEC Paris (Hautes Etudes Commerciales de Paris) which is one of the most prestigious business schools in the world. HEC Paris is known for its rigorous academic standards, strong international focus, and its contribution to business research and education.

The CIEL Textile Strategic Leadership Programme in collaboration with IIMB (Institute of Management Bangalore) which is a renowned business school in Bangalore, India. IIMB is known for its high-quality management education, research, and executive development programs.

The CIEL Accelerating Women in Leadership Programme in collaboration with Stellenbosch University, based in South Africa, which is internationally recognised for its quality education and research and for its collaborations with universities and institutions worldwide.

A customised Bachelor of Science (BSc) in Nursing for the CIEL Healthcare cluster in collaboration with Charles Telfair Institute (CTI) which is an institution of higher education based in Mauritius.

Hours of Training

TOTAL TRAINING HOURS FOR THE GROUP

469,320

FY23 (49% ▲)

Representing more than 10,500 working days of Leadership and soft-skills development trainings

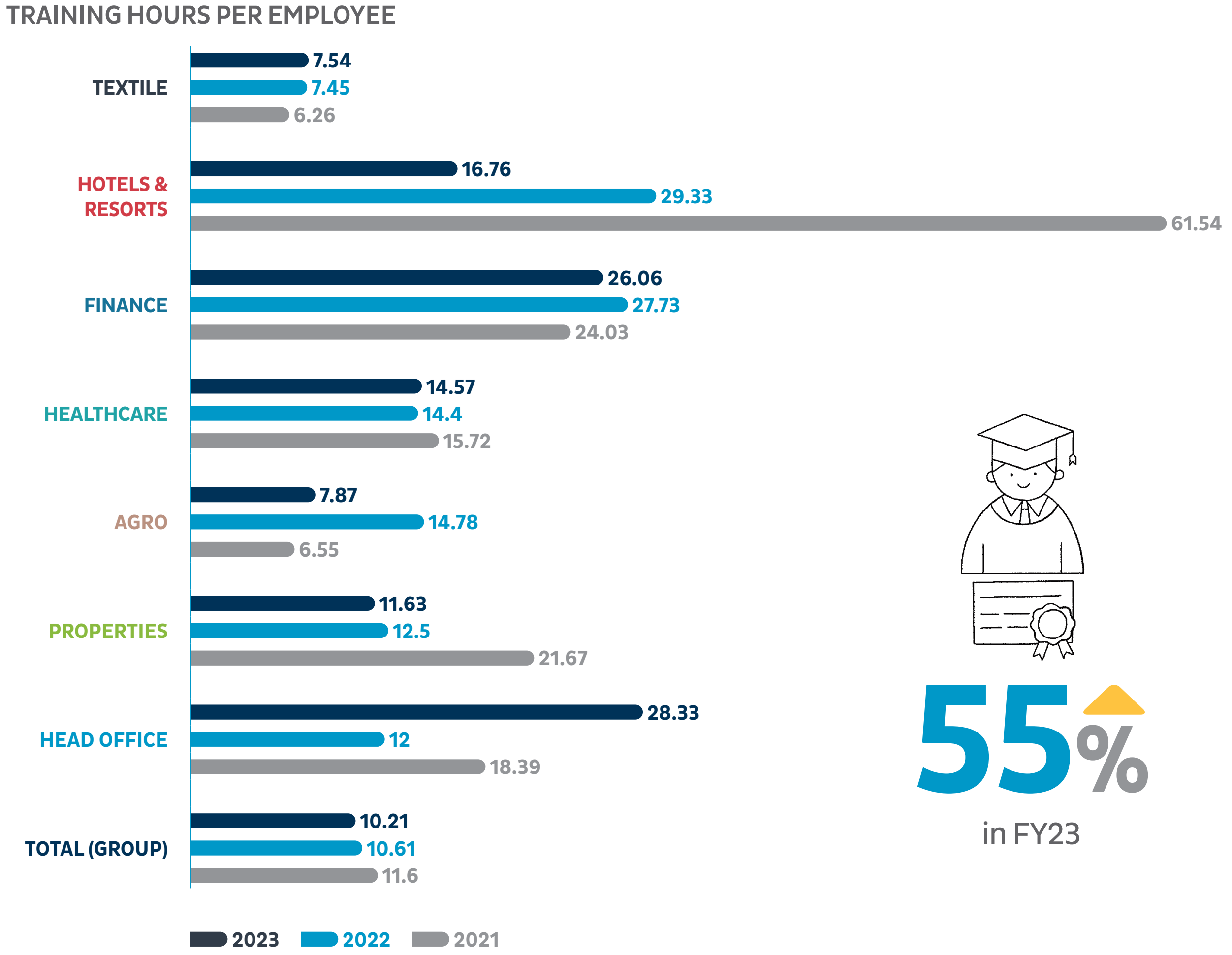
314,531

FY22

TOTAL TRAINING HOURS PER CLUSTER FOR FY23

Cluster	Hours
TEXTILE	270,170
HOTELS & RESORTS	98,970
HEALTHCARE	23,490
FINANCE	49,680
AGRO	26,630
PROPERTIES	560
HEAD OFFICE	820

Workforce Trained



55% ▲

in FY23

Champion **Inclusive Growth**

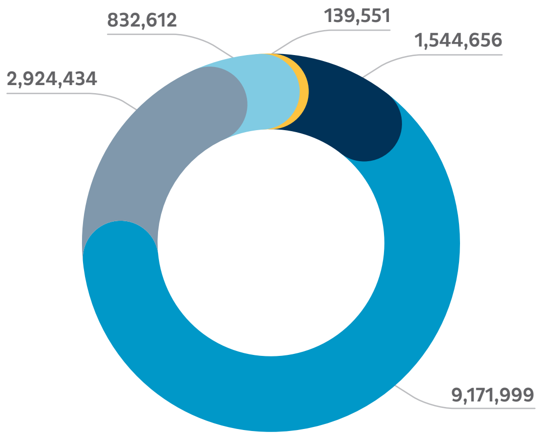
COMMUNITY EMPOWERMENT - **CLUSTERS**

Strategic Goals

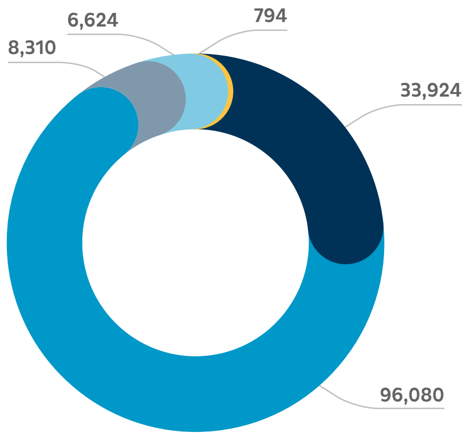
- By 2025, increase the proportion of long-term community actions to 40%, and to 60% by 2030
- By 2030, facilitate industry job awareness and access to training and skills to a number of people equivalent to one third of our workforce per year

Key Highlights

FUNDING PER CATEGORY (MUR)



NO. OF BENEFICIARIES PER CATEGORY



CITIZENSHIP HEALTH EDUCATION POVERTY DISABILITY

Ciel Healthcare

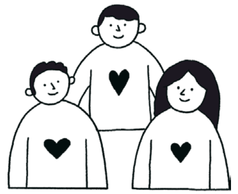
Revamped the C-Care on the road programme in Mauritius to facilitate access to care in pre-defined regions throughout the year. Initially providing free breast cancer screening to women in regions identified as vulnerable communities (360+ women screened since inception of our Bis Roz initiative), the program is now targeting three non-communicable diseases: cancer, diabetes and cardio-vascular diseases.

Ciel Textile

Organisation of Health Camps in India providing blood donation, ENT consultations, Covid vaccination, diabetes screening, cervical cancer screening, dental care, benefiting more than 20,000 inhabitants since 2014 in collaboration with a wide network of partners.

Ciel Finance

Participated in the construction of a maternity health center in Madagascar which can accommodate at least five patients along with physicians in place to provide the necessary consultation and care.



145,000+

BENEFICIARIES

19% ▲

on FY22

PARTNERSHIPS AND COLLABORATING FOR IMPACT

- Victoria Hospital and Princess Margareth Orthopaedic Centre, Mauritius
- Lacoste Foundation (Madagascar)
- Dayananda Sagar Hospitals and Research Centre, Harohalli, India
- Akash Multi Super Specialty and Research Centre Devanahally, India
- Bangalore Cancer Hospital, India
- District Health Department, India
- Forces Vives de Flic en Flac, Mauritius
- SOS Children's Villages Mauritius
- Link to Life, Mauritius

Champion **Inclusive Growth** (Cont'd)

COMMUNITY EMPOWERMENT - CIEL FOUNDATION

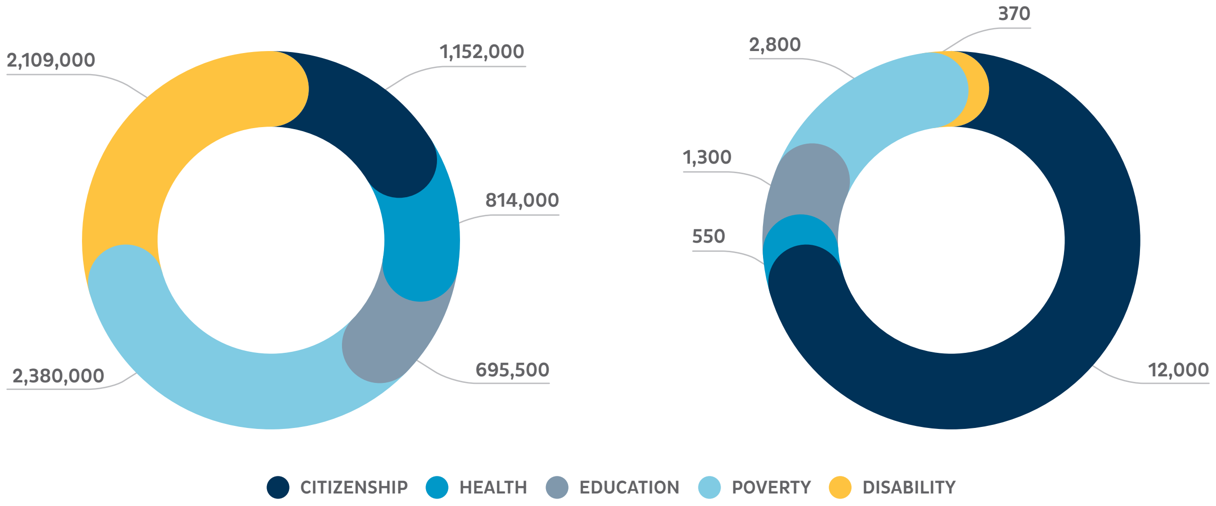
Strategic Goals

- By 2025, increase the proportion of long-term community actions to 40%, and to 60% by 2030
- By 2030, facilitate industry job awareness and access to training and skills to a number of people equivalent to 1/3rd of our workforce per year

Key Highlights

FUNDING PER CATEGORY (MUR)

NO. OF BENEFICIARIES PER CATEGORY



MUR **112** M INVESTED IN COMMUNITIES since 2004

MUR **7.1** M INVESTED IN COMMUNITIES in 2022*

110% ▲ on 2021

*Calendar year

FEATURED PROJECTS

SEDAM – Service d'Evaluation et de diagnostique de l'autisme a Maurice (Autisme Maurice)

A unique service in Mauritius for the evaluation and detection of autism spectrum amongst children. Managed by Autisme Maurice in partnership with CIEL Foundation and CIEL Healthcare (Wellkin hospital).

MUR **530,000**
Amount Invested

160
No. of Beneficiaries

Since **2018**

Empowering women and youth to end Gender Based Violence and poverty (Gender Links)

Training program for women and young girls

MUR **340,000**
Amount Invested

40
No. of Beneficiaries

Since **2021**

PARTNERSHIPS AND COLLABORATING FOR IMPACT

Long-term partnerships

- Caritas Lakaz Lespwar Solitude, Since 2010
- Centre Frère René Guillemin, Since 2019
- Joie de Vivre, Since 2019
- Inclusion Mauritius, Since 2019
- Society for the Welfare of the Deaf, Since 2010

ACTogether
la plateforme sociale

Founded in 2007, ACTogether is a unique platform in Mauritius created to: i) support and empower NGOs with structuring and capacity-building to strengthen their impact, ii) enhance the profile of NGOs by providing them with a range of tools, and iii) bring together and foster collaboration between the diverse actors involved in social work across the country.

During the FY23, two areas of focus were identified to support NGOs as part as the platforms' offline activities.

- Selfcare project:

  (i) Project co-developed with two professionals in Psychology to culminate in four group sessions between February and June 2023 on different self-care related themes with 31 NGOs aiming at bringing their representatives to reflect on ways to take care of their own needs and those of their organisations; and set proper boundaries to work with their respective beneficiaries;

  (ii) "Cafés Solidaires", coaching provided to heads of two batches of five selected NGOs on a six months period to enable them to engage in a thinking process on their personal and professional goals
- Technical Capacity Building Workshops: succession planning, volunteer management, project writing, monitoring and evaluation, basics of HR, management of community gardening projects, communication (image positioning, press relation and community management)

Champion **Inclusive Growth** (Cont'd)

LOCAL ECONOMY

Strategic Goals

- Create an Impact/Venture Capital Fund to support innovative local businesses, start ups and entrepreneurs by 2022
- Source/buy at least 25% of food and beverages from local producers by 2030, without compromising on nutritional value and quality

Key Highlights

Ciel Hotels & Resorts

Climate Smart Agriculture Partnership designed to reinforce our Farm-to-Table approach at our resorts and achieving a more resilient local food system. A Memorandum of Understanding was signed with 100 planters from the Belle Mare farming community to purchase their vegetables and fruits grown under Climate-Smart Agriculture principles. Further support was provided to install water tanks and drip irrigation systems.

Ciel Properties

Created the Ferney Agri Hub Bio Farm to train beneficiaries from the surrounding communities and the Agri Entrepreneurs on Agri Ecology with the goal of operating the farm and becoming self-sustaining.

RESPONSIBLE OFFERING

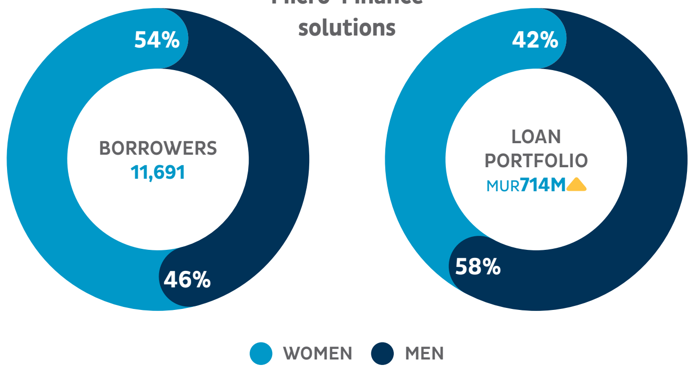
Strategic Goals

- Proactively develop responsible products, services and experiences in each cluster by 2025
- Develop inclusive products, services and experiences in each cluster by 2024

Key Highlights

Ciel Finance

KRED Micro-Finance solutions



Ciel Textile

Increased usage of certified sustainable raw materials from 38% to 45%, driving research for product innovation notably at design stage through the launch of tools such as the Eco-Index.

PARTNERSHIPS AND COLLABORATING FOR IMPACT

- Australian Agency for International Development (Australian Aid)
- International Chamber of Commerce on the Standards for Sustainable Trade
- Food and Agricultural Research and Extension Institute (FAREI), Mauritius
- Le Vélo Vert, Mauritius
- La Déchétèque, Mauritius
- University of Mauritius
- Charles Telfair Campus – Curtin University, Mauritius
- Polytechnics Mauritius
- Comparative Health Knowledge System (UK NHS)
- Thalassemia Society, Mauritius

Ciel Hotels & Resorts

#ComeAlive Experiences

Strong focus on integrating sustainability into guest experiences through activities proposed for adults and at the kids' club: Izzy the Bee, Chef's Garden, Marine Conservation. 1800 guests and people from local communities (including school children) have participated in those activities.

Ciel Properties

Regeneration project of Nouvelle Usine in collaboration with a specialised partner to dismantle the site following selective deconstruction principles and to reintroduce some materials in the local economy.

Activate **Climate Response**

ENERGY AND CARBON EMISSIONS

Strategic Goals

- Establish accurate emissions baseline by 2022
- Decrease our Scope 1 and 2 carbon intensity by 50% by 2030 (tCO_2e/$M of revenue)
- Zero coal as boiler fuel by 2030
- Adopt green (/bioclimatic) building practices as far as economically feasible for new buildings

Key Highlights

CARBON ACCOUNTING AND CLIMATE STRATEGY PROJECT

In 2022, a Group-wide carbon footprint accounting exercise was launched in partnership with a specialised external consultant. The exercise was a key learning experience for the organization with regards to understanding our carbon footprint including scope 1 and 2, as well as scope 3.

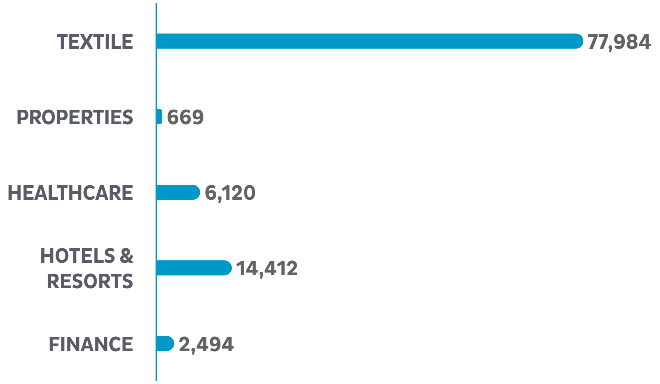
A series of workshops at cluster level were also launched to co-create climate action plans, involving senior management and representatives from key functions (operations, risks, finance, etc.) with the ultimate goal of updating the Group climate strategy.

PARTNERSHIPS AND COLLABORATING FOR IMPACT

- Sustainable Apparel Coalition (SAC)
- Zero Discharge of Hazardous Chemicals (ZDHC)
- United Nations Global Compact Network

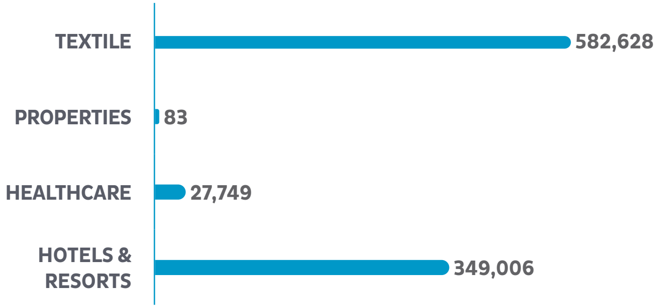
Scope 1 and 2

EMISSIONS PER CLUSTER (TCO_2e)



Scope 3

EMISSIONS PER CLUSTER (TCO_2e)



Looking Ahead

- SBTI commitment at cluster-level
- Integrating the carbon accounting methodology into our sustainability digital platform

Activate **Climate Response** (Cont'd)

VALUE CHAINS: SUPPLIERS

Strategic Goals

- 100% of value chain assessed by 2025, actions taken on all value chains by 2030

Key Highlights

We are working on methodologies at cluster-level to assess our suppliers and ensure we are working with the right partners.

To kickstart our efforts we have chosen as a theme for our CIEL Annual Sustainability Forum: Sustainable Value Chains and the Journey to a Circular Business Model. The 2023 edition brought together over 110 participants from all clusters and geographies. They included senior management as well as representatives from key functions such as supply chain management, finance, risk, operations and sustainability. It included both capacity-building sessions and hands-on workshops to map and analyse our value chains.

Ciel Textile

- Completed a mapping exercise of suppliers and subcontractors to assess their alignment to cluster sustainability objectives
- Goal of publicly disclosing list of value chain partners by 2030

Ciel Hotels & Resorts

- Mapping and assessment of suppliers in view of the development of its circularity strategy

VALUE CHAINS: WASTE

Strategic Goals

- Achieve zero single use plastics in production by 2022 except Health and Safety constraints
- Reduce waste to landfill by 50% by 2030

Key Highlights

Responsible handling of waste and the implementation of waste policies at cluster level were key areas of focus. The implementation of a Group-wide digital tool to measure waste across different categories in a timely and accurate manner will further support the achievement of our objectives. The following features some breakthroughs at cluster level.

Ciel Textile

- Achieved 80% diversion rate
- Waste policy implemented across all BUs

Ciel Hotels & Resorts

- Mapping of single-use plastics and identified of alternatives for 40 out 44 items
- For food waste, plate and peel waste are 100% recycled

Ciel Healthcare

- Implemented a waste segregation policy and designed training for staff and signed MOUs with recycling service-providers

PARTNERSHIPS AND COLLABORATING FOR IMPACT

- Sustainable Tourism Mauritius
- Association of Hoteliers and Restaurants in Mauritius
- Sustainable Apparel Coalition (SAC)
- Zero Discharge of Hazardous Chemicals (ZDHC)
- Mission Verte, Mauritius
- Reverse Resources

Activate **Climate Response** (Cont'd)

VALUE CHAINS: WATER

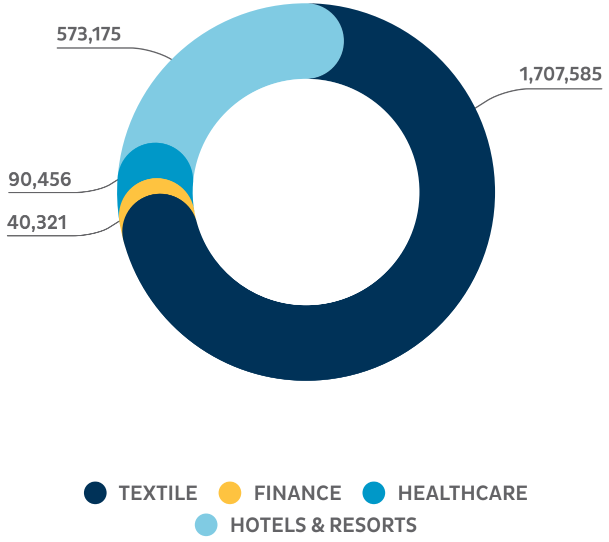
Strategic Goals

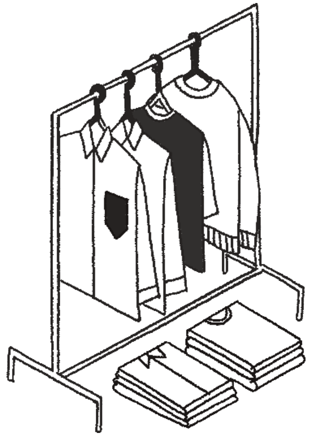
- Reach industry leading water efficiency levels by 2030

Key Highlights

Water management encompasses the management of water flows and water quality, from extraction from the natural environment to restitution in the same or another part of the environment.

TOTAL WATER CONSUMPTION IN M³





Ciel Textile

CIEL Textile recognises the water intensive nature of its activities and has therefore set ambitious action plans to optimise water resources. CIEL Textile attained a 10% reduction of water intensity and continues the installation of rainwater harvesting systems across all sites (50% factories covered). Regarding effluents zero, non-conformity in ZDHC was also achieved.

PARTNERSHIPS AND COLLABORATING FOR IMPACT

- Sustainable Tourism Mauritius
- Association of Hoteliers and Restaurants in Mauritius
- Sustainable Apparel Coalition (SAC)
- Zero Discharge of Hazardous Chemicals (ZDHC)
- Mission Verte, Mauritius
- Reverse Resources

At Aquarelle Samudra, the only LEED Platinum certified garment factory in India, several initiatives were incorporated to enhance water efficiency

Rain Water Harvesting Sytems Open Area (recharging to the ground) and Roof Top	**5,500** m³/yr (raised the ground water Level from 60m to 3m in 3 years time)
In House Water Treatment Plants Sewage and Effluent to reduce the consumption of fresh water for toilet flushing and gardening	**20,000** m³/yr **15,000** m³/yr
Sustainable Wash Plant	**10,600** m³/yr
Alternative Technology For Denim Treatment	**1,850** m³/yr

Activate **Climate Response** (Cont'd)

CONSERVATION AND REGENERATION

Strategic Goals

- Replant 100,000 endemic trees in Mauritius by 2030
- Reforest and/or afforest 1000 hectares of land by 2030
- Reach 500,000 people with nature conservation awareness material per year by 2025

Key Highlights

Ongoing Forest Restoration

In the last year, Ferney's conservation work was focused on extending the fenced conservation zone by two hectares, thus beginning to reinforce biodiversity in adjacent forests, as these had been impoverished over time through colonisation by invasive alien species. Fencing the extension was critical as deer and wild pigs either graze on or disturb the young reintroduced trees brought in from the Ferney nurseries. This new area is also becoming a vivid showcase of Ferney's forest restoration process, with a wide variety of endemic tree species.

37,500
Native trees planted to date

2,602
Trees planted in FY23

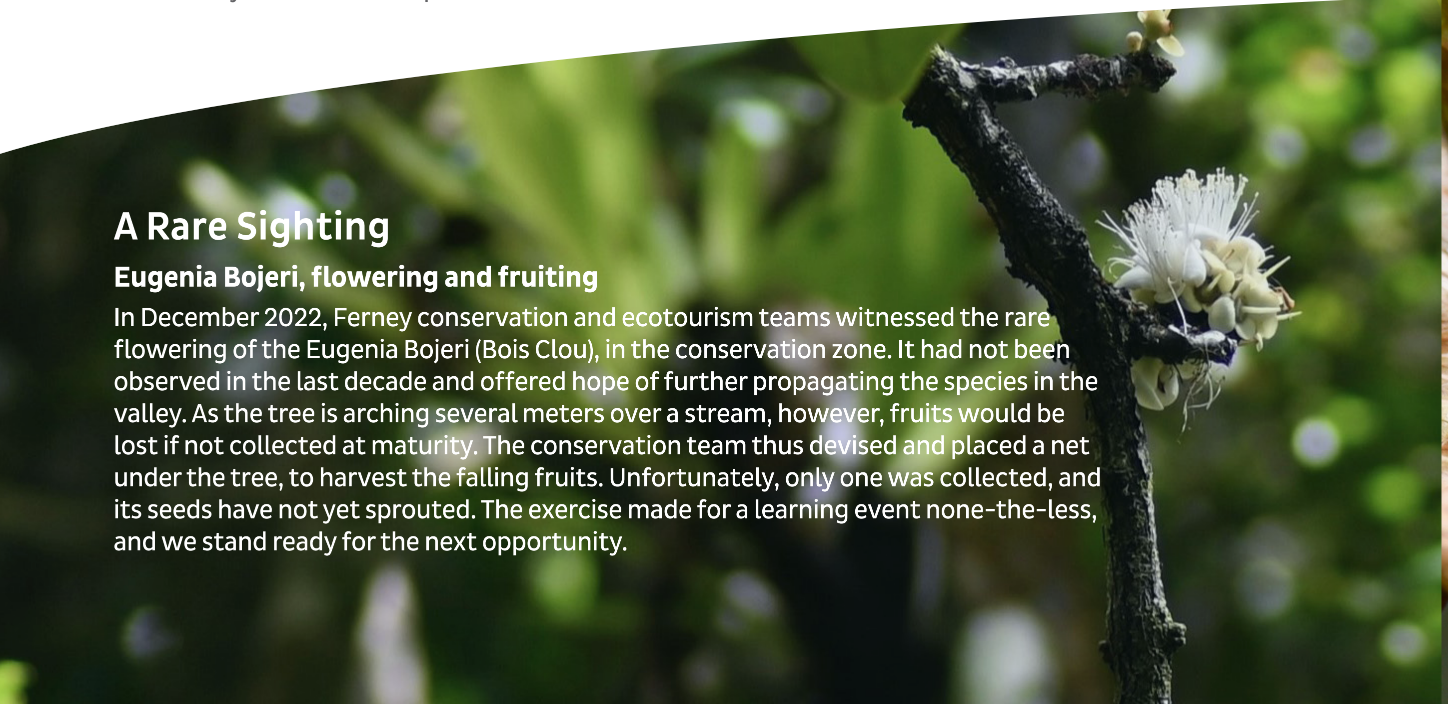
24,944
Nursery stock as at June 2023

5,450sqm
Maintenance weeding

11,450sqm
New weeding

PARTNERSHIPS AND COLLABORATING FOR IMPACT

- Université des Mascareignes
- University of Mauritius
- Mauritius Wildlife Foundation
- United Nations Development Programme (UNDP)
- Global Environment Facility (GEF)
- ECOVILLAGE Tsaratanana
- World Wildlife Fund (WWF)



A Rare Sighting

Eugenia Bojeri, flowering and fruiting

In December 2022, Ferney conservation and ecotourism teams witnessed the rare flowering of the Eugenia Bojeri (Bois Clou), in the conservation zone. It had not been observed in the last decade and offered hope of further propagating the species in the valley. As the tree is arching several meters over a stream, however, fruits would be lost if not collected at maturity. The conservation team thus devised and placed a net under the tree, to harvest the falling fruits. Unfortunately, only one was collected, and its seeds have not yet sprouted. The exercise made for a learning event none-the-less, and we stand ready for the next opportunity.

CONSERVATION AND REGENERATION (CONT'D)

Promoting and Learning from Research

The below content is the product of ongoing interaction between La Vallee de Ferney Conservation Trust and the University of Mauritius, in an effort to implement effective science-based conservation approaches

Turning to Assisted Natural Regeneration

In Mauritius, forests have been altered by the harvesting of wood for various uses, or simply cleared to make way for settlements and agriculture. Following natural disturbances, for example, fire, lava flow, windthrow, forests would naturally regenerate through a process known as ecological succession, whereby the species that makeup the ecosystem change over time (see illustration).

This can however be disrupted by invasive alien species (IAS) that colonise available spaces faster than any others, stalling ecological succession. Moreover, research has shown that IAS can even degrade otherwise undisturbed forests. Considering this, human intervention is needed to preserve native or endemic species and the ecosystems they constitute.

In Mauritius, forest restoration is generally carried out by intensive management, meaning that weeding and removal of IAS, as well as planting native species, are completed by people. While this approach provides a high level of control, it is costly, time consuming, and therefore produces limited impact.

Currently, the concept of assisted natural regeneration is emerging to guide a more cost-effective approach: in high-quality forest, periodical weeding of IAS is sufficient to support the ecosystem. In more degraded forests, IAS can be removed, but not if all the opened gaps are filled with native species, which are limited and require intensive nursery management. Enter the pioneer species (see illustration).

Pioneer Species

In a critical step of ecological succession, pioneer species are plants that grow quickly to re-create a canopy, whose shade allows other tree species to grow. In addition, they tend to produce a high number of horizontal branches and small fruits, making them attractive to birds. Birds then, as they spend time on pioneer trees, spread the seeds of fruit from other species they may have consumed, contributing to the natural regeneration of the forest.

Working with pioneer species on areas cleared from IAS is a way to reduce human intervention, improve cost effectiveness, and thus scale up the conservation impact.

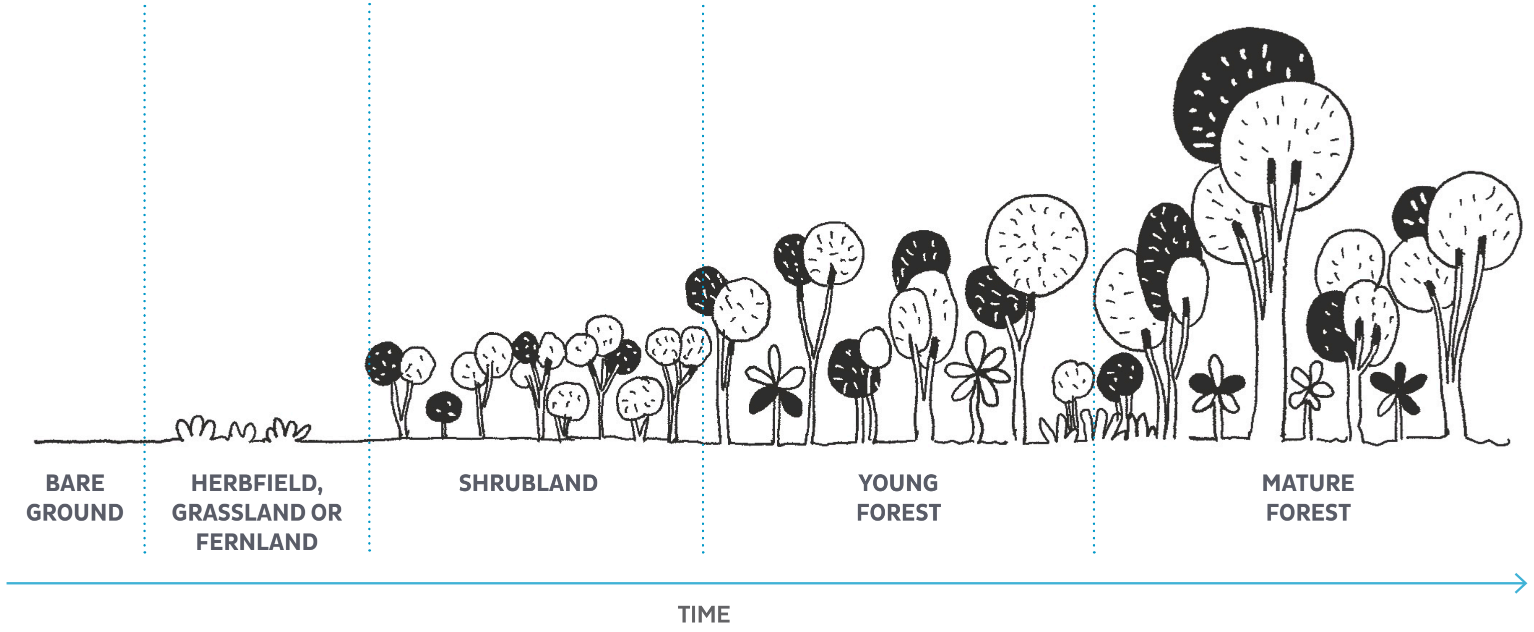
Francois Baguette, PhD candidate at University of Mauritius under the supervision of Dr. Vincent Florens, will be studying the effectiveness of various protocols applied in Ferney over the next few years.

Harungana Madagascariensis

Of the native pioneer species, Harungana Madagascariensis has been the subject of disagreement in Mauritius, as some conservationists believed it to be an IAS, detrimental to our forest ecosystems. Historical literature however shows the species was always present on the island and can be a key element of forest restoration. In Ferney, it is observed to thrive mainly in clearings, where it fulfils its role in ecological succession. It will thus be used in reforestation projects, where we seek to convert former sugarcane lands or pastures into new forests.

Towards Higher Accuracy

A project has been initiated between Ferney Ltd and the Sustainability and Climate Change Programme (SCCP)/Department of Emerging Technologies of Université des Mascareignes to use machine learning for the detection of specific trees, which will provide detailed mapping of invasive species improve the accuracy of the carbon stock account.



Optimising Risk Management
in a Dynamic Context

Excellence with an Entrepreneurial Spirit

A dedicated finance professional who began her career in 2015, Clare has progressed from an account assistant to a trusted credit control officer at C-Care. Known for upholding high standards and ensuring financial precision, Clare seamlessly integrated risk management into her role while maintaining an unwavering commitment to integrity.

Beyond finance, Clare actively engages as a church choir member and as an adept Master of Ceremonies. Clare is also the owner of 'Clarkes Delectable Honey,' an entrepreneurial venture reflecting her commitment to empowerment and her belief in happiness that is self-made.

Clare Winfred NAMWASE
Credit Control Officer
C-Care, Uganda

Risk & **Internal Controls**

Maintaining a dynamic and effective risk management process is vital to supporting and strengthening business operations as we manage the impact of a challenging external environment.

We continue to operate in a challenging macroeconomic environment characterised by elevated inflation, rising energy prices and global supply chain disruptions. Our dynamic and effective risk management process has allowed us to proactively mitigate and manage our risks as well as embrace opportunities as they arise.

During the year under review, we remained constant in our efforts to strengthen and harmonise our risk management practices across the Group, whilst acknowledging that each cluster has its own business context and risk environment, with different risk management maturity levels. Our main actions were focused on the following aspects:

GOVERNANCE

- Updating the Group Risk Appetite Statements
- Revamping the Risk Governance structure of the Textile cluster
- Updating the Group Risk Register Please refer to Our Principal Risks Explained

PROCESS

- Revising the Group Enterprise Risk Management (ERM) manual to include useful tools and explanations to guide risk champions on the risk management process
- Issuing a playbook for cluster risk committees

PEOPLE

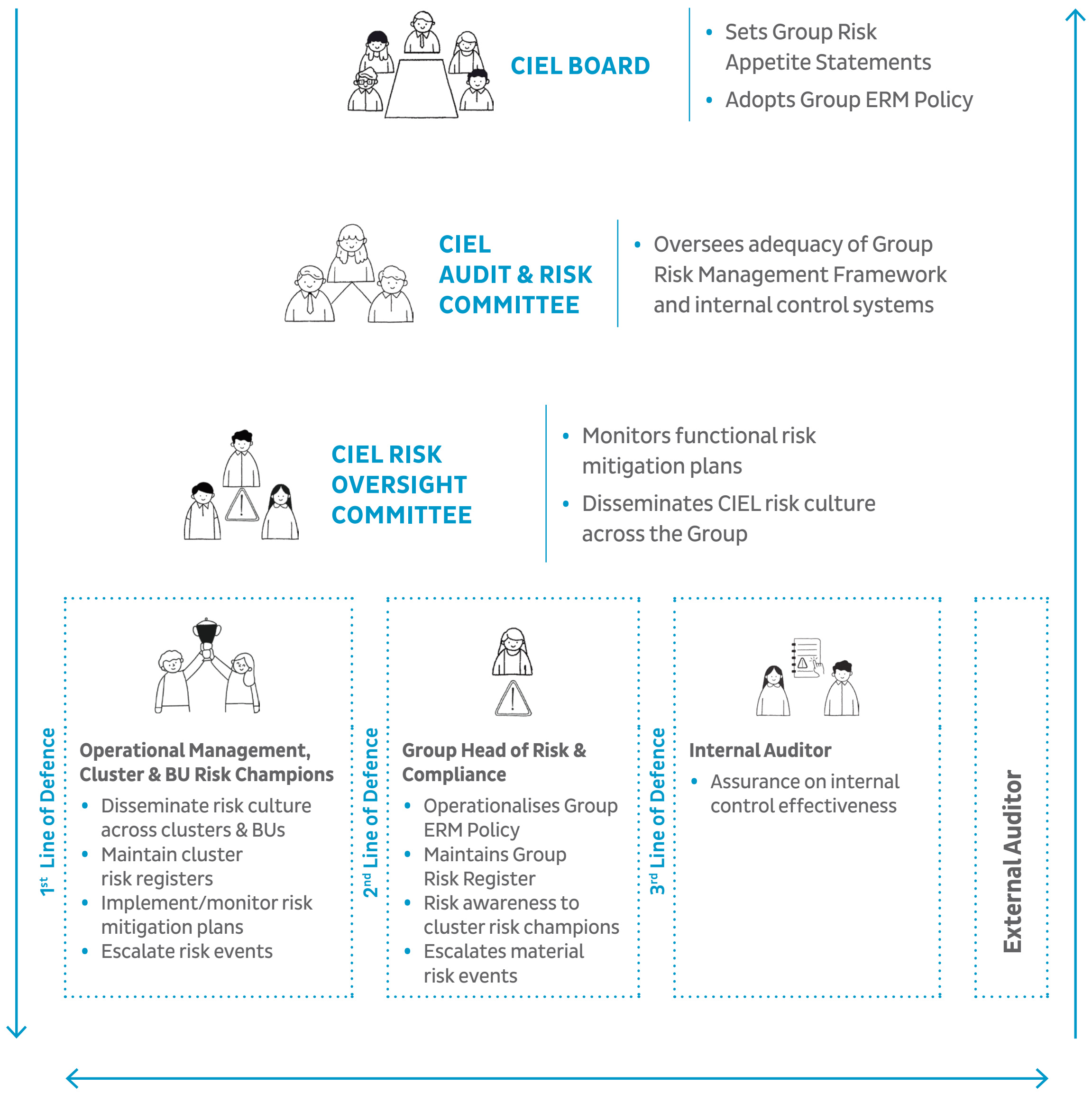
- Clearly articulating the roles and responsbilities of cluster and business unit (BU) risk champions
- Conducting risk awareness sessions with cluster and BU risk champions
- Regular interactions between Group Head of Risk and cluster risk champions to assist with the design and administration of cluster and BU risk functions

OUR RISK MANAGEMENT FRAMEWORK

We have a holistic approach to risk management, first building a picture of the top risks and corresponding controls at our cluster levels, then consolidating those risks alongside other material risks identified at Group level to arrive at a Group view. The Board sets the risk appetite for CIEL in line with the Group's strategic objectives, which is disseminated to our clusters to set the tone on the level of risk that we are willing to accept in the pursuit of our strategic objectives.

The Audit and Risk Committee (ARC), under delegated authority from the Board, oversees the effectiveness of the risk management framework, including the identification and rating of key risks faced by CIEL, together with the corresponding controls. To support the ARC in this responsibility, underlying processes are in place, which are fully aligned with CIEL's operating model where our clusters are each responsible to identify, assess and manage their risks autonomously. Additionally, key functions are accountable at Group level for the ongoing tracking of identified key risks and of changes in the business landscape. The ARC also receives assurance from the Internal Auditor on risk management and internal control effectiveness, along with agreed mitigating actions to resolve any weaknesses identified.

CIEL's risk governance structure is based on the three lines of defence model as illustrated on the right:



OUR RISK APPETITE STATEMENTS

Our Risk Appetite Statements set the level of risks that we are willing to accept in the pursuit of our strategic objectives.

The Group's Investment Guidelines & Risk Appetite Statements (RAS) were revised during the reporting year and approved by the Board on 30 June 2023. The main approach was to factor in systemic risks inherent to countries and industries where we operate and adjust for top risks identified for CIEL and its clusters.

Our clusters are currently developping their own RAS and key performance indicators (KPIs), based, at a minimum, on the following statements:

Strategic Assertions

We invest responsibly and sustainably in order to create lasting value, outstanding returns and shared outcomes for our stakeholders. We have a preference to invest in industries where we have proven skills and competence, and primarily target Sub-Saharan African markets and Indian subcontinent markets for international expansion.

Sustainability
We recognise the importance of sustainability in meeting long-term business objectives and contributing to a healthier planet. As such we are committed to integrating the relevant environmental, social, and governance (ESG) factors in our investment decisions and throughout our operations and supply chain. This is with a view to improve our overall footprint and maximise positive environmental, social and economic outcomes.

We have no appetite for investments that conflict with our internal Sustainable Investment Policy, which is aligned with the harmonised European Development Finance Institution (EDFI) Exclusion List and International Finance Corporation (IFC) performance standards.

Presence in Selective Industries and Regional Markets
We have high appetite for investments in those industries and businesses in which we have proven skills and competences, but we may consider investments in other industries that will fuel innovation and drive growth across the different clusters, substantiated by a robust business case. We primarily target Sub-Saharan African and Indian subcontinent markets for international expansion and where appropriate, we seek strategic partnerships with industry leaders with the right cultural fit.

Controlling Stake in Tier 1 Companies
We have high appetite for investments with controlling stakes in companies that are amongst the leaders in their respective markets (Tier 1 Companies). We may consider investments in niche markets with growth potential and substantiated by a robust business case.

Performance Review and Asset Allocation
We determine asset allocation and portfolio balance based on the performance of each cluster according to a set of financial and non-financial targets, which are reviewed on an annual basis.

Financial Assertions

We invest for reward and minimise the possibility of financial loss by managing the risks and bringing them to a tolerable level. Value and benefits are considered, whilst resources are allocated in order to capitalise on potential opportunities.

Return Expectations
We have set minimum financial and return KPIs for each cluster, taking into account its risk profile, to maintain performance at target levels.

Business Plan Projects and Sensitivity Analysis
For every business plan, we seek a sensitivity analysis on the key financial metrics, and we have low tolerance to actual values falling outside the lower or upper bound (as applicable) of our projections.

We expect a new business plan every 3 to 5 years, which needs to be revisited annually to provide a rolling forecast.

Target Debt Rating
We endeavour to maintain a long-term CARE debt rating of "AA" for CIEL and to ensure our clusters achieve a rating of "A" or better.

Operational Assertions

We embrace a culture of operational excellence, based on innovation, aiming at enhancing in a sustainable way, customer experience, employee engagement and organisational efficiency in order to deliver a consistently superior performance in revenue growth, profitability and EBITDA levels.

Business Continuity
We are committed to maintaining the continuity of our critical business operations in the face of disruptive events. We recognise that no organisation is completely immune to disruptions, but we are committed to identifying and managing risks that could impact our critical functions by ensuring that all our subsidiaries have implemented a robust business continuity program that includes regular risk assessments, contingency planning, and testing response capabilities.

Talent Management
Our people are central to our ability to create value for all our stakeholders. As such we are committed to attracting, nurturing, and retaining the best talent to deliver sustainable growth by implementing a comprehensive management program that includes regular assessments of our needs, bespoke and tailor-made development opportunities, and a compelling employee value proposition.

Innovation
Innovation and digitalisation are key drivers of operational excellence, growth and competitive advantage, and we are committed to fostering a culture of learning, creativity and experimentation.

Data Management
We recognise data as a valuable and strategic asset but also understand that there are risks associated with it. Our approach to data management allows us to reap the benefits of data whilst ensuring that it is managed securely and ethically in compliance with data protection laws.

Reputation
Our reputation is a critical asset, central to our success and ability to maintain the trust of our stakeholders.

We have no appetite for situations and actions which may negatively impact our brand and reputation. We are committed to protecting our reputation through high operational excellence together with strict adherence to legal and ethical standards. We ensure open and transparent communication with our stakeholders, including customers, employees, shareholders, regulatory authorities and communities.

Cyber Threats
We recognise that cyber threats pose a significant risk to our operations, reputation, and financial stability. We are resolute to implementing a comprehensive cyber security program that includes regular vulnerability assessments and penetration testing, employee awareness and training programs, and an adequate response plan in the event of cyber security incidents.

Fraud
Fraud is a significant risk that can have serious financial, legal, and reputational consequences for our Group and our stakeholders.
We have zero tolerance for fraud, and ensure strong prevention and detection measures across all our operations.

Compliance Assertions

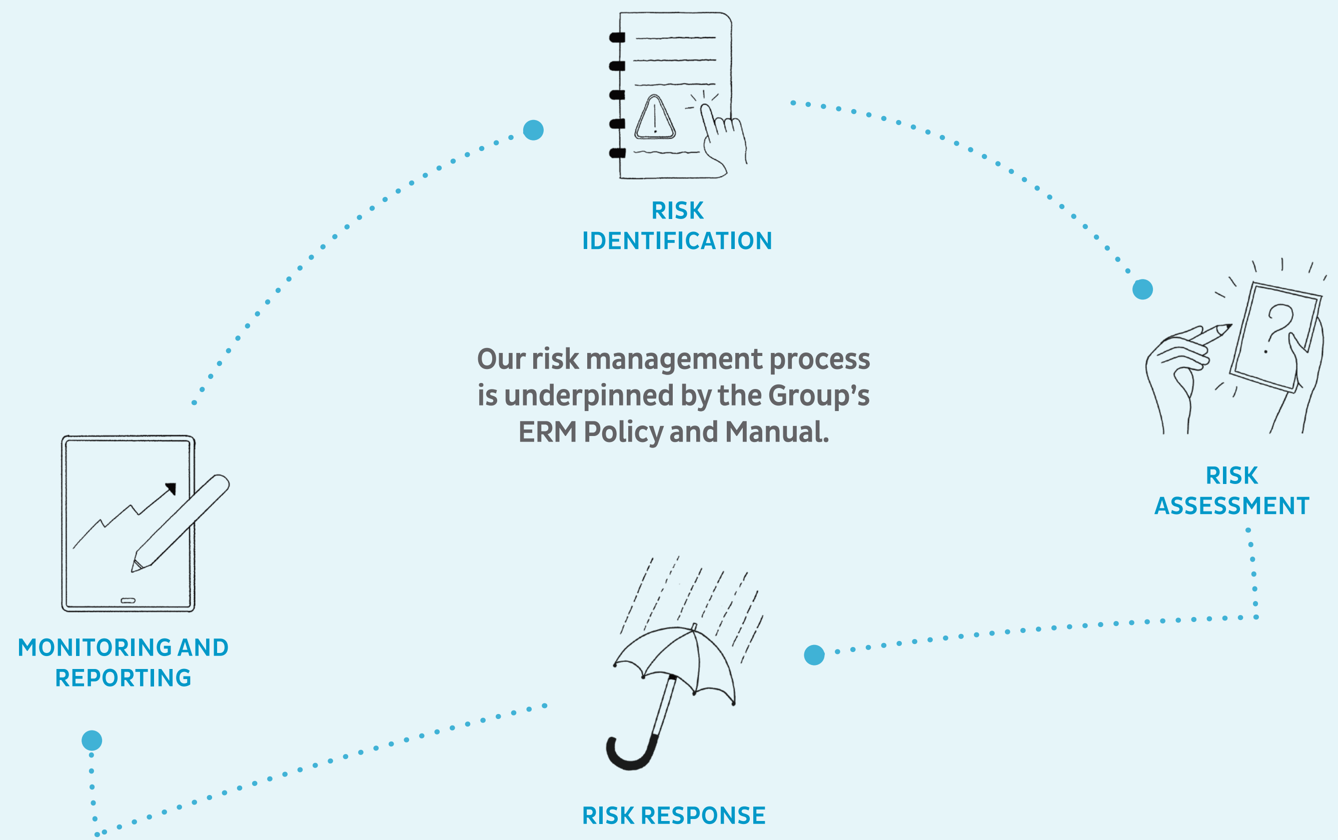
We have zero tolerance for non-compliance with applicable laws, regulations and ethical standards.

Laws, Regulations and Ethics
Compliance with laws, regulations, and ethical standards is critical to our business success and reputation.

We maintain a strong culture of compliance across all our operations through robust compliance programmes and controls including employee awareness and education to promote ethical behaviour.

Risk & **Internal Controls** (Cont'd)

OUR RISK MANAGEMENT PROCESS



Risk identification is an integral part of CIEL's risk management process, and is based on a comprehensive review of the clusters' risk registers, from which a list of the key risks faced by the Group is drawn up to consider:

- **Systemic risks** which are the top risks that repeat across at least three clusters and merit elevation to Group level
- **Material risks** which although non-systemic, merit elevation to Group level based on the materiality of the related cluster or activity within the Group and
- **Other risks** which although not identified at cluster level, are important at Group level, such as transversal risks, risks affecting the CIEL brand and emerging risks

To establish context, internal and external factors which may influence the achievement of strategic objectives are also taken into consideration in the identification process.

The risk identification phase is an iterative and dynamic process whereby new risks and changes to the risk landscape, are identified through an on-going monitoring process of the cluster operations and annual review of the Group's Risk Register.

Risks are assessed both at inherent and residual levels, that is before and after application of internal controls respectively, based on an evaluation of the effectiveness of the control environments. This approach provides the extent to which the risks are mitigated by existing controls. The evaluation of control effectiveness is also dynamic as it accounts for changes in the control environments, and outcomes of control assessments performed by assurance providers such as internal and external auditors.

The output of the risk assessments is compared with established risk indicators as set by the RAS to determine the required **risk responses**, based on the following options:

- **Terminate:** Eliminate the risk by not starting, discontinuing, terminating an activity that gives rise to the risk
- **Transfer:** Transfer the risk to a third-party (e.g subcontracting, joint venture, partnership, outsowurcing or insurance). This would usually involve a cost or risk premium
- **Treat:** Consider implementing additional controls to reduce the likelihood and/or impact of the risk
- **Tolerate:** Tolerate or accept the risk on the basis of satisfactory cost-benefit analysis

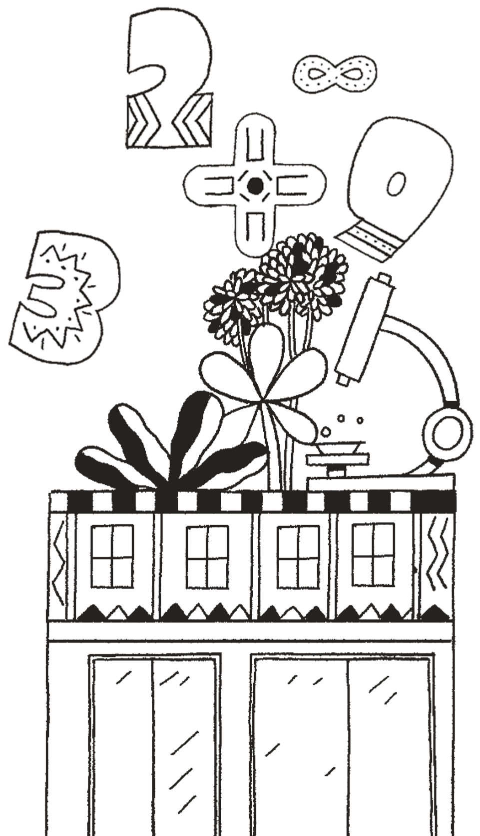
Monitoring and reporting includes providing assurance on the quality and effectiveness of risk management process design, implementation and outcomes. Ongoing monitoring and periodic review of the risk management processes and their outcomes is integrated into the risk management practices of CIEL, with clearly defined roles and responsibilities.

We continuously monitor and review our risks to ensure that our risk registers and action plans remain relevant within the fast-changing business environment. Any alteration of risk profiles due to any changing circumstances is properly documented.

Risk & **Internal Controls** (Cont'd)

OUR RISK PROFILE

An annual review of the Group's Risk Register was performed with due consideration to the local and global macroeconomic trends, the risks identified and escalated at cluster levels as well as new risks identified for the Group. The top 10 Principal Risks of the Group are explained on the following pages.



Amidst persisting economic instability and geopolitical tensions, CIEL, like other organisations in Mauritius and worldwide, continues to be vulnerable to external factors such as inflation, rising energy prices, exchange rate volatility and global supply chain disruptions. Our inherent risk rating pertaining to External Shocks was increased to reflect the declining growth observed in advanced economies.

Cyber-attacks continue to increase exponentially across the globe, catalysed by increased interconnectedness and dependency, and access to sophisticated digital technology. Malware and ransomware attacks are expected to target more enterprises and vulnerable sectors where there are perceived cybersecurity skill shortages. Over the past year, CIEL and its clusters have invested significantly in maturing their ability to prevent, detect and respond to cyber risks. This has resulted in a slight improvement in our cyber control effectiveness rating, with further improvements expected as and when remaining remedial actions are successfully delivered.

Attracting and retaining the right talent has emerged as one of the biggest challenges of organisations worldwide since the pandemic. During the reporting year, our local operations in Healthcare, Hotels & Resorts and Textile clusters have been impacted by the shortage of a skilled and qualified workforce, aggravated by increased competition and tighter migration laws. Our inherent risk rating under Talent Retention & Recruitment was accordingly increased, whilst our recruitment, retention and training strategies continue to be reinforced across the Group.

Climate change and associated risks will have a large impact on global risk perceptions over the next decade. The increased frequency and intensity of extreme weather events have been hitting headlines and costing lives and livelihoods around the world, whilst globally we are off track from meeting climate goals according to the United in Science 2023 Report. Mauritius being particularly exposed to rising temperatures and sea levels, accelerated coral erosion, volatile and extreme weather patterns, climate risk assessments are necessary for identifying potential hazards from climate-related events, trends, forecasts and projections, and for developing adequate climate mitigation and adaptation strategies. Our inherent risk rating was increased to reflect the growing external risks posed by climate change, as we continue to deploy our Sustainability Strategy 2020-2030.

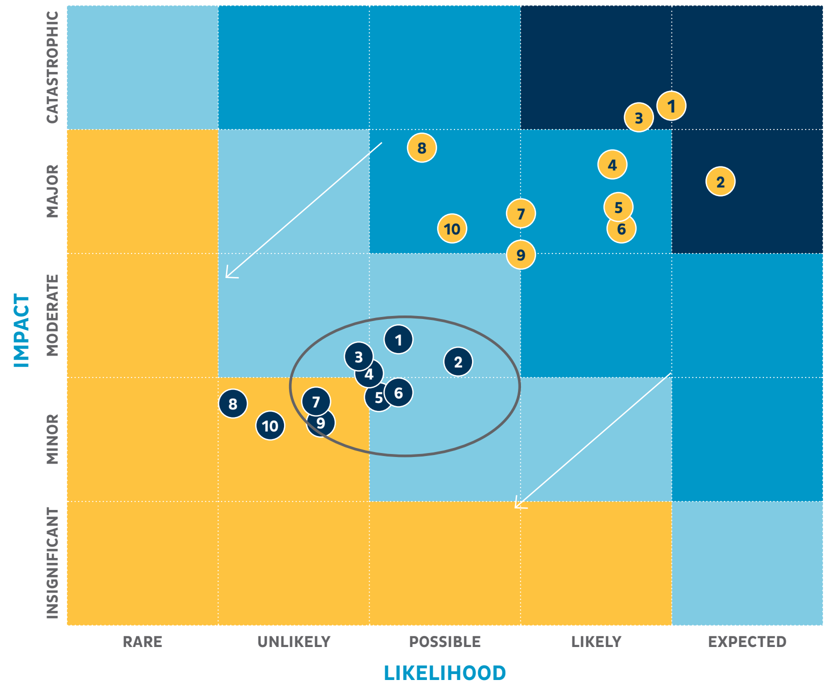
The ratings of other top risks identified at Group level have not changed over the past year.

Please refer to Our Principal Risks Explained on subsequent pages.

OUR PRINCIPAL RISKS EXPLAINED

Risk Heat Map

The following heat map shows the 10 Principal Risks of CIEL Group as they evolve from an inherent to a residual level after application of mitigating controls in place.



RISK LEVEL	MANAGEMENT APPROACH
EXTREME	PROACTIVELY MANAGED
HIGH	ACTIVE ATTENTION & PREPARATION
MEDIUM	CONTINUOUS MONITORING
LOW	PERIODIC ASSESSMENT

INHERENT RESIDUAL

RISK VARIATIONS FY23

1	External Shocks	▲	6	Fraud	▬
2	Cyber Threats	▼	7	Business Continuity	▬
3	Talent Retention & Recruitment	▲	8	Liquidity & Funding	▬
4	Compliance	▬	9	Climate Change & ESG	▲
5	Competition Threats	▬	10	Internal & External Communication	▬

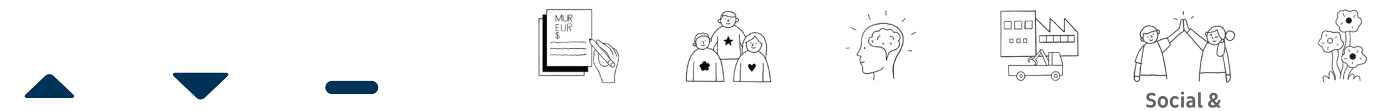
OUR PRINCIPAL RISKS EXPLAINED (CONT'D)

Risk has Increased | Risk has Decreased | Risk is Constant

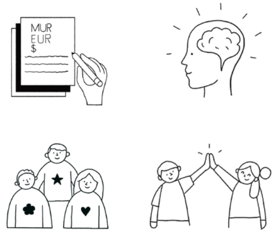
Financial Capital | Human Capital | Intellectual Capital | Manufactured Capital | Social & Relationship Capital | Natural Capital

PRINCIPAL RISK	DESCRIPTION	INHERENT LEVEL	CONTRIBUTING FACTORS	CAPITALS IMPACTED	HOW WE MANAGE THE RISK	RESIDUAL LEVEL
1 EXTERNAL SHOCKS **RISK CATEGORY:** STRATEGIC **RISK TYPE:** SYSTEMIC	The risk that CIEL Group is unable to sustain growth due to external shocks to the economies where it operates or where material revenues are coming from, resulting in missed performance targets and shareholder dissatisfaction. ***DETERIORATION IN INHERENT RISK:** global recovery slowing down amidst persistent geopolitical and economic challenges.*	EXTREME LOW	• Geopolitical tensions (Russia-Ukraine conflict, US/China political and trade tensions) • Emergence of new viruses or diseases • Rising costs and inflation • Declining global growth, mainly in advanced economies, affecting our main markets • Global supply chain disruptions • Sovereign debt crisis • Interest rate volatility • Foreign exchange volatility • Food crisis and poverty in developing countries due to extreme weather events • Political instability and social unrest in the countries where CIEL operates **Opportunities:** • Recovery of local tourism sector having positive spillover effects on other sectors of the local economy • Mauritius positioned as the only International Financial Centre with an "investment grade" in the African region	Financial Capital, Manufactured Capital, Human Capital, Social & Relationship Capital	• Cost mitigation measures across all operations • Rationalisation of suppliers • Managing relationship with critical suppliers • Alternative sourcing options • Close monitoring of forex fluctuations with hedging strategies • Close monitoring of geopolitical situation in the countries where CIEL operates • Regular scenario/what if analysis in management and Board discussions • (Updated) Risk Appetite Statements aligned with systemic risks inherent to countries and industries where CIEL operates and top risks identified for the Group *Our Risk Appetite Statements* ***Extent to which the risk is mitigated: Medium***	EXTREME LOW

OUR PRINCIPAL RISKS EXPLAINED (CONT'D)



Risk has Increased | Risk has Decreased | Risk is Constant | Financial Capital | Human Capital | Intellectual Capital | Manufactured Capital | Social & Relationship Capital | Natural Capital

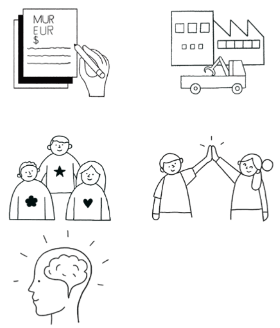
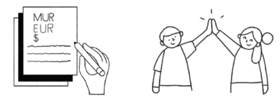
PRINCIPAL RISK	DESCRIPTION	INHERENT LEVEL	CONTRIBUTING FACTORS	CAPITALS IMPACTED	HOW WE MANAGE THE RISK	RESIDUAL LEVEL
2 CYBER THREATS **RISK CATEGORY:** OPERATIONAL **RISK TYPE:** SYSTEMIC	The risk that CIEL Group is exposed to cyber-attacks, resulting in disruptions to activities, financial losses and client dissatisfaction. ***Minor improvement in control effectiveness:*** *action plans have been adopted across all clusters to strengthen cybersecurity capabilities, including recruitment of cybersecurity experts. Further improvements are expected as and when ongoing remedial actions are successfully delivered.*	EXTREME LOW	• Increase in the incidence of cybercrime following the COVID-19 pandemic and the Russia-Ukraine war • Malware/ ransomware attacks are expected to target more enterprises and vulnerable sectors like healthcare where there are cybersecurity skills shortages • Increasing dependency of CIEL on technology as it is infused in day-to-day operations • Increasing vulnerability of CIEL and its operations as more (data sensitive) activities are outsourced to third party service providers		• Action plans adopted across all clusters to strengthen cybersecurity capabilities, including recruitment of cybersecurity experts • Vulnerability Assessments and Penetration Testing performed on critical IT systems to identify vulnerabilities (extended to third party service providers for critical activities) • Enhanced monitoring and reporting of effectiveness of cybersecurity framework through tracking of KPIs organised around three main pillars (Prevention, Detection and Response) • Group level cybersecurity forum for sharing of best practices, lessons learnt from cyber incidents and insights on cyber trends • Frequent awareness sessions provided to staff • Regular phishing simulation exercises ***Extent to which the risk is mitigated: Medium***	EXTREME LOW

Risk & **Internal Controls** (Cont'd)

OUR PRINCIPAL RISKS EXPLAINED (CONT'D)

Risk has Increased | Risk has Decreased | Risk is Constant

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

PRINCIPAL RISK	DESCRIPTION	INHERENT LEVEL	CONTRIBUTING FACTORS	CAPITALS IMPACTED	HOW WE MANAGE THE RISK	RESIDUAL LEVEL
3 TALENT RETENTION & RECRUITMENT **RISK CATEGORY:** OPERATIONAL **RISK TYPE:** SYSTEMIC	The risk that CIEL Group is unable to recruit, develop and retain talent to instill appropriate behaviours and service levels, resulting in client dissatisfaction, disruption in operations and significant costs and efforts associated with replacing former staff and training new ones. ***Deterioration In Inherent Risk:*** *shortage of skilled and qualified workforce, particularly in Healthcare, Hotels & Resorts and Textile clusters, aggravated in certain sectors, by increased competition and tighter migration laws.*	EXTREME LOW	• Change of mindset amongst working population post COVID-19 pandemic whereby a number of professions/jobs are no longer attractive, particularly in Hotels & Resorts, Healthcare & Textile • Poaching of competent resources by competitors • Lack of qualified or trained resources in Mauritius (e.g. nurses, doctors) and in other countries where we operate **Opportunity:** • Intra cluster and intra Group mobility for support functions		• Succession plan for key and critical roles developed for clusters Business Units management • Strong employee retention and employee value proposition strategies across all clusters and operations (e.g. employee engagement surveys, recognition and reward schemes, professional development schemes, employee wellness and welfare programmes, flexible hours) • Investment in bespoke leadership development programmes for Top Talent • Expatriate recruitment where expertise is not available locally, however limited by migration laws ***Extent to which the risk is mitigated: High***	EXTREME LOW
4 COMPLIANCE **RISK CATEGORY:** COMPLIANCE **RISK TYPE:** MATERIAL	The risk that CIEL Group is unable to manage the ever-evolving regulatory and compliance requirements, resulting in fines, revocation of relevant licences and reputational damage. ***No change:*** *the Group continues to be exposed to compliance risk, which is inherently high in certain sectors where it operates. Whilst robust compliance risk management plans are in place in our highly regulated operations, other operations are also reinforcing their compliance plans to ensure that their compliance risks are adequately identified, assessed and mitigated.*	EXTREME LOW	• Anti-Money Laundering (AML)/Combatting the Financing of Terrorism (CFT) related regulations particularly affecting Finance and Property clusters • Coming wave of ESG related regulations • Data privacy compliance regarding sensitive information • Entities of CIEL Group operate in multiple jurisdictions and/or sectors with different regulatory frameworks		• Strong compliance culture embedded across the Group along a "zero tolerance" policy to non-compliance • Compliance experts at Group, cluster and BU levels where applicable • Regular monitoring (second line of defence) and compliance audits (third line of defence) • Regulatory watch to keep track of regulatory changes ***Extent to which the risk is mitigated: Medium***	EXTREME LOW

Risk & **Internal Controls** (Cont'd)

OUR PRINCIPAL RISKS EXPLAINED (CONT'D)

Risk has Increased | Risk has Decreased | Risk is Constant

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

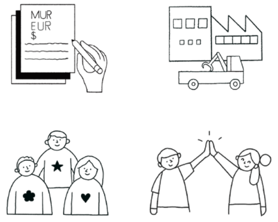
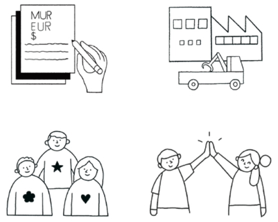
PRINCIPAL RISK	DESCRIPTION	INHERENT LEVEL	CONTRIBUTING FACTORS	CAPITALS IMPACTED	HOW WE MANAGE THE RISK	RESIDUAL LEVEL
5 COMPETITION THREATS **RISK CATEGORY:** STRATEGIC **RISK TYPE:** MATERIAL	The risk that CIEL Group does not anticipate and respond to competitive threats or new entrants, affecting its ability to maintain and grow its market share. ***No change :*** *competition risk remains amongst the group's top 5 risks given that it operates in highly competitive sectors. Strategic reviews are priortised in management and board meetings where market trends are tracked and analysed.*	EXTREME LOW	• Risk of disruption from more innovative products/ organisations with enhanced customer experience • Threats of new entrants in the sectors where we operate (e.g. Healthcare) • Highly competitive markets in the sectors where we operate (e.g. Textile, Finance, Hospitality) **Opportunities:** • Disruptive technologies such as blockchain and artificial intelligence • Mauritius well positioned as a financial hub between Asia and Africa • Pan African Healthcare strategy • Yielding of Group land assets • AgriTech		• Strategic discussions at management and board levels to analyse customer/market trends and competition • Product innovation • Developing unique value propositions • Impact investing • Enhancing brand value ***Extent to which the risk is mitigated: Medium***	EXTREME LOW
6 FRAUD & UNETHICAL PRACTICES **RISK CATEGORY:** OPERATIONAL **RISK TYPE:** OTHER	The risk that CIEL Group does not adopt appropriate measures and internal procedures to prevent and detect fraud, bribery and unethical behaviours, leading to financial losses, reputation damage and erosion of stakeholder trust. ***No change :*** *the Group remains exposed to the risk of fraud, which is inherently high in certain sectors and countries where it operates. Efforts are constantly employed across the group to strengthen internal control systems with a view to mitigate the risk further.*	EXTREME LOW	• Fraud risk is inherently high in the banking and financial services cluster • Corruption is inherently high in certain countries where CIEL operates • Heightened risk of fraud post COVID pandemic and current economic conditions		• Formalised processes and controls • Segregation of duties • Incident reporting • Whistleblowing channel at BU and Group levels • Disciplinary measures in case of unethical behaviours • Frequent audit of operations inherently exposed to fraud risk ***Extent to which the risk is mitigated: Medium***	EXTREME LOW

Risk & **Internal Controls** (Cont'd)

OUR PRINCIPAL RISKS EXPLAINED (CONT'D)

Risk has Increased | Risk has Decreased | Risk is Constant

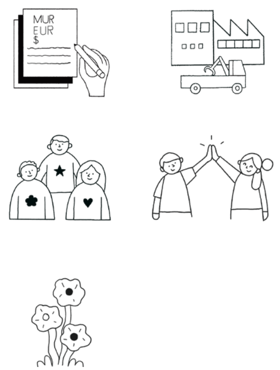
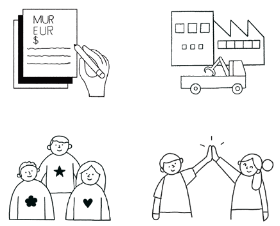
Financial Capital | Human Capital | Intellectual Capital | Manufactured Capital | Social & Relationship Capital | Natural Capital

PRINCIPAL RISK	DESCRIPTION	INHERENT LEVEL	CONTRIBUTING FACTORS	CAPITALS IMPACTED	HOW WE MANAGE THE RISK	RESIDUAL LEVEL
7 BUSINESS CONTINUITY **RISK CATEGORY:** STRATEGIC **RISK TYPE:** SYSTEMIC	The risk that CIEL Group is not able to carry out or resume its operations timeously in the event of interruptions/disasters, resulting in significant losses, reputational damage and in extreme cases, loss of life ***No change:*** *business continuity remains a principal risk for the group and its clusters. Actions are on-going to ensure that business continuity plans remain pertinent to changes in operating environments.*	EXTREME LOW	• Impact of climate change on Mauritius, including beach erosion, coral death, volatile and extreme weather patterns, droughts, floods etc • Mauritius is particularly exposed to the impact of climate change (Small Islands Developing States) and disasters to its natural resources (e.g. oil spills) • Disease outbreak • Risks associated with connectivity issues to IT systems and internet, given increasing dependency		• Business continuity plans, disaster recovery plans and crisis management plans implemented across BUs • Drills to assess the readiness of the clusters/BUs to recover in specific situations • Frequent awareness sessions to staff ***Extent to which the risk is mitigated: Medium***	EXTREME LOW
8 LIQUIDITY & FUNDING **RISK CATEGORY:** OPERATIONAL **RISK TYPE:** MATERIAL	The risk that CIEL Group is unable to access internal or external funds to cover obligations and/or operations or excessive borrowing to cover current operating obligations, resulting in cash flow constraints and missed targets. ***No change:*** *strong revenue growth, mainly on account of hotels performing well above expectations and all other clusters posting double-digit growth.*	EXTREME LOW	• Persistent geopolitical and economic challenges • Ability to secure funding at an attractive cost of capital		• Stress test analysis • Robust cash flow management • Robust cost control and business optimisation measures • Leveraging on financial support and schemes • Nurturing investor relationships ***Extent to which the risk is mitigated: High***	EXTREME LOW

OUR PRINCIPAL RISKS EXPLAINED (CONT'D)

Risk has Increased | Risk has Decreased | Risk is Constant

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

PRINCIPAL RISK	DESCRIPTION	INHERENT LEVEL	CONTRIBUTING FACTORS	CAPITALS IMPACTED	HOW WE MANAGE THE RISK	RESIDUAL LEVEL
9 CLIMATE CHANGE & ESG **RISK CATEGORY:** STRATEGIC **RISK TYPE:** OTHER	The risk that CIEL Group does not factor the impact of its activities and decisions on the environment and society at large, resulting in unsustainable business operations and reputation damage. ***Deterioration in inherent risk:*** *increased frequency and intensity of extreme weather events around the world with Mauritius being particularly exposed to rising temperatures and sea levels, accelerated coral erosion, volatile and extreme weather patterns. Whilst the group continues to invest considerably in deploying its sustainability strategy 2020-2030, inherent risk was increased to reflect the increasing external risks posed by climate change.*	EXTREME LOW	• Increased frequency and intensity of extreme weather events around the world with record breaking storms, floods, heatwaves, wildfires • Climate mitigation and transition plans are off-track largely due to insufficient collective actions and geopolitical tensions • Mauritius is exposed to rising temperatures and sea levels, accelerated coral erosion, volatile and extreme weather patterns (droughts, floods), with impacts already being felt in our operations (Properties)		• Group Sustainability Strategy 2020-2030 around three main pillars (workforce, inclusive growth and climate response) • Roadmap devised at cluster levels to deliver the Group's sustainability goals • Dedicated teams of sustainability experts and champions to drive action plans across the Group • Group-wide internal reporting for measuring sustainability progress • Regular awareness & training sessions to staff on ESG and climate change *Please refer to the Activate Climate Response Section* ***Extent to which the risk is mitigated: Medium***	EXTREME LOW
10 INTERNAL & EXTERNAL COMMUNICATION **RISK CATEGORY:** OPERATIONAL **RISK TYPE:** OTHER	The risk that CIEL Group does not effectively manage its internal and external communication, leading to internal dysfunctionality, stakeholder dissatisfaction, and brand & image damage. ***No change:*** *the Group continues to be exposed to high reputational risks which are inherent to certain sectors where it operates. Adequate crisis communication plans are in place at Group and cluster levels.*	EXTREME LOW	• CIEL Group operates in critical sectors with high societal impact and exposure to reputational risk (e.g. healthcare, hospitality, financial services & banking). Effective internal and external communication is key in case of material incidents • Long lasting effects that media coverage can have on the BU brands and Group brand		• Crisis communication strategy • Incident reporting/raising concerns • Media strategy & protocols • On-going sharing of Group strategy and overall vision with employees • Group level department monitoring internal and external communication ***Extent to which the risk is mitigated: High***	EXTREME LOW

Audit

INTERNAL AUDIT

The internal audit function is outsourced to EY, which has a dedicated team of qualified auditors servicing the Group at CIEL and cluster levels.

As a third level of defence, the internal audit function provides independent and objective assurance on the effectiveness of governance, risk management and control processes across the Group. To ensure that the function remains independent and sufficiently objective, internal audit teams report functionally to the ARC of CIEL and of the clusters, and administratively to the respective executive teams. The internal auditor teams have unrestricted access to company records and information, employees, and management teams as required, to enable them to deliver effectively.

The primary source of internal assurance is through delivery of the internal audit plan, which involves conducting a risk assessment exercise at company level to identify and rank the main risks faced by the company, and determine what areas need to be audited and in what order of priority. High-ranked risks that have corresponding auditable controls are typically prioritised for review. This exercise involves collaboration amongst the internal audit function, the members of the ARC, and the management to draw out consensus on the material risk areas that warrant attention. The same process is replicated across the Group by EY.

Audit plans are reviewed throughout the year to ensure that they remain relevant for new and emerging circumstances, both internal and external. The findings and remedial actions, including business improvements from internal audit reviews are discussed with the relevant business areas, are communicated to the respective management and ARCs, and tracked through to completion.

As a recurrent item on the agenda of the ARC meetings of CIEL and of the clusters, the members are updated on the audit findings arising from the previous internal audit reports which remain to be addressed and closed. The internal auditor also conducts follow-up reviews on previous audits to ensure that the necessary remedial action points have been duly implemented. In addition to areas covered by the annual internal audit plan, the ARCs may request internal auditors to perform special audits on other areas requiring attention.

Please refer to the Ensuring Good Governance section for the composition, organisation and responsibilities of the ARC.

The internal audit function typically executes its internal audit assignments through the following 5 main phases, which are aligned with the Institute of Internal Auditors (IIA) standards and leading internal audit practices.

Continuous project management and status updates as agreed in communication protocol

PHASES	APPROACH	DELIVERABLES
1 PLAN AND SCOPE	• Meet with appointed contact person to agree on audit project scope, objective and communication protocols • Confirm appropriate resources required to execute the audit program • Agree audit timelines	• Mobilise the project team and assign roles • Confirmed scope and objectives • Project schedule, plan and timelines
2 CONDUCT FIELDWORK	• Conduct understanding interviews and review key business documentation • Formulate audit programs including risk and control matrices (RACM) • Assess the design of controls through interviews with relevant personnel, review of process documentation and 'walkthrough' of the control • Assess the effectiveness of controls in operation via execution of the test work program	• Audit program including RACM • Audit Working Papers and supporting documents
3 REVIEW FINDINGS	• Review and analyse findings from fieldwork conducted • For issues identified, perform root cause analysis and impact analvsis to understand the materiality and 'why' the issue has occurred • Identify any compensating controls associated with the preliminary findings • Draft the report in a pre-agreed format and structure • Submit draft report to management for preliminary comments and validation	• Preliminary List of Issues • Draft Audit Report
4 ISSUE REPORT	• Close comments and agree with management on content of draft report • Collect management comments and remediation actions, and include these in the internal audit report • Finalise the report and release	• Final Audit Report including management actions
5 CONDUCT FOLLOW UP	• Agree with management timing for follow up audits • Agree which remediation actions have been implemented to date and plan to independently confirm that these are operating effectively • Interview relevant management for status update inquiry and determine required test • Verify that action plans for each finding have been implemented • Verify reasons for failing to implement any action plans and recommend way forward to close out any remaining issues	• Follow-up Report including the status for each action plan within the issued reports

INTERNAL AUDIT (CONT'D)

EY has a specialist team of internal auditors who hold recognised international qualifications in their respective fields (e.g. ACCA, Institute of Chartered Accountants of England & Wales, Certified Internal Auditors (CIA), Certified Information Systems Auditor (CISA), Certified in Risk and Information Systems Control (CRISC)). EY maintains the independence and objectivity of its staff by ensuring their strict adherence to professional and ethical standards and by providing them with regular training and awareness on these subjects.

For the financial year ended 30 June 2023, the major processes that were covered in the audit reviews are detailed below per cluster:

AUDITED AREAS	HEAD OFFICE	HOTELS & RESORTS	TEXTILE	FINANCE	HEALTHCARE	PROPERTIES
Payroll processing	●	●			●	
Revenue & debtors management				●	●	
Procurement & Inventory		●			●	
Food & Beverage (F&B)		●				
Sampling & Product development process			●			
Project costs & expenses monitoring process						●
Maintenance & Facilities		●				●
Contract Management			●		●	
Archiving system			●			
Risk Management system					●	

Other high-risk areas have been or will be covered as part of the 3-year audit cycle ending 2023/2024.

EXTERNAL AUDIT

PricewaterhouseCoopers (PwC) was appointed by the shareholders as the external auditor for a mandate of seven years, ending 30 June 2024. A formal tender process will be initiated during the next financial year for the rotation of the external auditors. Advanced planning and ongoing communication between the external auditors and the Finance teams across the Group on certain aspects of the audit cycle have created opportunities for improvement on audit areas in advance of the year end.

Throughout the year, our Finance teams have worked with PwC to ensure that the financial statements present a true and fair view of the financial performance and position of our businesses with the required level of disclosures regarding significant issues.

At the closing of the year-end audit exercise, PwC reports on the significant risks and control deficiencies identified at Group level to the ARC, together with recommended actions. Significant risks pertaining to each cluster are also reported at the respective cluster ARC, following which remedial action plans are promptly implemented by management and monitored by the ARC until closure.

The Executive and the Finance teams of the Group work together with the external auditor in an environment of constructive challenge whilst ensuring that the auditors' independence and objectivity is maintained. PwC also ensures that its teams adhere to the Code of Ethics of the International Ethics Standards Board for Accountants (IESBA).

The ARC regularly meets the auditors in the presence of management since it has no impact on the objectivity of the meeting. However, if the need arises, the ARC meets with the external auditors without management.

The fees paid to the auditors for audit and other services for the financial year are described under ***Other Statutory Disclosures***. The non-audit services provided by the auditors relate mainly to tax computation, compliance, and transaction advisory. Hence, the objectivity and independence of the auditors are safeguarded since the teams involved are not the same as the one providing audit services.

Ensuring **Good Governance**

Finding Time and Rhythm

A seasoned CIEL employee, Veronique joined the company in 1999. Her unwavering commitment to excellence has been a key part of the seamless management of payroll operations serving over 800 employees.

She skillfully handles challenging deadlines and collaborates effectively with colleagues, making time for others even during software upgrades and unforeseen challenges, such as the recent pandemic.

Beyond the world of finance, Veronique possesses a passion for music, with a particular talent for the guitar, honed since the age of 13. A devoted animal lover, she has future plans to one-day support stray animals.

Véronique OUDIN
Payroll Officer
CIEL Head Office, Mauritius

Governance at CIEL – **Board Effectiveness**

CIEL'S ORGANISATIONAL CHART AND STATEMENT OF ACCOUNTABILITIES

The Board of Directors ("Board") of CIEL Limited ("CIEL") is committed to maintaining high standards of corporate governance and acknowledges its responsibility for applying and implementing the principles contained in the National Code of Corporate Governance for Mauritius (2016) ("the Code"). Details on how CIEL has applied the Code's principles are set out in this report. CIEL also uses its website for online reporting purposes, in accordance with the recommendations of the Code. You may refer to CIEL governance section in the investor page on www.cielgroup.com ("CIEL's website").

Unitary Board Structure

The Board provides effective leadership and direction to enhance the long-term value of the Group, for its shareholders and other stakeholders. It assumes its responsibility in (i) leading, controlling, and overseeing the business affairs of the Group; and (ii) reviewing its strategic plans, performance objectives, financial plans, annual budget, key operational initiatives, major funding, investment proposals, financial performance reviews and corporate governance practices.
It ensures that all legal and regulatory requirements are met.
The Board of CIEL has approved the statement of accountabilities and is ultimately accountable and responsible for the performance and affairs of the Group which operates within a defined governance framework through delegation of authorities and clear lines of responsibility while enabling the Board to retain effective control.

Board Committees

Board committees facilitate the discharge of the Board's responsibilities and provide in-depth focus on specific areas, in line with approved terms of reference for each committee. In fulfilling their role of providing oversight and guidance, chairmen of Board committees escalate significant matters impacting the Group to the Board. Reports to the Board from committees' chairmen are recurring items on the agendas of Board meetings.

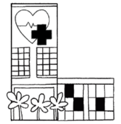
- **Corporate Governance, Ethics, Nomination & Remuneration Committee**
- **Investment Committee**
- **Audit & Risk Committee**

The Board delegates management to its Executive Directors and CEOs of its subsidiaries

- **Group Chief Executive**
  Jean-Pierre Dalais
- **Deputy Group Chief Executive**
  Guillaume Dalais
  (Since 01 January 2023)
- **Group Finance Director**
  L. J. Jérôme De Chasteauneuf

The CEOs of the clusters report to the Group Chief Executive

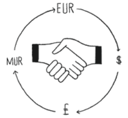
CEO of CIEL Textile
Eric Dorchies



CEO of C-Care
Hélène Echevin

CEO of SUNlife
Francois Eynaud

CEO of CIEL Properties
Guillaume Dalais



CEO of CIEL Finance
Lakshmana Bheenick

CIEL Head Office Management Team provides support to CIEL and companies of the CIEL Group

- **Group General Counsel**
  Christine Sauzier
- **Group Head Human Resources & Sustainability**
  Dev Sewgobind
- **Group Head Corporate Finance**
  Yogesh Kissoondary
- **Group Head Risk and Compliance**
  Kamini Vencadasmy
- **Group Head Treasury**
  Danny Runghen
- **Group Company Secretary**
  Clothilde de Comarmond
- **Group Head Regulatory & Corporate Affairs**
  Kabir Kaleechurn

Governance at CIEL - **Board Effectiveness** (Cont'd)

DIVISION OF RESPONSIBILITIES

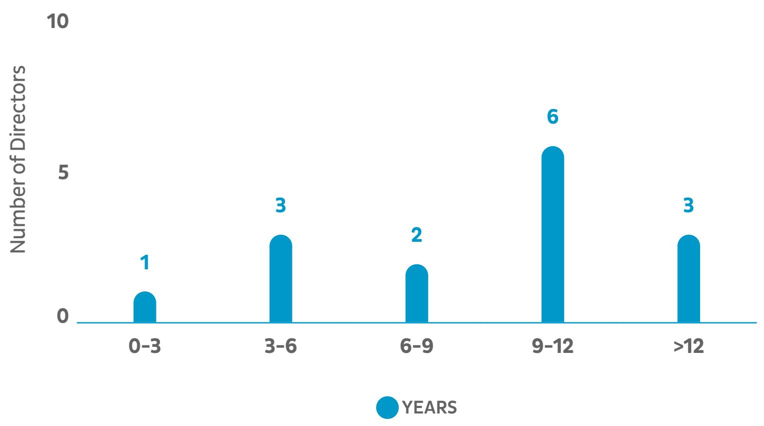
The roles and responsibilities of the Board chairman, executive and non-executive directors as well as the company secretary are clearly defined in the Board Charter and Position Statements, which have been approved by the Board, the extracts of which are found hereunder. The role of the Board chairman is distinct and separate from that of executives of CIEL. There is a clear division of responsibilities with the chairman leading the Board and the executives managing the Group's business on a day-to-day basis.

ROLE	MAIN RESPONSIBILITIES
Chairman of the Board P. Arnaud Dalais	• Chairs the Board and shareholders' meetings • Ensures that there is appropriate delegation of authority from the Board to executive management and Board committees • Facilitates the effective contribution of non-executive directors and encourages active engagement by all members of the Board • Ensures constructive relations between the executive and non-executive directors • Sets the ethical tone for the Board and the Group and upholds the highest standards of integrity and probity • Promotes effective relationships and open communication between directors, both inside and outside the boardroom, ensures an appropriate balance of skills and personalities • Ensures effective communication with the shareholders
Group Chief Executive Jean-Pierre Dalais	• Provides strategic leadership for CIEL and the business units of its subsidiaries ("Group") by working with the Board and the Group's executive management team to define long-term strategies, plans and policies • Leads and directs the implementation of business strategy, performance delivery and safe and compliant execution of the Group • Delivers sustainable long-term value for shareholders through consistent performance delivery and execution of the Group's business in a manner that, at the same time, maintains the confidence of all other key stakeholders in the business including investors, customers, regulators and employees
Group Finance Director L. J. Jérôme De Chasteauneuf	• Provides a hands-on and quality-focused financial advice, underpinned by sound financial leadership and proven business effectiveness • Drives the financial management of the Group to include budget analysis and management, financial modelling and reporting, cost benefit analysis, forecasting needs, accounting and treasury operations, mergers and acquisitions and investment strategies • Offers quality, meaningful analysis, and financial perspectives necessary for corporate decisions and strategic planning at Board level
Group Company Secretary Employed by CIEL Corporate Services Ltd ("CCS"), a wholly owned subsidiary of CIEL, which provides the services of company secretary to CIEL, Clothilde de Comarmond, ACG, joined CCS in 2000 and oversees the company secretarial department at CIEL Head Office	• Guides the directors on their duties, responsibilities and powers and assists in their induction • Informs the directors of any change in company law and legislation • Co-ordinates the Board evaluation exercise • Ensures compliance with Board procedures and provides support to the chairman • Ensures that the Company complies with its constitution and all relevant statutory and regulatory requirements • Maintains an interests register which is available for consultation by the shareholders upon written request • Responsible for the communication with the shareholders and the organisation of shareholders' meetings

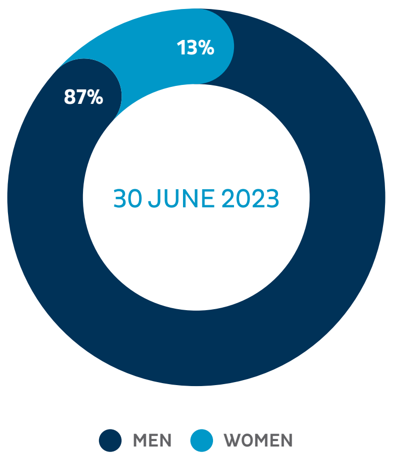
Governance at CIEL - **Board Effectiveness** (Cont'd)

THE STRUCTURE OF BOARD AS AT 30 JUNE 2023

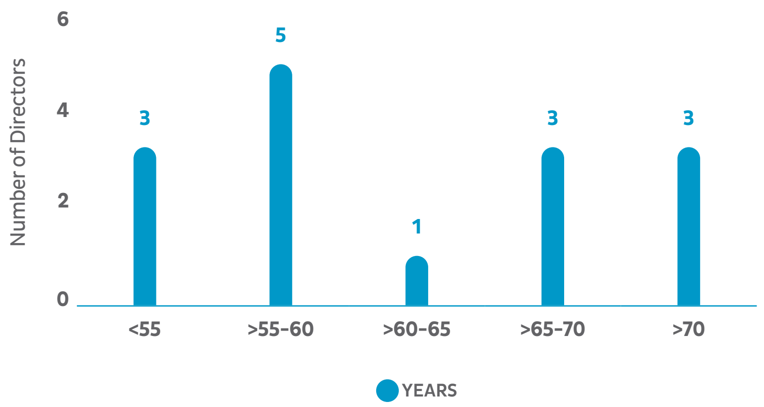
DIRECTORSHIP TENURE



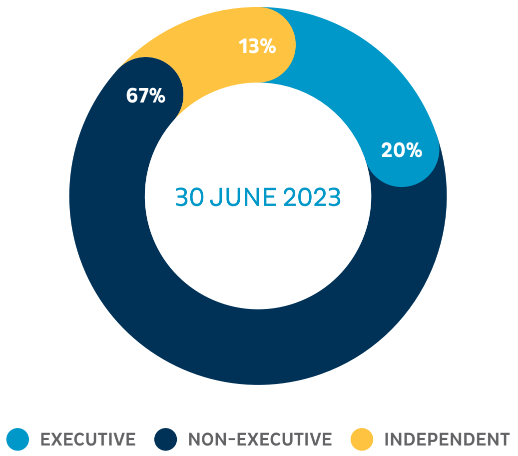
GENDER DIVERSITY



DIRECTOR AGE



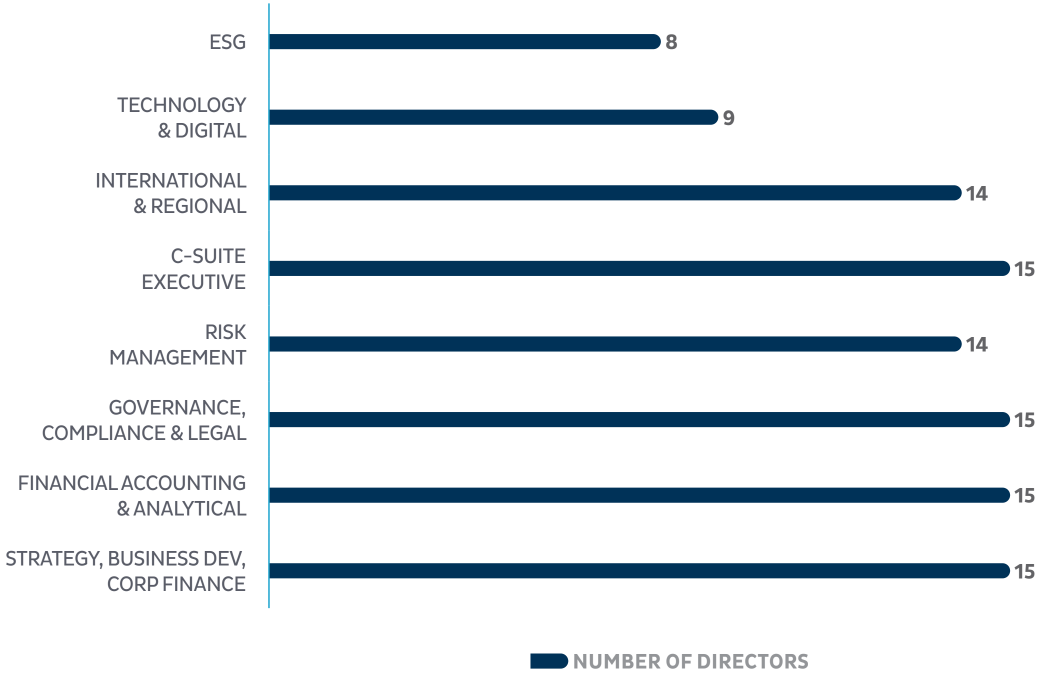
CATEGORY OF DIRECTORS



The Chairman is a non-executive director and does not have a casting vote at Board meetings. There are 2 independent directors on the Board.

BOARD SKILLS MATRIX

The Board is satisfied that its composition is adequately balanced and that the directors have the range of skills, expertise, and experience to carry out their duties properly. A sufficient number of directors do not have a relationship with the organisation.



DIRECTORS	GENDER	AGE	ATTENDANCE	RESIDENCE
P. Arnaud Dalais (Chairman)	M	68	6/6	Mauritius
Sébastien Coquard	M	48	6/6	France
Guillaume Dalais	M	41	6/6	Mauritius
Jean-Pierre Dalais	M	59	6/6	Mauritius
Marc Dalais	M	59	5/6	Mauritius
R. Thierry Dalais	M	64	6/6	Mauritius
Pierre Danon, up to 30 June 2023	M	67	6/6	France
L. J. Jérôme De Chasteauneuf	M	56	5/6	Mauritius
Roger Espitalier Noël	M	68	6/6	Mauritius
M. A. Louis Guimbeau	M	72	5/6	Mauritius
J. Harold Mayer	M	58	6/6	Mauritius
Marc Ladreit De Lacharrière*	M	82	0/6	France
Catherine McIlraith	F	59	6/6	Mauritius
Jean-Louis Savoye	M	49	5/6	France
Xavier Thiéblin	M	80	5/6	France
Aïsha C. Timol, as from 30 June 2023	F	66	N/A	Mauritius
*Jacques Toupas, Alternate of Marc Ladreit de Lacharrière	M	45	6/6	France

Governance at CIEL - **Board Effectiveness** (Cont'd)

DIRECTORS' PROFILES

P. Arnaud Dalais
Non-Executive Chairman
Joined the Board in November 1991
Member of the Corporate Governance, Ethics, Nomination & Remuneration Committee
Member of the Investment Committee

Core Competencies
Leadership, entrepreneurship, deal structuring, business management, strategic development, hotel & property development

Skills and Experience
- Joined the CIEL Group in August 1977
- Appointed Group Chief Executive and Director in November 1991
- Under his leadership, the CIEL Group went through an important growth both locally and internationally
- Over the years, he has played an active role at the level of the Mauritian private sector and has assumed the chairmanship of several organisations including the Joint Economic Council from 2000 to 2002 and Business Mauritius from 2015 to 2017
- Founder and Chairman of Mercoeur Investment Ltd

Directorships in CIEL Subsidiaries: Refer to Appendix A

Directorships in other Listed Companies in Mauritius: Sun Limited

Guillaume Dalais
Executive Director
Deputy Group Chief Executive
Joined the Board in June 2019

Core Competencies
Private equity, textile, manufacturing, entrepreneurship, strategic business development, deal structuring

Skills and Experience
- Deputy Group Chief Executive of CIEL since 01 January 2023
- CEO of CIEL Properties
- Former experience in the investment Banking sector by working at Metier Investments & Advisory Services in South Africa and CIEL Capital Limited in Mauritius
- Joined the CIEL Textile Group in 2010
- Appointed Executive Director of the Knits Cluster of the CIEL Textile Group in 2012
- Chief Executive Officer of the Knitwear cluster of the CIEL Textile Group between July 2016 and June 2020
- Holder of a Master 2 from Ecole Supérieure de Gestion (now Paris School of Business) in Finance and Accounting, Paris, France; also completed HEC Paris Executive Education

Directorships in CIEL Subsidiaries: Refer to Appendix A

Directorships in other Listed Companies in Mauritius: C-Care (Mauritius) Limited (Board Chair), Miwa Sugar Limited, Sun Limited

Sébastien Coquard
Non-Executive Director
Joined the Board in May 2014
Member of the Investment Committee

Core Competencies
Investment, Corporate finance, capital markets, valuation

Skills and Experience
- Deputy CEO and Chief Investment Officer at Peugeot Invest, the listed investment company majority-owned by the Peugeot family
- Representative of Peugeot Invest Assets on the Board of Directors of OPCI Lapillus II and IDI Emerging Markets SA
- Former representative of Peugeot Invest on the Board of Directors of Onet, Ipsos, LT Participations and IDI SCA
- Director of Peugeot Invest UK Ltd
- Board observer at Asia Emerging Assistance Holding PTE Ltd
- Held long-term investments positions at Allianz France, worked at Oddo Corporate Finance on M&A and ECM transactions and in the corporate banking division of Paribas

Directorships in CIEL Subsidiaries: None

Directorships in other Listed Companies in Mauritius: None

Jean-Pierre Dalais
Executive Director
Group Chief Executive
Joined the Board in February 1995
Member of the Investment Committee

Core Competencies
Strategy and corporate finance, building business partnership, international development, new business opportunities, leadership

Skills and Experience
- Joined CIEL Group in January 1992 and is its Group Chief Executive since January 2017, overseeing operations of the Group
- Was formerly Executive Director at CIEL, focusing particularly on the development of the Group's Hotels & Resorts, Financial Services and Healthcare clusters
- Before that, Jean-Pierre Dalais was the Chief Executive Officer of CIEL Investment Limited
- Graduated with an MBA from the International University of America, San Francisco, and previously worked at Arthur Andersen (Mauritius and France)
- Chairman of Business Mauritius and Member of its Advisory Committee

Directorships in CIEL Subsidiaries: Refer to Appendix A

Directorships in other Listed Companies in Mauritius: Alteo Limited, Miwa Sugar Limited, Sun Limited (Board Chair)

DIRECTORS' PROFILES (Cont'd)

Marc Dalais
Non-Executive Director
Joined the Board in June 2017

Core Competencies
Logistics, business and management, strategic planning, leadership

Skills and Experience
- Founder and Executive Chairman of Celero group, a leading logistics and shipping group operating mainly in Mauritius and Madagascar
- Previous International working experience with an international shipping company in RSA and the Bollore group in Paris
- Worked at IBL group as General Manager of a trading division then heading and growing its Aviation, Logistics & Shipping division in the Indian Ocean
- Served on boards of Mauritius Export Association and a company pioneering Freeport operations in Mauritius

Directorships in CIEL Subsidiaries: Refer to Appendix A
Directorships in other Listed Companies in Mauritius: None

L. J. Jérôme De Chasteauneuf
Group Finance Director
Joined the Board in April 2012
Member of the Investment Committee

Core Competencies
Business development and finance, accounting & audit, strategic development, deal structuring

Skills and Experience
- Qualified from The London School of Economics – BSc Econ (Accounting & finance)
- Gained strong foundation in financial expertise during former working experience at PriceWaterhouse Coopers in the UK, where he qualified as a Chartered Accountant
- Transitioned into a key leadership role within the CIEL Group, becoming its Head of Finance in 2000
- Over decades, has steered CIEL Group towards optimal financial health, streamlined operational efficiencies, and paved pathways for sustained growth
- Pioneered and executed intricate financial re-engineering strategies that intricately accompanied the CIEL Group's growth journey
- Instrumental in shaping the financial trajectory during pivotal moments, including strategic Initial Public Offerings (IPOs), international expansions, M&A transactions, and holistic corporate restructuring efforts
- Strong advocate for risk management, compliance, transparency, and accountability
- Currently representing CIEL Group on numerous boards of subsidiaries
- Serves as independent non-executive director on the Board of the Stock Exchange of Mauritius Ltd

Directorships in CIEL Subsidiaries: Refer to Appendix A
Directorships in other Listed Companies in Mauritius: Alteo Limited (Board Chair), Harel Mallac & Co. Limited, Miwa Sugar Limited, Sun Limited

R. Thierry Dalais
Non-Executive Director
Joined the Board in August 2013
Chairman of the Investment Committee
Member of the Corporate Governance, Ethics, Nomination & Remuneration Committee

Core Competencies
Investment management and corporate finance, entrepreneurship and business development, private equity investment activities across numerous industry sectors

Skills and Experience
- More than 35 years' experience in the financial services and private equity investment industry
- Co-founder of two private equity investment firms and acted as a key person in numerous private investment programs over the last 30 years
- Current and former director and trustee on numerous boards, industry bodies, not for profit foundations
- Chairman of Metier Investment and Advisory Services (Pty) Ltd ("Metier") and director certain of its subsidiaries and portfolio companies under Metier's management

Directorships in CIEL Subsidiaries: Refer to Appendix A
Directorships in other Listed Companies in Mauritius: Sun Limited

Roger Espitalier Noël
Non-Executive Director
Joined the Board in January 2014

Core Competencies
Textile, manufacturing and operations, environment, and sustainability

Skills and Experience
- Former Corporate Sustainability Advisor of CIEL
- Former General Manager of Floreal Knitwear Limited
- Holds more than 35 years' experience in the textile industry
- Involved in the restructuring and restart of the Madagascar Production Units after the political unrest of 2001, and as from 2008, acting as consultant for CIEL Textile Limited where his activities were focused on the environmental, logistics, utilities as well as the retail aspects of the Knits division

Directorships in CIEL Subsidiaries: Refer to Appendix A
Directorships in other Listed Companies in Mauritius: ENL Ltd, Phoenix Investment Ltd (Alternate Director)

DIRECTORS' PROFILES (Cont'd)

M. A. Louis Guimbeau
Non-Executive Director
Joined the Board in July 1991
Member of the Audit & Risk Committee

Core Competencies
Finance, accounting, business management

Skills and Experience
- Held senior positions in different sectors of the Mauritian economy, gaining a vast experience in strategy development, administration, finance and accounting until his retirement in 2010
- Co-founder of La Meule Permaculture EcoVillage in 2014, a sustainable living project
- Fellow of the Mauritius Institute of Directors
- Former Director of Sun Limited

Directorships in CIEL Subsidiaries: Refer to Appendix A

Directorships in other Listed Companies in Mauritius: None

Marc Ladreit de Lacharrière
Non-Executive Director
Joined the Board in September 2014

Core Competencies
International business and management, leisure and hospitality

Skills and Experience
- Founder of Fimalac, a formerly listed company held by Group Marc de Lacharrière, which operates in four business areas: capital investment with Warburg Pincus, digital media in entertainment through Webedia Entertainment with the organisation of shows and venue management (FIMALAC Entertainment), and leisure activities and hotels through the Group Barrière
- Former Executive of Banque de Suez et de l'Union des Mines, which was renamed Indosuez following the integration of Banque de l'Indochine
- Former CFO of L'Oréal where he progressively became Vice-Chairman Deputy CEO

Directorships in CIEL Subsidiaries: None

Directorships in other Listed Companies in Mauritius: None

J. Harold Mayer
Non-Executive Director
Joined the Board in January 2014

Core Competencies
Corporate finance, accounting, operational excellence, textile, entrepreneurship

Skills and Experience
- Retired as CEO of the CIEL Textile Group on 30 June 2020
- Was formerly Chief Executive Officer of the CIEL Textile Group since 2006
- He joined CIEL Textile in 1990 and has been holding key positions within the Group since then. He started his career as Head of Finance of New Island Clothing and was promoted General Manager of Aquarelle Clothing Ltd in 1995. He was also Chief Operating Officer of the clothing operations
- He is a qualified Chartered Accountant and holds a Honours degree in Commerce
- Offers property advisory and transaction services (Horizon Property Partners) and is chairman of the Horizon Group (property cluster)
- Acts as corporate consultant on strategy, finance and operational excellence
- Board Director and Chairman of the Audit & Risk Committee of Air Mauritius Ltd

Directorships in CIEL Subsidiaries: Refer to Appendix A

Directorships in other Listed Companies in Mauritius: Omnicane Limited, Sun Limited

Catherine McIlraith
Independent Non-Executive Director
Joined the Board in January 2015
Chairperson of the Audit & Risk Committee

Core Competencies
Corporate finance, accounting, audit, investment banking

Skills and Experience
- Member of the South African Institute of Chartered Accountants since 1992
- Fellow Member of the Mauritius Institute of Directors
- Serves as an Independent Non-Executive Director and as a member of various Committees of several public and private companies in Mauritius, South Africa and England
- Served her Articles with Ernst & Young in Johannesburg before joining the investment banking industry where she held senior positions in corporate and specialised finance for Ridge Corporate Finance, BoE NatWest and BoE Merchant Bank in Johannesburg
- Former Head of Banking at Investec Bank (Mauritius Branch)

Directorships in CIEL Subsidiaries: Refer to Appendix A

Directorships in other Listed Companies in Mauritius: Astoria Investments Limited (Board Chhair), Les Gaz Industriels Ltd, GRIT Real Estate Income Group Limited, MUA Limited, Phoenix Beverages Limited

DIRECTORS' PROFILES (Cont'd)

Jean-Louis Savoye
Non-Executive Director
Joined the Board in September 2017

Core Competencies
Finance, accounting, mergers & acquisition, private equity, international business and management, property investment, financing

Skills and Experience
- Deputy General Manager of Dentressangle, a French société par actions simplifiée which is the investment holding company of the Dentressangle family
- Has been instrumental in helping Dentressangle to realise its investment strategy during the last 20 years
- Represents Dentressangle on several board committees including the boards of CIEL and SUN Limited. He is a member of the Audit & Risk Committee of SUN Limited
- Prior to joining Dentressangle in 2003 as CFO, Jean-Louis Savoye, served with PwC and ran due-diligences acquisitions in M&A for various Private Equity firms and French leading industrial companies
- Is a graduate of the Toulouse Business School with a major in Finance

Directorships in CIEL Subsidiaries: Refer to Appendix A

Directorships in other Listed Companies in Mauritius:
Sun Limited

Aïsha C. Timol
Independent
Non-Executive Director
Joined the Board in June 2023
Chairperson of the Corporate Governance, Ethics, Nomination & Remuneration Committee
Member of the Audit & Risk Committee

Core Competencies
International and domestic business and management, private equity, banking, corporate

Skills and Experience
- Trained as an economist with emphasis on quantitative techniques and with 20 years' experience of policy formulation and application at Government level and an equal number of years practising in the private sector
- Held executive directorship positions at the Budget Bureau and Economic Affairs Division of the Ministry of Finance and at the Ministry of Financial Services; was the CEO of the Mauritius Bankers Association and a Senior Lecturer at the University of Mauritius in Mathematical Economics and Econometrics
- Closely involved with the development and diversification strategy of the economic landscape of Mauritius and particularly of its financial services industry
- Experienced as a regulator, practitioner and negotiator in the domestic and international business and financial landscape
- In recognition of services rendered in developing and promoting the banking and financial services sector, she was conferred by the State of Mauritius, in 2007, the title of Grand Officer of the Star & Key of the Indian Ocean (G.O.S.K.)
- Now serves on various boards as an Independent Director and acts as a consultant on governance-related matters
- Holds various academic qualifications, notably from the University of St Andrews, Scotland, Université d'Aix-Marseille, France & the Institute of Social Studies of The Hague, Netherlands

Directorships in CIEL Subsidiaries: None

Directorships in other Listed Companies in Mauritius: CIM Financial Services Ltd (Board Chair)

Xavier Thiéblin
Non-Executive Director
Joined the Board in December 2013
Member of the Corporate Governance, Ethics, Nomination & Remuneration Committee

Core Competencies
International business and management, agro-industry, entrepreneurship

Skills and Experience
- Joined Société Sucrière de Quartier Français in 1970
- Former Chairman of that group which became a major player in the sugar industry
- Played important roles in the sectors of sugar and rhum, in Réunion Island, Paris and Brussels
- Manages and administers several companies, including OXACO, a family holding which invests in the Indian Ocean and Europe and assumes some professional responsibilities in several enterprises

Directorships in CIEL Subsidiaries: None

Directorships in other Listed Companies in Mauritius: None

Jacques Toupas
Non-Executive Alternate Director
Joined the Board as Alternate Director of Marc Ladreit de Lacharrière in February 2016

Core Competencies
Finance, accounting, audit, private equity, international business management

Skills and Experience
- Joined Fimalac Group in 2009. Member of its investment team and responsible for the financial portfolio monitoring and investment
- Serves as Board member of various Fimalac Group's subsidiaries
- Former working experience in investment banking, both in Paris and London and started his career at Arthur Andersen in Paris as a financial auditor prior to moving to PwC as a senior auditor and later as a manager in the Transaction Services department
- Worked in private equity as a manager at European Capital

Directorships in CIEL Subsidiaries: None

Directorships in other Listed Companies in Mauritius: None

SENIOR MANAGEMENT TEAM AND CEOs OF THE CLUSTERS

Jean-Pierre Dalais
Group Chief Executive of CIEL
Refer to Directors' Profiles

Guillaume Dalais
Deputy Group Chief Executive of CIEL
Refer to Directors' Profiles

L. J. Jérôme De Chasteauneuf
Group Finance Director of CIEL
Refer to Directors' Profiles

Lakshmana Bheenick
Chief Executive Officer of CIEL Finance
Since 01 March 2021, Lakshmana Bheenick is the CEO of CIEL Finance. He joined Barclays Bank PLC (Mauritius Branch) in March 1996 and held various positions - FX trader, Head Market Making & Liquidity Management, Treasurer. He then moved to Standard Bank (Mauritius) Limited in June 2006 as Head of Global Markets (Treasurer) and was appointed as Chief Executive in July 2010. Lakshmana is a graduate in BA Economics from the University of Manchester and also holds an ACI Dealing Certificate. He holds an Executive Education MIT Sloan School of Management and has also been on a leadership programme with Oxford SAID Business. Former Director and Vice Chairman of the Mauritius Bankers Association (MBA).

Hélène Echevin
Chief Executive Officer of C-Care
Hélène Echevin is the Chief Executive Officer of the C-Care group since July 1, 2019, which regroups all healthcare activities of the CIEL Group, including C-Care (Mauritius) Ltd and C-Care (Uganda) Ltd. She was the Executive Chairperson of C-Care (Mauritius) Ltd from 2017-2022. Hélène joined CIEL Group in March 2017 as Chief Officer-Operational Excellence and since then has played a key role in developing the healthcare portfolio and leading CIEL's operational excellence journey. She formerly worked for Eclosia Group and Harel Mallac Group and counts 22 years of experience in operations and project management at both company and corporate levels. She was the first lady President of MCCI, Mauritius Chamber of Commerce, in 2015-2016. Holds a degree in Engineering from Polytech Engineering School, Montpellier, France and followed a Management Executive Program at INSEAD.

Eric Dorchies
Chief Executive Officer of CIEL Textile
Eric Dorchies is the Chief Executive Officer of CIEL Textile since 1 July 2020. In this capacity, Eric Dorchies also sits on the Board of CIEL Textile Limited ("CTL"). CTL has strategic geographic positioning with manufacturing locations in Mauritius, Madagascar, India and Bangladesh. It is on these three main pillars: "talents, sustainable development and digitalisation" that CTL will continue to accelerate its transformation. Eric Dorchies has a long-standing career in CTL group which he joined in 1998 as Chief Executive Officer of Consolidated Fabrics Limited. He was appointed Managing Director of Aquarelle Clothing Ltd in 2003 and became the Chief Executive Officer of the woven cluster from 2008 till 2019, instrumental in driving several strategic initiatives for the group bringing it to an international level. In October 2017, he was appointed CTL's Chief Operations Officer. Eric Dorchies has a solid track record in the textile industry with strong marketing capabilities. Prior to joining CTL, he was leading his own textile company in Europe. He graduated in Business and Finance from ESCP Europe (Ecole Supérieure de Commerce de Paris).

Francois Eynaud
Chief Executive Officer of SUN
Francois Eynaud is the Chief Executive Officer of SUN since 01 September 2019. Prior to joining SUN, Francois Eynaud was the CEO of Veranda Leisure & Hospitality ("VLH"), managing the Hotels Division of Rogers Group, where he spent 11 years. Before joining VLH, he had spent 14 years with CIEL Textile where he was Executive Director at Tropic Knits. Francois was President of AHRIM (the National Hotel Association) in 2013 and 2014. Prior to returning to Mauritius in 1991, Francois had worked 7 years at SAGEM France as Export Director, Country Manager in the Caribbean and the UK. He holds a French Business School Diploma (Institut Commercial de Nancy – ICN).

Governance at CIEL – **Board Effectiveness** (Cont'd)

GOVERNANCE DOCUMENTS

The following governance documents, as approved by the Board, may be consulted on CIEL's website under the Investors/Corporate Governance section: Conflict of Interest/Related Party Transactions Policy | Share Dealing Policy | Job Description of Senior Governance Position | Code of Ethics | Board Charter | Whistle Blowing Policy | Constitution | Terms of Reference of Board Committees.

The board charter, conflict of interest/related party transactions policy, whistle blowing policy and share dealing policy were updated during the financial year while updates to the code of ethics were approved by the Board on 29 September 2023.

A review of the governance documents/policies is performed under agreed time frames (on average every two years), but amendments can be made earlier if deemed necessary.

CONFLICT OF INTERESTS RELATED PARTY TRANSACTIONS POLICY

Transactions with related parties are disclosed in the financial statements.
A Conflict of Interest/Related Party Transactions Policy has been approved by the Board to ensure that the deliberations and decisions made by CIEL are transparent and in the best interests of the Company. It also aims to protect the interests of the officers from any appearance of impropriety and to ensure compliance with statutory disclosures and law. Notwithstanding the above, directors of CIEL are also invited by the company secretary, on an annual basis, to notify the Company of any direct and indirect interest in any transactions or proposed transaction with the Company. Declarations made by the directors are entered in a register which is maintained by the company secretary; same is available for inspection by the shareholders upon written request to the company secretary.

CODE OF ETHICS/WHISTLEBLOWING POLICY

CIEL is committed to conducting its activities to the highest professional and ethical standards and in accordance with applicable laws and regulations. CIEL has, since 2016, adopted a Code of Ethics which outlines its core values and clearly articulates acceptable and unacceptable behaviours in its way of doing business.

It has also implemented a Whistleblowing Policy which reflects CIEL's commitment to monitor and evaluate compliance with its ethical principal and standards. CIEL believes that providing a confidential and anonymous channel for internal and external stakeholders to express their concerns about any perceived wrong-doings, malpractices or improprieties is instrumental for maintaining sound, ethical and sustainable business practices and ensuring continuous improvement in its operations.

Whistleblowing Channeling Process

CIEL's whistleblowing reporting and channeling process is accessible to CIEL Group employees and external stakeholders (including suppliers/service providers, business partners, customers, and the public), who can report (anonymously or not) any genuine concern without fear of suffering subsequent victimisation, discrimination, disadvantage, or any other forms of reprisal. All reports are treated in a confidential and sensitive manner, where only authorised persons have access to the respective files and records for purpose of processing, investigating, or monitoring.

Where the concern implicates a member of CIEL Senior Management Team, the report will be channeled directly and exclusively to the Chairperson of the CIEL Audit & Risk Committee, who is an independent Board member of CIEL. Other concerns will be directed to the CIEL Whistleblowing Screening Committee, comprised of the Group General Counsel, the Group Head of Corporate & Regulatory Affairs and the Group Head of Risk & Compliance. All reports will be duly considered, investigated if need be and monitored until closed. If the whistleblower has provided contact details, he/she will receive an acknowledgement of receipt within 48 hours of submitting his/her report as well as follow up reports at key stages of the process.

Reports may be submitted by any means, whether through CIEL's website, by email, post or phone as detailed below. A questionnaire (Whistleblowing Report Form) is available on the website for guidance on the information to be provided.

Chairperson of CIEL ARC
Where wrongdoing involves a member of CIEL Senior Management Team*

ARC Chair
refers report to Group Chief Executive or CIEL ARC (if former is conflicted)

Group Chief Executive / CIEL ARC (as applicable)
(i) decides on appropriate actions to resolve issue
(ii) channels the complaint to relevant parties for investigation (if necessary)

Group Chief Executive / CIEL ARC (as applicable)
reports to CIEL ARC and Board (if material)

Acknowledgement of receipt to whistleblower within 48 hours

Follow-up with whistleblower within 7 days

CIEL Whistleblowing Screening Committee (WSC)**
Where wrongdoing does not involve a member of CIEL Senior Management Team

WSC
refers report to concerned Cluster CEO after screening

Cluster CEO
(i) decides on appropriate actions to resolve issue
(ii) channels the complaint to relevant parties for investigation (if required)

Cluster CEO
(i) reports to the Group Chief Executive, Cluster ARC and Board (if material)
(ii) informs WSC of actions taken

***CIEL Senior Management Team**

- Group Chief Executive (Group CE)
- Deputy Group Chief Executive
- Group Finance Director
- Group General Counsel
- Group Head of Human Resources and Sustainability
- Group Head of Corporate Finance
- Group Head of Corporate & Regulatory Affairs (CORA)
- Group Head of Treasury
- Group Company Secretary
- Group Head of Risk and Compliance
- CEO of C-Care
- CEO of CIEL Finance
- CEO of CIEL Textile
- CEO of Sunlife
- CEO of CIEL Properties

****Whistleblowing Screening Committee ("WSC")**

- Group General Counsel (Chair)
- Group Head of Corporate & Regulatory Affairs (CORA)
- Group Head of Risk & Compliance

Website	Whistleblowing Report Form on https://www.cielgroup.com/en/contact	**Email**	whistleblowing@cielgroup.com chair.whistleblowing@cielgroup.com
Post	c/o CIEL Corporate Services Ltd, 5th Floor, Ebène Skies, Rue de L'institut, Ebène	**Phone**	+230 404 2200

Governance at CIEL - **Board Effectiveness** (Cont'd)

INFORMATION TECHNOLOGY POLICY

CIEL has adopted an Information Technology Policy which uses accepted standards (ITIL and COBIT 5) to regulate the use, security standards, control and access rights for the entities of CIEL, hosted at the Company's head office in Ebène. The Information Technology Policy, as approved by the Board, is being monitored and revised as needed by the IT department. The document has been circulated to all the staff using the Information Technology Infrastructure at Company's Head Office in Ebène, and awareness sessions are planned in a timely manner for them to commit to it. Even though each cluster of the Group operates its own IT policy, a Group IT Forum has been launched by CIEL, whereat critical IT-related issues are debated from a Group-wide perspective. CIEL also has in place a cyber security forum where the cyber security posture of all companies of the Group are discussed, trends and news in cyber security are also shared. A budget for information technology and cybersecurity is allocated annually, based on business needs for each financial year. The policy has been updated and is available for consultation on CIEL's website.

EU GENERAL DATA PROTECTION REGULATIONS

CIEL is committed in protecting the privacy, confidentiality, and security of personal information of individuals and it is critical for the Group to maintain the trust of its employees, customers, service providers, partners and all relevant stakeholders. CIEL has therefore implemented a Group Data Privacy Policy (the "Policy") to ensure that all personal information which it processes is protected in accordance with the Mauritius Data Protection Act and any other applicable laws and regulations. The Policy ensures that CIEL manages data privacy risks, maintains, and continuously improves its data privacy culture and promotes the safeguarding of personal information. It also aims to guarantee that CIEL processes personal information in a lawful and reasonable manner, thus ensuring that CIEL is protected from reputational damage, fines, and penalties. CIEL has published on its website a Privacy Notice which details how it collects and processes personal information.

RISK GOVERNANCE AND INTERNAL CONTROL

Risk Management

The Board has the ultimate responsibility for risk governance and internal control systems as well as determining the nature and extent of the principal risks it is willing to take to achieve its strategic objectives, while ensuring that an appropriate risk culture has been embedded throughout the Group. CIEL's Enterprise Risk Management ("ERM") has been designed to facilitate the identification, assessment and mitigation of the inherent business risks to which the Company is exposed, while providing reasonable assurances pertaining to compliance with regulatory obligations, reliability of financial information and safeguarding of assets under management. The ERM is not intended to eliminate such risks but can be considered as an adequate protection against material misstatement or loss which might result from adverse events. The ERM governance structure and identification of the key risks for the Company and how they are managed are detailed under the risk report.

FOCUS AREAS OF THE BOARD DURING THE YEAR

STRATEGY, PERFORMANCE, FINANCIAL MONITORING

- Approval of the audited annual and unaudited quarterly financial statements
- CIEL Healthcare deep dive in the presence of its CEO (special session of the Board)
- CIEL Properties deep dive in the presence of its CEO (special session of the Board)
- CIEL Finance deep dive in the presence of its CEO (special session of the Board)
- Amethis Africa Finance exit from the share capital of CIEL Finance
- Deep dive on ESG initiatives at Group level in the presence of CIEL Head Office sustainability team and EY South Africa as consultant covering updates on CIEL's sustainability strategy, upcoming regulations, ESG risks and opportunities
- Alteo's corporate restructuring (the separation of the Alteo group into two distinct listed groups)
- Definition and update of CIEL's corporate strategy
- Investment Guidelines and Risk Appetite Statement applicable for CIEL and its clusters
- Annual Report
- Dividend declaration
- Annual budget
- Clusters' quarterly review of operations

GOVERNANCE, REMUNERATION AND RISK, OTHERS

- Amendments to governance documents (board charter, conflict of interest/related party transactions policy, whistle blowing policy and share dealing policy)
- Succession plan: Nomination of the Deputy Group Chief Executive, Guillaume Dalais, effective as from 01 January 2023
- Board effectiveness survey results and improvement areas
- Update of bank signatories
- Remuneration of the Directors, including Executive Directors' remuneration
- Risk dashboards for the Group
- Internal audit assessments through the report from the Chairman of the Audit & Risk Committee

RECURRING AGENDA ITEMS

- Declaration of interests
- Approval of the minutes of proceedings of previous meetings
- Reports from chairmen of Board committees
- Quarterly review of operations of the 6 clusters of the Group

Governance at CIEL - **Board Effectiveness** (Cont'd)

BOARD PROCEEDINGS

Meeting dates are planned well in advance and communicated by the company secretary to the directors

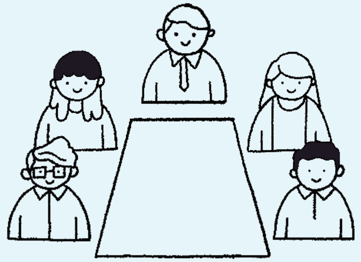
The Board meets approx. 5 times annually, but ad-hoc meetings may also be convened to deliberate urgent substantive matters

Decisions of the Board are also taken by way of written resolutions

Documents are circulated in advance (through an online portal facilitating the viewing of such papers) at least 5 working days for the Directors to devote sufficient time towards the reading of these documents

The chairman of the Board, in collaboration with the company secretary and the management, ensures that all directors are provided with appropriate, reliable, and timely information to enable them to discharge their duties effectively and reach informed decisions

In the spirit of avoiding group think, Directors are systematically invited by the Chairman to provide their individual advice on any matter requiring a vote



BOARD COMMITTEES

The Board delegates certain roles and responsibilities to its committees. Whilst it retains the overall responsibility, committees further probe topics more deeply and then report on the matters discussed, decisions taken, and where appropriate, make recommendations on items requiring the approval of the Board. The committees play a key role in supporting the Board. The company secretary of the Board acts as secretary to these committees. The Board is satisfied that the committees are appropriately structured, skilled, and competent to deal with both the Company's existing and emerging issues, and that they have effectively discharged their responsibilities during the year under review according to their terms of reference. The terms of reference of the committees, as available for consultation on CIEL's website, are reviewed every two years or earlier if necessary.

Investment Committee

Members	Attendance
R. Thierry Dalais, Chairman	1/1
Damien Braud	1/1
Sébastien Coquard	0/1
P. Arnaud Dalais	1/1
Jean-Pierre Dalais	1/1
Pierre Danon, up to 30 June 2023	1/1
L. J. Jérôme De Chasteauneuf	1/1

Main Terms of Reference

- Consider investment and divestment propositions as put forward by management from time to time
- Discuss and recommend to the Board all strategic investments or divestments to be made by the Company and transactions involving more than 1% of the Group net asset value

Focus Areas during the Year

Exit of Amethis Africa Finance from the share capital of CIEL Finance Limited

Governance at CIEL – **Board Effectiveness** (Cont'd)

BOARD COMMITTEES (cont'd)

Audit & Risk Committee

Members	Attendance
Catherine McIlraith, Chairman	4/4
Pierre Danon up to 30 June 2023	3/4
M. A. Louis Guimbeau	4/4
Aisha C. Timol, as from 30 June 2023	N/A

Main Terms of Reference

- Examine and review the quality and integrity of the financial statements (Company and Group) and any formal announcements relating to the Company's financial performance, before submission to the Board
- Review arrangements and modalities by which any staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting, ensuring that arrangements are in place for the proper investigation of such matters, and for appropriate follow-up action
- Assess the robustness of the Company's internal control including internal financial control and business risk management
- Maintain an effective internal control system including the system(s) established to identify, assess, manage and monitor risks
- Approve appointment of internal auditor and their fees
- Evaluate and approve the annual internal audit work plan and consider reports pertaining to findings of internal audits on a periodic basis
- Oversee the process for selecting the external auditor, assess the continuing independence of the external auditor and approve the audit fees
- Review annually in presence of the external auditor their management letter and report on audit

Focus Areas during the Year

Audited accounts and management letter, External audit plan, Risk report for the annual report, Quarterly condensed financial statements and financial review documents, Quarterly risk management reports and risk dashboards, Material litigation cases, Cybersecurity KPIs overview, Updated Enterprise Risk Management Policy, Group insurance coverage report, Revised CIEL Investment Guidelines, Revised Whistleblowing Policy

Corporate Governance, Ethics, Nomination & Remuneration Committee

Members	Attendance
Pierre Danon, Chairman, up to 30 June 2023	3/3
Aisha C. Timol, Chairperson as from 30 June 2023	N/A
P. Arnaud Dalais	2/3
R. Thierry Dalais	3/3
Xavier Thiéblin	3/3

Main Terms of Reference

- Recommend corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing corporate governance principles
- Approve the bonus/remuneration for the executives
- Recommend to the Board the directors' remuneration, including the chairman's fee
- Recommend new Board and senior executive nominations
- Monitor the implementation of the code of ethics and set the tone for its implementation

Focus Areas during the Year

Corporate governance report, Executives' bonus, Succession plan update for the Executives of the Group, including those of CIEL Head Office, Update of current and approval of new governance documents, Nomination of CIEL Representatives on CIEL's subsidiaries, Incentive Scheme of the Deputy Group Chief Executive, Directors fees', CIEL Finance governance structure, CIEL Properties succession plan, Nomination of CIEL independent director, Selection criteria for Board nominations and Board skills matrix, Service agreement CIEL and CIEL Head Office, Remuneration of the CEOs of the Group

Governance at CIEL - **Board Effectiveness** (Cont'd)

DIRECTOR APPOINTMENT AND INDUCTION

1

- The board charter provides that the directors shall be a natural person of not less than 18 years old. It also provides that the Board chairman shall not be older than 75 years old and shall hold office for a period of five years and may, at the term of his office, be re-elected by the Board for a further period of five years or such other term as may be determined by simple majority of the Board
- The chairmanship of P. Arnaud Dalais has been renewed until 24 January 2024
- The Corporate Governance, Ethics, Nomination & Remuneration Committee recommends all new appointments on the Board and its committees. Skills, knowledge, industry experience, diversity and independence are important factors that are being considered prior to recommending any appointment. There is no overboarding policy but the committee operates within defined guidelines for the selection of newly appointed directors. Time commitment is an important element which is considered with the new director upon the interview process to avoid overboarding. It also seeks the support of external recruitment agencies for the nomination of independent directors

2

- The Board assumes its responsibility for the appointment and induction of new directors, which is facilitated by the Group Company Secretary and Group Head of Human Ressources
- Board approval - The directors have power at any time, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors so that the total number of directors shall not at any time exceed the number fixed in accordance with the constitution
- Aïsha C. Timol was appointed by the Board on 30 June 2023 as non-independent director, in replacement of Pierre Danon who had served for 9 years. Her nomination will be submitted for approval by the shareholders of the Company at the coming annual meeting
- The director appointed to fill up the vacancy or as an addition to the existing directors shall hold office only until the next annual meeting of shareholders and shall then be eligible for re-election

3

- Letter of appointment allowing the director to be aware of his/her legal duties
- Induction of the newly appointed director. It includes work sessions with the chairman of the board, the Group Chief Executive, the Group Company Secretary, the Group Head of Human Ressources and an introduction to the CEOs of the Group. Newly appointed directors are provided with a detailed presentation of the CIEL allowing them to understand the functioning of the 6 clusters of the Group, including the services of CIEL Head Office team. Directors have access to the Company's corporate documents which are shared via a board portal and are informed of the expected time commitments as part of their duties
- Site visits
- Directors are covered by a Directors' and Officers' Liability insurance policy which has been subscribed by CIEL covering the Company and its subsidiaries
- Directors have unrestricted access to the Company's records and may have access to senior management or external advice at the cost of the Company for clarification of any board matter

4

- Board nomination submitted for approval by the shareholders at annual meeting
- Directors are re-elected annually by the shareholders by way of separate resolutions
- Directors over the age of 70 are appointed at the annual meeting in accordance with section 138(6) of the Companies Act 2001

PROFESSIONAL DEVELOPMENT

As part of their duties, it is critical for directors to have a thorough knowledge of the environment within which the clusters of the Group operate. An investment report is issued to the directors on a quarterly basis which includes economic updates on countries within which the Group operates, peer review and financial results. Directors received a training on the utilisation of the new online board portal and were informed of the practice direction issued in December 2022 by the Registrar of Companies with regards to the sending to the shareholders of an electronic version of the annual report. When policies are updated or approved at Board meetings, directors receive a presentation explaining the changes purpose of the new policies adopted. As part of the Board evaluation questionnaire, directors are invited to inform whether they require training on specific topics.

SUCCESSION PLANNING

The Board assumes its responsibility for the succession planning of its clusters' leaders, which is a systematic effort and process of identifying and developing candidates for key leadership positions over time to ensure the continuity of management and leadership in an organisation. The objective of succession planning is to ensure that the organisation continues to operate successfully when individuals occupying critical positions and hard to replace competencies depart. The succession plan of the Group identifies Top 10 roles as part of a long-term initiative to prepare potential candidates. Incumbents in the current Top 10 roles were consulted for their inputs on succession plan. The succession plan of the Group (CEOs of the clusters, CIEL Executive Directors and CIEL Head Office executive team) is updated (generally annually) and monitored by the Corporate Governance, Ethics, Nomination & Remuneration Committee who thereafter reports the updates to the Board. As part of its succession plan, CIEL has, on 07 December 2022, appointed Guillaume Dalais as Deputy Group Chief Executive, effective as of 01 January 2023.

BOARD EFFECTIVENESS EVALUATION

Board evaluation is performed every two years by an external consultant. Following a tender exercise, BDO, in association with Board Benchmarking, was selected to perform the board effectiveness survey in June 2022. The answers were benchmarked by the international database and CIEL scored a top-quartile 82% board effectiveness index. The consultant tracked the progress achieved on past surveys and the areas where improvements have been most impactful were the deep dives performed on the clusters of the Group (in the presence of their respective CEOs), enhanced strategy discussions and more concise and relevant presentation and board packs. The next evaluation will be performed during the next financial year. concise and relevant presentation and board packs. The next evaluation will be performed during the next financial year.

STATEMENT OF REMUNERATION

CIEL strives towards remunerating its directors in a manner that supports the achievements of its strategic objectives, while attracting and retaining scarce skills and rewarding high levels of performance. The directors' fees were benchmarked with Korn Ferry's survey on directors' fees in Mauritius. In line with the 75th percentile (also called as the upper quartile), the Board approved an increase of the directors' fees, effective as from the current financial year. The Corporate Governance, Ethics, Nomination & Remuneration Committee determines the adequacy of the remuneration to be paid to the Directors. There are no established policies for remunerating executive directors approaching retirement. This will be determined by the Board as and when required.

DIRECTORS' REMUNERATION AND BENEFITS

The following table depicts the fees paid to the Non-Executive Directors for their involvement in the Board and committees during the financial year.

DIRECTORS	BOARD[4] (MUR)	AUDIT & RISK COMMITTEE[4] (MUR)	CORPORATE GOVERNANCE, ETHICS, NOMINATION & REMUNERATION COMMITTEE[4] (MUR)	INVESTMENT COMMITTEE[5] (MUR)	TOTAL (MUR)
P. Arnaud Dalais (Chairman)[1]	2,546,000	NIL	150,000	75,000	2,771,000
Sébastien Coquard	400,000	NIL	NIL	75,000	475,000
Guillaume Dalais[2]	200,000	NIL	NIL	NIL	200,000
Marc Dalais	400,000	NIL	NIL	NIL	400,000
R. Thierry Dalais	400,000	NIL	150,000	100,000	650,000
Pierre Danon	640,000	200,000	350,000	75,000	1,265,000
Roger Espitalier Noël	400,000	NIL	NIL	NIL	400,000
M. A. Louis Guimbeau	400,000	200,000	NIL	NIL	600,000
J. Harold Mayer	400,000	NIL	NIL	NIL	400,000
Marc Ladreit de Lacharrière	400,000	NIL	NIL	NIL	400,000
Catherine McIlraith	640,000	580,000	NIL	NIL	1,220,000
Jean-Louis Savoye[3]	400,000	NIL	NIL	NIL	400,000
Xavier Thiéblin	400,000	NIL	150,000	NIL	550,000

Note 1: *The Chairman of the Board also received travelling allowance of MUR 1.47M in addition to the above*

Note 2: *Guillaume Dalais received directors fees in his capacity as non-executive director until 31 December 2022*

Note 3: *Payment to Di Cirne Holding Ltd*

Note 4: *Fixed remuneration only*

Note 5: *Variable remuneration (attendance fee)*

Non-executive directors have not received remuneration in the form of share options or bonuses associated with organisational performance. The executive directors of CIEL are remunerated by CIEL Corporate Services Ltd (a wholly owned subsidiary of CIEL), with which CIEL holds an agreement for the provision of combined corporate services and strategic support. The remuneration and benefits paid to the executive directors are made up of a basic pay and an incentive scheme linked to (i) market capitalisation growth with an annual high watermark principle, (ii) annual ordinary dividend pay-out and (iii) Group profit after tax. The main objective of the scheme is to motivate the executives towards increasing the total value of the Company and reward them for the creation of long-term value. This bonus is payable partly in cash and partly in ordinary shares, out of the treasury shares held by the Company.

For the financial year ended 30 June 2023, the remuneration and benefits received, or due and receivable to the executive directors, amount to MUR 43.6M. The remuneration of the executive directors has not been disclosed individually due to its commercially sensitive nature.

The chairman of the Board is not entitled to an incentive scheme.

Audit & Risk **Oversight and Effectiveness**

Please refer to the Optimising Risk Management in a Dynamic Context section of this report.

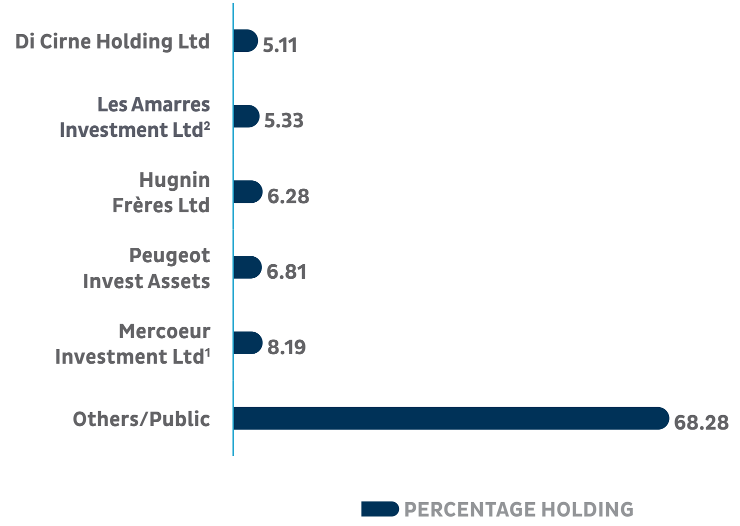
Governance at CIEL – **Relations with Shareholders, Stakeholders, Sustainability and Inclusiveness**

SHAREHOLDING STRUCTURE AS AT 30 JUNE 2023

As at 30 June 2023, CIEL had in issue (i) 1,689,901,209 Ordinary Shares (of which 2,341,211 were held as treasury shares) and (ii) 3,008,886,600 Redeemable Restricted A Shares ("RRAS"). In accordance with the Listing Rules of the SEM, more than 25% of the shareholding of CIEL is in the hands of the public.

Ordinary shares represent 35.93% of the total voting rights of CIEL (Ordinary + RRAS)

Shareholders holding > 5% of the Ordinary Shares



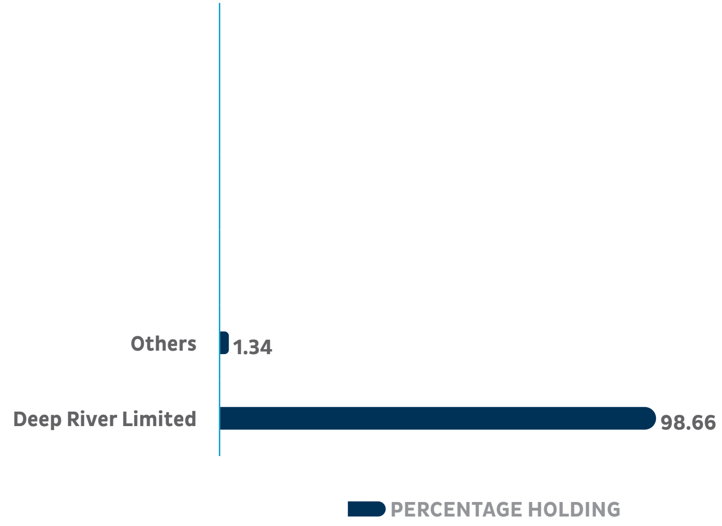
__Note 1:__ In addition to the above shareholding of Mercoeur Investment Ltd, P. Arnaud Dalais also holds shares in his personal name, bringing the total shareholding of his family in CIEL to 8.22% of the ordinary shares.

__Note 2:__ In addition to the above shareholding of Les Amarres Ltd, Jean-Pierre Dalais also holds shares directly and indirectly, bringing the total shareholding of his family in CIEL to 5.80% of the ordinary shareholding.

__Ordinary Shares__ Hold voting rights, Listed on SEM, Entitled to Dividends

RRAS represent 64.07% of the total voting rights of CIEL (Ordinary + RRAS)

Shareholders holding > 5% of RRAS



__Note:__ Deep River Limited is controlled by Deep River Holding Limited (a family holding enterprise).

__RRAS__ Hold voting rights, Not listed on the SEM, Not Entitled to Dividends

COMMON DIRECTORS WITHIN THE HOLDING STRUCTURE

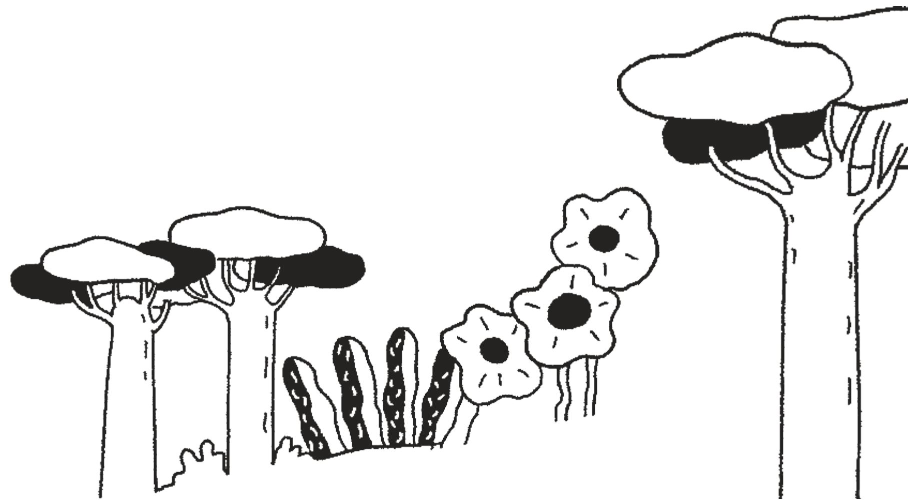
DIRECTORS	MERCOEUR INVESTMENT LTD	PEUGEOT INVEST ASSETS	HUGNIN FRÈRES LTD	DI CIRNE HOLDING LTD	LES AMARRES LTD	DEEP RIVER LTD	DEEP RIVER HOLDING LTD
P. Arnaud Dalais	C					C	C
Sébastien Coquard		N					
Guillaume Dalais	D					D	D
Jean-Pierre Dalais					D	D	D
Marc Dalais						D	D
R. Thierry Dalais						D	D
M. A. Louis Guimbeau						D	
Roger Espitalier Noël			D			D	D
Jean-Louis Savoye				N			
Xavier Thiéblin						D	

C – Chairman | D – Director | N – Nominee

DIRECTORS' INTERESTS IN THE SHAREHOLDING OF CIEL AS AT 30 JUNE 2023

	DIRECT NO. OF ORDINARY SHARES	INDIRECT NO. OF ORDINARY SHARES
P. Arnaud Dalais	401,754	138,288,980
Sébastien Coquard	Nil	Nil
Guillaume Dalais	603,860	138,282,449
Jean-Pierre Dalais	1,494,488	96,369,196
Marc Dalais	1,115,554	14,199,966
R. Thierry Dalais	Nil	38,819,460
L. J. Jérôme De Chasteauneuf	1,009,215	11,064,698
Roger Espitalier Noël	Nil	1,235,016
M. A Louis Guimbeau	8,000,000	Nil
Marc Ladreit De Lacharrière	Nil	50,263,138
J. Harold Mayer	3,517,694	Nil
Catherine McIlraith	Nil	Nil
Jean-Louis Savoye	Nil	Nil
Xavier Thiéblin	Nil	36,963,500
Aïsha C. Timol	21,715	17,776
Alternate Director		
Jacques Toupas	Nil	Nil
Transactions during the Year	**DIRECT NO. OF ORDINARY SHARES**	**INDIRECT NO. OF ORDINARY SHARES**
P. Arnaud Dalais	Nil	2,604,000
Jean-Pierre Dalais	Nil	4,746,023
Guillaume Dalais	(43,700)	2,604,000
Marc Dalais	(14,199,966)	14,199,966
M. A Louis Guimbeau	414,000	Nil

	DIRECT NO. OF REDEEMABLE B SHARES	INDIRECT NO. OF REDEEMABLE B SHARES
The following Directors hold shares in Deep River Limited:		
Shareholding as at 30 June 2023		
M. A. Louis Guimbeau	33,656,000	Nil
Xavier Thiéblin	Nil	124,946,000
The following Directors hold shares in Deep River Limited:		
Shareholding as at 30 June 2023	**DIRECT NO. OF REDEEMABLE SHARES**	**INDIRECT NO. OF REDEEMABLE SHARES**
P. Arnaud Dalais	Nil	460,852,228
Jean-Pierre Dalais	Nil	271,817,780
Marc Dalais	56,336,464	Nil
R. Thierry Dalais	Nil	155,277,840
Roger Espitalier Noël	Nil	1,638,080

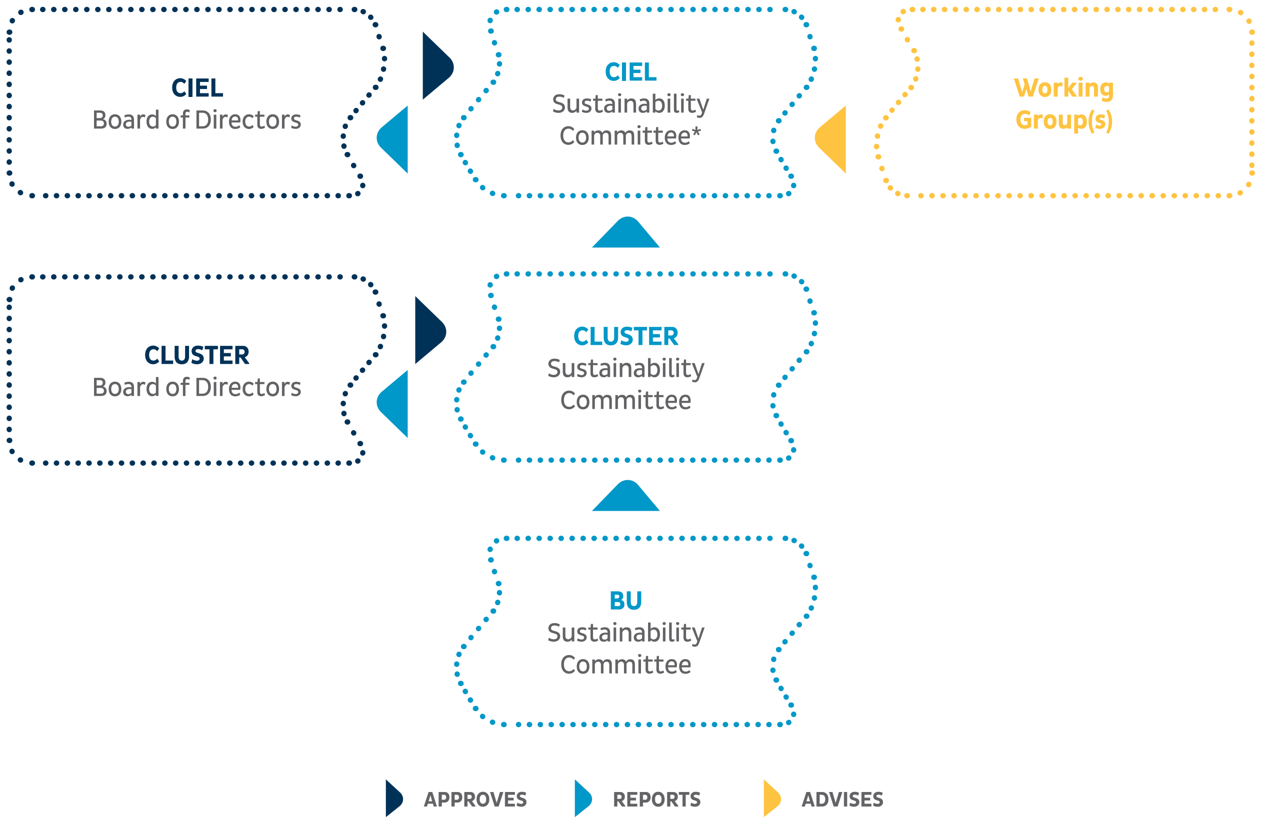


Governance at CIEL – **Relations with Shareholders, Stakeholders, Sustainability and Inclusiveness** (Cont'd)

SUSTAINABILITY

Our Journey

*From 2014 to 2020 the CIEL Sustainability Committee ("CSC") was a Board Committee. As of September 2020, the responsibilities of the CSC have been delegated to CIEL Group management. This committee sets the Group's direction, agrees on common strategy and policies, monitors progress and reports once or twice annually to the Board. The CSC consists of the Group, Clusters and Proparco representatives.



RESPONSIBILITIES		
CIEL Sustainability Committee	**Cluster Sustainability Committee**	**Business Units Sustainability Committee**
• Coordinate and support implementation of the CIEL Sustainability Strategy 2020-2030 • Manage the online platform for data collection • Support CIEL clusters for implementation • Nurture the sustainability champion network • Report to the CIEL Board of Directors on progress	• Establish and/or maintain sustainability governance across operations • Follow and report on IFC performance standards through online platform • Adopt and implement cluster sustainability strategy and action plan in line with CIEL Sustainability Strategy 2020-2030 • Report on progress through Online Platform and agreed list of non-financial KPIs • Adopt and comply with common policies	• Coordinate and support implementation of actions agreed during Cluster Sustainability Committee • Identify and implement relevant actions towards achievement of sustainability goals, in accordance with Group and cluster strategies • Devise appropriate means to collect data and assign KPI collection responsibilities • Ensure day to day compliance to applicable laws adoption and compliance to policies and best practices

Stakeholder Engagement **Matrix**

For the full Group Stakeholder Matrix, please refer to the Pursuing Excellence in a Dynamic World section of this report.

Governance at CIEL - **Relations with Shareholders, Stakeholders, Sustainability and Inclusiveness** (Cont'd)

SHAREHOLDERS' INFORMATION AND CALENDAR OF EVENTS

EVENT	MONTH
Financial year end	30 June
Annual Meeting of shareholders	December
Declaration/payment of dividend (conditional to approval by the Board):	June/July
Publication of first quarter results	November
Publication of half-yearly results	February
Publication of third quarter results	May
Publication of full year results	September

The shareholders were convened at the annual meeting on 16 December 2022. All resolutions proposed were passed by the requisite majority. Shareholders were allowed a question time. The annual integrated report, which includes the notice of annual meeting, may also be viewed on the Company's website.

SHAREHOLDERS' AGREEMENTS

Following a private placement which was completed in May 2014, the Company entered into shareholders' agreements with some of the main strategic investors to provide amongst other things some usual reserved matters, seats on Board and sub-committees of the Board and tag along rights.

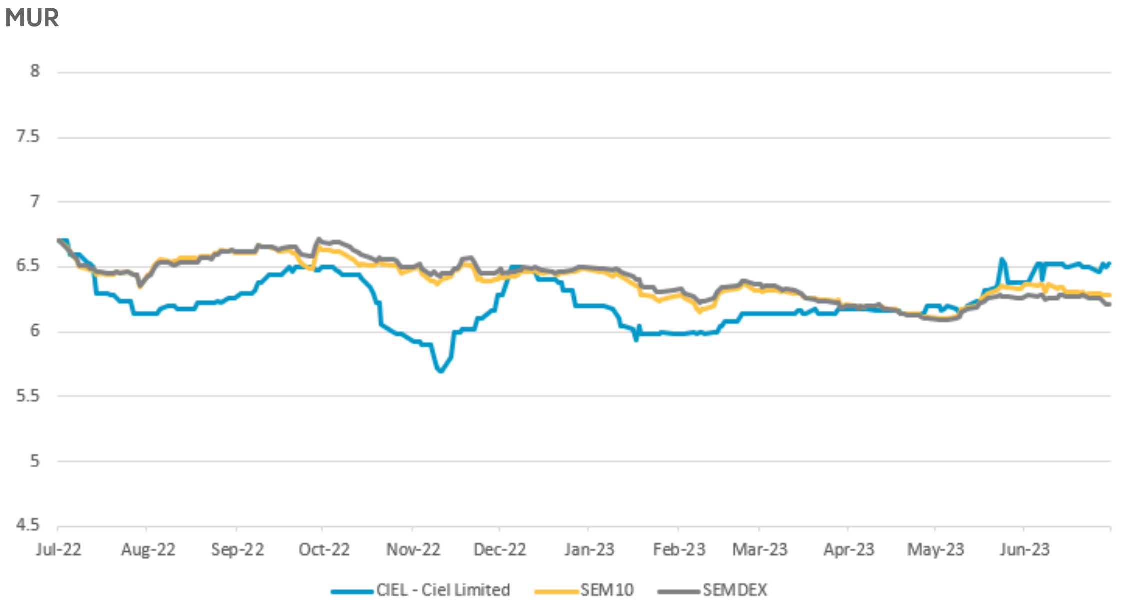
RELATED PARTIES'AGREEMENTS

- CIEL holds an agreement with CIEL Corporate Services Ltd ("CCS") (CIEL Head Office) for the provision of strategic support & Group strategy harmonisation, legal, company secretarial and payroll services to the companies of the Group. Amount paid to CCS for the financial ye ar ended 30 June 2023 - MUR 44.3M.
- CIEL holds a treasury agreement with Azur Financial Services Ltd (a subsidiary of CIEL) for the provision of cash management services, treasury advisory services and foreign exchange & money market brokerage services to the Group. CIEL pays a fixed monthly fee for the cash management together with a variable fee, based on the volume of intercompany transactions processed by Azur Financial Services Ltd for the Group. Amount paid to Azur Financial Services Ltd for the financial year ended 30 June 2023– MUR 1.2M.
- CIEL holds an agreement with Deep River Ltd ("DRL") for the provision of strategic support & Group strategy. Amount paid to CCS for the financial year ended 30 June 2023 - MUR 710k.

DIVIDEND

Dividend Policy - A minimum of 75% of net profits after tax of the Company, depending on the cash flow and financial needs. A dividend of MUR 0.28 per ordinary share was declared by the board on 30 June 2023 (2022: MUR 0.21).

SHARE PRICE MOVEMENT



P. Arnaud Dalais
Chairman

Catherine McIlraith
Director

29 September 2023

Board of Directors' Statements - **Other Statutory Disclosures**

(Pursuant to Section 221 of the Mauritius Companies Act 2001)

NATURE OF BUSINESS

CIEL Limited ("CIEL" or the "Company") is an international Mauritian group listed on the Stock Exchange of Mauritius. It qualifies as a reporting issuer under the Securities Act 2005 and as a public interest entity under the Financial Reporting Act 2004. CIEL invests and operates in 6 strategic sectors in Mauritius, Africa and Asia, namely: CIEL Textile, CIEL Finance, CIEL Healthcare, CIEL Hotels & Resorts, CIEL Properties and CIEL Agro.

COMPOSITION OF THE BOARD

The names of the persons holding office as directors of CIEL have been provided in the report on corporate governance section.

DIRECTORS OF SUBSIDIARIES

Directors of subsidiaries as at 30 June 2023 are listed under Appendix A

SHAREHOLDING PROFILE AS AT 30 JUNE 2023

OWNERSHIP BY SIZE OF SHAREHOLDING	ORDINARY SHARES		
	Shareholder Count	Number of Shares	Percentage Held
1 - 500	1,131	207,226	0.0123
501 - 1,000	305	245,692	0.0146
1,001 - 5,000	714	1,849,430	0.1096
5,001 - 10,000	361	2,699,392	0.1600
10,001 - 50,000	739	18,330,651	1.0862
50,001 - 100,000	273	19,561,505	1.1592
100,001 - 250,000	314	49,135,889	2.9117
250,001 - 500,000	132	47,749,647	2.7703
500,001 and above	234	1,548,780,566	91.7763
Total	**4,203**	**1,687,559,998**	**100**

OWNERSHIP BY CATEGORY OF SHAREHOLDING	ORDINARY SHARES		
Category	Shareholder Count	Number of Shares	Percentage Held
Individuals	3,724	518,765,086	30.7405
Insurance and Assurance companies	24	81,400,643	4.8236
Investment and Trust companies	82	313,875,760	18.5994
Pensions and Provident funds	72	153,319,106	9.0853
Other Corporate Bodies	301	620,199,403	36.7513
Total	**4,203**	**1,687,559,998**	**100**

The above number of shareholders is indicative due to consolidation of multi portfolios for reporting purposes.
The total number of active shareholders as at 30 June 2023 was 4,232.

RETIREMENT BENEFIT OBLIGATIONS

The details of the total amount of provisions booked or otherwise recognised by the Company are provided in the financial statements.

MAJOR TRANSACTIONS

During the financial year, CIEL did not enter into any major transaction, as defined undersection 130 (2) the Companies Act 2001. The following subsidiaries of CIEL however entered into major transactions during the financial year ended 30 June 2023:

Floreal Property Limited: Acquisition of an immovable property valued at MUR 133.6M from CIEL Textile Limited.

Isonoe 1 Ltd: Bank loan of MUR 32M from The Mauritius Commercial Bank Ltd.

Board of Directors' Statements – **Other Statutory Disclosures** (cont'd)

(Pursuant to Section 221 of the Mauritius Companies Act 2001)

DIRECTORS' REMUNERATION AND BENEFITS

The table below depicts the total directors' remuneration and benefits paid to the Executive and Non-Executive Directors of CIEL for the financial year ended 30 June 2023.

	THE COMPANY	SUBSIDIARIES
	2023 MUR'000	2023 MUR'000
Directors of the Company		
Executive Directors	Nil	43,553
Non-Executive Directors	8,716	4,700
Independent Directors	2,485	1,556

AUDIT FEES AND DONATIONS

Audit fees and donations paid by the Company and its subsidiaries are listed under Appendix B.

RELATED PARTY TRANSACTIONS

Transactions with related parties are disclosed in the financial statements.

CONTRACT OF SIGNIFICANCE

There were no contracts of significance subsisting during or at the end of the year in which a director of the Company is or was materially interested, either directly or indirectly.

Board of Directors' Statements – **Statement of Directors' Responsibilities**

(In Respect of Financial Statements)

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations. Company law requires the directors to prepare Financial Statements in accordance with International Financial Reporting Standards ("IFRS") for each financial year, which present fairly the financial position, financial performance and cash flows of the Group and the Company

The directors confirm that, in preparing the financial statements, they must:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State that IFRS have been adhered to, subject to any material departures being disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and the Company will continue in business
- Ensure application of the Code of Corporate Governance ("Code") and provide reasons in case of non-application with the Code

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and Company to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001, IFRS and the Financial Reporting Act 2004. 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

The directors hereby confirm that they have complied with the above requirements in preparing the Company's financial statements.

Board of Directors' Statements – **Statement of Compliance**

(Section 75 (3) of the Financial Reporting Act 2004)

Name of Public Interest Entity ("PIE"): CIEL Limited ("CIEL"/"the Company")
Reporting Period: 30 June 2023

On behalf of the Board of Directors of CIEL, we confirm, to the best of our knowledge, that throughout the financial year ended 30 June 2023 and to the best of the Board's knowledge, the Company complied with the obligations and requirements of The National Code of Corporate Governance for Mauritius (2016), except with the following:

- Principle 4 – Remuneration of directors

The reason for non-compliance has been disclosed under Directors Remuneration and Benefits in the corporate governance report.

P. Arnaud Dalais
Chairman

Catherine McIlraith
Director

29 September 2023

Certificate from the **Company Secretary**

In our capacity as Company Secretary of CIEL Limited ("the Company"), we hereby confirm that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies as at 30 June 2023, all such returns as are required for a company in terms of the Mauritius Companies Act 2001, and that such returns are true, correct and up to date.

Clothilde de Comarmond, ACG
For and on behalf of CIEL Corporate Services Ltd
Group Company Secretary

29 September 2023

Corporate **Information**

COMPANY SECRETARY

CIEL Corporate Services Ltd
5th Floor, Ebène Skies
Rue de l'Institut, Ebène
Republic of Mauritius
Tel: +230 404 2200
Fax: + 230 404 2201

REGISTRAR & TRANSFER OFFICE

If you are a shareholder and have queries regarding your account, wish to change your name and address, or have questions about lost certificates, share transfers or dividends, please contact our Registrar & Transfer Office:

MCB Registry & Securities Ltd
2nd Floor, MCB Centre
9-11 Sir William Newton Street, Port Louis
Republic of Mauritius
Tel: +230 202 5397
Fax: +230 208 1167

REGISTERED OFFICE/INVESTOR RELATIONS

CIEL Head Office
5th Floor, Ebène Skies
Rue de l'Institut, Ebène
Republic of Mauritius
Tel: +230 404 2200
Fax: +230 404 2201

MAIN BANKERS

The Mauritius Commercial Bank Ltd

Bank One Limited

WEBSITE

www.cielgroup.com

BUSINESS REGISTRATION NUMBER

C06000717

EXTERNAL AUDITOR

PricewaterhouseCoopers Ltd
PwC Centre, Avenue de Telfair
Telfair 80829, Moka,
Republic of Mauritius
www.pwc.com/mu

INTERNAL AUDITOR

Ernst & Young
Level 6, Icon Ebène
Rue de L'Institut, Ebène, Mauritius
Republic of Mauritius

LEGAL ADVISERS

Me. Thierry Koenig SA – ENSafrica (Mauritius)

Me. Maxime Sauzier SC– ENSafrica (Mauritius)

NOTARY

Etude Montocchio – d'Hotman

Measuring **Performance**

Shaping the Digital Frontier

Richard is known for his precision, analytical skills, and logical approach. As a result-oriented innovator, he has recently taken on a challenging new role that aligns with BNI's vision for digital transformation. With his extensive background in management, he is now adeptly leading the bank's digital department.

Richard's innate curiosity drives him to explore the ever-evolving online landscape. Currently, Richard is focused on building effective digital strategy teams. He is determined to excel in digital marketing and is keen on tapping into Madagascar's burgeoning digital potential.

His approach, characterised by open-hearted humility and generosity, guides him in both his personal and professional life. Outside of work, he finds relaxation and creative expression through photography and playing the guitar.

Richard ANDRIAMIHAJA
Digital Marketing Manager
BNI Madagascar

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF CIEL LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of CIEL Limited (the "Company") and its subsidiaries (together the "Group") and of the Company standing alone as at 30 June 2023, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

- The consolidated and separate financial statements of CIEL Limited set out on pages 99 to 192 comprise:
- the consolidated and separate statements of financial position as at 30 June 2023;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

BASIS FOR 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 Consolidated and Separate Financial Statements" section of our report.

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

Independence

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate 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.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
COMPANY	
Valuation of Investments in subsidiary companies, associate, joint venture and other financial assets The Company carries its investments in subsidiary companies, joint venture, associate and other financial assets at fair value in its separate financial statements. As disclosed in notes 12, 13, 14 and 15 of the financial statements, the Directors apply different approaches to estimate the fair values of the investments. The measurement of the Company's investments at fair value was a key area of audit focus owing to the magnitude, the estimation uncertainties in the assumptions, and the degree of judgement required from the Directors, particularly in this context of economic uncertainty.	For the more judgemental valuations, which may depend on unobservable inputs, we evaluated the assumptions, methodologies and models used by the Company. We performed an independent valuation of a sample of positions, in order to assess whether management's valuations were within a reasonable range of outcomes in the context of the inherent uncertainties disclosed in the financial statements. We also involved our valuation experts to review the appropriateness of the methodologies used in the context of the relevant investments held. We assessed the adequacy of disclosures in the financial statements in relation to key assumptions and judgements in the estimation of fair values.
GROUP	
Determination of the expected credit loss on loans and advances carried at amortised cost The Group applied IFRS 9 'Financial Instruments' which requires the recognition of Expected Credit Losses ('ECL') on its financial instruments. As explained in note 45 of the financial statements, the ECL impairment model required the use of complex models and significant assumptions about future economic conditions and credit behaviour, particularly for the Group's banking segment, which mainly consists of BNI Madagascar SA (the 'Bank'). The Directors exercised significant judgements in respect of: (a) Accounting interpretations, modelling assumptions and data used to build the ECL model. (b) Allocation of assets to stages 1, 2 and 3 using criteria in accordance with IFRS 9, including the triggers for an asset moving between stages.	We obtained an understanding and tested the relevant controls relating to the approval of credit facilities, subsequent monitoring and remediation of exposures and key system reconciliations. We critically assessed the methodology applied to determine the PD, LGD and EAD used to compute the ECL against the prerequisites of IFRS 9 and the Bank's internal policies. We challenged the appropriateness of the parameters and significant assumptions, including forward-looking information, incorporated into the ECL model, by benchmarking these against independent external sources. We analysed the assets of the Bank in stages 1, 2 and 3, on a sample basis, to assess if they were allocated to the appropriate stage in line with the Bank's set criteria.

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

KEY AUDIT MATTERS (CONT'D)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
GROUP **Determination of the expected credit loss on loans and advances carried at amortised cost (cont'd)** (c) Identification of instruments that have experienced a significant increase in credit risk. (d) Assumptions used in the ECL model to estimate the probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD"). (e) Appropriateness of the economic scenarios determined by management, the probability weights assigned to each, and the inputs and assumptions used to estimate their impact. (f) Incorporation of forward-looking information reflecting potential future economic events in the ECL model. Due to the significance of the portfolio of financial instruments and the significant estimates and judgement applied in the determination of expected credit losses, this was considered to be a key audit area.	We agreed a sample of critical data elements used as input to determine the PD, LGD and EAD to relevant source documentation. We performed risk-based substantive testing of the ECL model by independently re-building certain assumptions and comparing the ECL output of the Bank to our own calculated expectations as determined by applying the Bank's model methodology to the underlying data. We assessed the adequacy of the financial statement disclosures against the requirements of IFRS 9 to ensure that these appropriately reflect the Bank's credit risk exposures. We assessed the reasonableness of the management overlay applied on the provision.
GROUP **Impairment of goodwill** As disclosed in note 11 of the financial statements, the Group has goodwill amounting to **MUR 1.3Bn** (2022: MUR 1.3Bn) for which it has concluded that no impairment exists as of 30 June 2023 (2022: Nil). The Directors assessed the recoverable amount of the goodwill using a discounted cash flow model to determine the recoverable amount of the cash generating unit (CGU) to which the goodwill relates.	As part of our planning procedures, we obtained an understanding of the key controls relating to the impairment review process for the different CGUs. We assessed the validity of the assumptions used in the cash flow models by comparing these assumptions to our independently derived expectations which are based on the historical performance of the business as well as the expectations for the market in which the CGU operates. We compared the budgeted figures used in the cash flow model to historical performance of the individual CGUs in order to assess the reasonableness of the forecasted cash flows.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
GROUP **Impairment of goodwill (cont'd)** This requires the use of a number of key assumptions and judgements, including the estimated future cash flows, long-term growth rates, profitability levels and discount rates applied. This was an area of focus considering the significance of the amounts involved and the level of judgement and estimation required from the Directors.	Terminal growth rates have been assessed for reasonableness based on market expected long-term growth rates. We compared, on a sample basis, the rates used in the cash flow models to a range of discount rates independently calculated by us based on the markets in which the CGU operates and taking into account the nature of the CGUs. We also verified the mathematical accuracy of the models. We assessed whether appropriate disclosures were made by the Directors in the financial statements.
GROUP **Valuation of land and buildings** As disclosed in note 9(a) of the financial statements and as at 30 June 2023, the Group has land and buildings amounting to **MUR 23.9Bn** (2022: MUR 22Bn) included as part of its property, plant and equipment in the consolidated statement of financial position. The fair value gain recorded in the current financial year amounts to **MUR 1.9Bn** (2022: MUR 2.5Bn). It is the Group's policy that land and buildings are stated at fair value based on periodic valuations, conducted by an independent external valuer, less subsequent depreciation and impairment for buildings. The fair value was determined in line with IFRS 13 to which certain valuation methods are subscribed to determine the fair value. The fair values are computed by an external valuer using the factual information and professional judgement concerning market conditions and factors impacting the individual properties.	We evaluated the design effectiveness of the Group's key controls to address the risk over the valuation of land and buildings. We assessed the competence, experience, independence and integrity of the external valuation experts. We assessed the appropriateness of the valuation methodology used by the external valuers for determining the fair value of land and buildings of the Group. We discussed and challenged key inputs and assumptions used by the external valuers.

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

KEY AUDIT MATTERS (CONT'D)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
GROUP	
Valuation of land and buildings (cont'd) The fair value of land and buildings was considered to be a key audit matter due to its significance on the consolidated financial position and also due to the fact that it is inherently subjective as it involves a number of significant estimates and judgement which might materially affect the carrying value of the revalued assets. Refer to note 2.2 of the financial statements for details on these estimates and judgements.	With the assistance of our valuation experts, we assessed the reasonableness of the fair values attributed to the different properties of the Group and the significant assumptions used by the external independent valuer in this exercise by benchmarking against relevant available industry data related to the increase in construction costs and inflation. We evaluated whether disclosures in the financial statements relating to the fair value of land and buildings were in accordance with International Financial Reporting Standards.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the corporate governance report, the board of directors' statements, the certificate from the company secretary, the corporate information, appendix A and appendix B but does not include the consolidated and separate financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report and other reports, which are expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other reports not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

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

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

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONT'D)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

MAURITIAN COMPANIES ACT 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

(a) we have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditor, tax and business advisors of the Company and of some of its subsidiaries and dealings in the ordinary course of business.
(b) we have obtained all the information and explanations we have required; and
(c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

MAURITIAN FINANCIAL REPORTING ACT 2004

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 Corporate Governance 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 Corporate Governance Report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

OTHER MATTER

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

PricewaterhouseCoopers

Robert Coutet,
licensed by FRC

29 September 2023

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2023

	NOTES	THE GROUP 2023 MUR '000	THE GROUP 2022 MUR '000	THE COMPANY 2023 MUR '000	THE COMPANY 2022 MUR '000
Revenue	4	35,408,595	28,524,594	895,747	585,934
Earnings before interest, tax, depreciation, amortisation and expected credit losses	5(a)	7,084,215	5,269,199	779,005	484,827
Depreciation and amortisation	7(c)	(1,392,813)	(1,390,316)	-	-
Earnings before interest, tax and expected credit losses		5,691,402	3,878,883	779,005	484,827
Expected credit losses	7(b)	(354,414)	(474,343)	-	-
Finance costs	6	(1,114,371)	(923,053)	(156,360)	(144,702)
Finance income	6	302,820	71,884	1,048	571
Share of results of associates and joint ventures	7(d)	605,027	431,901	-	-
Profit before income tax		5,130,464	2,985,272	623,693	340,696
Income tax (expense)/credit	35	(828,440)	(544,560)	(35)	340
Profit for the year from continuing operations		4,302,024	2,440,712	623,658	341,036
Loss from discontinued operations	46	-	(286,721)	-	-
Profit for the year		4,302,024	2,153,991	623,658	341,036
Profit attributable to:					
Owners		2,653,326	1,300,087	623,658	341,036
Non-controlling interests		1,648,698	853,904	-	-
		4,302,024	2,153,991	623,658	341,036

	NOTES	THE GROUP 2023 MUR '000	THE GROUP 2022 MUR '000	THE COMPANY 2023 MUR '000	THE COMPANY 2022 MUR '000
Profit for the year		4,302,024	2,153,991	623,658	341,036
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Share of other comprehensive income of associates and joint ventures	7(d)	(33,281)	(44,815)	-	-
Gain on revaluation of land and buildings	9	1,934,926	2,460,803	-	-
Deferred income tax on gain on revaluation of land and buildings	30(c)	(240,116)	(386,766)	-	-
Remeasurements of post-employment benefit obligations	31	(56,743)	11,074	-	-
Deferred income tax on remeasurements of post-employment benefit obligations	30(c)	11,547	(4,464)	-	-
Change in the fair value of equity instruments at fair value through other comprehensive income	27(b)	1,154	26,658	(2,616,135)	5,427,916
Items that may be reclassified to profit or loss:					
Currency translation differences		(325,815)	(47,988)	-	-
Cash flow hedges		(297,724)	563,289	-	-
Deferred income tax on cash flow hedges	30(b)	3,563	(5,927)	-	-
Other comprehensive income for the year, net of tax		997,511	2,571,864	(2,616,135)	5,427,916
Total comprehensive income for the year		5,299,535	4,725,855	(1,992,477)	5,768,952
Total comprehensive income for the year attributable to:					
Owners		3,363,843	2,531,590	(1,992,477)	5,768,952
Non-controlling interests		1,935,692	2,194,265	-	-
		5,299,535	4,725,855	(1,992,477)	5,768,952
Total comprehensive income for the year attributable to owners arises from:					
Continuing operations		5,299,535	5,012,576	(1,992,477)	5,768,952
Discontinued operations		-	(286,721)	-	-
		5,299,535	4,725,855	(1,992,477)	5,768,952
Basic and diluted earnings per share from continuing operations (MUR)	8	1.57	0.94	0.37	0.20
Basic and diluted earnings per share (MUR)	8	1.57	0.77	0.37	0.20

The notes on pages 104 to 192 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2023 (CONT'D)

	NOTES	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		MUR '000	MUR '000	MUR '000	MUR '000
Non-current assets					
Property, plant and equipment	9	27,935,800	25,495,000	-	-
Right-of-use assets	16	3,099,107	3,098,620	-	-
Investment properties	10	3,638,503	3,614,242	-	-
Intangible assets	11	1,405,183	1,383,612	-	-
Investments in subsidiary companies	12	-	-	20,972,806	23,510,805
Investments in joint ventures	13	2,674,167	2,454,248	166,500	162,466
Investments in associates	14	3,894,444	3,954,923	113,430	185,087
Investments in other financial assets	15	471,130	465,083	33,534	25,806
Loans and advances to customers	22	12,838,251	11,284,467	-	-
Investments in securities	24	3,082,159	4,192,295	-	-
Other receivables	17	67,482	81,680	56,048	-
Deferred income tax assets	30	370,974	350,723	-	-
		59,477,200	56,374,893	21,342,318	23,884,164
Current assets					
Inventories	18	4,898,659	5,130,675	-	-
Trade and other receivables	19	8,226,809	8,417,548	653,107	556,977
Derivative financial instruments	42	147,235	236,641	-	-
Loans and advances to customers	22	10,714,652	12,997,190	-	-
Investments in securities	24	2,827,016	2,142,954	-	-
Current income tax assets	35	57,427	110,163	-	39
Cash and cash equivalents	20	11,709,452	12,701,634	42,927	12,325
		38,581,250	41,736,805	696,034	569,341
Assets classified as held for sale	21	-	59,331	-	-
		38,581,250	41,796,136	696,034	569,341
TOTAL ASSETS		98,058,450	98,171,029	22,038,352	24,453,505

These financial statements have been approved for issue by the Board of Directors on 29 September 2023.

P. ARNAUD DALAIS
Chairman of the Board

CATHERINE McILRAITH
Director

The notes on pages 104 to 192 form an integral part of these financial statements.

	NOTES	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		MUR '000	MUR '000	MUR '000	MUR '000
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	25	5,141,302	5,141,302	5,141,302	5,141,302
Redeemable restricted A shares	26	39,233	39,233	39,233	39,233
Retained earnings		6,228,712	4,293,631	2,564,546	2,413,965
Revaluation, fair value and other reserves	27	6,414,180	5,443,334	10,883,067	13,499,202
Convertible bonds	23	3,086,192	2,812,392	-	-
		20,909,619	17,729,892	18,628,148	21,093,702
Less treasury shares	25	(14,460)	(14,460)	(14,460)	(14,460)
Owners' interest		20,895,159	17,715,432	18,613,688	21,079,242
Non-controlling interests		9,151,511	8,667,888	-	-
Total equity		30,046,670	26,383,320	18,613,688	21,079,242
Non-current liabilities					
Borrowings	29	10,196,104	10,075,946	2,604,533	2,604,635
Lease liabilities	16	3,235,076	3,206,216	-	-
Deferred income tax liabilities	30	2,216,367	1,841,764	-	-
Retirement benefit obligations	31	797,434	692,487	-	-
Deposits from customers	37	42,193	273,282	-	-
Provisions for other liabilities and charges	32	46,373	54,467	-	-
Other payables and deferred revenue	33	113,792	126,166	-	-
		16,647,339	16,270,328	2,604,533	2,604,635
Current liabilities					
Borrowings	29	7,623,412	9,996,996	326,842	465,353
Lease liabilities	16	181,472	258,047	-	-
Trade and other payables	34	10,825,256	11,704,636	20,174	34,265
Derivative financial instruments	42	34,707	66,610	-	-
Deposits from customers	37	31,691,375	32,819,728	-	-
Current income tax liabilities	35	244,394	110,170	38	-
Provisions for other liabilities and charges	32	89,664	84,831	-	-
Dividend payable	36	473,077	270,010	473,077	270,010
Other payables and deferred revenue	33	201,084	195,926	-	-
		51,364,441	55,506,954	820,131	769,628
Liabilities directly associated with assets classified as held for sale	21	-	10,427	-	-
		51,364,441	55,517,381	820,131	769,628
TOTAL LIABILITIES		68,011,780	71,787,709	3,424,664	3,374,263
TOTAL EQUITY AND LIABILITIES		98,058,450	98,171,029	22,038,352	24,453,505
Net asset value per share (MUR)	8	12.38	10.50	11.03	12.49

These financial statements have been approved for issue by the Board of Directors on 29 September 2023.

P. ARNAUD DALAIS
Chairman of the Board

CATHERINE McILRAITH
Director

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEAR ENDED 30 JUNE 2023

THE GROUP	NOTES	Stated capital	Redeemable Restricted A shares	Treasury shares	Share appreciation rights and other scheme	Fair value reserve	Revaluation and other reserves	Retained earnings	Convertible bonds	Total	Non controlling interest	Total equity
		ATTRIBUTABLE TO OWNERS										
		MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Balance at 01 July 2022		5,141,302	39,233	(14,460)	-	142,128	5,301,206	4,293,631	2,812,392	17,715,432	8,667,888	26,383,320
Profit for the year		-	-	-	-	-	-	2,653,326	-	2,653,326	1,648,698	4,302,024
Other comprehensive income for the year		-	-	-	-	541	709,976	-	-	710,517	286,994	997,511
Total comprehensive income for the year		-	-	-	-	541	709,976	2,653,326	-	3,363,843	1,935,692	5,299,535
Transaction with Non-controlling interests		-	-	-	-	-	-	57,533	-	57,533	(909,137)	(851,604)
Issue of shares to non-controlling interest		-	-	-	-	-	-	-	-	-	5,000	5,000
		-	-	-	-	-	-	57,533	-	57,533	(904,137)	(846,604)
Transactions with owners in their capacity as owners												
Change in ownership interest		-	-	-	-	-	-	5,923	-	5,923	-	5,923
Dividends		-	-	-	-	-	-	(473,077)	-	(473,077)	(499,829)	(972,906)
Issue of convertible bonds	23	-	-	-	-	-	-	-	273,800	273,800	-	273,800
Interest on convertible bonds		-	-	-	-	-	-	(48,295)	-	(48,295)	(48,103)	(96,398)
Other banking movements		-	-	-	-	-	219,683	(219,683)	-	-	-	-
Other movements		-	-	-	-	-	40,646	(40,646)	-	-	-	-
Total transactions with owners		-	-	-	-	-	260,329	(775,778)	273,800	(241,649)	(547,932)	(789,581)
Balance at 30 June 2023		5,141,302	39,233	(14,460)	-	142,669	6,271,511	6,228,712	3,086,192	20,895,159	9,151,511	30,046,670

The notes on pages 104 to 192 form an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEAR ENDED 30 JUNE 2023 (CONT'D)

THE GROUP	NOTES	ATTRIBUTABLE TO OWNERS										
		Stated capital	Redeemable Restricted A shares	Treasury shares	Share appreciation rights and other scheme	Fair value reserve	Revaluation and other reserves	Retained earnings	Convertible bonds	Total	Non controlling interest	Total equity
		MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Balance at 01 July 2021		5,140,994	39,233	(14,624)	472	121,781	4,219,038	3,159,723	2,264,792	14,931,409	7,253,727	22,185,136
Profit for the year		-	-	-	-	-	-	1,300,087	-	1,300,087	853,904	2,153,991
Other comprehensive income for the year		-	-	-	-	20,347	1,211,156	-	-	1,231,503	1,340,361	2,571,864
Total comprehensive income for the year		-	-	-	-	20,347	1,211,156	1,300,087	-	2,531,590	2,194,265	4,725,855
Reclassification of revaluation reserve on transfer of property, plant and equipment to investment property							(243,653)	243,653	-	-	-	-
Disposal of assets classified as held for sale		-	-	-	-	-	51,616		-	51,616	45,718	97,334
		-	-	-	-	-	(192,037)	243,653	-	51,616	45,718	97,334
Transactions with owners in their capacity as owners												
Redemption of shares		-	-	-	-	-	-	-	-	-	(101,659)	(101,659)
Change in ownership interest that do not result in loss of control		-	-	-	-	-	-	65,284	-	65,284	(135,232)	(69,948)
Employee share option scheme	25	308	-	164	(472)	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	(354,382)	-	(354,382)	(550,202)	(904,584)
Movement of reserves on re-organisation		-	-	-	-	-	-	35,883	-	35,883		35,883
Issue of convertible bonds	23	-	-	-	-	-	-	-	547,600	547,600	-	547,600
Interest on convertible bonds		-	-	-	-	-	-	(38,928)	-	(38,928)	(38,729)	(77,657)
Other banking movements		-	-	-	-	-	63,049	(63,049)	-	-	-	-
Other movements		-	-	-	-	-	-	(54,640)	-	(54,640)	-	(54,640)
Total transactions with owners		308	-	164	(472)	-	63,049	(409,832)	547,600	200,817	(825,822)	(625,005)
Balance at 30 June 2022		5,141,302	39,233	(14,460)	-	142,128	5,301,206	4,293,631	2,812,392	17,715,432	8,667,888	26,383,320

Other movements are mainly made up of:

(i) Statutory reserve which comprises the accumulated annual transfer of 15% of the net profit for the year in line with Article 41 of Ordinance n° 88-005 dated 15th April 1988 pertaining to the regulations applicable to the banking sector in Madagascar.

(ii) Movements in the General Banking Reserve is at the discretion of BNI Madagascar and the shareholders choose to increase the reserve by the profit for the year net of dividends payable and the amount transferred to statutory reserve.

Movement in reserves of joint venture are made up of:

(i) Statutory reserve movement which comprises the accumulated annual transfer of 15% of the net profit for the year of Bank One Ltd in line with Section 21(1) of the Mauritian Banking Act 2004.

(ii) General Banking reserve movement which comprises of provisions in line with the Bank of Mauritius macroprudential guidelines.

The notes on pages 104 to 192 form an integral part of these financial statements.

SEPARATE STATEMENTS OF CHANGES IN EQUITY
YEAR ENDED 30 JUNE 2023

THE COMPANY	Stated capital	Redeemable Restricted A shares	Treasury shares	Share appreciation rights and other scheme	Fair value reserve	Retained earnings	Total equity
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Balance at 1 July 2022	5,141,302	39,233	(14,460)	-	13,499,202	2,413,965	21,079,242
Profit for the year	-	-	-	-	-	623,658	623,658
Other comprehensive income for the year	-	-	-	-	(2,616,135)	-	(2,616,135)
Total comprehensive income for the year	-	-	-	-	(2,616,135)	623,658	(1,992,477)
Transactions with owners in their capacity as owners							
Dividends	-	-	-	-	-	(473,077)	(473,077)
Total transactions with owners of parent	-	-	-	-	-	(473,077)	(473,077)
Balance at 30 June 2023	5,141,302	39,233	(14,460)	-	10,883,067	2,564,546	18,613,688

	NOTES	Stated capital	Redeemable Restricted A shares	Treasury shares	Share appreciation rights and other scheme	Fair value reserve	Retained earnings	Total equity
		MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
THE COMPANY								
Balance at 1 July 2021		5,140,994	39,233	(14,624)	472	8,071,286	2,427,311	15,664,672
Profit for the year		-	-	-	-	-	341,036	341,036
Other comprehensive income for the year		-	-	-	-	5,427,916	-	5,427,916
Total comprehensive income for the year		-	-	-	-	5,427,916	341,036	5,768,952
Transactions with owners in their capacity as owners								
Employee share option scheme	25	308	-	164	(472)	-	-	-
Dividends		-	-	-	-	-	(354,382)	(354,382)
Total transactions with owners of parent		308	-	164	(472)	-	(354,382)	(354,382)
Balance at 30 June 2022		5,141,302	39,233	(14,460)	-	13,499,202	2,413,965	21,079,242

The notes on pages 104 to 192 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
YEAR ENDED 30 JUNE 2023

	NOTES	THE GROUP 2023	THE GROUP 2022	THE COMPANY 2023	THE COMPANY 2022
		MUR '000	MUR '000	MUR '000	MUR '000
Cash flows from operating activities					
Cash generated from operations	38	6,935,883	3,688,900	652,338	237,829
Interest paid		(1,042,588)	(850,078)	(154,006)	(145,340)
Interest received		62,056	71,884	-	571
Tax (paid) / refund	35	(515,911)	(347,745)	42	220
Net cash generated from operating activities		5,439,440	2,562,961	498,374	93,280
Cash flows from investing activities					
Purchase of property, plant and equipment (PPE)	9(a)	(1,947,783)	(1,176,219)	-	-
Purchase of investments in joint venture	13	-	(29,051)	-	-
Purchase of other financial assets	15	(7,726)	(13,904)	-	-
Purchase of intangible assets	11	(72,470)	(46,872)	-	-
Purchase of investment properties	10	(211,563)	-	-	-
Acquisition of interests in subsidiary company	12	-	-	(25,000)	-
Acquisition of interests in other financial assets	15(b)	-	-	(5,502)	-
Proceeds from disposal of assets held for sale		88,390	453,687	-	-
Proceeds from disposal of PPE		4,214	13,032	-	-
Proceeds from disposal of investment property		190	18,624	-	-
Proceeds from redemption of shares	12-15(a)	-	32,074	-	129,345
Dividends received from associates		51,432	167,968	-	-
Dividends received from joint ventures		321,361	84,000	-	-
Proceeds from disposal of associated companies	14(a)-(f)	-	1,112	-	-
Redemption of capital in associated companies	14(a)	12,261	-	28,709	-
Proceeds from disposal of intangible assets		-	237	-	-
Proceeds from disposal of financial assets		1,000	-	-	-
Investment in other assets		14,199	(54,029)	-	-
Net cash (used in)/generated from investing activities		(1,746,495)	(549,341)	(1,793)	129,345

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
YEAR ENDED 30 JUNE 2023 (CONT'D)

	NOTES	THE GROUP 2023 MUR '000	THE GROUP 2022 MUR '000	THE COMPANY 2023 MUR '000	THE COMPANY 2022 MUR '000
Cash flow from financing activities					
Proceeds from borrowings		4,737,662	5,988,408	-	-
Loan granted to subsidiary	17	-	-	(55,000)	-
Repayment of borrowings		(7,325,244)	(5,409,241)	(380,105)	-
Repayments of principal element of leases	39(b)	(302,624)	(239,241)	-	-
Proceeds from convertible bonds net of fees	23	273,800	547,600	-	-
Dividends paid to non-controlling interests		(319,845)	(432,474)	-	-
Redemption of capital minority stakes (CIEL Heathcare Ltd)		-	(101,659)	-	-
Acquisition of interests in subsidiary company	11	(9,408)	-	-	-
Acquisition of interest of minority stake (CIEL Finance Ltd)		(850,338)	-	-	-
Dividends paid to parent	36	(270,010)	(84,372)	(270,010)	(84,372)
Dividends paid to executives		-	(4,000)	-	-
Net cash (used in)/from financing activities		(4,066,007)	265,021	(705,115)	(84,372)
(Decrease)/Increase in cash and cash equivalents		(373,062)	2,278,641	(208,534)	138,253
Movement in cash and cash equivalents					
At 1 July		11,551,438	9,191,978	(35,746)	(173,999)
Exchange differences		(321,742)	80,819	-	-
(Decrease)/Increase		(373,062)	2,278,641	(208,534)	138,253
At 30 June	39(b)	10,856,634	11,551,438	(244,280)	(35,746)

The notes on pages 104 to 192 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2023

1. GENERAL INFORMATION

On 24 January 2014, CIEL Investment Ltd was amalgamated with and into Deep River Investment Ltd (DRI). The surviving company has subsequently been renamed CIEL Limited.

CIEL Limited (the "Company") is a public company incorporated and domiciled in Mauritius and listed on the Official Market of the Stock Exchange of Mauritius. Its registered office is situated at 5th Floor, Ebène Skies, Rue de L'Institut, Ebène, Republic of Mauritius.

Its main activity is to provide long term growth and dividend income for distribution to investors.

CIEL Limited invests in a diversified portfolio of equity and equity related investments in six strategic sectors namely textile, agro, property, hotels and resorts, finance and healthcare.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

2. BASIS OF ACCOUNTING

2.1 Basis of preparation

(a) Statement of compliance

The consolidated financial statements of CIEL Limited are prepared in compliance with the Mauritius Companies Act 2001 and in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ('IASB'). The financial statements are also prepared in line with interpretations issued by the IFRS Interpretations Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and any other regulatory requirements.

(b) Historical cost convention

The financial statements are prepared on a going concern basis and include the consolidated financial statements of the parent company and its subsidiary companies (the Group) and the separate financial statements of the parent company (the Company). The financial statements are prepared under the historical cost convention except for:

Company – Investments in subsidiaries measured at fair value through other comprehensive income ('FVOCI')
Investments in associates measured at FVOCI
Investments in joint ventures measured at FVOCI
Investments in other financial assets measured at FVOCI

Group – Land and buildings at fair value
Investment properties at fair value
Derivative financial instruments at fair value through profit or loss ('FVPL')

Where necessary the comparative figures have been amended to conform with change in presentation of the current year.

(c) Going concern

The Board of directors has made an assessment of the Group's and the Company's ability to continue as a going concern and is satisfied that the Group and the Company have the resources to continue in business for the foreseeable future. Furthermore, directors are not aware of any material uncertainties that may cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Accordingly, the financial statements have been prepared on the going concern basis.

2. BASIS OF ACCOUNTING (CONT'D)

2.1 Basis of preparation (Cont'd)

(c) Going concern (Cont'd)

The Company

The Company has made a profit of **MUR 624M** (2022: MUR341M) for the year ended 30 June 2023 and its total assets exceed its total liabilities by **MUR 19Bn** (2022: MUR 21Bn).

Whilst its total current liabilities exceed its current assets by **MUR 124M** (2022: Net current liabilities of MUR 200M), the Company has undrawn facilities and money market line amounting to MUR 142M to meet its liabilities in the foreseeable future, if required.

The Group

The Group has made a profit of **MUR 4.3Bn** (2022: MUR 2.2Bn) for the year ended 30 June 2023 and its total assets exceed its total liabilities by **MUR 30Bn** (2022: MUR 26Bn).

The total current liability exceeds the current assets by MUR **12.8Bn** (2022: MUR 13.7Bn), arising principally from the normal operations of BNI Madagascar SA ('the Bank') in the banking segment of the Group, whereby the current liabilities exceed the current assets by **MUR 13Bn** (2022: MUR 13Bn).

The Bank has major deposits with customers which are demand and savings deposits and are therefore classified as current in the Group's financial statements. The Bank has been making profits and distributed dividends in the current year. The Bank had a capital adequacy ratio of **11%** as at 30 June 2023 (2022: 10%) which is well above the minimum capital requirement of 8% as required per the Central Bank of Madagascar.

As detailed in note 45(c), the Bank has in place an adequate liquidity risk management framework, which ensures that:

(a) Cash flow is managed to ensure a balanced inflow and outflow of funds on any one specific day and;
(b) The Bank maintains an adequate stock of liquid assets to ensure that it has sufficient store of value, which can be utilised in the event of an unexpected outflow of funds.

The Bank's current assets comprise mainly of loans and advances, which cannot exceed the deposits from customers – the ratio of loans and advances under current assets to deposits from customers under current liabilities stood at 34% which is relatively conservative.

Based on the above, the Board of directors is satisfied that the Group has the resources required to meet its liabilities in the foreseeable future.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of CIEL Limited and its subsidiaries as at 30 June 2023.

Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and could affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure or rights to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, it considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value, unless significant influence is maintained, in which case, the investment will be accounted for using the equity method of accounting.

(e) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using Mauritian Rupees, the currency of the primary economic environment in which the entity operates ("functional currency") and rounded to the nearest thousand (MUR '000). The consolidated financial statements are presented in Mauritian Rupees, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash-flow hedges and qualifying net investment hedges.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

2. BASIS OF ACCOUNTING (CONT'D)

2.1 Basis of preparation (Cont'd)

(e) Foreign currencies (Cont'd)

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from that of the presentation currency of the Company, are translated as follows:

(a) assets and liabilities are translated at the closing rate at the reporting date;
(b) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
(c) the resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. In the event of disposal of a foreign operation, exchange differences are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(f) Earnings before interest, tax, depreciation, amortisation, and expected credit losses

Earnings before interest, tax, depreciation, amortisation and expected credit losses is stated after adding to earnings before interest, tax, depreciation and amortisation, the expected credit losses incurred on the Group's assets, during the year. The Directors make use of this measure to monitor the operational performance of the Group as they deem that it shows the underlying performance of the Group more accurately.

(g) Earnings before interest, tax and expected credit losses

Earnings before interest, tax, and expected credit losses stated after adding to earnings before interest and tax, the expected credit losses incurred on the Group's assets during the year.

(h) Financial assets and liabilities

Measurement methods

The Group and the Company classify their financial assets as subsequently measured at either amortised cost or fair value depending on the Group's and the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flow; and
- the contractual terms of the financial asset represent contractual cash flow that are solely payments of principal and interest.

Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e., its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired ('POCI') financial assets – assets that are credit-impaired at initial recognition – the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e., a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
b) In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Classification and subsequent measurement

The Group classifies its financial assets in the following measurement categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVPL);
- Amortised cost.

2. BASIS OF ACCOUNTING (CONT'D)

2.1 Basis of preparation (Cont'd)

(h) Financial assets and liabilities (Cont'd)

The classification requirements for debt and equity instruments are described below.

Debt instruments
Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse.

Classification and subsequent measurement of debt instruments depend on:

(i) the Group's business model for managing the asset; and
(ii) the cash flow characteristics of the asset.

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'finance income' using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Finance income' using the effective interest rate method.
- All financial assets not classified as amortised cost or FVOCI as described above are classified as FVPL and held at fair value. This includes all derivative financial assets. On initial recognition, the Group may irrevocably elect to designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI as FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. This election is made on an individual instrument basis.
- These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss when the Group's and/or the Company's right to receive the return is established, unless such instrument is designated in a hedging relationship.

Business model: the business model reflects how the Group manages the assets in order to generate cash flows; that is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the year.

Derecognition other than on a modification
Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

(i) the Group transfers substantially all the risks and rewards of ownership, or
(ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

The Group enters transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Group:

(i) Has no obligation to make payments unless it collects equivalent amounts from the assets;
(ii) Is prohibited from selling or pledging the assets; and
(iii) Has an obligation to remit any cash it collects from the assets without material delay.

Equity instruments
Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Group subsequently measures all equity investments at fair value through profit or loss, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Gains and losses on equity investments at FVPL are included in the statement of profit or loss.

2. BASIS OF ACCOUNTING (CONT'D)

2.1 Basis of preparation (Cont'd)

(h) Financial assets and liabilities (Cont'd)

Expected credit losses

The Group assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The credit risk note provides more detail of how the expected credit loss allowance is measured.

(i) Impairment of non-financial assets

The carrying amounts of assets are assessed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated, being the higher of the asset's net selling price and its value-in-use, to determine, the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognised as an expense immediately, unless the asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(j) Borrowing costs

All borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

(k) Provisions

Provisions are recognised when the Group and/or the Company have a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated. Provisions are determined by discounting the expected future cash flows are a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(l) Government grants

Government grants are recognised if it is reasonably certain that the related conditions will be satisfied and the grants will actually be received. Grants for the purchase of non-current assets (asset-related grants) are deducted from the historical cost of the assets in question and reduce future depreciation. Grants in respect of wages obtained under the government wage assistance scheme are accounted for in the statement of profit or loss in the period to which the wages relate.

(m) Convertible bonds

During the financial year ended 30 June 2021, the hotel and resorts segment of the Group contracted with the Mauritius Investment Corporation Ltd ("MIC"), a wholly owned subsidiary of the Bank of Mauritius, the issue of redeemable convertible bonds. The Group has accounted for the convertible bonds as equity on initial recognition on the following basis:

- The issuer has the unconditional right to avoid paying cash, and if the principal of the bonds is converted to ordinary shares, these will be converted by exchanging a fixed notional for a fixed number of shares, and any potential variability would serve to maintain the relative economic rights of the shareholders and the subscriber, resulting in no violation of the 'fixed for fixed' requirement. Hence, the Group deems that the principal component can be classified under equity.
- The bonds bear a fixed interest rate (the contractual interest and penalty-interest rates are both fixed) and can be considered to be predetermined because it only varies over time. As a result, the Group determines that such an instrument meets the 'fixed for fixed' condition whereby each unit of the convertible bond converts into a fixed number of shares and hence the instrument can be treated as equity.

The bonds are initially measured based on the subscription proceeds received net of transaction costs, without subsequent remeasurement.

(n) Cost of sales and operating expenses

Cost of sales comprises direct material and labour costs but also indirect costs that can be directly attributed to generating revenue. These are included in profit or loss.

Operating expenses relate to indirect costs of operations accounted on the accruals basis.

(o) Earnings per share (EPS)

(i) Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group and Company;
- by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2. BASIS OF ACCOUNTING (CONT'D)

2.2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcome that requires a material adjustment to the carrying amount of assets and liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's control and are reflected in the assumptions if and when they occur.

(i) Impairment of goodwill and non-current assets

Management has assessed the recoverable amounts, as at 30 June 2023 and 2022, of cash generating units (CGUs) to which goodwill has been allocated and CGUs that have indicators for impairment. Note 11 sets out the CGUs to which goodwill has been allocated for impairment testing purposes.

The recoverable amount of CGUs is determined based on their value-in-use or their fair value less costs to disposal, if any. The value-in-use has been determined via future net cash flows based on the budget for the next 12 months as a starting point. Cash flow projections of 3 to 10 years have been considered and discounted at an appropriate discount rate and added to the estimated discounted terminal value. The determination of the cash flow projections, discount rates and terminal values entails significant assumptions made by management of the effects of uncertain future events on those assets at the reporting date. Refer to Note 9 and Note 11 for impairment assessment of PPE and impairment of goodwill respectively.

(ii) Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group 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 Group considers the interest rates of treasury bills 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 obligation.

Other key assumptions for pension obligations are based in part on current market conditions. Refer to note 31 for further details.

(iii) Convertible bonds

During the year ended 30 June 2023, SUN Group received additional funding from the Mauritius Investment Corporation ("MIC"), as per the terms and conditions disclosed in note 23 to the financial statements.

Significant accounting judgement has been applied by the Directors in the determination of the appropriate accounting policy, and legal representation has been obtained by the Directors with regards to certain clauses within the contract, which are disclosed in note 23.

(iv) Revaluation of property, plant and equipment and investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the profit or loss. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The fair value is determined based on independent valuation by valuers who make use of valuation methods, depending on the type of asset being revalued. Such methods depend on a variety of assumptions which are further disclosed in notes 9 and 10.

During the financial year ended 30 June 2023, a revaluation gain of MUR 1.9Bn, of which MUR 1.6Bn is attributable to the Textile and Hotel and Resort segments, was recognised. The Directors of the Group deemed the depreciated replacement cost approach to be the most suitable valuation technique for the leasehold land improvements, buildings and site improvements of the Hotel segment as compared to other techniques such as the income approach and the market comparable approach. The most significant input into this method of valuation is the replacement cost per square metre.

A revaluation gain of MUR 261M has been recognised on investment properties during the financial year ended 30 June 2023. Most of the revaluation gain, being MUR 261M, has been recognised on the land owned by a subsidiary of the Property segment. Hence, the Directors of the Group deemed the residual method of valuation to be the most suitable valuation technique. The most significant input into this method of valuation is the estimated possible revenue of the developable land and the net of all the costs of developing the entire Smart City, mostly being the cost of construction of the buildings and services.

(v) Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market may be determined by the Group and the Company using valuation techniques including third party transactions values, earnings, net asset value or discounted cash flows, whichever is appropriate. The Group would exercise judgement and estimates on the quantity and quality of pricing sources used.

Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer to notes 12, 13, 14 and 15 for further details.

Determination of fair value

The fair value of publicly traded securities in an active market is based on:

- Their market value which is calculated by reference to the Stock Exchange - quoted prices at the close of business at the end of reporting period;
- Quoted prices plus premium; or
- Recent transaction price.

2. BASIS OF ACCOUNTING (CONT'D)

2.2 Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

(v) Fair value of securities not quoted in an active market (cont'd)

In assessing the fair value of unquoted investments or quoted securities in an inactive market, the Group uses a combination of discounted cash flow, price to book, earnings multiple, net asset base, dividend yield basis and volume weighted average price method. The valuation policy is summarised below:

- 50% stake or more in investee companies – Net asset value, price earnings multiple or discounted cash flow and volume weighted average price method.
- Less than 50% stake in investee companies - earnings multiple
- Property investee companies - net asset basis whereby properties are revalued on a regular basis on their open market value
- Investments in new ventures are valued at cost for the first year less any impairment loss recognised to reflect irrecoverable amounts except if there has been significant change till year end
- Investment entities - net asset basis
- Banking sector - mix of price to book and price earnings ratios or dividend discounting model as appropriate
- Recent transaction price, where applicable

(vi) Asset lives and residual values

Property, plant and equipment are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

(vii) Leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination, including: whether there are significant penalties to terminate (or not extend); whether any leasehold improvements are expected to have a significant remaining value; historical lease durations; the importance of the underlying asset to the operations; and the costs and business disruption required to replace the leased asset. The lease term is reassessed if a significant event or a significant change in circumstances occurs which affects the assessment of reasonable certainty. During the financial years ended 30 June 2023 and 30 June 2022, no option has been exercised and hence, no reassessment has been performed.

(viii) Determining whether forecast sales are highly probable

The Group is exposed to foreign currency risk, most significantly to the Euro, Pound Sterling and US Dollar, as the Group's sales are denominated in these currencies. The Group hedges these exposures by entering into foreign currency loans ("hedging instruments") with future principal payments that will match the future sales ("hedged item") in these currencies.

To apply hedge accounting, a condition is that the forecast transaction must be "highly probable". The Group has applied judgement in assessing whether the forecasted foreign currency revenue remain "highly probable", still expected to occur or is no longer expected to occur. In making this assessment, the Group has considered the most recent budgets and plans.

(ix) Recoverability of deferred income tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The outcome of their actual utilisation may be different.

(x) Measurement of the expected credit loss allowance

The IFRS 9 impairment requirements are based on an expected credit loss model. Madagascar's (Banking Subsidiary of CIEL Finance Limited referred to as 'The Bank') accounting policy for impairment of financial assets is listed below.

The Bank applies a three-stage approach to measuring expected credit losses (ECL) on debt instruments accounted for at amortised cost and FVOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition:

(i) **Stage 1: 12-months ECL**

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

(ii) **Stage 2: Lifetime ECL – not credit impaired**

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised.

(iii) **Stage 3: Lifetime ECL – credit impaired**

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk for financial assets since the initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

In determining whether credit risk has increased significantly since initial recognition, the Bank uses its internal credit risk grading system, external risk ratings and forecast information to assess deterioration in credit quality of a financial asset.

The Bank assesses whether the credit risk on a financial asset has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower and other relevant factors.

2. BASIS OF ACCOUNTING (CONT'D)

2.2 Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

(x) Measurement of the expected credit loss allowance (cont'd)

(iii) Stage 3: Lifetime ECL – credit impaired (Cont'd)

The Bank considers its historical loss experience and adjusts this for current observable data. In addition, the Bank uses reasonable and supportable forecasts of future economic conditions including experienced judgement to estimate the amount of an expected impairment loss. IFRS 9 introduces the use of macroeconomic factors which include, but is not limited to, unemployment, interest rates, gross domestic product, inflation and commercial property prices, and requires an evaluation of both the current and forecast direction of the economic cycle. Incorporating forward-looking information increases the level of judgement as to how changes in these macroeconomic factors will affect ECL. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

If, in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the provision for doubtful debts reverts from lifetime ECL to 12-months ECL. In the case of debt instruments measured at FVOCI, the measurement of ECL is based on the three-stage approach as applied to financial assets at amortised cost. The Bank recognises the provision charge in profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the statement of financial position. Further details have been disclosed in note 45.

(xi) Provision for slow-moving inventories

The Directors are required to exercise significant judgement in estimating the provision for slow-moving inventories. The following are considered to provide for inventories write-off:

- Apply appropriate procedures to identify slow-moving and obsolete stocks;
- Make reasonable and prudent estimates of the prices obtainable in the market in which the goods are expected to be sold at the time at which they will be available for sale; and
- Take into account projected time to completion and sale (for example, repair costs for damaged stocks and sales commission).

2.3 Application of new and revised International Financial Reporting Standards.

New and amended standards adopted by the Group

The group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37:
- Annual Improvements to IFRS Standards 2018-2020, and
- Reference to the Conceptual Framework – Amendments to IFRS 3.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3. SEGMENT INFORMATION

The reportable segments are strategic business units that offer different products and services. They are managed separately because each business unit requires different strategies. The Group has seven reportable segments:

- Textile derives income mainly from the sale of knitwear, woven and fine knits products.
- Agro earns income mainly from sugar production.
- Property derives income mainly land and property development.
- Hotels and Resorts derives income through the ownership and management of portfolio of hotels.
- Financial services derive income mainly from banking, fiduciary products and portfolio management.
- Healthcare derives income through the running of healthcare facilities.
- CIEL - Holding Company derives income through dividend return from its investments.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. The Group evaluates performance on basis of Profit or Loss from operations.

3. SEGMENT INFORMATION (CONT'D)

THE GROUP	Textile	Property	Agro	Hotels & Resorts	Financial Services	Healthcare	CIEL And others**	Eliminations/ Unallocated	Total
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
YEAR ENDED 30 JUNE 2023									
Total revenue	17,835,340	239,900	-	8,104,710	5,128,871	4,120,818	1,127,885	(1,148,929)	35,408,595
Earnings before interest, tax, depreciation, amortisation and expected credit losses	2,017,444	351,082	284	2,447,703	1,600,980	803,362	864,097	(1,000,737)	7,084,215
Depreciation and amortisation	(363,417)	(13,369)	-	(527,167)	(225,903)	(245,330)	(7,060)	(10,567)	(1,392,813)
Earnings before interest, tax and expected credit losses	1,654,027	337,713	284	1,920,536	1,375,077	558,032	857,037	(1,011,304)	5,691,402
Expected credit losses	(12,281)	-	-	9,708	(304,832)	(47,009)	-	-	(354,414)
Finance cost	(342,595)	(33,252)	-	(454,321)	(59,137)	(96,589)	(197,838)	69,361	(1,114,371)
Finance income	23,303	185	-	279,365	9,744	16,714	42,862	(69,353)	302,820
Share of result of associates and joint ventures	(69,781)	454	305,648	33,040	319,344	-	15,615	707	605,027
Profit before income tax	1,252,673	305,100	305,932	1,788,328	1,340,196	431,148	717,676	(1,010,589)	5,130,464
Income tax	(180,364)	(50,984)	-	(261,452)	(254,916)	(81,589)	(4,367)	5,232	(828,440)
Profit from continuing operations	1,072,309	254,116	305,932	1,526,876	1,085,280	349,559	713,309	(1,005,357)	4,302,024
Loss from discontinued operations	-	-	-	-	-	-	-	-	-
Profit for the year	1,072,309	254,116	305,932	1,526,876	1,085,280	349,559	713,309	(1,005,357)	4,302,024

THE GROUP	Textile	Property*	Agro	Hotels & Resorts	Financial Services	Healthcare	CIEL And others**	Eliminations/ Unallocated	Total
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Year ended 30 June 2022									
Total revenue	15,454,249	121,677	-	4,839,078	4,544,464	3,561,758	819,408	(816,040)	28,524,594
Earnings before interest, tax, depreciation, amortisation and expected credit losses	1,720,906	271,563	(3,482)	1,223,940	1,424,401	832,381	496,163	(696,673)	5,269,199
Depreciation and amortisation	(342,849)	(15,013)	-	(561,719)	(248,982)	(208,947)	(5,316)	(7,490)	(1,390,316)
Earnings before interest, tax and expected credit losses	1,378,057	256,550	(3,482)	662,221	1,175,419	623,434	490,847	(704,163)	3,878,883
Expected credit losses	(2,971)	-	-	(855)	(645,892)	(31,780)	-	207,155	(474,343)
Finance income	11,677	-	-	58,274	599	9,785	15,549	(24,000)	71,884
Finance cost	(175,606)	(11,021)	-	(487,709)	(33,311)	(80,044)	(158,536)	23,174	(923,053)
Share of result of associates and joint ventures	(22,908)	50,117	211,943	19,515	187,672	-	-	(14,438)	431,901
Profit before income tax	1,188,249	295,646	208,461	251,446	684,487	521,395	347,860	(512,272)	2,985,272
Income tax	(154,798)	(70,603)	-	(51,366)	(173,390)	(90,908)	(3,495)	-	(544,560)
Profit from continuing operations	1,033,451	225,043	208,461	200,080	511,097	430,487	344,365	(512,272)	2,440,712
Loss from discontinued operations	(288,349)	-	-	-	-	1,628	-	-	(286,721)
Profit for the year	745,102	225,043	208,461	200,080	511,097	432,115	344,365	(512,272)	2,153,991

* Include Evolis Group figures. Management deemed more useful to present all the Evolis property figures under the property segment, rather than the textile segment, for segmental reporting.

** CIEL and Others consist of CIEL Limited, CIEL Corporate Services, Azur Financial Services, EM Insurance Brokers Limited, FX Market Edge Limited and Rockwood Textile.

3. SEGMENT INFORMATION (CONT'D)

2023	Textile	Property*	Agro	Hotels & Resorts	Financial Services	Healthcare	CIEL And others**	Eliminations/ Unallocated	Total
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Assets excluding associates & joint ventures	13,745,059	6,698,778	47,795	22,887,436	43,180,271	5,376,710	19,330,530	(19,776,740)	91,489,839
Joint ventures	283,242	34,051	225,526	89,540	2,040,952	-	1,856,658	(1,855,802)	2,674,167
Associates	-	-	1,450,782	258,089	-	-	1,514,880	670,693	3,894,444
Segment assets	14,028,301	6,732,829	1,724,103	23,235,065	45,221,223	5,376,710	22,702,068	(20,961,849)	98,058,450
Segment liabilities	9,187,898	992,203	47,722	11,464,970	40,417,625	3,221,527	4,102,757	(1,422,922)	68,011,780
Net Assets	4,840,403	5,740,626	1,676,381	11,770,095	4,803,598	2,155,183	18,599,311	(19,538,927)	30,046,670

2022	Textile	Property*	Agro	Hotels & Resorts	Financial Services	Healthcare	CIEL And others**	Eliminations/ Unallocated	Total
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Assets excluding associates & joint ventures	14,084,367	5,511,343	36,404	21,660,460	46,312,311	4,685,822	25,031,329	(25,560,178)	91,761,858
Joint ventures	336,514	29,051	-	63,693	2,019,794	-	162,466	(157,270)	2,454,248
Associates	-	298,055	1,453,175	285,207	1,009	-	185,087	1,732,390	3,954,923
Segment assets	14,420,881	5,838,449	1,489,579	22,009,360	48,333,114	4,685,822	25,378,882	(23,985,058)	98,171,029
Segment liabilities	10,488,289	605,567	31,811	12,169,036	43,233,315	2,758,524	4,315,868	(1,814,701)	71,787,709
Net Assets	3,932,592	5,232,882	1,457,768	9,840,324	5,099,799	1,927,298	21,063,014	(22,170,357)	26,383,320

* Include Evolis Group figures. Management deemed more useful to present all the Evolis property figures under the property segment, rather than the textile segment, for segmental reporting.

** CIEL and Others consist of CIEL Limited, CIEL Corporate Services, Azur Financial Services, EM Insurance Brokers Limited, FX Market Edge Limited and Rockwood Textile.

THE GROUP	REVENUES FROM EXTERNAL CUSTOMERS		NON-CURRENT ASSETS	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Geographical information				
Mauritius	23,685,139	18,933,684	38,095,486	36,708,525
Madagascar	4,894,805	4,265,881	18,409,831	17,204,395
Asia	4,512,115	3,738,299	1,977,243	1,702,556
South Africa	1,336,181	844,202	258,644	187,493
Others	980,355	742,528	735,996	571,924
	35,408,595	28,524,594	59,477,200	56,374,893

Revenues from external customers are presented based on the respective subsidiaries' country of domicile.

4. REVENUE

The Group

Sale of goods

Sales of goods are recognised when control of the products has been transferred, being when the products are delivered to the customer. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only passage of time is required before the payment is due.

Sales of goods comprise the sale of knits, knitwear and woven textile garments.

Sale of services

Services provided by the group comprise operation, management and rental of properties, tourism, hospitality and leisure activities, medical services, and banking and financial services.

4. REVENUE (CONT'D)

The Group (cont'd)

Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue is recognised when control of the services is transferred to the customer at an amount that reflects the condition to which the company expects to be entitled in exchange for those services. Income from the rendering of services include the following:

Type	Timing of recognition
Dividend income	When the shareholder's right to receive payment is established.
Interest income	Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).
Management fees and other income	When control of the services is transferred to the customer at an amount that reflects the condition to which the company expects to be entitled in exchange for those services. The fees are determined through management agreements and are generally based on an agreed percentage of the Net asset Value and Profit after tax of the company. The Group determines and calculates the fees and allocates them on a quarterly basis, through the fees are earned over time.
Commission	Commission received from trading services is allocated to each trading activity as and when it is due as per the agreement. The commission income is recognised at a point in time when the service is rendered.
Information and communication technology income	When control of the services is transferred to the customer at an amount that reflects the condition to which the company expects to be entitled in exchange for those services. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of reporting period as a proportion to the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent relative to the total expected labour hours. If the contract includes an hourly fee, revenue is recognised in the amount to which the customer is entitled to be invoiced. Customers are invoiced on a monthly basis and consideration is payable when invoiced.
Income from foreign exchange dealings	On a settlement basis.
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.

The Company

The Company's main source of revenue is dividend income generated from its subsidiaries. Dividend is recognised when the shareholder's right to receive payment is established.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Revenue				
- Banking				
- Interest Income	3,157,514	2,743,702	-	-
Revenue from contracts with customers:				
- Textile	17,835,340	15,458,594	-	-
- Hotel	8,098,404	4,839,078	-	-
- Banking				
- Fees and commission income	945,011	869,162	-	-
- Profit arising on dealings	782,908	644,236	-	-
- Other income	-	-	-	-
- Healthcare	4,117,009	3,551,959	-	-
- Agro & Property	130,627	39,227	-	-
Dividend income				
- Listed on SEM	-	-	174,775	-
- Listed on DEM	-	-	38,754	46,110
- Unquoted	147	400	665,770	539,816
Others:				
Management and service fees	312,248	319,628	-	-
Rental income	17,744	31,609	-	-
Other income	11,643	26,999	16,448	8
	32,251,081	25,780,892	895,747	585,934
Total revenue	35,408,595	28,524,594	895,747	585,934
Timing of revenue recognition				
Goods transferred at a point in time	31,155,925	24,817,028	895,747	585,934
Services transferred over time	1,095,156	963,864	-	-
	32,251,081	25,780,892	895,747	585,934

5. EARNINGS BEFORE INTEREST, TAX, DEPRECIATION, AMORTISATION AND EXPECTED CREDIT LOSSES

(a)	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Revenue	35,408,595	28,524,594	895,747	585,934
(Loss)/Profit on disposal of property, plant and equipment	(17,645)	2,483	-	-
Profit on disposal of held for sale assets	43,262	62,232	-	-
Profit on disposal of investment property	-	9,399	-	-
Profit on disposal of associated companies (Note 14(f))	-	5,713	-	-
Other operating income	637,068	693,887	-	-
Government wage assistance scheme	-	253,396	-	-
Net foreign exchange differences	40,355	19,258	97	(567)
Fair value adjustment on investment property (Note 10)	261,014	185,052		
Cost of goods sold (i)	(13,648,457)	(11,002,301)	-	-
Interest expense – Banking segment	(1,635,412)	(1,438,371)	-	-
Employee benefit expenses (Note 7(a))	(7,743,318)	(6,717,428)	-	-
Management fees and services	(139,961)	(116,460)	(44,315)	(60,136)
Professional, legal and consultancy fees	(223,197)	(143,753)	(20,170)	(6,350)
Rental and leases (Note 16)	(457,728)	(310,709)	-	-
Logistics and utilities	(1,922,531)	(2,051,399)	-	-
Office expenses	(422,972)	(383,576)	(26,092)	(11,864)
Transport expenses	(138,494)	(105,877)	-	-
Marketing, communication and publication expenses	(642,790)	(455,511)	(23,187)	(13,666)
Repairs and maintenance	(482,228)	(422,919)	-	-
Social and events	(52,444)	(43,851)	(1,737)	-
Bad debts written off	(395,827)	(207,155)	-	-
Impairment of non-financial assets and reorganisation costs (iii)	(30,924)	(78,439)	-	-
Other expenses (ii)	(1,352,151)	(1,009,066)	(1,338)	(8,524)
	7,084,215	5,269,199	779,005	484,827

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
(i) Cost of goods sold		
Raw materials and consumables	12,354,006	9,664,559
Direct cost, Utilities and Others	1,294,451	1,337,742
	13,648,457	11,002,301
(ii) Other expenses		
Information and telecommunication expenses	(84,873)	(78,235)
Insurance	(69,714)	(78,611)
General and miscellaneous costs	(318,836)	(251,757)
Professional fees and other services	(169,783)	(239,718)
Fees and commission	(126,287)	(184,727)
Other cost	(582,658)	(176,018)
	(1,352,151)	(1,009,066)
(iii) Impairment of non-financial assets and reorganisation costs		
Non-financial assets	30,924	32,990
	30,924	32,990
Reorganisation costs (*) (Note7(a))	-	45,449
	30,924	78,439

(*) Reorganisation costs comprise termination benefits on voluntary early retirement of employees.

6. FINANCE COSTS AND FINANCE INCOME

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Interest expense on:				
Bank overdrafts	(35,645)	(26,752)	(175)	(223)
Loans repayable by instalments	(247,067)	(221,720)	-	-
Bills discounted	(33,883)	(16,137)	-	-
Debentures	(104,685)	(161,098)	-	-
Redeemable preference shares	(2,366)	(881)	-	-
B shares dividend	(6,400)	(6,000)	-	-
Loans at call	(233,463)	(83,309)	(6,553)	(1,793)
Lease liabilities (Note 16)	(214,607)	(219,634)	-	-
Fixed rate secured notes	(236,255)	(187,522)	(149,632)	(142,686)
Finance costs	(1,114,371)	(923,053)	(156,360)	(144,702)
Interest income on:				
Bank balances	62,056	71,884	-	-
Exchange gains arising on borrowings	240,764	-	-	-
Others	-	-	1,048	571
Finance income	302,820	71,884	1,048	571
Net finance costs	(811,551)	(851,169)	(155,312)	(144,131)

7. (a) EMPLOYEE BENEFIT EXPENSE

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Wages and salaries	6,570,316	5,831,823
Social security costs	476,553	414,712
Pension costs - defined contribution plans (Note 31(b))	80,636	54,057
Pension costs - defined benefit plans (Note 31(a))	108,108	64,303
Severance	-	4,428
Other post-retirement benefits	41,459	**(1,161)**
Others	466,246	349,266
Employee benefit expenses (Note 5(a))	7,743,318	6,717,428
Reorganisation costs *	-	45,449
Total	7,743,318	6,762,877

7. (b) EXPECTED CREDIT LOSSES

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Bad debts written off on trade and other receivables		
IFRS 9 Provisions:		
Investment in securities (Note 24)	9,576	(1,208)
Loans and advances to customers (Note 22)	280,218	433,801
Trade other receivables (Note 19(f))	65,743	**20,143**
Others	(1,123)	21,607
Total	354,414	474,343

(*) Reorganisation costs comprise termination benefits on voluntary early retirement of employees.

7. (c) DEPRECIATION AND AMORTISATION

		THE GROUP	
		2023	2022
		MUR '000	MUR '000
Depreciation of property plant and equipment	9(a)	1,118,539	1,063,715
Depreciation of right of use assets	16	220,133	212,291
Amortisation of intangible assets	11	54,141	114,310
		1,392,813	1,390,316

7. (d) SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

	THE GROUP			
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
	Share of profit		Other Comprehensive income	
Joint ventures (Note 13(a))	389,705	197,276	(85,377)	(26,780)
Associates (Note 14(a))	215,322	234,625	52,096	(18,035)
	605,027	431,901	(33,281)	(44,815)

8. EARNINGS AND NET ASSET VALUE PER SHARE

		THE GROUP		THE COMPANY	
	NOTES	2023	2022	2023	2022
Basic and diluted earnings per share					
Profit attributable to owners	MUR '000	2,653,326	1,300,087	623,658	341,036
Weighted average number of ordinary shares		1,687,560	1,687,455	1,687,560	1,687,455
Earnings per share	MUR	1.57	0.77	0.37	0.20
Profit attributable to owners from continuing operations	MUR '000	2,653,326	1,587,671	623,658	341,036
Weighted average number of ordinary shares		1,687,560	1,687,455	1,687,560	1,687,455
Basic and diluted earnings per share from continuing operations	MUR	1.57	0.94	0.37	0.20
Net asset value per share					
Owners' Interest	MUR '000	20,895,159	17,715,432	18,613,688	21,079,242
Number of shares in issue		1,687,560	1,687,560	1,687,560	1,687,560
Net asset value per share	MUR	12.38	10.50	11.03	12.49

9. PROPERTY, PLANT AND EQUIPMENT

Accounting policies

Property, plant and equipment, except for freehold land and buildings and site improvements are stated at cost less accumulated depreciation and/or accumulated impairment losses, if any. Freehold land is stated at revalued amounts and buildings are stated at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at each financial year end. It is the Group's policy to revalue its freehold land and buildings at least once every three years. The basis used is market value derived using the Sales Comparison Approach and the Depreciated Replacement Cost Approach and independent valuers are used for such exercises. Any revaluation surplus is credited to other comprehensive income, except to the extent that it reverses a revaluation deficit for the same asset previously recognised in profit or loss, in which case the surplus is credited to profit or loss to the extent of the deficit previously charged. A decrease in an asset's carrying amount arising on revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the property revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent disposal or retirement of a revalued property, the attributable revaluation surplus remaining in the property revaluation reserve is transferred directly to the retained earnings.

Properties in the course of construction are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land and capital work in progress are not depreciated.

It is the Group's policy to maintain its buildings in a continued state of sound repair, such that their value is not significantly diminished by the passage of time or usage. Accordingly, in estimating the residual values, the Group has assessed the value of the building at the end of their useful life based on today's rate and this exercise is done by an independent qualified valuer. Therefore, buildings are depreciated on a straight-line basis to their estimated residual values over their estimated useful lives.

Leasehold land improvements are depreciated over the shorter of their useful life and the lease period. On other property, plant and equipment, depreciation is calculated on a straight-line basis to write off their depreciable amounts (cost less residual value) over their estimated useful lives.

The annual rates are as follows:-

	Rate per annum
Buildings	2% to 10%
Buildings on leasehold land	2% to 25%
Plant, equipment and machinery	2.5% to 20%
Motor vehicles and boats	10% to 35%
Furniture, fittings and equipment	5% to 50%
Farming buildings and equipment	2.5% to 25%
Office, computer and other equipment	10% to 33%

The gain or loss arising on the disposal or retirement of an item (or part of an item) of property, plant and equipment is determined as the difference between the disposal proceeds and the carrying amount of the item (or part of the item, as applicable) and is recognised in profit or loss.

Work in progress is valued at the cost of the project. Costs include an appropriate portion of fixed and variable overhead expenses.

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) The Group	Land and building MUR '000	Assets under construction MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, fittings & equipment MUR '000	Office & Other equipment MUR '000	Deer farming buildings & equipment MUR '000	Total MUR '000
COST OR VALUATION								
At 1 July 2022	23,721,655	216,305	5,391,423	380,080	4,446,495	825,958	71,920	35,053,836
Revaluation	1,619,878	-	-	-	-	-	-	1,619,878
Additions	595,251	460,605	296,258	48,809	450,307	91,128	5,425	1,947,783
Transfer to intangible assets (Note 11)	-	(56)	-	-	-	-	-	(56)
Transfer to right-of-use assets (Note 16)	-	-	-	(3,589)	-	-	-	(3,589)
Transfer to investment properties (Note 10)	(92,965)	-	-	-	14,336	-	-	(78,629)
Transfers	8,166	(95,735)	53,151	424	33,950	44	-	-
Write offs	(28)	-	(36,314)	(2,230)	(16,697)	(5,278)	-	(60,547)
Translation adjustment	(198,571)	(17,303)	(147,069)	(15,065)	(10,733)	(31,183)	-	(419,924)
Disposals	(15,528)	-	(29,534)	(8,778)	(7,034)	(1,151)	-	(62,025)
At 30 June 2023	25,637,858	563,816	5,527,915	399,651	4,910,624	879,518	77,345	37,996,727
DEPRECIATION								
At 1 July 2022	1,648,705	-	3,745,877	274,583	3,159,928	695,315	34,428	9,558,836
Revaluation	(315,048)	-	-	-	-	-	-	(315,048)
Charge for the year	447,973	-	267,234	38,805	291,602	68,612	4,313	1,118,539
Transfer to investment properties (Note 10)	-	-	-	-	6,077	-	-	6,077
Write offs	(28)	-	(35,968)	(2,230)	(15,577)	(5,278)	-	(59,081)
Translation adjustment	(72,212)	-	(86,730)	(11,640)	(6,362)	(31,282)	-	(208,226)
Disposals	(1,702)	-	(28,196)	(8,160)	(1,213)	(899)	-	(40,170)
At 30 June 2023	1,707,688	-	3,862,217	291,358	3,434,455	726,468	38,741	10,060,927
NET BOOK VALUES								
At 30 June 2023	23,930,170	563,816	1,665,698	108,293	1,476,169	153,050	38,604	27,935,800

* The amounts written off relate principally to fully depreciated assets which are not in use anymore. The write off of the asset under construction relates to the write off of costs incurred on a factory in India, for which construction will not continue.

(a) The Group	Land and building MUR '000	Assets under construction MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, fittings & equipment MUR '000	Office & Other equipment MUR '000	Deer farming buildings & equipment MUR '000	Total MUR '000
COST OR VALUATION								
At 1 July 2021	21,828,851	210,462	5,127,819	359,477	4,111,937	773,517	69,532	32,481,595
Revaluation	1,882,493	-	-	-	-	-	-	1,882,493
Additions	117,774	345,800	195,535	41,772	425,289	47,661	2,388	1,176,219
Transfer to intangible assets (Note 11)	-	(901)	-	-	-	-	-	(901)
Transfer to assets classified as held for sale	-	-	850	4,783	(18,425)	(2,511)	-	(15,303)
Transfer to investment properties (Note 10)	(331,674)	-	-	-	(5,535)	-	-	(337,209)
Transfers	200,481	(332,675)	90,121	-	33,044	9,029	-	-
Write offs	-	(670)	(20,022)	(2,246)	(95,302)	(1,494)	-	(119,734)
Translation adjustment	23,899	378	5,635	911	1,714	2,683	-	35,220
Disposals	(169)	(6,089)	(8,515)	(24,617)	(6,227)	(2,927)	-	(48,544)
At 30 June 2022	23,721,655	216,305	5,391,423	380,080	4,446,495	825,958	71,920	35,053,836
DEPRECIATION								
At 1 July 2021	1,817,977	4,803	3,513,654	263,692	3,005,041	625,831	30,987	9,261,985
Revaluation	(578,310)	-	-	-	-	-	-	(578,310)
Charge for the year	421,906	-	264,394	28,598	271,115	74,261	3,441	1,063,715
Transfers	3,457	(3,457)	-	-	-	-	-	-
Transfer to assets classified as held for sale	-	-	-	6,123	(18,425)	(2,320)	-	(14,622)
Impairment charges through P&L	(3,179)	-	-	-	-	-	-	(3,179)
Transfer to investment properties (Note 10)	(19,858)	-	-	-	(2,178)	-	-	(22,036)
Write offs	-	-	(18,339)	(2,246)	(92,429)	(1,470)	-	(114,484)
Translation adjustment	6,881	(1,346)	(5,723)	939	1,236	1,775	-	3,762
Disposals	(169)	-	(8,109)	(22,523)	(4,432)	(2,762)	-	(37,995)
At 30 June 2022	1,648,705	-	3,745,877	274,583	3,159,928	695,315	34,428	9,558,836
NET BOOK VALUES								
At 30 June 2022	22,072,950	216,305	1,645,546	105,497	1,286,567	130,643	37,492	25,495,000

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Fair value of land and buildings

The Group carries its land and buildings at fair value. The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and shown in 'revaluation surplus' in the statement of changes in equity.

Details of the Group's land and buildings measured at fair value and information about the fair value hierarchy as at 30 June 2023 are as follows:

Fair value of land and buildings

	THE GROUP			
	Level 2		Level 3	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Land and Building	4,923,775	3,605,983	19,006,395	18,310,593
Balance as at 30 June	4,923,775	3,605,983	19,006,395	18,310,593

The Group's main land and buildings were last revalued on 30 June 2023.

If the land and buildings were stated on the historical cost basis, the amount would be MUR 11.1Bn (2022: MUR 11.4Bn).

Hotels and resorts segment
(a) The segment's policy is to revalue its freehold land and buildings at least every three years. During the COVID-19 pandemic, revaluation exercises were being carried out every year to determine if there were any significant changes to the fair values of the property, plant and equipment and last revaluation dated at 30 June 2022. The segment has again carried out a revaluation exercise at 30 June 2023 in order to align with the year of revaluation of its parent company, CIEL Limited. The Chartered Valuers, Elevante Property Services Ltd revalued the freehold land and buildings and revaluation adjustment was accounted for those properties where there is no indication of impairment of the cash generating units.

Freehold land was valued taking into consideration comparable sales evidences. Sales prices of comparable land in close proximity were adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre. The basis of valuation in estimating the market value has been undertaken in accordance with the principles set out by the International Valuation Standards Committee as per the International Valuation Application 1 (IVA 1) which deals with Valuation for Financial Reporting and which is to be used in the context of International Financial Reporting Standards (IFRSs) published by the International Accounting Standards Board (IASB).

The buildings, structures and site improvement have been valued on a depreciated replacement cost basis taking into consideration their replacement cost, with adjustments being made for age and condition. This method of valuation is based on the theory of substitution and is used in situations where it is difficult to estimate inputs to be used to calculate value due to volatile market factors. The most significant input into this method of valuation is the replacement cost per square metre.

(b) Management assessed the recoverable amount of assets for which indicators of impairment exists as at 30 June 2023.

(c) Hierarchy level

Details of the Group's freehold land and buildings and site improvements and information about the fair value hierarchy are as follows:

	THE GROUP	
	Level 2	Level 3
2023	MUR '000	MUR '000
Freehold land	3,653,500	-
Buildings and improvement to leasehold land	-	12,767,357
Site improvements	-	779,888
Balance as at 30 June 2023	3,653,500	13,547,245

There were no transfers from one level to another during the year.

The following summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

	Valuation technique and key inputs	Sensitivity used	Effect on fair valueIncrease/(decrease)	
			2023	2022
			MUR '000	MUR '000
Buildings and improvement to leasehold land	Depreciated replacement cost approach	1% increase in current cost of replacing property	127,674	120,913
		1% decrease in current cost of replacing property	(127,674)	(120,913)
Site improvements	Depreciated replacement cost approach	1% increase in current cost of replacing property	7,799	5,973
		1% decrease in current cost of replacing property	(7,799)	(5,973)

(d) Bank borrowings are secured on fixed and floating charges on property, plant and equipment of the Group and the Company.

Property Segment
(a) The freehold land of Ferney Limited ("FL") relates to hunting ground, sugar cane fields, land surrounding the factory and fallow land as well as land earmarked for the Ferney Integrated Development Project under a Smart City Scheme developed through Ferney Development Limited ("FDL"). These lands were valued by CDDS Land Surveyors and Property Valuer, an independent and professionally qualified valuer, as at 30 June 2023. The valuation of land was derived using the residual approach and sales comparison approach by reference to land transactions in the vicinity and the buildings using the depreciated replacement cost.

(b) The land is classified as level 3 on the fair value hierarchy.

Significant valuation input:	Fair value	Range
	MUR	MUR
Price per hectare – earmarked land	-	9,003 – 17,295
Price per hectare - remaining land	1,151,140	474 – 14,215

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Fair value of land and buildings (Cont'd)

Property Segment (Cont'd)

	FAIR VALUE AT			RANGE OF INPUTS		
	2023	2022		2023	2022	
Description	MUR '000	MUR '000	**Unobservable inputs**	%	%	**Relationship of unobservable inputs to fair value**
Earmarked land *	-	-	Capitalisation rate	-	1% - 9%	The higher the capitalisation rate and expected vacancy rate, the lower the fair value
			Expected vacancy rate	-	0% - 7.5%	
Other land	1,151,140	1,222,130	Years purchase	3% - 5%	3% - 5%	The higher the capitalisation rate and expected vacancy rate, the lower the fair value
			Expected vacancy rate	5%	5%	
			Discount rate	5%	5%	The higher the discount rate and terminal yield, the lower the fair value
			Terminal yield	3% - 5%	3% - 5%	
			Rental growth rate	6.70%	6.70%	The higher the rental growth rate and terminal yield, the higher the fair value

Financial services segment

At 30 June 2023, an independent valuation was performed by an independent qualified valuer, Cabinet Razafindratandra for land and buildings located at the headquarters in Madagascar. The properties were valued at **MUR 1,072M** (2022: MUR 999M). The external valuations have been performed using sales comparison approach and depreciated replacement cost basis.

(a) Valuation inputs and relationships to fair value

Valuation model	Replacement Cost
Unobservable inputs	Obsolescence Rate/ Unobservable sale price per square meter
Range of inputs	**4.51% to 40.92%** (2022: 4.28 % to 31.24%)

(b) Sensitivity analysis

A 5% increase or decrease in the obsolescence rate would lead to a decrease/increase of **MUR 39.9M** (2022: MUR 35.2M) in the fair value of land and building.

Healthcare segment

The revalued land and buildings consist of office and clinic premises. Management determined that these constitute one class of assets under IFRS 13, based on the nature, characteristics and risks of the property.

The C-Care Group's land and buildings are stated at their revalued amounts. The land and buildings were valued in June 2023. The valuation was performed by an independent valuer CDDS Valuation and Land Survey, Certified Practising Valuer, who has the appropriate qualification and experience in the fair value measurement of properties in the relevant location. Valuation is performed by the valuer using on-market comparable method for Land & Cost approach for buildings.

The land is classified as level 2 for C-Care and level 3 for International Medical Group and buildings are classified as level 3 on the fair value hierarchy.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis at 30 June 2023 and 2022 are shown below:

The main inputs used in the valuation approach ranged as follows:

Description	**Fair value at June 30**		**Valuation technique**	**Unobservable inputs**	**Range of Unobservable inputs (Probability - weighted average)**	**Relationship of unobservable inputs to fair value**
	2023	2022				
	MUR '000	MUR '000				
Land	192,345	154,720	On market comparable	Price per Square metre	MUR.4,250-MUR.5,000 per square metre	The higher the price per square metre, the higher the fair value
Building	835,310	742,382	Replacement less depreciation	Price per Square metre	MUR.3,000-MUR.28,500 per square metre	The higher the price per square metre, the higher the fair value
	1,027,655	897,102				

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Fair value of land and buildings (Cont'd)

Textile Segment

The Textile Segment engages external, independent and qualified valuers to determine the fair value of the Segment's land and buildings on a regular basis. The latest valuation was performed during the year ended June 30, 2023 and the fair value of the land and buildings have been determined by CDDS Land Surveyors and Property Valuer; Ratsimbazafy Ihanta Evelyne; Kumar & Associates, S. Pichaiya & associates and Jorip O Paridarshan Company Limited for land and buildings held in Mauritius, Madagascar, India and Bangladesh respectively.

The external valuations of level 3 land and buildings were performed using:

(i) a sales comparison approach, and

(ii) replacement cost less depreciation approach.

Given that there were limited or no similar sites in the vicinity in which the land and buildings of the Segment were located, the external valuers determined the inputs based on the size, age and condition of the land and buildings, the state of the local economy and comparable prices where relevant.

Information about fair value measurements using significant unobservable inputs (Level 3)

Description	2023 MUR '000	2022 MUR '000	Valuation technique	Unobservable inputs	Range of Unobservable inputs (Probability - weighted average)	Relationship of unobservable inputs to fair value
Manufacturing sites - Mauritius	1,364,323	1,125,156	Sales comparison and replacement cost less depreciation approach	Price per Square metre	Rs.1,186-Rs.1,895/square metre(land) and Rs.450-Rs.128,000/square metre (buildings)	The higher the price per square metre, the higher the fair value
Manufacturing sites - Madagascar	648,620	634,997	Sales comparison and replacement cost less depreciation approach	Price per Square metre	MGA 45,000 - MGA 1,065,000/square metre (land) and MGA 30,090 - MGA 1,102,200 (buildings)	The higher the price per square metre, the higher the fair value
Manufacturing sites – Asia	1,277,092	811,354	Sales comparison and replacement cost less depreciation approach	1 bigha equivalent to 33 decimals and square feet for land and square feet for building	Tk. 1742424 / decimal for the land and Tk.850-Tk.1,450 per sq.ft for the building. INR.12,500,000/acre for land and INR.1,800 per sq.ft for the building. INR 3,250,000/acre for land and INR.432-INR.19,250 per sqm for the building	The higher the price per bigha/ square feet, the higher the fair value
	3,290,035	2,571,507				

There were no transfers between Levels 1, 2 and 3 during the year.

10. INVESTMENT PROPERTIES

Accounting policies

Investment properties, held to earn rentals or for capital appreciation or both and not occupied by the Group are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value, representing open-market value as determined periodically by the directors subsequent to the valuation carried out by external valuer. Changes in fair values are included in profit or loss. When the use of property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

	THE GROUP	
	2023	2022
Fair value model	MUR '000	MUR '000
At 1 July	3,614,242	2,741,592
Additions	211,563	-
Disposals	(6,080)	(9,225)
Transfer from propery, plant and equipment (Note 9(a))	84,706	315,173
Transfer from/to non-current assets held for sale (Note 21)	-	379,700
Transfer to Inventories	(507,325)	-
Increase in fair value	261,014	185,052
Exchange differences	(19,617)	1,950
At 30 June	3,638,503	3,614,242
The investment properties relate mainly to those of BNI Madagascar, CIEL Textile Group and Ferney Limited.		
BNI Madagascar	231,542	229,828
CIEL Textile Group	1,104,692	698,577
Ferney Group	2,302,269	2,685,837
	3,638,503	3,614,242

10. INVESTMENT PROPERTIES (CONT'D)

BNI Madagascar

The investment properties were fair valued by Cabinet Razafindratandra, an independent professionally qualified valuer. The fair value was determined based on the replacement cost method whereby the valuation of the properties is discounted based on the future evolution of the zone in which the properties are found, the surrounding constructions access to infrastructure and the topography of the land.

(a) Valuation inputs and relationships to fair value

Valuation model	Replacement Cost
Unobservable inputs	Obsolescence Rate/ Unobservable sale price per square meter
Range of inputs	**4.10% to 32.73%** (2022: 4.28% to 31.24%)

(b) Sensitivity analysis

A 5% increase or decrease in the obsolescence rate would lead to a decrease/increase of **MUR 12.8M** (2022: MUR 11.7M) in the fair value of investment properties.

Ferney Group

(a) The investment properties of Ferney Limited ("FL") comprise sugarcane land and agricultural land held for rental purposes as well as land earmarked for the Ferney Integrated Development Project under a Smart City Scheme developed through Ferney Development Limited ("FDL"). These lands were valued by CDDS Land Surveyors and Property Valuer, an independent and professionally qualified valuer, as at 30 June 2023. The valuation of land was derived using the residual approach and sales comparison approach by reference to land transactions in the vicinity.

(b) Ferney Integrated Development Project: On 17 November 2020, the Economic Development Board issued a letter of intent to FDL pursuant to Regulation 9(3) of the SCS Regulations. The letter of intent is issued on the basis that FDL will develop a Smart City Project based on five pillars - Sustainability, Agri-Hub, Nature and Science Economy, Eco-Tourism, of an extent of 500 Hectares under the Smart City Scheme (the "Scheme").

(c) The land (the "earmarked land") that has been earmarked for the purposes of carrying out the smart city development is currently owned by FL: the extent of the earmarked land is 500 Hectares so that a change in the ownership of the earmarked land from FL to FDL is required to enable FDL to develop the earmarked land in accordance with the Investment Promotion (Smart City Scheme) Regulations 2015. The earmarked land was previously valued at MUR0.6M per acre and the objective is to revalue the land based on the Smart City project. In May 2022, Ferney Development Ltd obtained its smart city certificate from the Economic Development Board. A surplus application made to the EDB on 2 September 2022 and for which a No Objection Letter has been received on 12 October 2022.

(d) Basis of valuation of the earmarked land: The residual method of valuation is to estimate the possible revenue of the developable land and assuming all Smart City permits are granted net of all the costs of developing the entire Smart City, mostly being the cost of construction of the buildings and services, to end up with a value of bare developable land.

(e) In the year ended 30 June 2023, the earmarked land has been valued at MUR 1,894M giving rise to a fair value increase of MUR118M. This represented an average estimated price per acre is MUR1M.

(f) The investment properties are classified as level 3 on the fair value hierarchy.

	Fair value	Range
Significant valuation input:	MUR '000	MUR '000
Price per hectare – Smart City	1,430,508	3,790 - 9,950
Price per hectare - remaining land	871,760	473 – 5,923

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Rental income	17,032	16,924
Direct operating expenses arising from investment properties that generate recurring rental income	2,074	1,520

(g) The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

(h)

	Fair value at			Range of inputs		
	2023	2022	**Unobservable inputs**	2023	2022	**Relationship of unobservable inputs to fair value**
Description	MUR '000	MUR '000		%	%	
Smart City	1,430,508	1,911,549	Capitalisation rate	1% - 7.5%	1% - 9%	The higher the capitalisation rate and expected vacancy rate, the lower the fair value
			Expected vacancy rate	5%	0% - 7.5%	
Remaining land	871,760	774,288	Years purchase	4 - 5 %	3% - 5%	The higher the capitalisation rate and expected vacancy rate, the lower the fair value
			Expected vacancy rate	-	5%	
			Discount rate	4%	5%	The higher the discount rate and terminal yield, the lower the fair value
			Terminal yield	4%	3% - 5%	
			Rental growth rate	7.00%	6.70%	The higher the rental growth rate and terminal yield, the higher the fair value

(i) There were no transfers between levels during the year.

(j) Sensitivity analysis

A 1% increase/decrease in the capitalisation rate and years purchase rate would lead to a decrease/increase of **MUR 45.1M / MUR 59.6M** in the fair value of the investment properties.

10. INVESTMENT PROPERTIES (CONT'D)

CIEL Textile Group
The investment properties were fair valued by CDDS Land Surveyors and Property Valuer, an independent professionally qualified valuer, as at 30 June 2023. The value was derived using the sales comparison approach by reference to land transactions in the vicinity and direct income approach.

	Fair value MUR '000	Range MUR '000
Price per hectare - land	417,670	2.9 to 11.3
Price per m2 - Building	1,126,840	13.7 to 159.9

Valuation inputs and relationships to fair value

Description	Fair value Rs'000	Valuation model	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
- Industrial buildings/ Manufacturing sites	949,200	Income approach	All risk yield Equated yield Vacancies	7.75% - 8.00% 10.0% - 10.50% 5.00% - 12.50%	The higher the all risk yield, the higher the equated yield which leads to a lower fair value. The higher the vacancy rate, the lower the fair value.
- Office buildings	588,070	Sales comparison/ direct income approach	All risk yield Equated yield Vacancies	7.50% 11.3% 7.50%	The higher the all risk yield, the higher the equated yield which leads to a lower fair value. The higher the vacancy rate, the lower the fair value.

Sensitivity analysis
1% increase/decrease in the capital would lead to a decrease/increase of **MUR 16.5M/MUR 16.9M** in the fair value of the properties.

The investment properties are classified as level 3 on the fair value hierarchy. There was no transfer between levels during the year.

11. INTANGIBLE ASSETS

Accounting policies

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill with an indefinite life is not subject to amortisation and is tested annually for impairment or more frequently if events and changes in circumstances indicate that they might be impaired. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

Goodwill is allocated to cash generating units for the purpose of impairment testing. Any impairment is presented separately on the face of the statement of profit or loss and other comprehensive income.

Computer software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight-line method over their estimated useful lives (1 - 8 years).

Costs associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software controlled by the Group 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.

Computer software development costs, recognised as assets, are amortised over their estimated useful lives, not exceeding 3 years

11. INTANGIBLE ASSETS (CONT'D)

Accounting policies (Cont'd)

(a) The Group	Computer Software MUR '000	Development Cost MUR '000	Goodwill MUR '000	Total MUR '000
Year ended 30 June 2023				
COST				
At 1 July 2022	810,091	5,074	1,289,422	2,104,587
Additions	72,470	-	9,408	81,878
Transfer from property, plant & equipment (Note 9(a))	56	-	-	56
Disposal	(77,384)	-	-	(77,384)
Translation adjustment	(34,865)	-	-	(34,865)
Transfers	5,074	(5,074)	-	-
Write offs	(21,320)	-	-	(21,320)
At 30 June 2023	754,122	-	1,298,830	2,052,952
AMORTISATION				
At 1 July 2022	686,838	1,780	32,357	720,975
Charge for the year	54,141	-	-	54,141
Disposal	(77,384)	-	-	(77,384)
Translation adjustment	(28,643)	-	-	(28,643)
Write offs	(21,320)	-	-	(21,320)
Transfers	1,780	(1,780)	-	-
At 30 June 2023	615,412	-	32,357	647,769
NET BOOK VALUES				
At 30 June 2023	138,710	-	1,266,473	1,405,183

(a) The Group	Computer Software MUR '000	Development Cost MUR '000	Goodwill MUR '000	Total MUR '000
Year ended 30 June 2022				
COST				
At 1 July 2021	769,450	7,235	1,308,484	2,085,169
Additions	45,259	1,613	-	46,872
Transfer from property, plant & equipment (Note 9(a))	901	-	-	901
Disposal	(209)	(172)	-	(381)
Translation adjustment	2,237	2,744	-	4,981
Transfer to non-current assets held for sale (Note 21)	(937)	-	(19,062)	(19,999)
Write offs	(6,610)	(6,346)	-	(12,956)
At 30 June 2022	810,091	5,074	1,289,422	2,104,587
AMORTISATION				
At 1 July 2021	578,636	5,398	32,357	616,391
Charge for the year	114,310	-	-	114,310
Disposal	(7)	(137)	-	(144)
Translation adjustment	1,438	2,744	-	4,182
Write offs	(6,610)	(6,225)	-	(12,835)
Transfer to non-current assets held for sale (Note 21)	(929)	-	-	(929)
At 30 June 2022	686,838	1,780	32,357	720,975
NET BOOK VALUES				
At 30 June 2022	123,253	3,294	1,257,065	1,383,612

11. INTANGIBLE ASSETS (CONT'D)

Accounting policies (Cont'd)

The breakdown of the goodwill is:

	2023 MUR '000	2022 MUR '000
Healthcare segment	806,376	798,148
Hotels and resorts segment	225,024	225,024
Financial services segment	235,073	233,893
	1,266,473	1,257,065

Impairment testing of goodwill

Healthcare Segment

The key assumptions used for the impairment calculation are:

Operating profit margin: Operating profit margin is based on average values achieved in the year preceding the start of the budget period.

Discount rate: Discount rate represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and specific risk of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into consideration both debt and equity. The cost of equity is derived by using comparable industries data and adjust for the country risk and size for the company. The cost of debt is based on the interest-bearing borrowings.

Growth rate estimates: Rates are based on management's best estimates of the Group's and industry's growth rate.

Goodwill has been allocated for impairment testing purposes to the following cash generating units:

		2023 MUR '000	2022 MUR '000
C-Care Health (Uganda) Limited	(i)	207,203	207,203
C-Care Mauritius:			
C-Care (Mauritius) Ltd	(ii)	240,378	240,378
Wellkin Hospital	(iii)	343,059	343,059
Department of Cardiac Sciences and Critical Care	(iv)	7,508	7,508
Dentcare Ltd	(v)	8,228	-
		806,376	798,148

(i) C-Care Health (Uganda) Limited

The recoverable amount of this cash-generating unit is determined based on the fair value less costs to sell calculations. These calculations use cash flow projections based on financial budgets and forecasts approved by management. Fair value was determined by using an appropriate discount rate to discount future cash flows generated from IMG Group. The discount rate calculation is based on specific circumstances of the cash generating units and a rate of **22.87%** (2022: 22.40%) has been estimated. The terminal value has been computed by capitalising the net income prevailing at the end of the cash flow projections, using a growth rate of **6%** (2022: 6%) and discounting at an appropriate rate.

	2023 MUR '000	2022 MUR '000
Sensitivity to changes in assumptions - IMG Group		
Discount factor +0.5% point	(27,000)	(20,000)
Discount factor -0.5% point	29,000	21,000
Terminal Growth rate +0.5% point	9,000	6,000
Terminal Growth rate -0.5% point	(9,000)	(6,000)

(ii) C-Care (Mauritius) Limited

C-Care is listed on the Development Enterprise Market (DEM) on the Stock Exchange of Mauritius. As at 30 June 2023, the investment in C-Care has been valued using the Volume Weighted Average Price ("VWAP") model as management considers it is a more appropriate valuation of the Company. The share price as at 30 June 2023 was **MUR 10.00** (2022: MUR 17.20) and the VWAP used for valuing the investment was **MUR 9.76** (2022: MUR 18.82).

(iii) Wellkin Hospital

The recoverable amount of this cash generating unit is Rs. 5.4bn. This has been based on the overall contribution of Wellkin to C-Care-the valuation of C-Care being explained above.

(iv) Department of Cardiac

The recoverable amount of this cash generating unit is based on its contribution to the overall C-Care (Mauritius) Limited. C-Care is listed on the stock exchange of Mauritius (DEM). C-Care can be valued using the Volume Weighted Average Price ("VWAP") for the financial year ended 30 June 2023 as management considers it is a more appropriate valuation of the Company. The share price as at 30 June 2023 was **MUR 10.00** (2022: MUR 17.20) and the VWAP used for valuing the shares was **MUR 9.76** (2022: MUR 18.82). Based on the overall contribution of Wellkin to C-Care, the value attributable to this CGU is Rs 3.7bn. As a result of this analysis, management did not identify any impairment.

11. INTANGIBLE ASSETS (CONT'D)

Impairment testing of goodwill (Cont'd)

Sensitivity to changes in VWAP

	2023	2022
	MUR '000	MUR '000
1% increase in VWAP	38,421	73,001
1% decrease in VWAP	(38,421)	(73,001)

Financial services segment
Goodwill has been allocated for impairment testing purposes to the following cash generating units.

	2023	2022
	MUR '000	MUR '000
Indian Ocean Financial Holdings Limited (Group)	163,378	163,378
Mitco Group Ltd	70,515	70,515
	233,893	233,893

Goodwill is attributable to the above-named companies' strong position and profitability in their respective market and to their workforce. The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash generating units (CGUs) was determined based on the higher of the fair value and the value in use computed using either a dividend discount model or a discounted cash flow model. The use of both methods requires the use of assumptions, which have been disclosed below for the value in use.

2023	BNI Madagascar SA	MITCO Group Ltd
Risk-free rate (%)	12.20%	5.71%
Equity beta	0.80	0.37
Specific risk premium (%)	0.00%	0.00%
Equity market risk premium (%)	15.43%	9.73%
Cost of equity / Weighted Average Cost of Capital (%)	24.72%	13.31%
Growth (%)	15.00%	3.00%
Model	Dividend Discount Model	Discounted Cash Flow Model
Number of years	4	3
2022	BNI Madagascar SA	MITCO Group Ltd
Risk-free rate (%)	8.63%	5.31%
Equity beta	0.7	0.71
Specific risk premium (%)	4.00%	4.00%
Equity market risk premium (%)	10.67%	6.12%
Cost of equity / Weighted Average Cost of Capital (%)	18.89%	13.66%
Growth (%)	3.00%	3.00%
Model	Dividend Discount Model	Discounted Cash Flow Model
Number of years	4	3

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Risk-free rate (%)	Reflects the risk-free rate applicable to the country, for instance, the 20-year (2022: 20-year) bond rate or 3 year in the case of Madagascar
Equity beta	Volatility of a stock compared to the market. Applicable rate in country used.
Specific risk premium (%)	Return in excess of the risk-free rate that an asset is supposed to yield based on country in which the investment operates as well as its segment.
Cost of equity/ Weighted Average Cost of Capital (%)	Firm's cost of capital and is not determined by management but rather by external factors. However, this is validated against the general risk appetite framework put in place by the controlling shareholder.
Growth (%)	Based on forecasts and business plans of the investee company

11. INTANGIBLE ASSETS (CONT'D)

Impairment testing of goodwill (Cont'd)

(c) Significant estimate: Impact of possible changes in key assumptions

	BNI Madagascar SA	Mitco Group Ltd
2023		
Cost of equity / Weighted Average Cost of Capital (%)	+ 5%	+ 5%
Impact on Goodwill	Nil	Nil
2022		
Cost of equity / Weighted Average Cost of Capital (%)	+ 5%	+ 5%
Impact on Goodwill	Nil	Nil

Hotels and resorts segment
Below is an overview of the methods and key assumptions used at the end of the reporting period, to determine recoverable amounts for CGUs or groups of CGUs.

		2023		2022	
		Sun managed resorts*	Resorts managed by external operators**	Sun managed resorts*	Resorts managed by external operators**
Carrying value of Goodwill	MUR'000	-	223,689	-	223,689
Carrying value of property, plant and equipment	MUR'000	8,927,525	8,875,664	8,396,191	8,514,657
Recoverable amount method		Value in use and Market value	Value in use and Market value	Value in use and Market value	Value in use
Period of projected cash flows	Years	10	10	10	10
Terminal capitalisation rate	%	9.75%	9.00 - 9.25%	9.50%	9.0%
Discount rates	%	13.57%	12.82% - 13.07%	12.00%	11.5%

** Sun managed resorts refer to Wolmar Sun Hotels Limited, Long Beach Resort Ltd, City and Beach Hotels (Mauritius) Limited and Loisirs des Iles Ltée. Wolmar Sun Hotels Limited, Long Beach Resort Ltd and City and Beach Hotels (Mauritius) Limited were valued based on projected cash flows and Loisirs des Iles Ltée was valued based on sales comparison approach.*

*** Resorts managed by external operators refer to Anahita Hotel Limited and SRL Touessrok Hotel Ltd, of which Sun Limited owns 100% and 74% respectively. These resorts were valued based on present value of projected cash flows.*

The recoverable amounts of the CGUs would equal their carrying amounts if the key assumption, i.e. discount rate, was to change as follows:

	2023		2022	
	From	To	From	To
Change in discount rate				
Anahita Hotel Limited	12.82%	17.95%	11.50%	16.16%
City and Beach Hotels (Mauritius) Limited	13.57%	28.82%	12.00%	26.57%
Long Beach Resort Ltd	13.57%	17.58%	12.00%	22.91%
Wolmar Sun Hotels Limited	13.57%	27.02%	12.00%	24.23%
SRL Touessrok Hotel Ltd	13.07%	13.98%	11.50%	15.60%

Sensitivity Analysis	Decrease of 0.5%in discount rate	Increase of 0.5% in terminal value	Increase of 1% in occupancy rate
	MUR '000	MUR '000	MUR '000
2023	1,262,685	643,760	622,849
2022	1,010,004	619,724	423,724

12. INVESTMENTS IN SUBSIDIARY COMPANIES

Accounting policies

Separate financial statements

In the separate financial statements of the investor, investments in subsidiary companies are carried at fair value. On adoption of IFRS 9, the Group made an irrevocable election at the time of initial recognition to account for equity investments at fair value through OCI ('FVOCI'). There is no subsequent reclassification of fair value gains and losses to profit and loss following the derecognition of these investments. On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired are recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss as a bargain purchase gain.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount being recognised in profit and loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets and liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to retained earnings.

Fair value hierarchy

This section explains the judgements and estimates made in determining fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its investments in subsidiaries into the three levels prescribed under the accounting standards.

(a The Company	MUR '000 Level 2	MUR '000 Level 3	MUR '000 Total
VALUATION			
At 1 July 2022	4,629,424	18,881,381	23,510,805
Fair value adjustment	(628,485)	(1,934,514)	(2,562,999)
Additions	-	25,000	25,000
At 30 June 2023	4,000,939	16,971,867	20,972,806

	MUR '000 Level 2	MUR '000 Level 3	MUR '000 Total
VALUATION			
At 1 July 2021	2,963,017	15,280,617	18,243,634
Fair value adjustment	1,666,407	3,730,109	5,396,516
Redemptions	-	(129,345)	(129,345)
At 30 June 2022	4,629,424	18,881,381	23,510,805

12. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

Accounting policies (Cont'd)

Redemptions

(i) On 15 February 2022, C-Care (International) Ltd, reduced its stated capital by MUR 200M. CIEL Limited share was MUR 106M.

(ii) In 2022, CIEL Finance Limited redeemed MUR 31M of its redeemable shares. CIEL Limited's share was MUR 23M.

Specific valuation techniques used to value the Company's investments include:

Level 2 investments - The quoted prices, adjusted by a 10% premium has been used to value investments. This is explained by the fact that the Company holds a controlling stake in those subsidiaries and would expect to offer such a premium, should it wish to acquire more shares in these entities. This premium falls within the range of those offered on previous similar transactions.

Level 2 investments adjusted quoted price on DEM - Investment has been valued using the Volume Weighted Average Price ("VWAP") model as at 30 June 2023 as management considers it is a more appropriate valuation of the Company.

Where appropriate, the ratio of the cumulative share price to the cumulative volume traded over a given time period has been used to fair value the investment.

Valuation inputs and relationships to fair value

CIEL Finance Limited

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of the underlying assets in CIEL Finance Limited.

Description	Fair value MUR '000	Valuation technique	Unobservable inputs	Range of inputs
30-Jun-23				
CIEL Finance Limited	2,184,629	Discounted cash flow	Weighted average cost of capital	24.72%
			Terminal growth	15%
		Price-earnings ratio	Price-earnings ratio	7.40
30-Jun-22				
CIEL Finance Limited	2,582,931	Price-earnings ratio	Price-earnings ratio	10
		Price to Book	Price to Book	1.8 X

Relationship of unobservable inputs to fair value

	2023 MUR '000	2022 MUR '000
Sensitivity to changes in assumptions		
Terminal +2.5% point	8,583	-
Terminal -2.5% point	(8,583)	-
Weighted-average cost of capital +2.5% point	(74,018)	-
Weighted-average cost of capital -2.5% point	80,809	-
Increase in PE ratio +2.5	82,164	104,000
Decrease in PE ratio -2.5	(82,070)	(104,000)

CIEL Textile Limited

Description	Fair value MUR '000	Valuation technique	Unobservable inputs	Range of inputs
30-Jun-23				
CIEL Textile Limited *	7,913,370	Discounted Cash Flow	Weighted-average cost of capital	12.70% - 13.50%
			Terminal Growth Rate	4%
				MUR '000
Sensitivity to changes in assumptions				
Terminal +0.5% point				497,000
Terminal -0.5% point				(340,000)
Weighted-average cost of capital +0.5% point				(629,000)
Weighted-average cost of capital -0.5% point				701,000

Description	Fair value MUR '000	Valuation technique	Unobservable inputs	Range of inputs
30-Jun-22				
CIEL Textile Limited *	7,049,191	Discounted Cash Flow	Weighted-average cost of capital	10.40% - 11.20%
			Terminal Growth Rate	2% - 3.4%
				MUR '000
Sensitivity to changes in assumptions				
Terminal +0.5% point				555,000
Terminal -0.5% point				(555,000)
Weighted-average cost of capital +0.5% point				(577,000)
Weighted-average cost of capital -0.5% point				577,000

* CIEL Textile Limited value includes **78.70%** (2022 - 75.94%) of Evolis group. Evolis Group has been valued at its net asset value as it holds mainly investment properties. The properties have been fair valued at year end by CDDS using the Discounted Cash Flow model.

The net assets value of Evolis as at June 30, 2023 was **MUR 1.5Bn** (2022 - MUR 1.2Bn). CTL's share represents **MUR 1.2Bn** (2022 - MUR 940M).

12. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

C-Care (Mauritius) Ltd

C-Care is listed on the Development Enterprise market (DEM) of the Stock Exchange of Mauritius. As at 30 June 2023, the investment in C-Care has been valued using the Volume Weighed Average Price ("VWAP") as management considers it is a more appropriate valuation of the company. Investment is reported as Level 2 investment in the fair value hierarchy. The share price as at 30 June 2023 was **MUR 10.00** (2022: MUR 17.20) and the VWAP used for valuing the investment was **MUR 9.76** (2022: MUR 18.82)

Valuation process

Management has a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values.

The team reports to the Chief Financial Officer (CFO) and the Audit Committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team quarterly, in line with the group's quarterly reporting periods.

The main level 3 inputs used by the group are derived and evaluated as follows:

- Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk gradings determined by the Group internal credit risk management group.
- Earnings growth factors for unlisted equity securities are estimated based on market information for similar types of companies.
- Contingent consideration – expected cash inflows are estimated based on the terms of the sale contract and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and level 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO, AC and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

CIEL Agro Limited, CIEL Finance Limited, CIEL Properties Limited and C-Care (International) Ltd have been valued at their net asset value which is representative of their fair values.

(b) The list of the Group's significant subsidiaries is as follows:

Name of subsidiary company	Class of Shares	Year End	Denominated Currency	Stated capital		Percentage holding		Proportion of ownership interests held by non-controlling interests		Country of Incorporation / Principle place of business	Main business
				2023	2022	2023	2022	2023	2022		
						Direct	Direct				
				000's	000's	%	%	%	%		
CIEL Agro Limited	Ordinary	30-June	MUR	1,413,865	1,413,865	100.00	100.00	-	-	Mauritius	Investment
CIEL Properties Limited	Ordinary	30-June	MUR	2,202,701	2,177,701	100.00	100.00	-	-	Mauritius	Investment
CIEL Corporate Services Ltd	Ordinary	30-June	MUR	25	25	100.00	100.00	-	-	Mauritius	Management services
CIEL Finance Limited*	Ordinary	30-June	MUR	1,933,231	1,933,231	100.00	75.10	-	24.90	Mauritius	Investment
C-Care (International) Ltd	Ordinary	30-June	MUR	1,535,395	1,637,895	53.03	53.03	46.97	46.97	Mauritius	Investment
CIEL Textile Limited	Ordinary	30-June	MUR	685,865	685,865	100.00	100.00	-	-	Mauritius	Investment
Rockwood Textiles Ltd	Ordinary	30-June	MUR	1	1	100.00	100.00	-	-	Mauritius	Property
Sun Limited	Ordinary	30-June	MUR	1,945,451	1,945,451	50.12	50.10	49.88	49.90	Mauritius	Investment
C-Care (Mauritius) Ltd**	Ordinary	30-June	MUR	289,801	289,801	20.08	20.08	44.17	44.17	Mauritius	Healthcare Services

* During the year 2023, the stake in CIEL Finance Limited increased to 100% through the buyback of Amethis Africa Finance Ltd shareholding of 24.9%.

** CIEL Limited indirectly holds 35.75% of C-Care (Mauritius) Ltd through C-Care (International) Ltd and the effective shareholding is 55.83%.

12. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(c) Summarised financial information on subsidiaries with material non-controlling interests.

2023	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit/(loss) for the year	Other Comprehensive income	Non-controlling interests
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
CIEL Textile Limited – Group [1]	9,068,496	7,152,550	8,065,560	1,840,542	17,933,270	1,167,360	301,691	40,529
Sun Limited – Group	2,712,949	20,522,288	3,459,502	8,005,640	8,104,710	1,518,536	585,738	81,601
CIEL Finance Limited – Group	24,777,312	20,443,916	38,224,203	2,193,425	5,128,870	1,085,281	(94,516)	531,730
C-Care (International) Ltd – Group [2]	1,317,992	4,058,717	1,399,699	1,821,602	4,120,819	349,557	70,962	121,578

2022	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit/(loss) for the year	Other Comprehensive income	Non-controlling interests
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
CIEL Textile Limited – Group [1]	9,940,118	6,131,583	9,310,036	1,590,222	15,464,671	896,319	135,000	110,963
Sun Limited – Group	2,278,667	19,730,693	3,356,974	8,112,062	4,840,319	200,080	2,251,008	167,637
CIEL Finance Limited – Group	28,432,322	19,838,400	41,702,083	1,517,743	4,535,807	702,959	79,400	460,568
C-Care (International) Ltd – Group [2]	1,289,501		1,194,360	1,564,164	3,561,758	432,116	79,887	126,273

2023	Operating Activities	Investing Activities	Financing Activities	Net Increase / (decrease) in Cash and Cash Equivalents
	MUR '000	MUR '000	MUR '000	MUR '000
CIEL Textile Limited - Group	1,595,623	(1,027,062)	(79,910)	488,651
Sun Limited – Group	2,567,180	(350,727)	(2,024,775)	191,678
CIEL Finance Limited - Group	1,451,952	184,885	(2,265,957)	(629,120)
C-Care (International) Ltd - Group	583,326	(581,572)	(179,013)	(177,259)

2022	Operating Activities	Investing Activities	Financing Activities	Net Increase/ (decrease) in Cash and Cash Equivalents
	MUR '000	MUR '000	MUR '000	MUR '000
CIEL Textile Limited - Group	(382,517)	(341,462)	755,454	31,475
Sun Limited – Group	1,774,748	(253,928)	(1,395,043)	125,777
CIEL Finance Limited - Group	1,767,780	(28,034)	705,755	2,445,501
C-Care (International) Ltd - Group	721,504	(303)	(323,732)	397,469

2023	Dividend paid to non-controlling interests	Profit allocated to non-controlling interests during the year	Accumulated non-controlling Interests
	MUR '000	MUR '000	MUR '000
CIEL Textile Limited - Group	-	40,529	315,230
Sun Limited – Group	-	81,601	926,097
CIEL Finance Limited - Group	235,359	531,730	2,200,257
C-Care (International) Ltd - Group	74,297	121,578	428,114

2022	Dividend paid to non-controlling interests	Total comprehensive income allocated to non-controlling interests during the year	Accumulated non-controlling Interests
	MUR '000	MUR '000	MUR '000
CIEL Textile Limited - Group	-	110,963	285,070
Sun Limited – Group	-	167,637	844,748
CIEL Finance Limited - Group	(432,474)	460,468	1,905,547
C-Care (International) Ltd - Group	(50,146)	126,273	369,123

[1] Non-controlling interests in CIEL Textile Limited includes 21.30% directly held by CIEL Properties Ltd

[2] Non-controlling interests in C-Care (International) Ltd includes 20.08% of C-Care (Mauritius) Ltd's share

The summarised financial information above is the amount before intra-group eliminations.

For subsidiary companies having a different reporting date, management accounts have been prepared as at 30 June.

13. INVESTMENTS IN JOINT VENTURES

Accounting policies

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Separate financial statements

In the separate financial statements of the investor, investments in joint ventures are carried at fair value. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

Joint ventures are accounted for using the equity method.

	2023	2022
(a) The Group	MUR '000	MUR '000
At 1 July	2,454,248	1,979,279
Dividend	(351,767)	(84,000)
Addition (Note (i))	-	29,051
Transfer from held for sale	-	361,746
Transfer from Associates (Note 14)	246,439	-
Translation adjustment	20,919	(2,324)
Share of results	389,705	197,276
Share of other comprehensive income	(85,377)	(26,780)
At 30 June	2,674,167	2,454,248
Made up as follows:		
Net assets	2,499,682	2,279,763
Goodwill	174,485	174,485
	2,674,167	2,454,248
Group's share of net assets		
Quoted	225,526	-
Unquoted	2,274,156	2,279,763
	2,499,682	2,279,763

	2023	2022
(b) The Company	MUR '000	MUR '000
Unlisted	Level 3	Level 3
At 1 July	162,466	89,908
Fair value adjustment	4,034	72,558
At 30 June	166,500	162,466

2023 - The fair value has been based on a discounted cash flow approach over a period of ten years using the Gordon Growth Model. A WACC of **12.15%** and terminal growth rate of **3.45%** have been used. An increase/decrease in WACC by **0.5%** would have been decreased/increased the investment fair value by **MUR 17M/MUR 19M**.

2022 - The fair value has been based on a discounted cash flow approach over a period of five years using the Gordon Growth Model. A WACC of 10.73% and terminal growth rate of 3% have been used. An increase/decrease in WACC by 5% would have been decreased/increased the investment fair value by MUR 27M/MUR 23M.

The Directors are of the opinion that there were no indicators of impairment on the investment in joint venture at year end.

(i) Addition

During the year ended 30 June 2022, the group has invested in Ebene Star Investment Ltd for MUR 29M, a company involved in the promotion of land and property development.

(c) The results of the joint ventures, all of which were incorporated in Mauritius and unlisted, have been included in the consolidated financial statements.

(d) The fair value of the Group's investment in joint ventures which are listed/quoted on the Stock Exchange of Mauritius is as follows as at 30 June 2023 and 2022 respectively:

	2023	2022
	MUR '000	MUR '000
MIWA Sugar Limited	225,526	-

13. INVESTMENTS IN JOINT VENTURES (CONT'D)

Addition (Cont'd)

Details of the joint ventures of the Group and Company are as follows:

Name of Joint Ventures	Year-end / Reporting date	Effective Percentage holding Direct %	Effective Percentage holding Indirect %	Principal activity
2023				
Anahita Residence and Villas Ltd	June	50	-	Hotels and resorts
Bank One Limited	December	-	50	Banking
Domaine de l'Etoile Limited [1]	June	-	50	Leisure
Solea Vacances SA	June	-	50	Hotels and resorts
Ebene Star Investment Ltd	June	-	50	Land promoter and property developer
Cotona SA	June	-	50	Textile
MIWA Sugar Limited [2]	June	-	20.96	Agro
2022				
Anahita Residence and Villas Ltd	June	50	-	Hotels and resorts
Bank One Limited	December	-	50	Banking
Domaine de l'Etoile Limited [1]	June	-	50	Leisure
Solea Vacances SA	June	-	50	Hotels and resorts
Ebene Star Investment Ltd	June	-	50	Land promoter and property developer
Cotona SA	June	-	50	Textile

[1] Domaine de l'Etoile Limited is currently in the process of winding up.

[2] Please refer to explanatory note under 14. Investments in associates

For the joint ventures having a different reporting date, management accounts have been prepared as at June 30, 2023 and 2022 respectively.

(d) Summarised financial information in respect of each of the joint ventures is set out below:

	Assets MUR '000	Liabilities MUR '000	Revenue MUR '000	Profit/(Loss) for the year MUR '000	Share of Profit MUR '000	Other Comprehensive Income MUR '000	Share of other Comprehensive Income MUR '000
2023							
Anahita Residence and Villas Ltd	548,900	474,670	416,690	16,678	8,339	(6,346)	(3,173)
Bank One Limited	49,942,510	46,227,993	1,657,358	640,103	320,051	(11,289)	(5,644)
Solea Vacances SA	478,831	343,704	2,187,376	49,400	24,700	12,374	6,187
Ebene Star Investment Ltd	58,103	-	-	907	454	-	-
MIWA Sugar Limited	10,439,545	7,696,205	6,368,323	503,091	105,448	(394,785)	(82,747)
Cotona SA	2,089,516	1,428,385	1,768,350	(138,574)	(69,287)	-	-
					389,705	(400,046)	(85,377)
2022							
Anahita Residence and Villas Ltd	627,343	563,446	279,935	19,934	9,967	(5,136)	(2,568)
Bank One Limited	44,529,873	40,857,670	1,168,192	375,338	187,669	(38,224)	(19,112)
Solea Vacances SA	321,582	235,298	1,226,787	39,030	19,515	(10,200)	(5,100)
Ebene Star Investment Ltd	58,103	-	-	-	-	-	-
Domaine de l'Etoile Limited	-	-	-	6,065	3,033	-	-
Cotona SA	2,076,646	1,300,101	1,085,283	(45,816)	(22,908)	-	-
					197,276	(53,560)	(26,780)

13. INVESTMENTS IN JOINT VENTURES (CONT'D)

Addition (Cont'd)

The above amounts of assets, liabilities and results include the following:

	Non-current Assets	Current Assets	Non-current Financial Liabilities	Current Financial Liabilities	Depreciation & Amortisation	Interest Income	Interest Expense
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
2023							
Anahita Residence and Villas Ltd	495,681	53,219	324,572	150,098	(28,287)	-	(24,881)
Bank One Limited	-	49,942,510	-	46,227,993	(104,608)	1,177,485	(321,025)
Solea Vacances SA	13,456	465,375	-	343,704	(1,950)	1,172	(83)
Ebene Star Investment Ltd	58,103	-	-	-	-	-	-
MIWA Sugar Limited	5,647,061	4,792,484	4,106,560	3,589,645	(412,999)	15,217	(267,053)
Cotona SA	1,110,240	979,276	254,758	1,173,627	(94,761)	1,365	(49,636)
2022							
Anahita Residence and Villas Ltd	540,726	86,617	382,512	180,934	(22,689)	13,149	-
Bank One Limited	-	44,529,873	-	40,857,670	(87,644)	1,168,192	(321,025)
Solea Vacances SA	4,936	316,646	-	235,298	(855)	1,172	(698)
Ebene Star Investment Ltd	58,103	-	-	-	-	-	-
Cotona SA	973,658	1,102,989	291,443	1,008,658	(9,900)	-	(15,473)

(e) Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

	Opening Net Assets	Issue of Shares / Transfer	Profit/ (loss) for the Year	Other Comprehensive income / Translation difference	Dividends	Closing Net Assets	Ownership	Goodwill	Interest in Joint ventures
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
2023									
Anahita Residence and Villas Ltd	28,809	-	16,678	(6,346)	-	39,141	19,571	-	19,571
Bank One Limited	3,672,204	-	640,103	(11,289)	(586,500)	3,714,518	1,857,259	174,485	2,031,744
Solea Vacances SA	127,384	-	49,400	12,374	(10,080)	179,078	89,539	-	89,539
Ebene Star Investment Ltd	58,102	-	907	-	-	59,009	29,505	-	29,505
MIWA Sugar Limited	-	1,175,759	503,091	(347,729)	(255,138)	1,075,983	225,526	-	225,526
Cotona SA	673,028	-	(138,574)	22,111	-	556,565	278,283	-	278,283
							2,499,682	174,485	2,674,167
2022									
Anahita Residence and Villas Ltd	14,011	-	19,934	(5,136)	-	28,809	14,404	-	14,404
Bank One Limited	3,503,090	-	375,338	(38,224)	(168,000)	3,672,204	1,836,102	174,485	2,010,587
Solea Vacances SA	98,554	-	39,030	(10,200)	-	127,384	63,692	-	63,692
Ebene Star Investment Ltd	-	58,102	-	-	-	58,102	29,051	-	29,051
Domaine de l'Etoile Limited	(6,065)	-	6,065	-	-	-	-	-	-
Cotona SA	-	718,844	(45,816)	-	-	673,028	336,514	-	336,514
							2,279,763	174,485	2,454,248

14. INVESTMENTS IN ASSOCIATES

Accounting policies

Separate financial statements

In the separate financial statements of the investor, investments in associates are carried at fair value. Any change in fair value is recognised in other comprehensive income. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

An associate is an entity over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method except when classified as held-for-sale. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate less any impairment in the value of individual investments.

Any excess of the cost of acquisition and the Group's share of the net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

When the Group's share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted by the Group.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

(a) The Group	2023 MUR '000	2022 MUR '000
At 1 July	3,954,923	3,984,327
Redemption	(12,261)	(120)
Disposals (Note (f))	-	(22,906)
Other movements	(1,744)	(55,000)
Share of results	215,322	234,625
Share of other comprehensive income	52,096	(18,035)
Dividends	(67,453)	(167,968)
Transfer to investments in joint venture	(246,439)	-
At 30 June	3,894,444	3,954,923

Management carried out an impairment assessment at 30 June 2023 based on the present value of future dividend income from its associate. Based on this assessment, no impairment charge has been recognised for the Group (2022: MUR Nil).

The separation of the Alteo group, into two distinct listed groups, was completed on 14th December 2022 as follows

- Miwa Sugar Limited ("Miwa Sugar") as ultimate holding company of its regional sugar operation in Tanzania and Kenya; and
- Alteo Limited ("Alteo") continuing to hold and operate its agro-business, property and energy activities in Mauritius.

Miwa Sugar Limited ("MIWA") has been classified under Joint Venture being under the joint control of CIEL Agro Limited ("CIEL") and IBL Ltd ("IBL"). CIEL and IBL together own more than 50% of the voting shares of MIWA and have declared acting in concert before the Supreme Court.

Following the reorganisation which was made on a non-cash basis, CIEL Limited through CIEL Agro Limited now holds 20.96% in Alteo and Miwa Sugar separately.

Subsequent to the split, MIWA Sugar Limited has been reclassified under Joint Venture as decisions in MIWA Sugar Limited are taken unanimously by the two controlling shareholders CIEL Agro Limited and IBL Ltd.

(a) The Group (Cont'd)	2023 MUR '000	2022 MUR '000
Made up as follows:		
Net assets	3,882,593	3,943,072
Goodwill	11,851	11,851
	3,894,444	3,954,923
Group's share of net assets		
Listed	3,603,996	3,606,389
Unquoted	278,597	336,683
At 30 June	3,882,593	3,943,072

(b) The Company

	2023 Unquoted MUR '000	2022 Unquoted MUR '000
At 1 July	185,087	227,040
Redemption	(12,261)	-
Fair value adjustment	(59,396)	(41,953)
At 30 June	113,430	185,087

14. INVESTMENTS IN ASSOCIATES (CONT'D)

(c) The results of the following associated companies, all of which were incorporated in Mauritius, have been included in the consolidated financial statements.

Details of the associates are as follows:

Name of associates	Year-end / Reporting date	Effective Percentage holding				Principal activity
		Indirect		Direct		
		2023 %	2022	2023 %	2022	
Alteo Limited	June	20.96	20.96	-	-	Agro-Property
Procontact Limited	June	-	-	49.17	47.67	Call centre
EastCoast Hotel Investment Ltd	June	15.03	15.03	-	-	Investment holding

For the associates having a different reporting date, management accounts have been prepared as at 30 June 2023 and 2022 respectively.

The Directors confirm that the Company has significant influence over the above associates despite holding less than 20%, through their controlling interests in CIEL Finance, C-Care (International) Ltd and Sun Limited.

(d) Summarised financial information in respect of each of the associates is set out below:

2023	Current Assets MUR '000	Non-Current Assets MUR '000	Current Liabilities MUR '000	Non-Current Liabilities MUR '000	Revenue MUR '000	Profit/(loss) for the year attributable to owners MUR '000	Share of profit/(loss) MUR '000	Dividends received during the year MUR '000	Share of other comprehensive income MUR '000
Alteo Limited	2,804,207	19,448,651	1,936,657	2,481,728	4,390,167	955,153	200,200	16,020	53,946
Procontact Limited	85,262	36,015	-	54,896	219,604	31,722	15,122	24,313	(1,850)
EastCoast Hotel Investment Ltd	-	-	-	-	-	-	-	27,120	-
							215,322	67,453	52,096
2022									
Alteo Limited	7,738,992	24,440,878	5,589,036	7,441,547	12,117,992	1,012,075	212,131	52,737	(23,025)
Procontact Limited	101,002	34,050	16,974	2,219	215,357	47,233	22,516	7,793	2,124
Kibo Capital Partners Ltd	-	-	-	-	-	(44)	(22)	-	2,866
EastCoast Hotel Investment Ltd	-	-	-	-	-	-	-	107,438	-
							234,625	167,968	(18,035)

(e) Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

2023	Opening Net Assets MUR '000	Redemption / Disposal / issue of Shares MUR '000	Other movement MUR '000	Results Net of Dividends MUR '000	Other Comprehensive Income for the Year MUR '000	Closing Net Assets MUR '000	Ownership Interest MUR '000	Goodwill MUR '000	Interest in Associate MUR '000
Alteo Limited	17,399,280	(1,175,840)	28,328	878,720	257,375	17,387,863	3,603,996	-	3,603,996
Procontact Limited	115,859	(12,261)	(38,726)	(19,281)	(3,881)	41,710	20,509	11,851	32,360
EastCoast Hotel Investment Ltd	950,690	-	-	(90,393)	-	860,297	258,088	-	258,088
							3,882,593	11,851	3,894,444
2022									
Alteo Limited	17,009,794	-	(261,130)	760,467	(109,851)	17,399,280	3,606,389	-	3,606,389
Procontact Limited	78,546	-	(606)	33,138	4,781	115,859	51,476	11,851	63,327
Kibo Capital Partners Ltd	40,366	(46,076)	-	(22)	5,732	-	-	-	-
EastCoast Hotel Investment Ltd	1,308,817	-	-	(358,127)	-	950,690	285,207	-	285,207
							3,943,072	11,851	3,954,923

14. INVESTMENTS IN ASSOCIATES (CONT'D)

(f) During the year 2022 the following investment was disposed as follows:

	KIBO Capital Partners Ltd (KCP) 2022 MUR '000
The Group	
Consideration received or receivable:	
Cash	1,112
Amount receivable	21,558
Total disposal consideration	22,670
Carrying amount of net assets sold (Note (a))	(22,906)
(Loss)/Profit on disposal before reclassification of translation reserve	(236)
Reclassification of translation reserve	5,949
Profit on disposal after reclassification of translation reserve (Note 5(a))	5,713

The Group's share of the fair value reserves of KCP has been reclassified to retained earnings upon disposal of the investment.

The fair value of the Group's interest in associates which are listed/quoted on the Stock Exchange of Mauritius is as follows as at 30 June 2023 and 2022 respectively:

	2023 MUR '000	2022 MUR '000
Alteo Limited	550,064	2,122,820

15. INVESTMENTS IN OTHER FINANCIAL ASSETS

Accounting policies

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which are not held for trading, and which the group has irrevocable elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

The movement in investments in other financial assets are summarised as follows:

(a) The Group	Level 1 DEM Quoted MUR '000	Level 3 Unquoted MUR '000	Total MUR '000
2023			
At 1 July	20	465,063	465,083
Addition	-	7,726	7,726
Translation adjustment	-	(1,321)	(1,321)
Disposals	(10)	(1,502)	(1,512)
Fair value adjustment	-	1,154	1,154
At 30 June	10	471,120	471,130
2022			
At 1 July	40	459,812	459,852
Addition	-	13,904	13,904
Transfer from invesment in subsidiary	-	2,419	2,419
Translation adjustment	(20)	(109)	(129)
Capital distribution	-	(32,074)	(32,074)
Write offs	-	(5,547)	(5,547)
Fair value adjustment	-	26,658	26,658
At 30 June	20	465,063	465,083

15. INVESTMENTS IN OTHER FINANCIAL ASSETS (CONT'D)

(b) The Company - Level 3 Unquoted

	THE COMPANY	
	2023	2022
	MUR '000	MUR '000
At 1 July	25,806	25,011
Addition	5,502	-
Fair value adjustment	2,226	795
At 30 June	33,534	25,806

(c) Details of those companies, other than subsidiary and associated companies, in which the Company holds more than 10% of the issued shares are:

	Class of shares held	Percentage Holding	
		2023	2022
Name of company		%	%
Cathedrale Development Ltd*	Ordinary shares	20.00	20.00

* The Company does not exercise any significant influence on the above company and, as such, has not accounted for this investment as an investment in associate.

(d) Other financial assets are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Rupee	214,447	183,616	33,534	25,806
US Dollar	240,743	266,293	-	-
Ariary	15,940	15,174	-	-
	471,130	465,083	33,534	25,806

(e) None of the financial assets are impaired.

16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting policies

Initial Recognition

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable; variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since the third party financing was received and makes adjustments specific to the lease, e.g. term, country, currency and security. The incremental borrowing rates range from 2.2% to 9.0%.

Subsequent measurement

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Accounting policies (Cont'd)

Subsequent measurement (Cont'd)

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract. Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Lease term

The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. In instances where lease agreements contain lease and non-lease components, they are generally accounted for separately. For certain instances where it is impractical to separate the lease from the non-lease component, the Group will account for them as a single lease component. In determining the lease term, management considers all the facts and circumstances that can create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods with termination options) are only included in the lease term if the lease term is reasonably certain to be extended (or terminated).

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options across the segment are only included in the lease term if the lease is reasonably certain to be extended. These are used to maximise operational flexibility in terms of managing the assets used in the segment's operations. The factors influencing the decision to exercise these options include the location of the assets, some being on prime locations along the coast of the island, and the costs that would be incurred to set up a whole new building to operate in the event of termination.

Lease and non-lease component

Contracts may contain both lease and non-lease components. The segment allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the segment is a lessee, it has elected not to separate lease and non-lease components and instead account for these as a single lease component.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Textile

The textile segment leases various offices, warehouses and factories. Rental contracts are typically made for fixed periods of 1 to 10 years but may have extension options. The facts and circumstances would include whether renewing the lease of the asset would have commercial value: how the asset could be used by the entity for its operations and to generate income.

The weighted average incremental borrowing rate stands at **5% to 8%** (2022: 7.35% to 8%).

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Healthcare

The Healthcare Segment leases various buildings and motor vehicles. The contract duration ranges from 2 to 50 years. Until year 2018, the leases were treated as operating lease and as from July 2019, the leases are recognised as right-of-use asset and a corresponding liability at the date at which the leased asset is available for use. The discount rate used is **5.35%** (2022: 5.35%) for C-Care for the main lease being the land & building at Wellkin.

In November 2020, the healthcare segment signed an agreement for 20 years with Mont Choisy Smart City for Ltd for the rental of premises for the operation of a new clinic. The occupational certificate was issued by the authorities on 29 June 2023. Lease liabilities and assets were recognised as from this date. The new clinic started its operations in July 2023.

Hotels and Resorts

Lease liabilities relate to:

- The right-of-use of property, plant and equipment with an average duration varying between 4 and 5 years and for which the Group has the option to purchase the asset for a nominal amount at the expiry of the lease arrangements; and
- Leases of rooms under the Invest Hotel Scheme which run for a period between 52 and 59 years.
- Other leasehold land and buildings which run for a period between 25 to 60 years.

The segment's leases are secured by the lessors' title to the leased assets.

The incremental borrowing rate on lease liabilities ranged from **2.20% to 7.05%** (2022: 2.20% to 7.05%).

Effective 1 July 2021, the Government amended the State Lands Act to change the timing of payment of annual rental for hospitality operators from 1 July of each year (payable in advance) to 30 June of each year (payable in arrear). This amendment resulted in a decrease in the present value of future cashflows recognised under lease liabilities (IFRS 16). Lease liabilities were subsequently adjusted and the impact of the re-assessment was credited to profit or loss as a gain under other income.

The short term leases under this segment comprises the lease of motor vehicles.

16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Financial Services

The segment has leases for buildings and motor vehicles. Leases have remaining lease terms between 1 and 7 years, some of which may include options to extend the leases for up to 3 years, and some of which may include options to terminate the leases within 1 year.

The incremental borrowing rate on lease liabilities ranged from **6.25% to 9.0%** (2022: 6.25% to 8.5%) for the segment.

The short term leases relate to the lease of certain bank branches across Madagascar.

THE GROUP	Land and Buildings	Motor Vehicles	Others	Total
(a)	MUR '000	MUR '000	MUR '000	MUR '000
Balance as at 1 July 2022	3,055,174	34,170	9,276	3,098,620
Additions	263,663	4,485	6,255	274,403
Amortisation	(199,916)	(16,066)	(4,151)	(220,133)
Disposals	(113,615)	-	-	(113,615)
Lease modification	78,570	-	-	78,570
Transfer from property, plant and equipment	-	3,589	-	3,589
Translation adjustments	(24,628)	542	1,759	(22,327)
Right-of-use assets, 30 June 2023	3,059,248	26,720	13,139	3,099,107
Balance as at 1 July 2021	2,762,789	33,448	15,004	2,811,241
Additions	338,961	16,990	-	355,951
Amortisation	(192,177)	(14,386)	(5,728)	(212,291)
Disposals	(14,347)	(311)	-	(14,658)
Lease modification	170,211	-	-	170,211
Asset written off	(3,421)	(1,571)	-	(4,992)
Translation adjustments	(6,842)	-	-	(6,842)
Right-of-use assets, 30 June 2022	3,055,174	34,170	9,276	3,098,620

	2023	2022
	MUR '000	MUR '000
Lease liabilities:		
Current	181,472	258,047
Non-current	3,235,076	3,206,216
	3,416,548	3,464,263

(b) The statement of profit or loss shows the following amounts relating to leases:

	2023	2022
	MUR '000	MUR '000
Amortisation of right-of-use assets	220,133	212,291
Interest on lease liabilities	214,607	219,634
Expenses relating to leases of low-value assets and short-term leases (Note 5(a))	457,728	310,709
Total lease cost	892,468	742,634
The total cash outflow for leases was as follows:		
Repayment of principal element of leases	302,624	239,241
Other information:		
Weighted Average Remaining Lease Term	16.00	17.00

17. OTHER RECEIVABLES

Accounting policies

Other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Long-term deposits	44,171	54,224
Loans under Executive Share Scheme (Note (a))	13,995	16,920
Others	9,316	10,536
	67,482	81,680

	THE COMPANY	
	2023	2022
	MUR '000	MUR '000
Receivable from subsidiary companies (Note 44)	56,048	-

(a) Loans under Executive Share Scheme were granted to key executives where cash was advanced to certain individuals to acquire shares in the Company at market value at grant date. The terms of the scheme were such that when the shares are disposed, the proceed is to be used to settle the loan advanced. The loan carries interest of 3% which is payable half yearly in December and June. The interest for the year has been waived by the Board. The scheme has now been discontinued and replaced by the Phantom Share Option Scheme which does not significantly impact the financial statements.

18. INVENTORIES

Accounting policies

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in and first-out realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials - purchase cost on a weighted average cost basis.

Finished goods and work-in-progress - cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Raw materials	1,718,199	1,945,703
Work in progress	770,276	1,050,508
Finished goods	1,391,931	1,234,379
Other stock	522,446	16,077
Food and beverages	70,521	55,692
Operating supplies	52,936	201,328
Spare parts	204,028	235,921
Fabric and linen	10,435	7,878
Goods in transit	203,711	412,950
Less :		
Provision for impairment of inventories	(55,476)	(14,861)
Write (offs)/ Reversal of write offs	9,652	(14,900)
	4,898,659	5,130,675

The cost of inventories recognised as an expense is **MUR 12.3Bn** (2022: MUR 9.7Bn).

Some of the inventories have been pledged as security for the borrowings of the Group.

18. INVENTORIES (CONT'D)

Impairment of inventories

Impairment on non-financial assets	Cash generating unit / Company	Reportable segment	Statements of Profit or loss	
			2023	2022
			MUR '000	MUR '000
Impairment and write offs charged				
- Textile segment: stocks	Textile	Mauritius	28,091	12,148
- Hotel segment: Inventories	Retail operations	Mauritius	(9,652)	-
- Healthcare segment: consumables	Healthcare	Mauritius	27,385	17,613
			45,824	29,761

** Above impairment charges exclude the income tax impact*

Property Segment

Following the obtention of the No Objection Letter received on 12 October 2022 for the Smart City surplus application, the Segment has finalised the main infrastructure network and plot destinations for the northern phase of the Smart City (phase 1). All plots of land earmarked for residential projects in the northern phase are thus considered as inventory. A plot of land transferred to inventory will thus be valued at the lower of cost and net realisable value.

19. TRADE AND OTHER RECEIVABLES

Accounting policies

Trade receivables are amount due from customers for goods sold 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. If not, they are presented as non-current asset. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore, measure them subsequently at amortised cost using the effective interest method. Detail about the Group's impairment policies and the calculation of the loss allowance is provided in note 45(a).

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Trade receivables	4,397,929	4,423,065	-	-
Less: Loss allowance on receivables (Note 19(f))	(221,300)	(222,977)	-	-
	4,176,629	4,200,088	-	-
Receivable from subsidiary companies (Note 44)	-	-	649,793	555,533
Receivable from associated companies (Note 44)	16,122	32,462	-	376
Receivable from related corporations (Note 44)	50,965	9,018	-	-
Export documentary remittances	2,056,982	2,449,652	-	-
Other receivables and prepayments (Note 19(a))	1,146,339	857,190	3,081	877
Advance payments	234,258	351,364	-	-
Prepayments	545,514	517,774	233	191
	8,226,809	8,417,548	653,107	556,977
(a) Other receivables				
Other receivables consist of:				
Taxes and grants	163,590	581,634	-	-
Deposits	561,978	16,816	-	-
Others	420,771	258,740	3,081	877
	1,146,339	857,190	3,081	877

19. TRADE AND OTHER RECEIVABLES (CONT'D)

Accounting policies (Cont'd)

The carrying amounts of trade and other receivables approximate their fair value as they are deemed short-term in their nature and recoverable within 12 months.

The Group does not hold any collateral as security but for the hotels and resorts segment, there is an insurance cover against irrecoverable debts.

The receivables from associated companies, related corporations and other receivables are neither past due nor impaired.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable, net of insurance cover.

(b) Ageing of past due trade receivables but not impaired

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Within 31 - 60 days	224,094	406,751
Within 61 - 90 days	114,015	69,100
Over 90 days	466,872	148,792
	804,981	624,643

The remaining balance of trade receivables is neither past due nor impaired.

(c) The carrying amounts of the Group's trade and other receivables, excluding taxes and grants, advance payments, prepayments and deposits are denominated in the following currencies:

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
MUR	666,056	711,299
MGA	2,463,367	2,768,508
USD	1,266,523	1,743,949
EUR	717,792	415,405
GBP	256,179	311,327
ZAR	262,583	402,869
INR	883,760	430,245
Others	205,209	166,358
	6,721,469	6,949,960

(d) Impairment of trade receivables

The expected loss rates are based on the payment profiles of clients over a period of 36 months before 1 July 2022, or 1 July 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, inflation and unemployment rate of Mauritius, India, Uganda and Madagascar to be the most relevant factors, and accordingly has adjusted the historical loss rates based on expected changes in these factors.

(e) As of 30 June 2023, trade and other receivables of **MUR 221M** (2022: MUR 223M) were impaired. The individually impaired receivables relate to customers, which are in unexpected difficult situation. The ageing of these receivables are as follows:

	THE GROUP				
	Current	Within 31- 60 days	Within 61- 90 days	Over 90 days	Total
2023					
Expected credit loss rate (%)	0.49%	4.85%	6.98%	28.22%	5.03%
Gross carrying amount (MUR' 000)	3,329,047	301,545	123,007	644,330	4,397,929
Loss allowance (MUR' 000)	16,282	14,619	8,592	181,807	221,300
2022					
Expected credit loss rate (%)	0.59%	2.45%	3.10%	28.67%	5.04%
Gross carrying amount (MUR' 000)	3,270,603	362,197	123,659	666,606	4,423,065
Loss allowance (MUR' 000)	19,145	8,868	3,836	191,128	222,977

(f) The closing loss allowances for trade and other receivables reconcile to the opening loss allowances as follows:

	2023	2022
	MUR '000	MUR '000
At 1 July	222,977	256,316
Amounts written off	(67,997)	(54,496)
Provision for the year	65,743	20,143
Translation reserve	577	1,014
At 30 June	221,300	222,977

(g) In 2023, the impairment of trade receivables was assessed based on the expected credit loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. Taxes and grants, prepayments and advance payments are not financial assets and so are not subject to expected credit loss under IFRS 9. The other receivables comprise mainly overnight borrowings held by the subsidiary bank, which are repaid on the next day, hence no impairment was deemed necessary.

20. CASH AND CASH EQUIVALENTS

Accounting policies

Cash and cash equivalents include highly liquid investments that are convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are normally those with less than three months maturity from the date of acquisition.

For the purposes of the statement of cash flows, cash and cash equivalents comprises cash and balances with banks and central banks excluding mandatory balances with central banks, loans to placements with banks having an original maturity of up to 3 months. Cash and cash equivalents are measured at amortised cost. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Cash in hand	1,188,076	1,334,939	-	-
Foreign currency notes and coins	540,972	169,057	-	-
Balances with the Central Bank	3,254,974	4,124,089	-	-
Balances due in clearing	23,098	(14,264)	-	-
Balances with banks	3,897,765	3,439,375	42,927	12,325
Placements	2,804,567	3,648,438	-	-
	11,709,452	12,701,634	42,927	12,325
Broken down as follows:				
Banking segment	8,137,451	9,755,292	-	-
Non-banking segment	3,572,001	2,946,342	42,927	12,325
	11,709,452	12,701,634	42,927	12,325

The balances with the central bank relate to cash held at Central Bank of Madagascar for BNI Madagascar SA.

21. ASSETS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE

Accounting policies

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

(a) An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position.

The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

	THE GROUP	
	2023	2022
The movement for the year is as follows:	MUR '000	MUR '000
At 1 July	59,331	1,403,473
Disposal	(59,331)	(516,412)
Transfer to investment in joint ventures (Note 13)	-	(361,746)
Transfer from discontinued operations (Note (b))	-	59,331
Transfer to investment properties (Note 10)	-	(379,700)
Others*	-	(145,615)
As at 30 June	-	59,331

**Others relate to reclassification of assets and liabilities to their respective line items in the consolidated statement of financial position.*

21. ASSETS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE (CONT'D)

Accounting policies (Cont'd)

(b) During the year ended 30 June 2023, the investments in Investment Professionals Limited have been disposed.

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operations as at June 30:

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Assets classified as held for sale		
- Property, plant and equipment	-	3,604
- Intangible assets (Note 11)	-	19,070
- Deferred income tax assets	-	555
- Trade and other receivables	-	8,535
- Cash and cash equivalents	-	27,567
Total assets classified as held for sale	-	59,331

Liabilities directly associated with assets classified as held for sale	2023	2022
	MUR '000	MUR '000
- Retirement benefit obligations	-	3,768
- Trade and other payables	-	6,401
- Current income tax liabilities	-	258
Total liabilities associated with assets classified as held for sale	-	10,427

22. LOANS AND ADVANCES TO CUSTOMERS

Accounting policies

The Group only measures loans and advances and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold the financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Loans and advances to customers are non-derivative financial assets with fixed or determinable payments and are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method.

	2023	2022
(a)	MUR '000	MUR '000
Retail	2,717,598	3,018,063
Civil servants	3,296,692	2,836,696
Professional – SME	1,601,884	1,862,132
Mid-Cap	5,264,022	4,452,752
Institutional	82,612	707,021
Corporate customers	12,552,880	13,249,117
	25,515,688	26,125,781
Less allowances for credit impairment:		
Individual	(475,846)	(467,937)
Civil servants	(117,218)	(50,410)
Professional – SME	(400,873)	(390,364)
Mid-Cap	(545,067)	(470,370)
Institutional	(7,708)	(6,192)
Corporate customers	(416,073)	(458,851)
	(1,962,785)	(1,844,124)
	23,552,903	24,281,657
Less: Non-current portion	(12,838,251)	(11,284,467)
Current portion	10,714,652	12,997,190

22. LOANS AND ADVANCES TO CUSTOMERS (CONT'D)

Accounting policies (Cont'd)

	2023	2022
	MUR '000	MUR '000
(b) Remaining terms to maturity		
Within one year	10,714,652	12,997,190
Over 1 year and up to 5 years	9,910,714	3,063,646
Over 5 years	2,927,537	8,220,821
	23,552,903	24,281,657
(c) Allowance for credit impairment		
At July 1	1,844,124	1,397,736
Provision for credit impairment for the year (Note 7(b)	280,218	433,801
Foreign currency translation adjustment	(161,557)	12,587
At 30 June	1,962,785	1,844,124

23. CONVERTIBLE BONDS

Accounting policies

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
At 1 July	2,812,392	2,264,792
Additions	275,000	550,000
Front-end fee paid	(1,200)	(2,400)
At 30 June	3,086,192	2,812,392

During the year, SUN Group received additional tranches of **MUR 275M** (2022: MUR 550M) from the committed Mauritius Investment Corporation Ltd ("MIC"), funding of **MUR 3.1Bn** (MUR 3.1Bn) comprising of 310 bonds of **MUR 10M** (MUR 10M) each.

One of the main objectives of the MIC is to provide financial support to companies impacted by the Covid-19 pandemic and in particular to the tourism sector which has been impacted the most due to the full border closure. The MIC support is in the form of redeemable convertible bonds to companies which require urgent working capital to sustain their viability.

Key terms and conditions of the funding arrangements are as follows:

- The bonds shall be issued in four equal tranches.
- The maturity date is 9 years from first disbursement of the first tranche of the subscription proceeds, that is, on 14 December 2029.
- The conversion rate has been pre-determined prior to the subscription.
- All outstanding bonds will be converted into ordinary shares at a pre-agreed rate and price on maturity date.
- The interest rates range between 3.00% to 3.25% p.a. over the duration of the bonds (from issue date to the earlier of the redemption date or the conversion date). The interest is payable on the last day of each interest period. On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.
- The conversion price is subject to certain adjustments such as capitalisation of profit or reserves, capital distribution, rights issues, share split, amongst others.
- Redemption of the bonds shall be at the option of the issuer. The issuer may redeem some or all the bonds, any time prior to the maturity date. The option price shall be determined as follows:
    - if redemption happens before the 4th anniversary of the first subscription, the redemption price shall be the nominal amount,
    - if redemption happens after the 4th anniversary of the first subscription, the redemption amount shall be 100.5% of the nominal amount.

24. INVESTMENTS IN SECURITIES

Accounting policies

Investments in securities have been assessed as having a business model of holding to collect contractual cash flows comprising solely of payments of principal and interest. Accordingly, these instruments have been classified at amortised cost under the effective interest method.

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
At 1 July	6,335,249	6,208,017
Additions	1,772,348	2,136,750
Matured during the year	(1,726,515)	(1,971,352)
Provision for credit impairment for the year (Note (a))	(9,576)	1,208
Translation adjustment	(462,331)	(39,374)
At 30 June,	5,909,175	6,335,249

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Non-current	3,082,159	4,192,295
Current	2,827,016	2,142,954
Remaining terms to maturity		
Within one year	2,827,016	2,142,954
Over 1 year and up to 5 years	3,082,159	4,192,295
At 30 June,	5,909,175	6,335,249

The investments in securities are denominated in Ariary and MUR as follows:

(a) Allowance for credit impairment	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Ariary	5,907,011	6,335,249
MUR	2,164	-

The current securities denominated in Ariary have coupon rates ranging from **7.70% to 10.10%** (2022: 7.00% to 13.15%).

The non-current securities have coupon rates ranging from **7.70% to 12%** (2022: 7.90% to 10.30%). None of the financial assets are either past due or impaired.

(a) Allowance for credit impairment	THE GROUP	
	2023	2022
	MUR '000	MUR '000
At 1 July	(1,236)	(2,421)
Provision for credit impairment for the year (Note 7(b))	(9,576)	1,208
Foreign currency translation adjustment	466	(23)
At 30 June,	(10,346)	(1,236)

25. STATED CAPITAL AND TREASURY SHARES

Accounting policies

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from proceeds. Where the Company purchases its equity share capital (treasury shares), the consideration paid, including any directly incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. When such shares are subsequently reissued, any net consideration received is included in equity attributable to the Company's equity holders.

	THE GROUP AND THE COMPANY		
	Stated Capital	Treasury Shares	Total
	MUR '000	MUR '000	MUR '000
At 1 July 2021	5,140,994	(14,624)	5,126,370
Issue of shares on exercise of rights	308	164	472
At 30 June 2022 and 2023	5,141,302	(14,460)	5,126,842

	THE GROUP AND THE COMPANY		
	Stated Capital	Treasury Shares	Total
	Number of shares	Number of shares	Number of shares
	MUR '000	MUR '000	MUR '000
At 1 July 2021	1,689,901	(2,456)	1,687,445
Issue of shares on exercise of rights	-	115	115
At 30 June 2022 and 2023	1,689,901	(2,341)	1,687,560

26. REDEEMABLE RESTRICTED A SHARES

	THE GROUP AND THE COMPANY	
	Redeemable Restricted A Shares	Number of Shares
	MUR '000	'000's
At 30 June 2022 and 2023	39,233	3,008,887

At a Special Meeting held on 30th October 2013, shareholders approved that the share capital of the company be reorganised into 2 classes of shares, as follows:

- Existing Ordinary Shares which hold all economic rights including the right to dividends and voting rights.

Shareholders of the Company had the option for every Ordinary Share held by them after the share split, to choose between receiving:

(i) Either a cash dividend of 5 cents;

(ii) Or 4 'Redeemable Restricted A Shares'.

The rights attached to the Redeemable Restricted A Shares are as follows:

(i) The right to vote at general meetings and, on a poll, to cast one vote for each share held;

(ii) The right to participate in a rights issue together with the holders of Ordinary Shares on the condition that the holders of each class of shares shall be entitled to subscribe to Shares of that class only;

(iii) No right to any distribution;

(iv) No right to any surplus assets of the company in case of winding up;

(v) No right to be transferred except with the consent of the holders of at least 75% of the shares of that class.

The Redeemable Restricted A Shares shall be redeemed at the option of the company for no consideration, should the holders either directly or indirectly through successive holding entities, in aggregate, hold less than 10% of the issued Ordinary Shares in the capital of the Company.

27. OTHER COMPREHENSIVE INCOME

(a) Reserves

	Revaluation Surplus	Fair value	Hedging Reserve	Translation of Foreign Operations	Other Reserves	Actuarial Reserves	Share appreciation rights scheme	Total
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Balance at 1 July 2022	5,129,163	142,128	62,644	114,231	329,062	(333,894)	-	5,443,334
Other comprehensive income for the year	1,098,779	541	(193,770)	(175,816)	-	(19,217)	-	710,517
Other movements	-	-	-	40,646	-	-	-	40,646
Movement in banking reserves	219,683	-	-	-	-	-	-	219,683
Balance at 30 June 2023	**6,447,625**	**142,669**	**(131,126)**	**(20,939)**	**329,062**	**(353,111)**	**-**	**6,414,180**
Balance at 1 July 2021	4,480,149	121,781	(263,260)	66,945	259,348	(324,144)	472	4,341,291
Other comprehensive income for the year	899,332	20,347	325,904	(4,330)	-	(9,750)	-	1,231,503
Employee share option scheme	-	-	-	-	-	-	(472)	(472)
Reclassification of revaluation reserve on transfer of property, plant and equipment to investment property	(243,653)	-	-	-	-	-	-	(243,653)
Disposal of assets classified as held for sale	-	-	-	51,616	-	-	-	51,616
Movement on banking reserve (Note (i))	(6,665)	-	-	-	69,714	-	-	63,049
Balance at 30 June 2022	5,129,163	142,128	62,644	114,231	329,062	(333,894)	-	5,443,334

Movements are mainly made up of:

(i) Statutory reserve, which comprises the accumulated annual transfer of 15% of the net profit for the year in line with Article 41 of Ordinance n° 88-005 dated 15th April 1988 pertaining to the regulations applicable to the banking sector in Madagascar. Movements in the General Banking Reserve is at the discretion of BNI Madagascar, and the shareholders choose to increase the reserve by the profit for the year net of dividends payable and the amount transferred to statutory reserve.

The Group

(i) Revaluation surplus

The revaluation surplus relates to the revaluation of property.

(ii) Fair value reserve

Fair value reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income (FVOCI) that has been recognised in other comprehensive income until investments are derecognised or impaired.

(iii) Hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

(iv) Translation of foreign operations

The translation reserve comprises all foreign currency difference arising for the translation of the financial statements of foreign operation.

(v) Other reserves

Other reserves comprise of the banking reserve which comprise provisions in line with the Bank of Mauritius macroprudential guidelines.

(vi) Actuarial reserves

The actuarial reserves represents the cumulative remeasurement of defined benefit obligation recognised.

(b) Fair Value Reserve

	THE COMPANY	
	2023	2022
	MUR '000	MUR '000
Balance at 1 July	13,499,202	8,071,286
Fair value movement		
- Subsidiary companies (Note 12)	(2,562,999)	5,396,516
- Joint ventures (Note 13)	4,034	72,558
- Associates (Note 14)	(59,396)	(41,953)
- Other financial assets (Note 15)	2,226	795
Balance at 30 June	10,883,067	13,499,202

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
- Other financial assets (Note 15)	1,154	26,658

28. SHARE APPRECIATION RIGHTS SCHEME AND SHARE BASED SCHEME

Accounting policies

Share Based Scheme - equity settled
In July 2014, an incentive scheme was set up in order to remunerate some key executives of the Group. The annual entitlement is payable 50% in cash and 50% in terms of shares in CIEL Limited. Upon award, the shares are vested immediately but are issued over a period of two years.

The key executives did not exercise their rights for financial year 2023 (2022 – as per below):

	2023	2022
	MUR '000	MUR '000
Cash settlement	-	-
Equity settlement	-	472
	-	472

Subsequent to the financial year, 2,000,644 executive shares were issued at a price of MUR 6.82 amounting to MUR 13M net of applicable taxes.

The post-tax entitlement relating to 2022, was based on the average share price as at 30 June 2020 of MUR 3.49, represents 114,862 shares issued in June 2022.

29. BORROWINGS

Accounting policies

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
Current	MUR '000	MUR '000	MUR '000	MUR '000
Bank overdrafts	852,818	1,080,828	13	-
Bank loans repayable by instalments	1,014,779	1,031,555	-	-
Fixed and floating rate secured notes	375,659	781,762	39,635	417,282
Cash at call with non-subsidiaries	6,021	20,465	-	-
Cash at call with related parties (Note 44)	-	-	287,194	48,071
Other loans (Note (d))	1,646,081	3,530,992	-	-
Money market line	-	69,368	-	-
Export bills and vendors' financing	1,893,618	1,590,466	-	-
Import loans	1,834,436	1,891,560	-	-
	7,623,412	9,996,996	326,842	465,353
Non-current				
Bank loans repayable by instalments (Note (b))	4,439,610	4,556,312	-	-
Fixed and floating rate secured notes	4,995,817	4,901,254	2,604,533	2,604,635
Other loans (Note (d))	754,534	598,732	-	-
Export bills and vendors' financing	6,143	19,648	-	-
	10,196,104	10,075,946	2,604,533	2,604,635
Total borrowings	17,819,516	20,072,942	2,931,375	3,069,988

29. BORROWINGS (CONT'D)

Accounting policies (Cont'd)

(a) The bank borrowings are secured by fixed and floating charges over the assets of the Group.

(b) Non-current bank loans repayable by instalments can be analysed as follows: -

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
- after 1 year and before 2 years	830,079	874,661
- after 2 years and before 3 years	884,832	1,005,022
- after 3 years and before 5 years	1,780,932	1,624,456
- after 5 years	943,767	1,052,173
	4,439,610	4,556,312

(c) Break-down of the nominal value of the notes based on maturity and coupon rate is as follows:

CIEL Limited

Date of issue	Maturity	Coupon rate	No of notes issued	MUR '000
2018	7 years	4.98%	3,000	300,000
2018	10 years	5.45%	2,900	290,000
2019	7 years	4.29%	3,000	300,000
2019	7 years	4.95%	1,000	100,000
2019	8 years	4.53%	3,000	300,000
2019	8 years	5.15%	1,000	100,000
2019	10 years	5.45%	880	88,000
2019	10 years	4.95%	120	12,000
2019	15 years	5.60%	1,000	100,000
2020	10 years	5.45%	530	530,000
2021	10 years	5.45%	500	500,000
				2,620,000

CIEL Finance Limited

The break-down of the nominal value of the fixed and floating rate secured notes based on maturity and coupon rate is as follows:

Date of issue	Maturity	Coupon rate	No of notes issued	MUR '000
2019	5 years	4.50%	150,000	150,000
2019	6 years	4.62%	175,000	175,000
2019	7 years	4.76%	175,000	175,000
2022	5 years	3.88%	75,000	75,000
2022	6 years	4.33%	50,000	50,000
2022	6 years	5.90%	45,000	45,000
2022	7 years	5.25%	100,000	100,000
2022	7 years	6.00%	125,000	125,000
2022	8 years	5.55%	200,000	200,000
2022	8 years	6.10%	25,000	25,000
2022	9 years	5.70%	195,000	195,000
2022	9 years	6.20%	35,000	35,000
				1,350,000

SUN Limited

Date of issue	Maturity	Coupon rate	No of notes issued	MUR '000
2016	7 years	3.95%	336,024	336,024
2020	4 years 7 months	2.63%	8,500	414,290
2020	6 years 7 months	2.63%	8,500	414,290
2020	9 years 7 months	3.70%	5,000	243,700
				1,408,304

29. BORROWINGS (CONT'D)

Accounting policies (Cont'd)

(d) Other loans - Banking Segment

Other loans include overnight facilities taken in June 2023 from the Central Bank of Madagascar amounting to MGA 20bn (2022: MGA 300bn) with a fixed coupon rate of 10.5% (2022: 7%), from Mauritius Commercial Bank amounting to MGA 50bn with a fixed coupon rate of 9.92%, from Bank of Africa amounting to MGA 50bn with a fixed coupon rate of 9.94% and from BMOI amounting to MGA 40bn with a fixed coupon rate of 9.94%. They also include a loan contracted by BNI Madagascar in January 2022 with Proparco for EUR 10M which has a term of 60 months with a fixed coupon rate of 8% per annum and a loan contracted with African Development Bank for EUR 1.5M which has a term of 120 months with a fixed coupon rate of 3.59%.

All borrowings are denominated in MUR except for the below:

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
(i) Proparco loans denominated in Euros	567,273	468,659
(ii) Social security authority denominated in Ariary		
(i) Overnight facility	1,616,000	3,300,000
(ii) Other banks	-	224,101
	2,183,273	3,992,760
Repayable:		
Within one year	1,646,081	3,530,992
After one year but before two years	31,852	12,342
After two years but before three years	40,617	17,251
After three years but before five years	46,515	20,027
After five years	635,550	549,112
	2,400,615	4,129,724

(e) The effective interest rates at the end of the reporting period were as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	%	%	%	%
Mauritian rupee				
Bank overdrafts	PLR/BLR +2.50/-2.50 / 4.50 - 6.75	2.90 - 7.70	4.50 - 6.75	4.50
Bank loans repayable by instalments	3.15 - 6.75	2.55 - 3.85	-	-
Fixed rate multicurrency notes	1.50 - 7.05	1.50 - 7.05	4.00 - 5.60	4.00 - 5.60
Floating rate notes	5.50 - 6.55	2.85 - 3.90	5.50 - 6.55	2.85 - 3.90
Expert bills and vendors' financing	-	4.50	-	-
Money market line	-	2.95	2.00 - 5.70	2.50 - 2.80
US Dollar				
Bank overdrafts	SOFR + 2.00/-2.50	SOFR + 1.50/+2.50	-	-
Bank loans repayable by instalments	SOFR +3.50	-	-	-
Finance lease obligations	SOFR +1.60	SOFR + 1.00/+1.25	-	-
Export bills and vendors' financing	SOFR +1.70/-2.00	SOFR + 1.50/+2.40/+2.75	-	-
Euro				
Bank overdrafts	Euribor +2.50/-2.50	Euribor + 1.50/+ 2.50	-	-
Bank loans repayable by instalments	Eonia +2.70	-	-	-
Export bills and vendors' financing	Euribor +1.70/-2.00	Euribor + 1.50/+ 2.40	-	-
Indian Rupee				
Bank overdrafts	8.00 - 9.00	8.50 - 9.00	-	-
Other currencies	9.00	17.5	-	-

29. BORROWINGS (CONT'D)

Accounting policies (Cont'd)

(f) The carrying amounts of the borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	MUR '000	MUR '000	**MUR '000**	MUR '000
Rupee	**6,336,503**	6,501,863	**2,931,375**	3,069,988
Euro	**5,318,218**	7,816,257	**-**	-
US dollars	**2,600,580**	989,535	**-**	-
UK Pound	**370,029**	299,197	**-**	-
INR	**1,367,828**	936,918	**-**	-
Ariary	**1,616,000**	3,300,000	**-**	-
Others	**210,358**	229,172	**-**	-
	17,819,516	20,072,942	**2,931,375**	3,069,988

The carrying amounts of borrowings are not materially different from their fair values.

The bills discounted and the import loans are secured by fixed and floating charges over the assets of the CIEL Textile Limited.

(g) The carrying amounts of assets pledged as security for current and non-current borrowings are:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	MUR '000	MUR '000	**MUR '000**	MUR '000
Non-current assets				
Fixed and floating charge				
Property, plant and equipment	**24,123,623**	21,017,709	**-**	-
Right-of-use assets	**7,965**	12,935	**-**	-
Investment properties	**2,302,268**	3,799,217	**-**	-
Intangible assets	**26,285**	27,005	**-**	-
Investments in subsidiaries	**1,404,109**	1,747,913	**4,561,406**	10,706,525
Investments in joint ventures	**1,690,158**	1,870,046	**-**	-
Investments in associates	**285,207**	287,207	**-**	-
Investments in other financial assets	**240,743**	244,698	**-**	-
Derivatives Financial Instrument	**60,397**	-		
Deposit on investments	**-**	24,029	**-**	-
Non-current receivable	**44,171**	54,224	**-**	-
Total non-current assets pledged as security	**30,184,926**	29,084,983	**4,561,406**	10,706,525
Current assets				
Fixed and floating charge				
Inventories	**4,704,334**	4,947,764	**-**	-
Trade and other receivables	**4,405,284**	4,396,973	**-**	-
Cash and cash equivalents	**1,509,317**	2,081,882	**-**	-
Floating charge			**-**	-
Trade and other receivables	**1,628**	1,482	**-**	-
Cash and cash equivalents	**264,263**			
Total current assets pledged as security	**10,884,826**	11,428,101	**-**	-

30. DEFERRED INCOME TAXES

Accounting policies

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 17% (2022 - 17%).

There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred taxes relate to the same fiscal authority.

(a) The following amounts are shown in the statement of financial position:

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Deferred income tax liabilities	2,216,367	1,841,764
Deferred income tax assets	(370,974)	(350,723)
	1,845,393	1,491,041

Deferred income tax assets are recognised for tax losses carry-forward to the extent that the realisation of the related tax benefit through future taxable profit is probable.

Deferred income tax assets arise from the Textile, Healthcare and Hotel segments. The former two segments are profitable and hence the deferred income tax assets are deemed recoverable. The Hotel segment has made an assessment on the recoverability of its deferred income tax assets and concluded that these will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the subsidiaries.

At the end of the reporting period, the Group had unrecognised deferred tax assets of **MUR 813M** (2022 – MUR 579M).

(b) The movement on the deferred income tax account is as follows:

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
At 1 July	1,491,041	940,288
Translation difference	11,283	4,935
Charged to profit or loss (Note 35)	118,063	128,840
Charged to other comprehensive income	225,006	397,157
Transfer from assets/liabilities classified as held for sale	-	19,821
At 30 June	1,845,393	1,491,041

(c) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority, is as follows:

The Group	Accelerated Tax Depreciation	Revaluation of Properties	Total
	MUR '000	MUR '000	MUR '000
Deferred tax liabilities			
At 1 July 2021	854,102	935,942	1,790,044
Under provision	11	-	11
Transfers	(2,596)	18,357	15,761
Translation difference	(3,482)	6,275	2,793
Charged to profit or loss	99,947	11,485	111,432
Charged to other comprehensive income	-	386,766	386,766
At 30 June 2022	947,982	1,358,825	2,306,807
Under provision	128	1,625	1,753
Transfers	(24,392)	44,676	20,284
Translation difference	602	(3,278)	(2,676)
Charged to profit or loss	75,519	(9,280)	66,239
Charged to other comprehensive income	-	240,116	240,116
At 30 June 2023	999,839	1,632,684	2,632,523

30. DEFERRED INCOME TAXES (CONT'D)

Accounting policies (Cont'd)

	Provisions / Others MUR '000	Retirement Benefit Obligation MUR '000	Tax Losses Carried Forward MUR '000	Rights of use assets MUR '000	Total MUR '000
Deferred tax assets					
At 01 July 2021	168,599	67,753	537,523	75,881	849,756
(Over)/Under provision	-	117	(4,727)	-	(4,610)
Transfers	(2,548)	675	(49)	-	(1,922)
Translation difference	(4,897)	(179)	795	-	(4,281)
Credited/(charged) to profit or loss	78,843	(6,492)	(83,279)	(1,858)	(12,786)
Charged to other comprehensive income	(5,927)	(4,464)	-	-	(10,391)
At 30 June 2022	234,070	57,410	450,263	74,023	815,766
(Over)/Under provision	241	(97)	-	-	144
Transfers	5,190	-	1,861	13,233	20,284
Translation difference	(14,253)	(6)	300	-	(13,959)
Credited/(charged) to profit or loss	78,355	21,730	(148,858)	(1,442)	(50,215)
Charged to other comprehensive income	3,563	11,547	-	-	15,110
At 30 June 2023	307,166	90,584	303,566	85,814	787,130

	2023 MUR '000	2022 MUR '000
Net deferred tax liabilities	1,845,393	1,491,041

31. RETIREMENT BENEFIT OBLIGATIONS

Accounting policies

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. 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, year of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent periods.

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefits. Interest expense/(income) is recognised in profit or loss.

Service costs comprising current service cost, past service cost as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

CIEL Textile Limited, CIEL Corporate Services Ltd, C-Care (Mauritius) Limited and Sun Limited, subsidiary companies of CIEL Limited, contribute to a defined benefit plan for certain employees.

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitle them to the contributions.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Employment Rights Act 2008 (Amended) is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

31. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Accounting policies (Cont'd)

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Amounts recognised in the statement of financial position:		
- Defined pension benefits (note (a)(ii))	300,249	271,386
- Other post-employment benefits (note (b)(i))	497,185	421,101
	797,434	692,487
Analysed as follows:		
Non-current liabilities	797,434	692,487
Amounts charged to profit or loss:		
- Defined pension benefits (note (a)(v))	108,108	64,303
- Other post-employment benefits (note (b)(iii))	80,636	54,057
	188,744	118,360
Amounts charged to other comprehensive income:		
- Defined pension benefits (note (a)(vi))	23,177	(31,359)
- Other post-employment benefits (note (b)(iv))	33,566	20,285
	56,743	(11,074)

(a) Defined pension benefits

(i) Some companies of the Group operate defined benefit pension plans. The plan is a final salary plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Group companies participate in the United Mutual Superannuation Fund, CIEL Group Segregated Fund and Sugar Industry Pension Fund and other pension schemes present in respective companies.

The assets of the plan are independently administered separately. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

	THE GROUP	
	2023	2022
(ii) The amounts recognised in the statement of financial position are as follows:	MUR '000	MUR '000
Fair value of plan assets	(1,303,987)	(1,285,656)
Present value of funded obligations	1,604,236	1,535,808
Deficit of funded plans	300,249	250,152
Present value of unfunded obligations	-	21,234
Liability in the statement of financial position	300,249	271,386
The net defined benefit liability is arrived at as follows:		
Balance at 1 July	271,386	350,549
Charged to profit or loss (Note 31(a)(v))	108,108	64,303
Charged to other comprehensive income (Note 31(a)(vi))	23,177	(31,359)
Contributions and benefits paid	(102,422)	(112,107)
Balance at 30 June	300,249	271,386

	THE GROUP	
	2023	2022
(iii) The movement in the defined benefit obligation is as follows:	MUR '000	MUR '000
Balance at 1 July	1,557,042	1,464,100
Current service cost	76,765	51,565
Past service cost	20,326	-
Interest expense	71,867	64,570
Employees' contributions	12,081	7,321
Actuarial (losses)/gains	(21,349)	22,451
Liability (gains)/losses due to change in financial assumptions	(49,139)	1,408
Benefits paid	(63,357)	(54,373)
Balance at 30 June	1,604,236	1,557,042

31. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Accounting policies (Cont'd)

(a) Defined pension benefits (Cont'd)

	THE GROUP	
	2023	2022
(iv) The movement in the fair value of plan assets of the year is as follows:	MUR '000	MUR '000
Balance at 1 July	1,285,656	1,113,551
Expected return on plan assets	(76,653)	55,496
Gain on plan assets, excluding interest	54,471	47,396
Actuarial (losses)/gains	(14,678)	6,631
Scheme expenses	8,030	6,898
Cost of insuring risk benefits	(1,651)	(2,463)
Experience losses	(2,334)	(6,908)
Employer contributions	102,422	112,107
Employee contributions	12,081	7,321
Benefits paid	(63,357)	(54,373)
Balance at 30 June	1,303,987	1,285,656
(v) The amounts recognised in profit or loss are as follows:		
Current service cost	76,765	51,565
Scheme expenses	(8,030)	(6,898)
Cost of insuring risk benefits	1,651	2,463
Past service cost	20,326	-
Net Interest expense	17,396	17,173
Total, included in employee benefit expense	108,108	64,303
(vi) The amounts recognised in other comprehensive income are as follows:		
Remeasurement on the net defined benefit liability:		
Liability experience gains	2,334	6,908
Liability (gains)/losses due to change in financial assumptions	(49,139)	1,408
Actuarial (gains)/losses	(6,671)	15,821
Gain/(Losses) on plan assets, excluding interest	76,653	(55,496)
	23,177	(31,359)

	THE GROUP	
	2023	2022
(vii) The fair value of the plan assets at the end of the reporting period were:	MUR '000	MUR '000
Cash and cash equivalents	190,835	127,885
Local equities	312,162	215,023
Overseas equities	325,950	523,826
Debt instruments	436,957	418,922
Investment Properties	38,083	-
Total Market value of assets	1,303,987	1,285,656

The fair value of the above equity and debt instruments are determined based on quoted market prices in active markets. The fair value of properties is not based on quoted market prices in active markets.

The breakdown of the assets above corresponds to a notional allocation of the underlying investments based on the long-term strategy of each fund.

(viii) The fair value of the planned asset at the end of the reporting period was:

In terms of the individual expected returns, the expected return on equities has been based on an equity risk premium above a risk-free rate. The risk-free rate has been measured in accordance to the yields on government bonds at the measurement date. The fixed interest portfolio includes local and foreign deposits.

The expected return for this asset class has been based on these fixed deposits at the measurement date.

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

	THE GROUP	
	2023	2022
	%	%
Discount rate	4.9 - 6.3	3.1 - 5.5
Future salary increases	2.5 - 4.0	2.5 - 3.0

(x) Sensitivity analysis on defined benefit obligations at end of the reporting date:	2023		2022	
	Increase	Decrease	Increase	Decrease
	MUR '000	MUR '000	MUR '000	MUR '000
Discount rate (1% increase)	-	188,722	-	230,868
Discount rate (1% decrease)	199,904	-	213,739	-
Future long term salary assumption (1% increase)	31,722	-	39,798	-
Future long term salary assumption (1% decrease)	-	35,317	-	33,776

31. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Accounting policies (Cont'd)

(a) Defined pension benefits (Cont'd)

(xi) The sensitivity above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The present value of the defined benefit obligation has been calculated using the projected unit credit method. The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The defined benefit pension plan exposes the Group to actuarial risks such as longevity risk, salary risk, interest rate risk and market (investment) risk.

Longevity risk

The obligation for the members is calculated based on the best estimate of plan participants' mortality after retirement. Sensitivity has also been performed in respect of the mortality assumption. An increase in the life expectancy of the plan participants will increase the liability.

Salary risk

The present value of the liability is calculated based on the future salary increase of the non-members and members of the plan. Sensitivity analysis of salary increase assumption has been performed to assess its impact on the liability. An increase in salary increase assumption leads to an increase the present value of the obligations.

Interest rate risk

The present value of the obligation is calculated using a discount rate based on the yields of long-term government bonds. An increase or decrease in the discount rate can have a significant impact on the liabilities.

Market (investment) risk

Market risk is the risk that the value of an investment will decrease due to moves in market factors. The fair value of the plan assets depends on all the components of the investment value. Hence, an increase or decrease in the components of investment value may have a significant impact on the fair value of the plan assets.

(xii) The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

(xiii) The Group expects to pay **MUR 72M** (2022: MUR 91M) in contributions to its post-employment benefit plans for the year ended 30 June 2023.

(xiv) The weighted average duration of the defined benefit obligations ranges between 5 and 18 years at the end of the reporting period.

Experience adjustment on plan liabilities MUR **76.6M** (2022: MUR 55.4M).

(b) Other post-employment benefits

Other post-employment benefits comprise pensions to be paid on retirement or on death before retirement and gratuity on retirement under the Employment Rights Act 2008.

	THE GROUP	
	2023	2022
(i) The amounts recognised in the statement of financial position are as follows:	**MUR '000**	MUR '000
Defined benefit liability	**497,185**	421,101
(ii) Movement in the liability recognised in the statement of financial position:		
Balance at 1 July	**421,101**	375,464
Total expense	**80,636**	54,057
Liability experience gains/(losses)	**-**	557
Actuarial gains/(losses) recognised in other comprehensive income	**33,566**	19,728
Benefits paid	**(38,118)**	(36,090)
Transfer to liabilities directly associated with assets classified as held for sale	**-**	7,385
Balance at 30 June	**497,185**	421,101

	THE GROUP	
	2023	2022
(iii) The amounts recognised in the profit or loss are as follows:	**MUR '000**	MUR '000
Current service cost	**51,891**	30,670
Past service cost	**18,778**	7,940
Effect of curtailment and settlement	**(8,251)**	(242)
Interest cost	**18,218**	15,689
At 30 June	**80,636**	54,057
(iv) Amounts for the current year are as follows:		
Present value of defined benefit obligation	**497,185**	421,101
Actuarial losses	**33,566**	20,285

31. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Accounting policies (Cont'd)

(b) Other post-employment benefits (Cont'd)

	THE GROUP	
	2023	2022
(v) The principal actuarial assumptions used for accounting purposes were:	%	%
Discount rate	2.9 - 7.1	2.9 - 6.3
Future salary increases	2.5 - 9.0	2.5 - 8.5

(vi) Sensitivity analysis on defined benefit obligations at end of the reporting date:	2023		2022	
	Increase	Decrease	Increase	Decrease
	MUR '000	MUR '000	MUR '000	MUR '000
Discount rate (1% increase)	-	46,253	-	43,407
Future long-term salary assumption (1% increase)	13,532	-	39,070	-

The sensitivity above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(vii) The weighted average duration of the defined benefit obligations ranges between 2 and 19 years at the end of the reporting period.

32. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

Accounting policies

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources that can be reasonably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

	2023	2022
	MUR '000	MUR '000
Legal claims, severance allowances and penalties	136,037	139,298
Repayable:		
Within one year	89,664	84,831
After one year	46,373	54,467

The increase in provision for legal charges is for the appeal to the Assessment Review Committee in respect of the additional duty being claimed by the Registrar General on the purchase of Four Seasons Resort (Anahita Hotel Ltd) by Sun Limited and claims lodged by former employees who were dismissed for gross misconduct.

33. OTHER PAYABLES AND DEFERRED INCOME

Accounting policies

Whenever the Group has received considerations for services not yet provided, this is treated as a contract liability until the performance obligation is met.

Fees and commissions from banking segment are generally recognised on an accrual basis when the service has been provided when payment has been received in advance; the amount is credited to deferred revenue until the service is provided, at which time, revenue would be recognised.

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Other payables	-	-
Contract liabilities (a)	87,010	90,503
Deferred revenue (b)	227,866	231,589
	314,876	322,092
Current portion	(201,084)	(195,926)
Non-Current portion	113,792	126,166

	THE GROUP	
	2023	2022
a. Contract liabilities	MUR '000	MUR '000
Investment Hotel Scheme	59,446	60,718
Golf membership fees	27,564	29,785
	87,010	90,503
Include in financial statement as follows:		
Non - current liabilities	82,351	85,844
Current liabilities - under trade and other payables	4,659	4,659
	87,010	90,503
b. At 01 July	90,503	95,162
Release to profit or loss	(4,659)	(4,659)
Other movement	1,166	-
At 30 June	87,010	90,503

In 2018, 14 rooms under the Invest Hotel Scheme (IHS) were sold generating a revenue of MUR 134.8M. A net profit before tax of MUR 46.6M were realised on the transaction. The rooms were sold by Long Beach IHS to investors who immediately leased the rooms to Long Beach Resort Ltd, for a period until the end of the Government Lease (i.e.) 2070.

The transactions take the form of a sale and lease back and were accounted as a finance lease in the Group Financial Statements. As such, excess sales proceeds over the carrying amount has been deferred in Group Financial Statements over the period of the lease term.

The profit generated on the sale and leaseback transactions between Long Beach HIS to investors have been deferred over the period until the end of the Government lease (i.e.) 2070.

Deferred revenue relates to BNI Madagascar and is broken down as follows:

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Income received in advance	227,866	231,589
	227,866	231,589

34. TRADE AND OTHER PAYABLES

Accounting policies

Trade and other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Trade payable	2,697,411	3,521,347	-	-
Client advances	451,271	561,547	-	-
Payable to subsidiary companies (Note 44)	-		1,989	17,818
Payable to associated companies (Note 44)	-	5,732	-	-
Payable to related companies (Note 44)	2,672	9,747	-	-
Other payables	2,265,722	1,620,025	3	-
Export documentary remittances	2,056,502	2,457,230	-	-
Deposits from customers	405,032	360,605	-	-
Employees related expenses	870,418	791,036	1,169	1,024
Accrued expenses	291,298	611,740	17,013	15,423
Current accounts with other banks	1,774,506	1,753,558	-	-
Other payables to banks	10,424	12,069	-	-
	10,825,256	11,704,636	20,174	34,265

Payables are denominated in the following currencies and exclude client advances, deposits from customers and accrued expenses.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
USD	1,094,377	1,156,502	-	-
EURO	234,285	158,257	-	-
MUR	2,615,179	2,718,775	3,161	18,842
GBP	39,772	38,597	-	-
INR	918,126	969,441	-	-
MGA	4,347,460	4,704,203	-	-
Others	428,456	424,969	-	-
	9,677,655	10,170,744	3,161	18,842

35. INCOME TAX

Accounting policies

Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
CHARGE	MUR '000	MUR '000	MUR '000	MUR '000
Current tax on the adjusted profit for the year	716,480	441,010	38	-
Over provision in previous years	(17,711)	(5,047)	-	(343)
Corporate Social Responsibility tax ("CSR")	11,608	1,743	(3)	3
Deferred income tax (Note 30)	118,063	128,840	-	-
Charge for the year	828,440	566,546	35	(340)
Current tax charge analysed as follows :				
Continuing Operations	828,440	544,560	35	(340)
Discontinued Operations (Note 46)	-	21,986	-	-
	828,440	566,546	35	(340)
MOVEMENT				
At 1 July	7	(90,062)	(39)	81
Over provision in previous years	(17,711)	(5,047)	-	(343)
Charge for the year	716,480	441,010	38	-
CSR expense for the year	11,608	1,743	(3)	3
(Paid)/Refund during the year for previous year	(245,445)	(152,898)	42	262
Advance payment for current year	(189,750)	(111,700)	-	(42)
Tax deducted at source paid for current year	(80,716)	(83,147)	-	-
Transfer to held for sales	-	5,997	-	-
Exchange difference	(7,506)	(5,889)	-	-
At 30 June	186,967	7	38	(39)
Analysed as follows:				
Current income tax liabilities	244,394	110,170	38	-
Current income tax assets	(57,427)	(110,163)	-	39
	186,967	7	38	39

35. INCOME TAX (CONT'D)

Accounting policies (Cont'd)

Current income tax (Cont'd)

The tax on the profit before income tax differs from the theoretical amount that would arise using the basic tax rate:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Profit before income tax – Continuing Operations	5,130,464	2,985,272	623,693	340,696
Loss before income tax – Discontinued Operations (Note 46)	-	(264,735)	-	-
	5,130,464	2,720,537	623,693	340,696

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR '000	MUR '000	MUR '000	MUR '000
Tax calculated at a rate of 17% (2022: 17%)	872,179	462,491	106,028	57,918
Tax effect of :				
Income not subject to tax	(230,085)	(58,954)	(152,420)	(99,693)
Expenses not deductible for tax purposes	137,036	89,408	46,440	41,778
Effect of different tax rate	94,046	41,369	(5)	-
Over provision income tax previous years	(17,711)	(5,047)	(3)	(343)
Under provision deferred tax previous years	1,113	4,621	-	-
Utilisation of tax losses	(5)	9,107	(5)	-
Investment tax relief	(979)	(1,196)	-	-
Foreign tax credit	(830)	(17,132)	-	-
Deferred tax asset not recognised	(29,078)	47,875	-	-
Other adjustments	2,754	(5,996)	-	-
	828,440	566,546	35	(340)
Analysed as follows:				
Continued operations	828,440	544,560	35	(340)
Discontinued operation	-	21,986	-	
	828,440	566,546	35	(340)

36. DIVIDENDS PER SHARE

Accounting policies

Current income tax

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

	THE GROUP AND THE COMPANY	
	2023	2022
	MUR '000	MUR '000
Amounts recognised as distributions to equity holders in the year:		
Final dividend payable for year ended 2023 of **MUR 0.28 cents** (2022: 0.16 cents)	473,077	270,010
Interim dividend paid for the year ended 2023 of **MUR Nil** (2022: 0.05 cents)	-	84,372
	473,077	354,382

	THE GROUP AND THE COMPANY	
	2023	2022
	MUR '000	MUR '000
Amount payable as at 1 July	270,010	-
Declared during the year	473,077	354,382
Amount paid during the year	(270,010)	(84,372)
Amount payable as at 30 June	473,077	270,010

37. DEPOSITS FROM CUSTOMERS

Accounting policies

Deposits from customers are classified as financial liabilities at amortised cost. They are initially measured at fair value and subsequently carried at amortised cost.

	THE GROUP	
	2023	2022
Banking Segment	MUR '000	MUR '000
Demand deposits	21,667,689	22,181,968
Savings deposits	5,129,860	5,377,770
Time deposits with remaining terms to maturity:		
Within 1 year	4,893,826	5,259,990
Over one year and up to five years	42,193	273,282
	31,733,568	33,093,010
Current	31,691,375	32,819,728
Non-current	42,193	273,282
Individuals	7,930,135	18,321,801
SMEs	3,894,066	1,255,058
Mid Caps	4,801,220	3,567,366
Other corporate	15,108,147	9,948,785
	31,733,568	33,093,010

38. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATING ACTIVITIES

		THE GROUP		THE COMPANY	
	NOTES	2023	2022	2023	2022
(a) Cash flow from operating activities		MUR '000	MUR '000	MUR '000	MUR '000
Reconciliation of profit before income tax to cash generated from operations:					
Profit before income tax – continuing operation		5,130,464	2,985,272	623,693	340,696
Loss before income tax – discontinued operation	46(b)	-	(264,735)	-	-
Amortisation of intangible assets	7	54,141	114,310	-	-
Depreciation on property, plant and equipment	7	1,118,539	1,063,715	-	-
Depreciation on right of use assets	7	220,133	212,291	-	-
Interest expense	6	1,114,371	923,053	156,360	144,702
Interest income	6	(302,820)	(71,884)	(1,048)	(571)
Fair value gain on investment property	10	(261,014)	(185,052)	-	-
Fair value movement on derivatives	42	57,503	(188,342)	-	-
Share of result of joint ventures	7(d)	(389,705)	(197,276)	-	-
Share of result of associates	7(d)	(215,322)	(234,625)	-	-
Profit on disposal of associate	14(f)	-	(5,713)	-	-
Profit on share buyback		-	-	(16,448)	-
Write off of other financial assets	15	-	5,547	-	-
Intangible assets write off	11	-	121	-	-
Property, plant & equipment written off	9 &16	1,465	10,242	-	-
Gain from bargain purchase		-	(34,673)	-	-
Bad debts	5(a)	395,827	207,155		
Impairment of property, plant & equipment	9(a)	-	(3,229)	-	-
(Reversal of)/provision for impairment and write off of inventories		30,963	29,761	-	-
Provision for impairment of financial assets	7(b)	75,319	40,542	-	-
Provision for impairment on loans and advances to customers	7(b)	280,218	433,801	-	-
Movement in provisions and deferred revenue	32 & 33	(10,477)	81,364	-	-
Increase/(decrease) in provision for retirement benefit obligations net of benefits paid		48,205	(39,507)	-	-
Unrealised exchange difference		21,464	(352,914)	-	-
Rent concession	16 (a)	-	14,658	-	-
Profit on disposal of investment property	5 (a)	-	(9,399)	-	-
Loss/(Profit) on disposal of plant and equipment	5 (a)	17,645	(54,765)	-	-
Profit on disposal of investment/plant and equipment from discontinued operations	5 (a)	(43,262)	(62,232)	-	-
		7,343,657	4,417,486	762,557	484,827

38. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATING ACTIVITIES (CONT'D)

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
(a) Cash flow from operating activities (cont'd)	MUR '000	MUR '000	MUR '000	MUR '000
Changes in working capital:				
- trade and other receivables	(383,633)	(2,896,799)	(96,130)	(238,194)
- loans and advances	(1,307,746)	(4,665,067)	-	-
- investment securities	(105,409)	(69,090)	-	-
- inventories	714,269	(1,370,869)	-	-
- trade and other payables	(726,816)	4,535,293	(14,089)	(8,804)
- deposits from customers	1,401,561	3,737,946	-	-
Cash generated from operating activities	6,935,883	3,688,900	652,338	237,829

39. NOTES TO THE STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
(a) Cash and cash equivalents	MUR '000	MUR '000	MUR '000	MUR '000
Cash in hand and at bank	1,188,076	1,334,939	-	-
Foreign currency notes and coins	540,972	169,057	-	-
Balances with Central Bank	3,254,974	4,124,089	-	-
Balances due in clearing	23,098	(14,264)	-	-
Balances with bank	3,897,765	3,439,375	42,927	12,325
Placements	2,804,567	3,648,438	-	-
	11,709,452	12,701,634	42,927	12,325
Bank overdrafts	(852,818)	(1,080,828)	-	-
Cash at call – related parties	-	(69,368)	(287,207)	(48,071)
	10,856,634	11,551,438	(244,280)	(35,746)

39. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

	THE GROUP				THE COMPANY		
	Cash/Bank Overdraft	Total Borrowings	Lease Liabilities	Total	Cash/Bank Overdraft	Total Borrowings	Total
(b) Year ended 30 June 2023	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Net debt as at 01 July 2022	11,551,438	(18,922,746)	(3,464,263)	(10,835,571)	(35,746)	(3,021,922)	(3,057,668)
Cashflows	(373,062)	-	-	(373,062)	(208,534)	-	(208,534)
Additions	-	(4,737,662)	(239,358)	(4,977,020)	-	-	-
Repayments	-	7,325,244	302,624	7,627,868	-	380,102	380,102
Movement in finance cost	-	(297,724)	-	(297,724)	-	(2,349)	(2,349)
Rent concession	-	-	-	-	-	-	-
Foreign exchange adjustment	(321,742)	(333,809)	(15,551)	(671,102)	-	-	-
Net debt as at 30 June 2023	10,856,634	(16,966,697)	(3,416,548)	(9,526,611)	(244,280)	(2,644,169)	(2,888,449)

During the financial year 30 June 2023, the Group received a rental concession of MUR NIL (2022: MUR 15M) on state owned lands.

	THE GROUP				THE COMPANY		
	Cash/Bank Overdraft	Total Borrowings	Lease Liabilities	Total	Cash/Bank Overdraft	Total Borrowings	Total
(c) Year ended 30 June 2022	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Net debt as at 01 July 2021	9,191,978	(18,610,435)	(3,265,163)	(12,683,620)	(173,999)	(3,022,559)	(3,196,558)
Cashflows	2,278,641	-	-	2,278,641	138,253	-	138,253
Additions	-	(5,988,408)	(355,951)	(6,344,359)	-	-	-
Repayments	-	5,409,241	239,241	5,648,482	-	-	-
Movement in finance cost	-	(24,008)	(219,634)	(243,642)	-	637	637
Rent concession	-	-	14,658	14,658	-	-	-
Foreign exchange adjustment	80,819	290,864	122,586	494,269	-	-	-
Net debt as at 30 June 2022	11,551,438	(18,922,746)	(3,464,263)	(10,835,571)	(35,746)	(3,021,922)	(3,057,668)

40. CONTINGENCIES

Accounting policies

At 30 June 2023, the Group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities would arise.

CIEL Finance Limited has floating charges as follows :

i. EUR 4M from the Mauritius Commercial Bank in favour of a bank to counter-guarantee BNI Madagascar in respect of credit concentration limits imposed by the Malagasy regulator.

ii. Over its assets in favour of The Mauritius Commercial Bank, acting as Noteholders' Representative under the Notes Issue effected in September 2019, for a maximum amount of MUR 500M in principal plus any interests and related costs and MUR 850M respectively, in principal plus any interests and related costs

iii. Over its assets in favour of The Mauritius Commercial Bank, in respect of an overdraft facility for MUR 80M.

CIEL Textile Limited had contingencies in respect of tax assessments, legal cases and bank guarantees to third parties in respect of expatriates amounting to **MUR 132.5M** (2022: MUR.100.5M).

C-Care (International) Ltd

At 30 June 2023, the Group has contingent liabilities in respect of bank and other guarantees of **MUR 1.7M**(2022: MUR 1.8M).

A plaint with summons was served on the company by Metropolis Bramser Lab Services (Mtius) Ltd ("Metropolis") claiming compensation amounting to **MUR 150M** (30 June 2022: MUR 150M) for damages suffered as a result of inter alia an alleged wrongful termination of the contract between the company and Metropolis. The company is strongly disputing this claim and the case has been fixed for the 2nd of October for continuation. Based on the legal advice obtained, management and the board have reasonable grounds to expect that no material financial impact will arise for the company.

There are also some legal cases regarding medical negligence against the Company for which judgement are yet to be delivered. The aggregate claims from plaintiffs for these legal cases amounts to **MUR 411M** (30 June 2022: MUR 386M).

41. COMMITMENTS

	THE GROUP	
	2023	2022
(a) Capital Commitments	MUR '000	MUR '000
Authorised by the directors and contracted for	408,836	64,767
Authorised by the directors but not contracted for	1,172,000	599,000
	1,580,836	663,767

(b) Guarantees and other obligations on account customers and commitment – Banking Segment

The guarantees and other obligations on account of customers and commitments for the banking segment amount to **MUR 4.2Bn** as at 30 June 2023 (2022: MUR 4.4Bn) denominated in Ariary.

42. DERIVATIVE FINANCIAL INSTRUMENTS

Accounting policies

As permitted by IFRS 9, the Group has elected to continue applying IAS 39 for hedge accounting requirements, hence the below accounting policies are applicable for both the financial years ended 30 June 2023 and 2022.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- Hedges of the fair value of recognised liabilities (fair value hedge);
- Hedges of a particular risk associated with a recognised liability or a highly probable forecast transaction (cash flow hedge); or
- Hedges of a net investment in a foreign operation (net investment hedge).

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

42. DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

Accounting policies (Cont'd)

Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedge

The Group applies only fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in profit or loss within finance costs. The gain or loss relating to the ineffective portion is recognised in profit or loss.

Changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk are recognised in profit or loss within finance costs.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to profit or loss.

Derivatives include forward exchange contracts and interest rate swaps with a notional amount of **MUR NILBn** (2022: MUR NILBn).

	Level 2
At 30 June 2023	MUR '000
Assets	
Derivatives used for hedging	147,235
Liabilities	
Derivatives used for hedging	(34,707)
	112,528
At 30 June 2022	
Assets	
Derivatives used for hedging	236,641
Liabilities	
Derivatives used for hedging	(66,610)
	170,031

	Level 2
	MUR '000
a. Assets	
Derivatives used for hedging	
Balance as at 01 July 2021	74,380
Gains recognised in profit or loss	162,261
Balance as at 30 June 2022	236,641
Gains recognised in profit or loss	(89,406)
Balance as at 30 June 2023	147,235

b. Liabilities	Level 2
	MUR '000
Derivatives used for hedging	
Balance as at 01 July 2021	(92,691)
Gains/(losses) recognised in profit or loss	26,081
Balance as at 30 June 2022	(66,610)
Gains/(losses) recognised in profit or loss	31,903
Balance as at 30 June 2023	(34,707)

c. Amount recognised in profit or loss	2023	2022
	MUR '000	MUR '000
Assets	(89,406)	162,261
Liabilities	31,903	26,081
	(57,503)	188,342

d. Amount recognised in other comprehensive income	2023	2022
	MUR '000	MUR '000
Assets	-	-
Liabilities	-	-
	-	-

43. CASH FLOW HEDGE

Accounting policies

Textile Segment

The Textile segment is involved in the production and sale of textile apparel, most of which is done through exports to foreign countries. The Textile Group is made up of Knitwear Cluster, Fine knits Cluster and Woven Cluster and is exposed to foreign exchange risk on the sale of textile products denominated in foreign currency. The Textile segment exports almost all of its production (South African Rand 'ZAR', United States Dollars 'USD', Great Britain Pound 'GBP' and Euro 'EUR').

The Textile segment is mainly faced to the following foreign exchange exposures:

Pre-transaction foreign currency risk

This arises before the transaction ('sale') becomes contractual while a quote is given to the client in foreign currency. Even though the transaction is not confirmed, movement in exchange rate to the disfavour of the Textile segment signifies a potential risk. If a customer later accepts the quote received, there is a risk that the foreign currency price then converted to MUR will not bring the desired margin.

Transaction foreign currency risk

Transactional foreign currency risk arises as soon as there is a contractual obligation between the Textile segment and the foreign customers. If nothing is done, there is a certain risk that the foreign exchange rate may weaken and if it so happens, the Group may only lose the intended margin on the transaction and may even incur losses if the exchange rate variations are drastically in disfavour of the segment.

The Textile segment adopted the following strategy:
The Treasury Committee and Chief Executive of the segment are responsible for the decision making, with the intention to take cover, through forward exchange contracts with a view to cover for sale transactions that are judged as being highly probable. The intention is to cover for transactional exposures as they are unveiled. Prerogative is given to the Treasury Committee and Chief Executive of the segment to decide if they would keep part of this position uncovered with the view of benefiting from potential currency appreciation against the MUR.

The Textile segment enters into forward covers to manage its foreign exchange risk on foreign denominated sales. Forward exchange covers are taken for orders received and which are highly probable, and this is designated as a cash flow hedge. Forward covers are used as a mechanism to fix the amount of foreign currency denominated sales which are used to modify cash flow between financial instrument and sales receipts upon realisation.

Financial instruments taken to hedge the Textile segment's sales are fair valued and recognised in the statement of financial position as financial assets/liability. For those sales on which a forward has been taken and which has materialised, the resulting fair value gain/loss on re-measurement is accounted for in profit or loss while for those transactions for which the underlying sale has not yet materialised, the fair value gain/loss is recorded in other comprehensive income. The latter is then recycled to profit or loss as soon as the sale materialises, and the goods are shipped.

The Textile segment enters into forward contracts (hedge instrument) to buy or sell foreign currencies at a specified future time at a price agreed upon the contract date. The price is locked until delivery of sales order which normally will not exceed 9 months. Hedge instruments, in this case forward exchange contracts, are expected to be highly effective to mitigate the foreign currency risk exposure on sales (hedged item). By selling forward, the Textile segment expects to mitigate long term currency exchange risk and will revalue in the opposite direction to the underlying transaction.

The objective of the Textile segment is to cover identified exposures (i.e. confirmed orders or highly probable sales orders) to the minimum of 75% and a maximum of 125%. However, this benchmark is determined on a case to case basis by the CEO and treasury committees of the respective business clusters while taking into consideration the specific transaction requirements.

For all sales not yet shipped and for which a forward exchange contract cover has been taken, the Textile segment performs a revaluation of outstanding forward contracts relating to cash flow hedges which is then recorded in the statement of comprehensive income.

Revaluation of outstanding forward contracts relating to transaction for which an asset has already crystallised in the statement of financial position (sales already shipped, and debtors raised) will be recorded in profit or loss.

Subsequently, the cash flow hedge recognised in other comprehensive income will be reversed in profit or loss in the following year, as an underlying asset would already have crystallised upon the orders being shipped (Sales not shipped last year would have been shipped this year).

Hedge instruments in the form of forward foreign exchange contracts is expected to be highly effective as the unshipped sales, which represents the hedged item, has a direct economic relationship to the forward foreign exchange contract entered into to mitigate the foreign exchange exposure on the Textile segment's unshipped and confirmed sales orders at year end.

Although effectiveness is certain to be 100% as long as plain vanilla forward contracts are used, a 10% error margin in the hedge effectiveness is considered as acceptable. To determine effectiveness of the hedge, the list of hedge instruments (forward contracts) are matched with list of sales not yet shipped/highly probable sales (hedged items).

The Textile segment has a single risk category which is the foreign exchange risk on foreign denominated sales.

The Textile segment does not have any forecast transaction for which hedge accounting had been used in the previous period, but which is no longer expected to occur.

43. CASH FLOW HEDGE (CONT'D)

Accounting policies (Cont'd)

The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period:

Textile Cluster

Outstanding contracts	2023	2022	2023		2022		2023	2022	2023	2022	2023	2022
	Average exchange rate		Sell	Buy	Sell	Buy	Fair value		Contract value		Gain/(loss)	
			FC'000	FC'000	FC'000	FC'000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Sell currency EUR and buy currency USD	1.08	1.08	5,259	5,660	2,923	3,167	255,250	(105,109)	253,288	(98,775)	(1,962)	6,334
Sell currency EUR and buy currency MUR	50.43	-	1,315	66,312	-	-	66,312	-	68,482	-	2,170	-
Sell currency GBP and buy currency USD	1.24	1.36	770	954	5,417	7,360	43,037	(321,623)	42,507	(285,852)	(530)	35,771
Sell currency GBP and buy currency MUR	57.98	58.65	870	50,442	2,129	124,873	50,442	(124,873)	51,705	(111,892)	1,263	12,981
Sell currency ZAR and buy currency USD	0.06	0.06	49,491	2,724	183,933	11,569	122,948	363,685	129,734	393,553	6,786	29,868
Sell currency ZAR and buy currency MUR	2.48	2.78	188,745	468,202	371,399	1,031,225	468,202	489,549	492,257	565,194	24,055	75,645
Sell currency USD and buy currency MUR	46.03	44.27	22,310	1,026,927	21,065	932,504	1,026,364	932,504	1,048,237	948,166	21,873	15,662
Sell currency USD and buy currency ZAR	18.57	15.84	2,629	48,808	2,000	31,686	117,815	83,651	118,285	80,573	470	(3,078)
Sell currency USD and buy currency INR	83.08	77.41	7,100	589,902	18,755	1,451,817	399,114	813,017	402,734	797,582	3,620	(15,435)
Sell currency GBP and buy currency INR	104.14	104.75	5,850	609,206	1,327	138,999	362,770	77,840	361,946	80,862	(824)	3,022
Sell currency EUR and buy currency INR	91.27	86.29	4,400	401,572	3,594	310,143	225,567	173,680	228,421	176,388	2,854	2,708
Total							3,137,821	2,382,321	3,197,596	2,545,799	59,775	163,478

	2023	2022
Recognised as follows:	MUR '000	MUR '000
On statement of financial position		
Fair value asset on forward contracts	60,397	173,183
Fair value liability on forward contracts	(622)	(9,705)
	59,775	163,478
In statement of profit or loss		
Gain on financial derivatives	171,795	163,478
In statement of other comprehensive income		
Loss on financial derivatives	(112,020)	-
	59,775	163,478

43. CASH FLOW HEDGE (CONT'D)

Accounting policies (Cont'd)

Hotels & Resorts segment

The segment is exposed to foreign currency risk, most significantly to the Euro, Pound Sterling and US Dollar, on the segment's sales denominated in these currencies. The segment hedges these exposures by entering into foreign currency loans ("hedging instruments") with future principal payments that will match the future sales ("hedged item") in these currencies. All exchange differences arising on the conversion of foreign currency loans are deferred in equity, under the cash flow hedge reserve to the extent that the hedge is effective. On recognition of the hedged sales, the foreign currency gain/loss is netted off by releasing a portion of the cash flow hedge reserve.

The hotels and resorts segment has reviewed the hedging portfolio to confirm whether the underlying transactions remain "highly probable".

At the time of reporting, management has identified:

(i) A portion of foreign currency sales which are no longer deemed to be "highly probable" but are still expected to occur. Hence, the corresponding cumulative gain or loss deferred in equity whilst the hedge was effective remains in equity until the forecasted transaction occurs.

(ii) A portion of foreign currency sales which are no longer deemed to the "highly probable" and are not expected to occur. Hence the corresponding cumulative gain or loss deferred in equity whilst the hedge was effective are immediately removed from equity and are recognised in the statement of profit or loss.

Below is a schedule indicating as at 30 June 2023, the periods when the hedge cash flows are expected to occur and when they are expected to affect profit or loss.

	Within 1 year	1 to 3 years	3 to 5 years	More than 5 years
THE GROUP	MUR '000	MUR '000	MUR '000	MUR '000
2023				
Cash inflows	345,582	1,485,553	1,435,873	1,006,063
Cash outflows	(345,582)	(1,485,553)	(1,435,873)	(1,006,063)
Net cash outflows	-	-	-	-
2022				
Cash inflows	803,083	1,333,405	1,347,851	922,465
Cash outflows	(803,083)	(1,333,405)	(1,347,851)	(922,465)
Net cash outflows	-	-	-	-

Financial services segment

The Financial services segment had the following forward foreign exchange contracts outstanding at the end of the reporting period.

	Notional amount		Carrying amount	
	Sell	Buy	Assets	Liabilities
	MUR '000	MUR '000	MUR '000	MUR '000
2023				
EUR to MUR	280,030	280,030	7,214	7,214
EUR to GBP	821	819	2	-
GBP to MUR	160,909	218,379	3,492	3,716
GBP to USD	58,103	-	86	-
USD to MUR	913,073	729,026	10,965	10,726
ZAR to MUR	259,063	305,136	10,527	9,496
ZAR to USD	47,485	-	-	1,798
2022				
EUR to MUR	1,481	27,516	119	433
EUR to USD	38,832	10,348	933	898
GBP to MUR	51,550	47,130	6,411	6,411
GBP to USD	6,817	6,128	714	714
USD to MUR	1,129,823	950,329	22,209	15,388
ZAR to MUR	727,419	734,950	30,537	31,964
ZAR to USD	37,749	22,890	2,534	1,097

44. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) The Group		Dividend Income MUR '000	Rental and Other Income MUR '000	Management Fees Receivable MUR '000	Amount owed by Related Parties MUR '000	Amount owed to Related Parties MUR '000
Associated companies	2023	67,453	10,982	2,791	16,122	-
	2022	60,530	18,650	6,865	32,462	5,732
Enterprises that have a number of common directors	2023	-	1,175	-	460	-
	2022	-	217	-	9,018	9,747
Joint ventures in which the company is a venturer	2023	346,727	6,252	8,930	50,505	2,672
	2022	84,000	1,741	-	-	-
Shareholders, Director and Key management personnel	2023	-	-	-	-	-
	2022	-	400	-	-	5,467

(b) The Company		Dividend Income MUR '000	Management Fees and Other Expenses MUR '000	Interest, Rental and Other Income MUR '000	Financial Charges MUR '000	Non Current receivable MUR '000	Loans at Call MUR '000	Amount owed by Related Parties MUR '000	Amount owed to Related Parties MUR '000
Subsidiary companies	2023	871,288	45,362	1,048	5,288	56,048	287,193	649,793	1,989
	2022	577,733	61,205	526	1,532	-	48,071	555,533	17,818
Associated companies	2023	7,612	-	-	-	-	-	-	-
	2022	7,793	-	-	-	-	-	376	-

Amounts owed to/by related parties are unsecured and are repayable as per contractual terms. There have been no guarantees provided or received for any related party receivables/payables. The Company has not recorded any impairment of receivables during the year. This assessment is undertaken each year through examining the financial position of the related party.

Management fees and other expenses relate to services provided for Strategic, Corporate Governance, Company Secretary & Registry, Legal Support, Communication and Corporate Finance.

(c) Key management personnel salaries and compensation

	THE GROUP 2023 MUR '000	THE GROUP 2022 MUR '000
Salaries and short-term employee benefits	553,513	527,676
Post-employment benefits	33,091	18,987
	586,604	546,663

45. FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's objective is to provide long term capital growth and regular appreciation in dividend income distribution to investors. This objective is being fulfilled through investing in a diversified portfolio of equity and equity related investments.

(i) Banking specific segment

BNI Madagascar SA ("BNI") is a bank under the financial services segment. The Group analyses the financial risk management of BNI separately as the banking operations are different compared to other entities in the Group.

BNI's activities expose it to financial risks such as market risk (including price, currency and interest rate risk), credit risk and liquidity risk.

(ii) Non-banking specific segment

Textile segment
The cluster's credit risk is primarily attributable to its trade receivables and bank balances. For banks and financial institutions, the cluster only transacts with highly reputable counterparties. The amount presented within the Group's segmental note is net of allowances for doubtful receivables, estimated by the management based on prior experience and the current economic environment. The cluster has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

Hotels and Resorts segment
The cluster has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The cluster only transacts with entities of good credit rating. This information is supplied by independent rating agencies where available and, if not available, the cluster uses other publicly available financial information and its own trading records to rate its major customers. The cluster's exposure and the credit risks of its counterparties are continuously monitored. The carrying amount of financial assets recorded, which is net of impairment losses, represents the cluster's maximum exposure to credit risk without considering the value of any collateral obtained.

Agro segment
The cluster's risk is primarily attributable to its receivables. The amount presented within the Group's segmental note is net of allowances for doubtful receivables, estimated by the management based on prior experience and the current economic environment.

Property segment
The cluster's credit risk is primarily attributable to its trade receivables. The amounts presented in the Group's segmental note are net of allowances for doubtful receivables, estimated by the cluster's management based on a prior experience and the current economic environment. The cluster has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of customers and an ongoing credit evaluation is performed on the financial condition of accounts receivable by management. Cash and cash equivalents are maintained with reputable banks.

Healthcare segment
The cluster's risk is primarily attributable to its trade receivables. The amount presented within the Group's segmental note is net of allowances for credit losses, estimated by the management based on prior experience and the current economic environment. The cluster has a dedicated debtors recovery team that monitors its debtors balance. Where applicable, the cluster takes necessary legal actions in order to recover its balances from the debtors. The cluster has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

Financial services segment
The cluster's credit risk from its non-banking operations is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of provision for impairment calculated in accordance with IFRS 9 based on history, the current economic environment, and future macro-economic variables. The cluster has policies in place to ensure that sales of services are made to customers with an appropriate private credit history. The credit quality of this financial asset can be assessed by the historical information about the financial strengths of the financial institutions the cluster is dealing with. In the opinion of the cluster, there is no associated risk as these are reputable institutions.

The cluster has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The cluster has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable. The cluster does not hold any collateral security for receivables relating to the non-banking segment.

(b) Credit risk

Credit risk is the risk of suffering financial loss, should any customers, clients or market counterparties fail to fulfil their contractual obligations to the Group.

(i) Non-banking specific segment

The credit risk exposure of the Group's non-banking segment has been assessed in Notes 19(e), 20 and 24.

(ii) Banking specific segment – BNI Madagascar SA ("BNI")

Credit risk is the risk of suffering financial loss should any of BNI's customers or market counterparties fail to fulfil their contractual obligations to BNI. Credit risk arises across all its asset classes and is primarily centered around its loans and advances portfolio.

BNI is also exposed to credit risks arising from its investments in Securities and other exposures arising from its trading activities ('trading exposures'). Management carefully manages its exposure to credit risk through the centralized Risk Team headed by the BNI's Chief Risk Officer who reports to Indian Ocean Financial Holding Limited's ('IOFHL') Credit and Risk Committees.

Credit Risk Management

The Group has ensured clear policymaking is in place regarding risk appetite whilst balancing risk and reward. All policies and limits are presented to the IOFHL board for approval and information.

The strategy is to set a global acceptable level of risk and exposure limits supported by a framework to ensure that the risks taken remain within the acceptable threshold. The risk appetite approved by the Board includes a global limit set with regards to various counterparties, sovereigns and sectors. The credit policy is subject to an annual review.

Management regularly reviews the loan portfolio, including non-performing loans, and periodically submits reports to the credit committee to ensure adequacy of provision and monitoring of non-performing facilities.

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Limit Management and Mitigation policies

BNI manages limits and controls concentrations of credit risk wherever they are identified – within individual counterparties, groups and sectors.

BNI structures credit risk by placing limits on the level of risk accepted for one borrower, one group of borrowers, or for industry segments. Such risks are monitored on a recurring basis and are subject to annual or more frequent reviews when considered necessary. Limits on

the level of credit risk by product or industry sector are monitored quarterly at the level of the Credit Committee, which thereafter makes representations to the Board of Directors.

Lending limits are reviewed in the light of changing market and economic conditions, periodic credit reviews and assessments of probability of default.

Counterpart limits

BNI defines a single counterparty as a legally and/or financially consolidated counterparty or group of counterparties. The local regulatory framework provides for two prudential ratios that need to be met at all times:

1. Commitment to a single counterparty should not exceed 35% of the Bank's capital base
2. All major risks (cumulative commitments in favor of shareholders, the Board of Directors and auditors) is set at a maximum threshold of 10% of capital base.

In principle, the maximum risk that the Bank is prepared to take is defined according to the creditworthiness, expected credit loss (ECL) and probability of default (PD) of the counterparty. And as a general rule, limits are proportional to the bank's capital base.

Sectoral limits

BNI aims to maintain a reasonably diversified portfolio in terms of exposure to business sectors. To this end, limits have been set and regularly revised for the maximum credit exposure to a single sector (as a percentage of total exposure) according to market dynamics, outlook and risk profiles of each sector, assessed periodically through sector reviews carried out by the Bank.

Sovereign limits

The key attribute for determining sovereign limits is the country risk rating assessed by rating agencies and the sovereign risk assessment conducted internally. This assessment is regularly updated based on the macroeconomic outlook, changes in the business environment, the quality of governance as well as the country's political risk profile.

Credit monitoring system

- Watch-list committee in place to review changes in risk grade of customers and to closely monitor watch-listed customers.
- Close monitoring and follow up strategies have also been put in place to engage with borrowers as soon as they show signs of distress (decrease in transactional flows of cash, deterioration in risk grade and credit scoring, industry distress, etc.), especially in the corporate segment. An early warning system has been embedded to monitor borrower-specific signs of distress and a systematic reporting is frequently addressed to senior management and credit committees.

Risk Reporting

- BNI is committed to strengthening its data infrastructure to further automate the credit risk reporting systems (specifically through the use of Business Intelligence System). Therefore, the bank will continue to strengthen its monitoring framework, supported by an adequate data infrastructure, to ensure that credit risk reports are relevant, reliable, complete, up-to-date and provided in useful time.
- Main reports include Large Exposures, Credit Concentration, Arrears and Excess Management, Non-Performing Loans and Advances, IFRS9, amongst others.

Portfolio stress testing

- An effective portfolio stress test program is carried out periodically by the bank as it plays an important role in facilitating the development of credit risk mitigation plans.
- This stress test program is documented and the results analyzed in order to strengthen the overall credit risk management framework.

Collateral Management

- Enhancement of the collateral assessment notably a meticulous monitoring of the evolution in market price of pledged assets and goods.
- Ensure that the mortgaged property is in the name of the client.
- Mechanisms in place whereby local or international guarantee funds provide additional security for rescheduled facilities or distressed assets.

Recovery Management

- Dedicated Recovery Unit in place with clear targets and objectives.
- Establishment of a Pre-Contentieux Function within Corporate Banking.
- Clear KPIs for recovery assigned to Heads of Business and cascaded to their downstream teams.
- To be more effective in recovery and foster a better management of the NPL portfolio, a recoverability score mechanism is in place, especially for Corporate and SME NPLs. This approach allows the recovery department to adopt a proactive strategy for each segment.
- Enhancement of NPL report and dashboard to Senior Management and Board Credit Committees.

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Some other specific control and mitigation measures are outlined below:

(a) Collateral

BNI employs a range of policies and practices to mitigate credit risk. The most common of these is securing collateral against disbursed funds.

The principal collateral types for loans and advances are:

- Mortgages over residential properties.
- Charges over business assets such as premises, inventory and trade receivables.
- Charges over financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. In addition, in order to minimise the credit loss, BNI will seek additional collateral from the counterparty as soon as impairment indicators are identified for the relevant loans and advances.

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument. Debt securities, treasury bonds and bills are generally unsecured.

(b) Lending limits (for loan books)

BNI maintains strict control limits on loan books. The amount subject to credit risk is limited to expected future net cash inflows of instruments, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not always obtained for credit risk exposures on these instruments, except where the Bank requires margin deposits from counterparties.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities.

(c) Financial covenants (for credit related commitments and loan book)

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans.

Documentary and commercial letters of credit – which are written undertakings by BNI on behalf of a customer authorising a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions – are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, BNI is potentially exposed to loss of an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards (often referred to as financial covenants).

BNI monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

(d) Collateral review policy

As part of the monitoring of credit risks, the need for continuous monitoring of the realisable value of the collateral held by the bank is important in order to ensure that there is a net realizable value to cover the outstanding amount. Thus, the need to justify the valuation of collateral is necessary:

- Upon initial disbursement.
- When renewing the customer's credit line and according to the following criteria:
  - Real estate: every 3 years.
  - Vehicles and Equipment: every year.
  - For pledged stocks: as per frequency stipulated in the credit agreement which can vary from 3 months to a year.
- Before the establishment of the pledge to ascertain the existence of stocks and to verify whether the stocks are pledged or not.
- At the first release and/or additional release via promissory notes.
- On the renewal of promissory notes (generally quarterly).

Furthermore, at the request of the Risk Department, collateral assessment and/or reassessment reviews may be carried out without considering the above criteria. In addition, the general principles of collateral assessment and reassessment are mentioned in the collateral management policy of BNI.

The maximum exposure to credit risk before collateral for the banking segment is as follows:

	2023	2022
Credit risk exposure to on-balance sheet assets:	MUR '000	MUR '000
Cash and cash equivalents	8,137,451	9,755,292
Loans and advances to customers	23,552,903	24,281,657
Investment in securities	5,907,011	6,335,249
Trade and other receivables	497,928	513,224
Export documentary remittances	2,056,982	2,449,652
Total on balance sheet exposure	40,152,275	43,335,074
Credit risk exposure to off-balance sheet assets:		
Acceptances, guarantees, letter of credit and other obligations on account of customers	4,250,000	4,413,841
Total on and off-balance sheet exposure	44,402,275	47,748,915

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Risk limit control and mitigation policies

BNI also reviews its concentration risk to ensure that it is not significantly exposed to a specific category of customers. The table below analyses BNI's exposure:

	2023		2022	
	MUR '000	Exposure	MUR '000	Exposure
Corporate	16,784,644	47%	17,893,595	41%
Central Bank	9,156,294	21%	10,491,447	24%
Financial institution	7,510,920	17%	5,583,330	13%
Retail	6,700,417	15%	9,366,703	22%
	40,152,275		43,335,075	

Credit risk measurement

Loans and advances (including loan commitments and guarantees)

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposures vary with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. In measuring credit risk of loan and advances at a counterparty level, BNI considers three components: (i) the 'probability of default' (PD) by the client or counterparty on its contractual obligations; (ii) current exposures to the counterparty and its likely future development, from which the Group derives the 'exposure at default' (EAD); and (iii) the likely recovery ratio on the defaulted obligations (the 'loss given default') (LGD). The models are reviewed regularly to monitor their robustness relative to actual performance and amended as necessary to optimise their effectiveness.

This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.

(i) Probability of default

The probability of default (PD) is the likelihood that a particular borrower will default. IFRS 9 requires a multi-period forward-looking measure of PD that depends on macroeconomic factors. In other words, the PD model must produce a term structure of point in time PDs. Using historical data, a survival model was developed to produce a through-the-cycle PD term structure, followed by an econometric regression of the PDs for calibration to a point in time term structure over 5 years.

(ii) Exposure at default

EAD is based on the amounts BNI expects to be owed at the time of default. For example, for a loan this is the face value. For a commitment, BNI includes any amount already drawn plus the further amount that may have been drawn by the time of default, should it occur. The EAD for term loans and leases is estimated by calculating the expected exposure for the next 12 months. Firstly, the expected closing balance is estimated (assuming the borrower will pay regularly up to the month under observation). Off Balance sheets items comprise of Bank Guarantee, Letter of Credit, Acceptance, Swap, Spot and Forward.

The EAD of all Off-Balance sheet items is calculated using the regulatory credit conversion factor - Contractual Cash Flow ('CCF') figure of 100%. Overdraft and credit limit have an internally derived CCF parameter of around 25% given their revolving nature. Revolving facilities include arrangements which allow the facility to be withdrawn, repaid and redrawn again in any manner and any number of times until the agreement expires.

(iii) Loss given default/loss severity

Loss given default or loss severity represents BNI's expectation of the extent of loss on a claim should default occur. It is expressed as percentage loss per unit of exposure. It typically varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support.

The measurement of exposure at default and loss given default is based on the risk parameters standard under Basel II for measuring the exposure for credit risk on a portfolio basis (for example, mortgage loans).

For both LGD and PD, the Bank segmented its book based on its various segments: Retail (Civil Servants and Individuals), Corporate, SME and Institutional. Collateral was also factored in the model as it indicates a better probability of recovery.

Based on a historical measurement, the bank adopted a calculated LGD for the Retail (Civil Servants and Individuals) and SME segments. To appropriately reflect the economic value of the amounts recovered, especially with regards to the recovery time after the contract breach, the use of the present value notion has been integrated into the computation. A discounting factor has been applied to derive the present value of the recovered amount. Therefore, the LGD rate is calculated as follows:

LGD (%) = 1- (Present value of recovered amount/Outstanding)

Note:

Present value of recovered amount = (Adjusted outstanding – Write-off – Recovery fees + Write-off recuperation) * Discounting factor

Discounting factor = 1/(1+discount rate)^n

BNI used the Average Interest Rate as Discount rate, which represents portfolio yield rate by segment.

n: number of years between the date of contract breach and the date the file is closed.

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

For the Corporate, Mid-Cap and Institutional segments, LGD estimates were referenced from the Moody's Default and Recovery Database given availability of recovery rates at a sectoral level. A sector mapping process was performed between internal and Moody's sectoral classification.

BNI is committed to a continuous improvement process to understand the IFRS 9 mechanics and build a system that fully reflects the reality of the counterparty risk carried by its activities. The ECL parameters mentioned above, whose importance have been recognized, are complex components that must be based on a history of reliable and representative data together with rationalized management rules. Lack of data has been a limiting factor for the Bank, however BNI is committed to eliminate or mitigate all limiting factors with a view to incorporate additional forward-looking adjustments within the ECL parameters as and when feasible.

The table below represents an analysis of BNI's assets as at 30 June 2023 and 2022:

	AAA	BBB/BB	CC/C/D	Unrated	Total
2023	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
Credit rating					
Loans and advances to customers	514,118	12,961,391	3,185,130	6,892,264	23,552,903
Investment in securities	-	-	-	5,907,011	5,907,011
Cash and cash equivalent	-	3,536,194	-	4,601,257	8,137,451
Trade and other receivables	5	22,933	413	474,577	497,928
Export documentary remittances	13,687	326,987	63,253	1,653,055	2,056,982
	527,810	16,847,505	3,248,796	19,528,164	40,152,275
Off balance sheet exposure	1,596,591	2,227,500	3,440	422,469	4,250,000
Total on and off-balance sheet	2,124,401	19,075,005	3,252,236	19,950,633	44,402,275
2022					
Credit rating					
Loans and advances to customers	625,921	13,125,464	2,942,559	7,587,713	24,281,657
Investment in securities	-	6,302,826	-	32,423	6,335,249
Cash and cash equivalent	-	4,707,188	-	5,048,105	9,755,293
Trade and other receivables	-	-	1,473	511,751	513,224
Export documentary remittances	-	-	-	2,449,652	2,449,652
	625,921	24,135,478	2,944,032	15,629,644	43,335,075
Off balance sheet exposure	1,521,074	2,553,669	42,681	296,417	4,413,841
Total on and off-balance sheet	2,146,995	26,689,147	2,986,713	15,926,061	47,748,916

Expected credit loss measurement (ECL)

The IFRS 9 impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, lease receivables, loan commitments and certain financial guarantee contracts.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'stage 1' and has its credit risk continuously monitored by the Bank.
- If a significant increase in credit risk (SICR) since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired. Refer to the next page for a description of how the Bank determines when a significant increase in credit risk has occurred.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'stage 3'. The definition of default and credit-impaired asset has been provided in the next section.
- Financial instruments in stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events within the next 12 months. Instruments in stages 2/3 have their ECL measured on expected credit losses on a lifetime basis. Refer to the next section for a description of inputs, assumptions and estimation techniques used in measuring ECL.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (stage 3). Currently the Bank does not have any purchased or originated credit-impaired financial assets on its books.

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared credit risk characteristics, such that risk exposures within a group are homogeneous. During the financial year, an extensive exercise was performed to identify homogeneous risk segments by leveraging on key quantitative metrics based on available data. The Bank's groupings are mainly based on lines of business (LOB), sub-segment and type of product.

The following diagram summarizes the impairment requirements under IFRS 9 (other than purchased or originated credit impaired financial assets):

CHANGE IN CREDIT QUALITY SINCE INITIAL RECOGNITION

STAGE 1	STAGE 2	STAGE 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

The key judgements and assumptions adopted by the Bank in addressing the requirements of the standard are discussed below:

Significant increase in credit risk (SICR)
The Bank considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following qualitative or backstop criteria have been met.

Qualitative criteria

For Retail portfolios, if the borrower meets one or more of the following criteria:

- Short-term forbearance
- Direct debit cancellation
- Extension to the terms granted

For Corporate and Investment portfolios, if the borrower is on the Watchlist and/or the instrument meets one or more of the following criteria:

- Significant increase in credit spread
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse change in operating results of the borrower
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early sign of cashflow/liquidity problems such as delay in servicing of trade creditors/loans

The assessment of SICR is performed on a quarterly basis at a portfolio level for all retail financial instruments held by the Bank. In addition to Corporate and Investment Financial Instruments, where a watchlist is used to monitor credit risk, this assessment is performed at the counterparty level on a quarterly basis. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

Definition of default and credit-impaired assets
The Bank defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria

The borrower meets unlikeliness to pay criteria which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is deceased
- The borrower is insolvent
- The borrower is in breach of financial covenant(s)
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable than the borrower will enter bankruptcy
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses

The criteria above have been applied to all financial instruments held by the Bank and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) throughout the Bank expected loss calculations.

In case of debt restructuring, the asset is considered to be no longer in default (i.e., to have cured) when: (a) down payment of 10% of outstanding debts is made before the restructuring takes place or (b) there is no default after a cooling period of six months.

Measuring ECL- Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are discounted product of the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per 'Definition of default and credit-impaired' above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Bank expects to be owed at the time of default, over the next 12 months (12M PD), or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Bank includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the Bank expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support.
- LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is an estimate of loss from a transaction, given that a default occurs. It is computed as the loss amount which equals the write-offs, recovery costs, finance fees as a proportion of the exposure at the time of default.

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

The ECL is determined by projecting the PD, LGD and EAD for each future year and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future year, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the contractual interest rate.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by line of business:

- For amortizing products and bullet repayment loans, this is based on the contractual repayments owned by the borrower over a 12M or lifetime basis. This will be adjusted for any expected overpayments made by a borrower.
- For revolving products, the exposure at default is predicted by considering the current drawn balance and the expected drawdown. A credit conversion factor (CCF) is used to calculate the expected drawdown and is currently an internally derived parameter based on historical default events for revolving products.

LGD factors are determined based on the factors such as recoveries, customer type and secured/unsecured status.

The lifetime PD is computed using the survival analysis method. Using historical data, a survival model was developed to produce a through-the-cycle PD term structure for each portfolio, followed by a regression model of the PDs for calibration to a point in time term structure.

The assumptions under the ECL calculation such as how the maturity profile of the PDs and how collateral value change are monitored and reviewed on a quarterly basis. During the financial year, the ECL parameters have been recalibrated using relevant estimation techniques and assumptions.

Forward-looking information incorporated in the ECL models
The calculation of ECL incorporates forward-looking information in the PD model. Based on the identified homogenous risk segments, a long run average default rate is calculated based on actual default experience. Subsequently, a PD Term Structure is generated by multiplying derived forward-looking scalars to the long run average default rate. This exercise is performed for the different line of business.

During the financial year, the Bank has developed several regression models which are used in the derivation of the forward-looking scalars. The regression models leverage on macroeconomic variables which are specific to Madagascar. The selected macroeconomic variables are inflation, volume of imports, Gross Domestic Product and Total Investment. The forward-looking scalar is derived using the economic forecasts of the selected macroeconomic variables.

The macroeconomic variables are sourced from International Monetary Fund ("IMF") based on the latest available economic outlook. The economic outlook is updated bi-annually. Forecasts obtained from IMF are considered as baseline projections. Three economic scenarios are being considered namely upturn, baseline and downturn. A standard deviation approach was used to arrive at estimates for upturn and downturn scenarios.

For the respective line of business, forward-looking PDs are derived using outputs obtained from the regression models. The PDs projections are computed for the different economic scenarios. A weighted average forward-looking PD is then derived using weights assigned to the respective economic scenarios. Finally, a forward-looking scalar is derived by dividing the weighted average forward-looking PD to the long run average default rate.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may differ, however the Bank is committed in strengthening the model validation process to monitor actual and expected default events in order to avoid volatility in the ECL numbers.

Economic forecasts are provided in the table below. For ease of presenting, yearly forecasts are provided (whereas the model uses interpolated estimates).

		2023	2024	2025	2026	2027
Inflation Index	Base Case	170.98	185.73	200.45	214.93	228.96
	Upside Case	146.52	161.27	175.99	190.47	204.50
	Downside Case	195.44	210.19	224.91	239.39	253.42
Volume of Imports	Base Case	108.92	109.62	121.05	124.55	128.63
	Upside Case	95.59	96.28	107.72	111.21	115.30
	Downside Case	122.25	122.95	134.39	137.88	141.97
Gross Domestic Product	Base Case	536.47	560.15	590.26	620.07	653.24
	Upside Case	580.82	604.51	634.62	664.42	697.59
	Downside Case	492.11	515.80	545.91	575.71	608.88
Total Investment	Base Case	25.32	24.64	25.80	25.37	25.67
	Upside Case	30.81	30.13	31.29	30.86	31.16
	Downside Case	19.83	19.15	20.31	19.88	20.18

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Sensitivity analysis

The relationship between historical default rates and the selected macroeconomic variables were substantiated using correlation as a measure. It is however important to note that the selection of macroeconomic variables is also dependent on the expected intuitive relationship with default rates for e.g., as Gross Domestic Product increases, we expect default rates to decrease given economic improvement within the country.

Set out below is a sensitivity analysis performed at product type level, whereby the forward-looking scalar was increased and decreased by 10%. This provides an indication of the ECL numbers in the event where the forward-looking scalar is misstated.

Line of Business	Change in ECL (+10%) (MUR'000)	Change in ECL (-10%) (MUR'000)
Retail Credit	12,416	(12,420)
Corporate Credit	9,209	(9,226)
Leasing	774	(776)
Authorization (Temporary Limits)	523	(525)
Limits (Overdrafts & Discounting)	1,567	(1,572)

Maximum exposure to credit risk- Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised.

The gross carrying amount of financial assets overleaf also represents the Bank's maximum exposure to credit risk on these assets:

Loans & advances to customers at amortised cost

	30 June 2023			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	19,199,560	-	-	19,199,560
Special Mention	-	3,934,062	-	3,934,062
Sub-Standard	-	-	2,382,066	2,382,066
Gross carrying amount	19,199,560	3,934,062	2,382,066	25,515,688
Loss Allowance	(238,244)	(37,599)	(1,686,942)	(1,962,785)
Carrying amount	18,961,316	3,896,463	695,124	23,552,903

	30 June 2022			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	20,708,310	-	-	20,708,310
Special Mention	-	1,745,740	-	1,745,740
Sub-Standard	-	-	3,671,731	3,671,731
Gross carrying amount	20,708,310	1,745,740	3,671,731	26,125,781
Loss Allowance	(264,700)	(68,302)	(1,511,122)	(1,844,124)
Carrying amount	20,443,610	1,677,438	2,160,609	24,281,657

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Investment securities at amortised cost

	30 June 2023			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	5,917,357	-	-	5,917,357
Special Mention	-	-	-	-
Gross carrying amount	5,917,357	-	-	5,917,357
Loss Allowance	(10,346)	-	-	(10,346)
Carrying amount	5,907,011	-	-	5,907,011

	30 June 2022			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	6,336,485	-	-	6,336,485
Special Mention	-	-	-	-
Gross carrying amount	6,336,485	-	-	6,336,485
Loss Allowance	(1,236)	-	-	(1,236)
Carrying amount	6,335,249	-	-	6,335,249

Cash & Cash Equivalents at amortised cost

	30 June 2023			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	8,144,959	-	-	8,144,959
Special Mention	-	-	-	-
Gross carrying amount	8,144,959	-	-	8,144,959
Loss Allowance	(7,508)	-	-	(7,508)
Carrying amount	8,137,451	-	-	8,137,451

	30 June 2022			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	9,712,031	-	-	9,712,031
Special Mention	-	44,881	-	44,881
Gross carrying amount	9,712,031	44,881	-	9,756,912
Loss allowance	(1,579)	(41)	-	(1,620)
Carrying amount	9,710,452	44,840	-	9,755,292

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Trade & Other Receivables at amortised cost

	30 June 2023			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	497,131	-	-	497,131
Special Mention	-	483	-	483
Sub-Standard	-	-	1,111	1,111
Gross carrying amount	497,131	483	1,111	498,725
Loss Allowance	-	-	(797)	(797)
Carrying amount	497,131	483	314	497,928

	30 June 2022			
	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	511,751	-	-	511,751
Special Mention	-	-	-	-
Sub-Standard	-	-	2,430	2,430
Gross carrying amount	511,751	-	2,430	514,181
Loss Allowance	-	-	(957)	(957)
Carrying amount	511,751	-	1,473	513,224

Off-Balance Sheet items

	30 June 2023			
Financial guarantees	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	4,153,554	-	-	4,153,554
Special Mention	-	117,196	-	117,196
Sub-Standard	-	-	9,915	9,915
Gross carrying amount	4,153,554	117,196	9,915	4,280,665
Loss allowance	(22,454)	(2,311)	(5,900)	(30,665)
Carrying amount	4,131,100	114,885	4,015	4,250,000

	30 June 2022			
Financial guarantees	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Performing	4,328,320	-	-	4,328,320
Special Mention	-	107,803	-	107,803
Sub-Standard	-	-	9,280	9,280
Gross carrying amount	4,328,320	107,803	9,280	4,445,403
Loss allowance	(23,571)	(4,184)	(3,807)	(31,562)
Carrying amount	4,304,749	103,619	5,473	4,413,841

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

BNI closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Bank will take possession of collateral to mitigate potential credit losses.

The following tables set out the credit quality of exposures measured against the expected credit losses with the carrying value and the related collateral held in order to mitigate potential losses are shown below:

30 June 2023	**Gross Exposure**				**Expected Credit Losses**				**Carrying Amount**				**Fair value of collateral held**
	MUR'000				**MUR'000**				**MUR'000**				**MUR'000**
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	
Corporate Banking	12,862,860	3,755,538	1,310,122	17,928,520	(69,741)	(27,097)	(872,009)	(968,847)	12,793,119	3,728,441	438,113	16,959,673	179,216,550
Institutionals	75,089	4	9,376	84,469	(263)	-	(7,444)	(7,707)	74,826	4	1,932	76,762	117,116
Mid-Cap	1,658,665	2,836,908	761,770	5,257,343	(29,599)	(20,236)	(480,941)	(530,776)	1,629,066	2,816,672	280,829	4,726,567	96,078,357
Tier 1 Corporates	11,129,106	918,626	538,976	12,586,708	(39,879)	(6,861)	(383,624)	(430,364)	11,089,227	911,765	155,352	12,156,344	83,021,077
Retail Banking	5,267,106	95,840	668,655	6,031,601	(116,842)	(5,094)	(471,128)	(593,064)	5,150,264	90,746	197,525	5,438,535	2,624,363
Civil Servants	3,064,429	36,880	208,482	3,309,791	(14,909)	(326)	(101,984)	(117,219)	3,049,520	36,554	106,498	3,192,572	139,014
Other Individuals	2,202,677	58,960	460,173	2,721,810	(101,933)	(4,768)	(369,144)	(475,845)	2,100,744	54,192	91,027	2,245,963	2,485,349
SME Banking	1,069,594	82,684	403,290	1,555,568	(51,661)	(5,408)	(343,804)	(400,873)	1,017,933	77,276	59,486	1,154,695	6,804,300
Total	19,199,560	3,934,062	2,382,067	25,515,689	(238,244)	(37,599)	(1,686,941)	(1,962,784)	18,961,316	3,896,463	695,124	23,552,903	188,645,213

30 June 2022	Gross Exposure				Expected Credit Losses				Carrying Amount				Fair value of collateral held
	MUR'000				MUR'000				MUR'000				MUR'000
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	
Corporate Banking	14,968,545	1,467,843	1,972,502	18,408,890	(104,960)	(53,407)	(777,046)	(935,413)	14,863,585	1,414,436	1,195,456	17,473,477	118,036,537
Institutionals	674,485	16,907	15,629	707,021	(19)	(16)	(6,157)	(6,192)	674,466	16,891	9,472	700,829	727,189
Mid-Cap	2,746,088	703,083	1,003,581	4,452,752	(40,907)	(34,113)	(395,350)	(470,370)	2,705,181	668,970	608,231	3,982,382	66,621,556
Tier 1 Corporates	11,547,972	747,853	953,292	13,249,117	(64,034)	(19,278)	(375,539)	(458,851)	11,483,938	728,575	577,753	12,790,266	50,687,792
Retail Banking	4,878,840	167,772	808,147	5,854,759	(154,387)	(13,264)	(350,696)	(518,347)	4,724,453	154,508	457,451	5,336,412	2,382,151
Civil Servants	2,668,938	94,695	73,063	2,836,696	(25,194)	(2,926)	(22,290)	(50,410)	2,643,744	91,769	50,773	2,786,286	117,727
Other Individuals	2,209,902	73,077	735,084	3,018,063	(129,193)	(10,338)	(328,406)	(467,937)	2,080,709	62,739	406,678	2,550,126	2,264,424
SME Banking	860,925	110,125	891,082	1,862,132	(5,353)	(1,631)	(383,380)	(390,364)	855,572	108,494	507,702	1,471,768	4,414,346
Total	20,708,310	1,745,740	3,671,731	26,125,781	(264,700)	(68,302)	(1,511,122)	(1,844,124)	20,443,610	1,677,438	2,160,609	24,281,657	124,833,034

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments derecognised in the period.
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models.
- Impacts on the measurement of ECL due to changes made to models and assumption.
- Financial assets derecognised during the period

Analysis of changes in ECL on loans and Advances to Customers

	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Loss allowance as at 1 July 2022	264,700	68,302	1,511,122	1,844,124
New financial assets originated/purchased	7,500	16,486	284,112	308,098
Changes to PDs/LGDs/EADs	(17,560)	(26,812)	16,493	(27,879)
Transfer to Stage 1	15,088	(11,169)	(3,919)	-
Transfer to Stage 2	(5,117)	16,043	(10,926)	-
Transfer to Stage 3	(4,899)	(20,657)	25,556	-
Foreign exchange movements	(21,468)	(4,594)	(135,496)	(161,558)
Loss allowance as at 30 June 2023	238,244	37,599	1,686,942	1,962,785

	Stage 1	Stage 2	Stage 3	Total
	MUR'000	MUR'000	MUR'000	MUR'000
Loss allowance as at 1 July 2021	141,754	42,807	1,213,175	1,397,736
New financial assets originated/purchased	156,239	31,085	577,304	764,628
Changes to PDs/LGDs/EADs	(45,565)	(28,000)	(255,983)	(329,548)
Transfer to Stage 1	14,242	(5,970)	(8,272)	-
Transfer to Stage 2	(2,336)	30,150	(27,814)	-
Transfer to Stage 3	(2,307)	(2,111)	4,418	-
Foreign exchange movements	2,673	341	8,294	11,308
Loss allowance as at 30 June 2022	264,700	68,302	1,511,122	1,844,124

Reconciliation of Gross Carrying Amount

	Stage 1	Stage 2	Stage 3	Total
30 June 2023	MUR'000	MUR'000	MUR'000	MUR'000
Opening balance	20,708,310	1,745,740	3,671,731	26,125,781
New financial assets originated/purchased/(derecognised)	372,206	2,815,689	(1,599,932)	1,587,963
Transfer to Stage 1	319,816	(309,323)	(10,493)	-
Transfer to Stage 2	(335,170)	362,951	(27,781)	-
Transfer to Stage 3	(163,937)	(445,839)	609,776	-
Foreign exchange movement	(1,701,665)	(235,156)	(261,234)	(2,198,055)
Closing gross carrying amount	19,199,560	3,934,062	2,382,067	25,515,689

	Stage 1	Stage 2	Stage 3	Total
30 June 2022	MUR'000	MUR'000	MUR'000	MUR'000
Opening balance	16,408,872	1,932,843	2,924,134	21,265,849
New financial assets originated/purchased/(derecognised)	4,577,139	(224,332)	395,851	4,748,658
Transfer to Stage 1	(642,057)	423,281	218,776	-
Transfer to Stage 2	275,530	(438,670)	163,140	-
Transfer to Stage 3	5,892	46,145	(52,037)	-
Foreign exchange movement	82,934	6,473	21,867	111,274
Closing gross carrying amount	20,708,310	1,745,740	3,671,731	26,125,781

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) Banking specific segment – BNI Madagascar SA ("BNI") (Cont'd)

Concentrations of credit risk

BNI monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk from loans and advances, loan commitments, financial guarantees, export documentary remittances and investment securities are shown below:

Carrying amount Amount committed/guaranteed	2023	2022
(i) Concentration by sector	MUR '000	MUR '000
Government	9,156,294	6,346,206
Bank	7,279,119	10,516,501
Retail - Mortgages	361,299	336,930
Retail - Unsecured	6,416,257	6,000,702
Corporate – Real estate	1,292,098	4,505,320
Corporate – Transport	-	-
Corporate – Others	19,897,208	20,043,256
Total	44,402,275	47,748,915
Concentration by location		
Africa	43,211,258	45,728,274
Europe	1,029,095	1,927,276
North America	128	13
Asia	161,794	93,352
Total	44,402,275	47,748,915

(c) Liquidity risk

Liquidity risk is the risk that the BNI is unable to meet its obligations as a result of customer deposits being withdrawn, cash requirements from contractual commitments, corporate payments (tax, dividends, etc), client lending, trading activities and investments. The Bank's liquidity management process is monitored carried out by its Assets and Liabilities Committee (ALCO).

Shortage of liquidity could potentially lead to the inability to meet the regulatory requirement of the 'Reserve Obligatoire' (RO)/Cash Reserve Ratio. RO requires the maintenance of a minimum monthly average balance (based on daily closing balances) in BNI's settlement account at the Central Bank of Madagascar.

This minimum requirement is determined for each current month as 9% of the last month total of individual and corporate customers' deposits in both MGA and foreign currency.

The risk that the Bank will be unable to comply is inherent in all banking operations and can be affected by a range of commercial-specific events – such as aggressive campaigns on deposits collection by the competition, or aggressive disbursements of loans granted or market-wide events like cycles related to the agricultural sector (vanilla, cloves, etc.) or seasonality.

Liquidity Risk management process

The Bank's liquidity management process is carried out within the bank by the Finance department and governed by the monthly ALCO. There is an operational daily process with an end-of-day report, issued by the dealing room, summarising the various updated indicators and proposing the next day actions and an updated forecast of the month-end.

There is a daily calculation of the internal "availability ratio" which is the remaining amount of bills available for repo against the deposit base). The objective is to keep a treasury bill stock in excess of 9% of the depositor base.

Points covered in the monthly ALCO include but are not limited to the following:

- Review of market liquidity
- Evolution of the total balances above RO
- Central Bank of Madagascar feedback and perspectives
- Central Bank of Madagascar feedback of short-term and mid-term interventions (lending / borrowing) and issuances of treasury bills
- Review of treasury flows, commercial flows, loans/deposits projections
- Borrowings/placements tactics

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

The available sources of funding for the bank consist of:

- Cash and balance with central bank (to note the full balance is available as long as the monthly average balance exceeds the monthly level of RO)
- Balances on nostro accounts.
- Interbank borrowings from other primary banks.
- Government bonds that are liquid and readily acceptable in repurchase agreements with central bank on an overnight basis.
- Central Bank of Madagascar liquidity injection at its discretion to adjust the market liquidity in case of market shortfall.

The liquidity management objective is to meet the minimum required balance at the Central Bank of Madagascar account at any point in time to comply with RO but also to avoid unproductive excesses.

In case of projected shortage, BNI uses interbank borrowing and government treasury bills for repurchase transactions.

The utilisation of the funding sources is reported daily and reviewed by ALCO.

The maturity gap report provides for the inflows and outflows in different maturity buckets as defined by the Central Bank of Madagascar, according to the expected timing of cash flows.

BNI Madagascar SA Liquidity analysis

The table below analyses the Bank's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date on an undiscounted basis.

2023	< 3 months MUR '000	3-6 months MUR '000	6-12 months MUR '000	1-3 years MUR '000	> 3 years MUR '000	No-fixed maturity MUR '000	Total MUR '000
Assets							
Trade and other receivables	-	-	-	-	-	497,928	497,928
Loans and advances to customers	7,541,149	1,276,235	1,636,292	3,811,331	9,868,416	2,202,442	26,335,865
Other Financial Assets	-	-	-	-	-	15,940	15,940
Investment securities	696,846	359,627	2,171,125	3,597,942	-	-	6,825,540
Export documentary remittances	-	-	-	-	-	2,056,982	2,056,982
Cash and cash equivalents	8,139,248	2,937	83,360	541	-	-	8,226,086
	16,377,243	1,638,799	3,890,777	7,409,814	9,868,416	4,773,292	43,958,341
Liabilities							
Deposits from customers	28,537,308	1,039,070	1,215,158	67,270	16,446	1,000,536	31,875,788
Borrowings	1,617,329	-	-	-	612,655	-	2,229,984
Trade and other payables	8,483	8,587	16,792	101,677	19,018	2,176,683	2,331,240
Export documentary remittances	-	-	-	-	-	2,056,502	2,056,502
Lease liabilities	3,762	8,431	15,111	36,001	2,211	-	65,516
Provision for other liabilities and charges	52,699	-	-	-	-	25,432	78,131
	30,219,581	1,056,088	1,247,061	204,948	650,330	5,259,153	38,637,161
On balance sheet liquidity gap	(13,842,338)	582,711	2,643,716	7,204,866	9,218,086	(485,861)	5,321,180
Off balance sheet commitment	2,244,716	737,529	1,154,449	86,182	33,592	-	4,256,468
Net liquidity gap	(11,597,622)	1,320,240	3,798,165	7,291,048	9,251,678	(485,861)	9,577,648

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

BNI Madagascar SA Liquidity analysis (Cont'd)

2022	< 3 months MUR '000	3-6 months MUR '000	6-12 months MUR '000	1-3 years MUR '000	> 3 years MUR '000	No- fixed maturity MUR '000	Total MUR '000
Assets							
Trade and other receivables	-	-	-	-	-	513,224	513,224
Loans and advances to customers	11,401,346	1,019,253	682,343	3,800,855	13,324,734	-	30,228,531
Other Financial Assets	-	-	-	-	-	15,175	15,175
Investment securities	-	-	2,260,371	4,817,488	-	-	7,077,859
Export documentary remittances	-	-	-	-	-	2,449,652	2,449,652
Cash and cash equivalents	9,795,573	-	-	-	-	-	9,795,573
	21,196,919	1,019,253	2,942,714	8,618,343	13,324,734	2,978,051	50,080,014
Liabilities							
Deposits from customers	30,176,399	948,938	698,607	260,345	16,388	1,100,242	33,200,919
Borrowings	3,528,600	-	-	-	759,577	-	4,288,177
Trade and other payables	-	-	-	-	-	2,294,885	2,294,885
Export documentary remittances	-	-	-	-	-	2,457,230	2,457,230
Lease liabilities	10,830	9,981	23,388	43,011	1,541	-	88,751
Provision for other liabilities and charges	44,414	-	-	-	-	20,729	65,143
	33,760,243	958,919	721,995	303,356	777,506	5,873,086	42,395,105
On balance sheet liquidity gap	(12,563,324)	60,334	2,220,719	8,314,987	12,547,228	(2,895,035)	7,684,909
Off balance sheet commitment	2,371,686	836,809	487,331	720,606	10,049	-	4,426,481
Net liquidity gap	(10,191,638)	897,143	2,708,050	9,035,593	12,557,277	(2,895,035)	12,111,390

Non-banking specific segment

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group and the Company aim at maintaining flexibility in funding by keeping reliable credit lines available. The Directors monitor rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

The table below analyses the non-derivative financial liabilities of the Group; excluding BNI, and the Company into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

THE GROUP	**Less than 3 months MUR'000**	**Between 3 months and 1 year MUR'000**	**Greater than 1 year MUR'000**	**Total MUR'000**
At 30 June 2023				
Borrowings	**3,930,848**	**2,040,221**	**11,172,514**	**17,143,583**
Trade and other payables	**4,169,510**	**2,268,001**	**-**	**6,437,511**
Provision for liabilities and charges	**16,325**	**3,175**	**20,940**	**40,440**
Lease liabilities	**37,564**	**112,692**	**8,215,131**	**8,365,387**
	8,154,247	**4,424,089**	**19,408,585**	**31,986,921**

THE GROUP	Less than 3 months MUR'000	Between 3 months and 1 year MUR'000	Greater than 1 year MUR'000	Total MUR'000
At 30 June 2022				
Borrowings	4,152,383	3,266,664	10,655,745	18,074,792
Trade and other payables	4,162,597	1,878,877	-	6,041,474
Provision for liabilities and charges	36,551	3,102	3,768	43,421
Lease liabilities	112,333	248,522	6,487,673	6,848,528
	8,463,864	5,397,165	17,147,186	31,008,215

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

BNI Madagascar SA Liquidity analysis (Cont'd)

THE COMPANY	Less than 3 months MUR'000	Between 3 months and 1 year MUR'000	Greater than 1 year MUR'000	Total MUR'000
At 30 June 2023				
Borrowings	326,822	-	3,356,013	3,682,835
Trade and other payables	20,174	-	-	20,174
	346,996	-	3,356,013	3,703,009

THE COMPANY	Less than 3 months MUR'000	Between 3 months and 1 year MUR'000	Greater than 1 year MUR'000	Total MUR'000
At 30 June 2022				
Borrowings	35,627	479,767	3,517,985	4,033,379
Trade and other payables	34,265	-	-	34,265
	69,892	479,767	3,517,985	4,067,644

(d) Market Risk

The Bank is exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk arises from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, foreign exchange rates and equity prices. The Bank separates exposure to market risk into either trading or non-trading portfolios.

The market risk arising from trading and non-trading activities are concentrated in the Bank's Treasury teams. Regular reports are submitted to the management and the Board of Directors. The Board approves the risk appetite, policymaking and prudential limits within which the operations are to be carried out. Compliance with the strategy, policies and prudential limits is monitored by ALCO and the Risk committee. Management monitors adherence to the limits daily, which facilitates risk management.

Non-trading portfolios primarily arise from the interest rate management of the Bank's commercial banking assets and liabilities.

The cash surplus is placed either:

(i) Through investment in treasury bonds or on the local money market for local currency; or

(ii) On the international money market for foreign currencies.

All foreign currencies are transacted on the foreign exchange interbank market while the purchases and sales are carried out in cash through both balances held over accounts or notes.

(i) Interest rate risk

Banking specific segment

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may induce losses in the event that unexpected movements arise.

Interest rate risk - BNI Madagascar SA

The Board sets limits on the level of mismatch of interest rate repricing and value at risk that may be undertaken, which is monitored daily by BNI Management via its Assets & Liabilities Committee (ALCO).

Treasury Bonds

Treasury Bonds are held until maturity. They are valued at cost and bear a fixed interest rate. Following local applicable rules in Madagascar, the bonds are not revalued at market price.

Interbank placements are undertaken at a fixed interest rate.

Client transaction

The Central Bank of Madagascar (BFM) revised the key interest rate indicator (FPM – Facilité de Prêt Marginal) namely the Marginal Lending Rate to commercial banks) 4 times during the period June 2022 (8.50% p.a.) to June 2023 (10.50% p.a.). In December 2022, BNI Management revised its Prime Lending Rate (PLR) from 14.9% p.a. to 16.9% p.a. to reflect the central bank policy. It should be highlighted that BNI's PLR had not changed since 2009.

BNI has both fixed interest rate and floating rate deposits and loans. BNI's corporate credit book is primarily at a variable rate indexed to the PLR while the retail term credit is at a fixed rate in line with in-country market practices. Term deposits are raised at a fixed rate.

The deposit and lending rates are discussed and reviewed during monthly ALCO meetings factoring the liquidity of the Bank, deposit/lending pipeline as well as prevailing market conditions.

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Market Risk (Cont'd)

(i) Interest rate risk (Cont'd)

Banking specific segment (Cont's)

The table below summarises the Bank's non-trading book fair value exposure to interest rate risks. It includes the Group`s financial instruments at carrying value categorised by the earlier of contractual maturity and date of repricing.

The interest sensitivity of assets and liabilities for the Bank is as follows:

2023	< 3 months MUR '000	3-6 months MUR '000	6-12 months MUR '000	1-3 years MUR '000	> 3 years MUR '000	Non-Interest Bearing MUR '000	Total MUR '000
Assets							
Cash and cash equivalents	8,107,788	2,937	26,184	542	-	-	8,137,451
Investment securities	688,060	344,910	2,036,535	2,837,506	-	-	5,907,011
Loans and advances to customers	7,187,118	962,304	1,124,818	2,615,724	9,437,715	2,225,224	23,552,903
Other Financial Assets	-	-	-	-	-	15,940	15,940
Trade and other receivables	-	-	-	-	-	497,928	497,928
Export documentary remittances	-	-	-	-	-	2,056,982	2,056,982
	15,982,966	1,310,151	3,187,537	5,453,772	9,437,715	4,796,074	40,168,215
Liabilities							
Deposits from customers	(28,512,514)	(1,007,692)	(1,132,757)	(65,449)	(14,621)	(1,000,534)	(31,733,567)
Borrowings	(1,616,000)	-	-	-	(567,273)	-	(2,183,273)
Lease liabilities	(8,019)	(7,391)	(13,623)	(29,043)	(2,132)	-	(60,208)
Trade and other payables	(8,483)	(8,587)	(16,792)	(101,677)	(19,018)	(2,176,688)	(2,331,245)
Export documentary remittances	-	-	-	-	-	(2,056,502)	(2,056,502)
Provision for other liabilities and charges	-	-	-	-	-	(78,131)	(78,131)
	(30,145,016)	(1,023,670)	(1,163,172)	(196,169)	(603,044)	(5,311,855)	(38,442,926)
Off-Balance Sheet items attracting interest rate sensitivity	2,242,896	736,249	1,152,033	85,897	32,925	-	4,250,000
Interest rate sensitivity gap	(11,919,154)	1,022,730	3,176,398	5,343,500	8,867,596	(515,781)	5,975,289

2022	< 3 months MUR '000	3-6 months MUR '000	6-12 months MUR '000	1-3 years MUR '000	> 3 years MUR '000	Non-Interest Bearing MUR '000	Total MUR '000
Assets							
Cash and cash equivalents	4,362,546	-	-	-	-	5,392,747	9,755,293
Investment securities	-	-	2,142,954	4,192,295	-	-	6,335,249
Loans and advances to customers	11,384,274	1,006,442	606,933	3,063,519	8,220,489	-	24,281,657
Other Financial Assets	-	-	-	-	-	15,175	15,175
Trade and other receivables	-	-	-	-	-	513,224	513,224
Export documentary remittances	-	-	-	-	-	2,449,652	2,449,652
	15,746,820	1,006,442	2,749,887	7,255,814	8,220,489	8,370,798	43,350,250
Liabilities							
Deposits from customers	(30,143,269)	(926,720)	(649,497)	(258,265)	(15,016)	(1,100,243)	(33,093,010)
Borrowings	(3,524,101)	-	-	-	(468,659)	-	(3,992,760)
Lease liabilities	(10,830)	(9,981)	(23,388)	(43,011)	(1,541)	-	(88,751)
Trade and other payables	-	-	-	-	-	(2,294,885)	(2,294,885)
Export documentary remittances	-	-	-	-	-	(2,457,230)	(2,457,230)
Provision for other liabilities and charges	-	-	-	-	-	(65,143)	(65,143)
	(33,678,200)	(936,701)	(672,885)	(301,276)	(485,216)	(5,917,501)	(41,991,779)
Off-Balance Sheet items attracting interest rate sensitivity	2,370,951	834,180	483,921	717,354	7,435	-	4,413,841
Interest rate sensitivity gap	(15,560,429)	903,921	2,560,923	7,671,892	7,742,708	2,453,297	5,772,312

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Market Risk (Cont'd)

(i) Interest rate risk (Cont'd)

Non-banking specific segment

The Group is exposed to interest rate cash flow as it borrows at variable and fixed rates. This risk is somehow mitigated by non-current receivables and loans at call being granted at variable rates.

The risk for the group is managed by maintaining an appropriate mix between fixed and floating rate borrowings, and the use of interest rate swap contracts.

Had interest rate on financial liabilities changed by 1%; with all other variables held constant, the effect on profit or loss would be as follows for the Group, excluding BNI.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR 'M	MUR 'M	MUR 'M	MUR 'M
1% increase in interest rate	(94)	(110)	(8)	(5)
1% decrease in interest rate	94	110	8	5

(ii) Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures.

The Group has a treasury department in place where foreign exchange exposure risk is monitored and managed. If necessary, management can also use financial instruments to hedge currency risk.

Banking specific segment

The Bank takes on exposure subject to the fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Central Bank has set the limit to 20% of Available Tier 1 Capital and the bank has set an internal threshold of 13% against the regulatory limit. The Finance Department provides this information to the Treasurer and the dealing desk for effective monitoring of the limit.

An internal report is issued daily for monitoring purposes as well as a monthly report is submitted to the Central Bank.

Control mechanisms in place in case of a substantial change in the exchange rate are listed below:

- In the event of a strong appreciation of the Ariary, the Bank takes a short position for up to 13% of Available Tier 1 Capital.
- In the event of a strong depreciation of the Ariary, the Bank may go long up to 13% of Available Tier 1 Capital.

The Bank is primarily exposed to EURO and USD.

	USD	EURO	Others
The Group	MUR '000	MUR '000	MUR '000
At June 30, 2023			
Assets			
Banking specific segment			
Investments in other financial assets	-	-	15,940
Investment securities	-	-	5,907,011
Loans and advances to customers	392,257	781,336	22,379,310
Trade and other receivables	3,949	32,031	461,948
Export documentary remittances	1,602,408	314,282	140,292
Cash and cash equivalents	2,355,657	1,307,212	4,472,778
Total Assets	4,354,271	2,434,861	33,377,279
Liabilities			
Banking specific segment			
Trade and other payables	1,630	38,653	2,290,962
Deposits from customers	2,546,957	1,361,139	27,825,472
Borrowings	-	567,273	1,616,000
Export documentary remittances	1,602,410	314,287	139,805
Provision for other liabilities and charges	-	-	78,131
Lease Liabilities	-	-	60,208
	4,150,997	2,281,352	32,010,578

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Market Risk (Cont'd)

(ii) Currency risk (Cont'd)

The Group	USD MUR '000	EURO MUR '000	Others MUR '000
At June 30, 2022			
Assets			
Banking specific segment			
Investments in other financial assets	-	-	15,175
Investment securities	-	-	6,335,249
Loans and advances to customers	678,503	672,878	22,930,276
Trade and other receivables	-	-	513,224
Export documentary remittances	-	-	2,449,652
Cash and cash equivalents	2,127,713	2,196,034	5,431,529
Total Assets	2,806,216	2,868,912	37,675,105
Liabilities			
Banking specific segment			
Trade and other payables	2,429	2,706	2,289,750
Deposits from customers	2,295,854	2,434,439	28,362,717
Borrowings	224,101	468,659	3,300,000
Export documentary remittances	-	-	2,457,230
Provision and other liabilities and charges	-	-	65,143
Lease Liabilities	-	-	88,751
	2,522,384	2,905,804	36,563,591

Non-banking specific segment

The Group is primarily exposed to USD, EUR, GBP and ZAR. Foreign exchange risk arises from future commercial transactions.

Forward contracts are used to mitigate foreign currency risks.

The following table details the Group's exposure to foreign currencies as at 30 June 2023 and 30 June 2022:

	THE GROUP	
	2023	2022
	Profit or loss	Profit or loss
	MUR 'M	MUR 'M
USD	(2,159)	382
EUR	(3,399)	(6,492)
GBP	19	227
ZAR	483	767
Others	(1,357)	(2,073)

The following table details the Group's; excluding BNI sensitivity to a 5% change in MUR against the relevant currencies.

	THE GROUP	
	2023	2022
	Profit or loss	Profit or loss
	MUR 'M	MUR 'M
MUR/USD exchange rate – increase 5%	(90)	16
MUR/USD exchange rate – decrease 5%	90	(16)
MUR/EUR exchange rate – increase 5%	(141)	(269)
MUR/EUR exchange rate – decrease 5%	141	269
MUR/GBP exchange rate – increase 5%	1	9
MUR/GBP exchange rate – decrease 5%	(1)	(9)
MUR/ZAR exchange rate – increase 5%	20	32
MUR/ZAR exchange rate – decrease 5%	(20)	(32)

No sensitivity analysis has been performed for CIEL Limited, the Company, as the impact on profit or loss is immaterial.

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Market Risk (Cont'd)

(iii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as financial assets at fair value through other Comprehensive income.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis

The table below summarises the impact of a change in the fair value of the investments in other financial assets on the Group's equity. The analysis is based on the assumption that the fair value had changed by 5%, with other factors remaining constant.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	MUR 'M	MUR 'M	MUR 'M	MUR 'M
Financial asset at fair value through OCI	23.4	23.3	13.7	1.3

(e) Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company/Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments classified as trading securities or available-for-sale.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments are disclosed in Note 2.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cashflows at the current market interest rate that is available to the Group for similar financial instruments.

Categories of Financial Instruments

	NOTES	THE GROUP	
		2023	2022
		MUR '000	MUR '000
Financial assets			
Amortised cost			
Investment in securities	24	5,909,175	6,335,249
Loans and advances to customers	22	23,552,903	24,281,657
Non-current receivables	17	67,482	81,680
Trade and other receivables*	19	6,721,469	6,949,960
Cash and cash equivalent	20	11,709,452	12,701,634
		47,960,481	50,350,180
FVOCI			
Investments in other financial assets	15	471,130	465,083
		471,130	465,083
FVPL			
Derivative financial instruments	42	147,235	236,641
		147,235	236,641
Financial liabilities			
Amortised costs			
Borrowings	29	17,819,516	20,072,942
Lease liabilities	16	3,416,548	3,464,263
Trade and other payables**	34	9,677,655	10,170,743
		30,913,719	33,707,948

For fair value hierarchy please refer to Note 42.

*Trade and other receivables exclude advance payments of **MUR 234M** (2022: MUR 351M), prepayments amounting to **MUR 545M**(2022: MUR 517M), taxes and grants of **MUR 164M** (2022: MUR 581M), deposits of **MUR 562M** (2022: MUR 16M) and other receivables and prepayments of **MUR 1,048M** (2022: MUR 857M).

Trade and other payables exclude client advances amounting to **MUR 451M (2022: MUR 561M), deposits from customers **MUR405M** (2022: MUR 361M) and accrued expenses **MUR 291M** (2022: MUR 611M).

45. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value estimation (Cont'd)

Categories of Financial Instruments (Cont'd)

	NOTES	THE COMPANY 2023 MUR '000	THE COMPANY 2022 MUR '000
Financial assets			
Amortised cost			
Trade and other receivables*	19	652,874	556,786
Cash and cash equivalent	20	42,927	12,325
Non-current receivables	17	56,048	-
		751,849	569,111
FVOCI			
Investments in other financial assets	15	33,534	25,806
Investments in subsidiary companies	12	20,972,806	23,510,805
Investments in Joint Ventures	13	166,500	162,466
Investments in associates	14	113,430	185,087
		21,286,270	23,884,164
Financial liabilities			
Amortised costs			
Borrowings	29	2,931,375	3,069,988
Trade and other payables**	34	3,161	18,842
		2,934,536	3,088,830

*Trade and other receivables exclude prepayments of **MUR 233,000** (2022: MUR 191,000) and accrued expenses **MUR 291M** (2022: MUR 611M)

Trade and other payables exclude accrued expenses of **MUR 17M (2022: MUR 15M)

(f) Capital risk management

The Group's objective when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders.

The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets in order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid, issue new shares or sell assets.

The assets of the Company are financed through equity and borrowings.

Banking segment

The minimum required capital adequacy ratio in Madagascar is 8.5%. As at 30 June 2023 and 2022, the capital adequacy ratios of BNI Madagascar were as follows:

		2023	2022
Capital base	MUR' M	3,054	2,766
Risk weighted	MUR' M	26,790	27,866
Capital adequacy ratio	%	11.40	10

Non-banking specific segment

The gearing ratio, excluding banking deposits, lease liabilities and cash and cash equivalents, as at 30 June 2023, is as follows:

	THE GROUP 2023 MUR '000	THE GROUP 2022 MUR '000	THE COMPANY 2023 MUR '000	THE COMPANY 2022 MUR '000
Total debt	15,636,242	16,080,182	2,644,181	3,069,988
Less Cash and cash equivalents	(3,572,002)	(2,946,342)	244,267	(12,325)
	12,064,240	13,133,840	2,888,448	3,057,663
Total equity	30,046,670	26,383,320	18,613,688	21,079,242
Net debt + equity	42,110,910	39,517,160	21,502,136	24,136,905
Gearing	29%	33%	13%	13%

46. DISCONTINUED OPERATIONS

Accounting policies

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

a. Segments

(i) Textile Segment

On 26 August 2021, CIEL Textile Limited (CTL) entered into a strategic partnership with the SOCOTA group in Madagascar to combine over 90 years of woven fabric expertise. The partnership involves a significant change in the operations of Consolidated Fabric Limited (CFL), whose assets and liabilities have been stated as 'assets classified as held for sale' and 'liabilities directly associated with assets classified as held for sale' respectively. It is also important to note that a regeneration project will be conducted on the existing sites of CFL to ensure that new activities are developed in the region.

(ii) Healthcare Segment

With effect from 13 May 2021, International Air Ambulance Limited, a subsidiary of the International Medical Group Ltd, disposed its insurance book and related medical insurance business.

b. An analysis of the result of discontinued operations are as follows:

	THE GROUP	
	2023	2022
	MUR '000	MUR '000
Revenue	-	275,898
Earnings before interest, tax, depreciation and amortisation and impairment	-	(264,733)
Depreciation and amortisation	-	-
Impairment of non-financial assets	-	-
Net finance costs	-	-
Loss before income tax	-	(264,733)
Income tax charge	-	(21,988)
Loss for the period from discontinued operation	-	(286,721)

	2023	2022
Loss on discontinued operations attributable as follows:	MUR '000	MUR '000
Owners of the parent	-	(287,584)
Non-controlling interests	-	863
	-	(286,721)
Net cash flows from discontinued operations		
Operating cash flows	-	(31,495)
Investing cash flows	-	359,416
Financing cash flows	-	(132,311)
	-	195,610

		2023	2022
Basic and diluted earnings per share			
Loss attributable to owners from discontinued operations	MUR '000	-	(287,584)
Weighted average number of ordinary shares		-	1,687,455
Loss per share	MUR '000	-	(0.17)

APPENDIX A: DIRECTORSHIPS OF SUBSIDIARIES FY 2023

A: Appointed as director during the year
R: Resigned as director during the year
AD: Alternate Director
R*: Resigned on 30.06.2023

	Ajax Sweaters Ltd	Ambre Resort Ltd	Anahita Hotel Limited	Antsirabe Knitwear S.A	Aquarelle Clothing Limited	Aquarelle India (Private)Ltd	Aquarelle International Limited	Aquarelle Madagascar S.A	Azur Financial Services Limited	BNI Madagascar SA	Bois des Amourettes Limited	C Healthcare (EA) Ltd	C-Care Health (Uganda) Ltd	C-Care (Mauritius) Ltd	C-Care North Ltd	CDL Knits Ltd	CIEL Agro Limited	CIEL Corporate Services Ltd	CIEL Foundation	CIEL Finance Limited	C-Care (International) Ltd	CIEL Hotels & Resorts Ltd	CIEL Properties Development Ltd	CIEL Properties Limited	Cieltex SA Pty Ltd	CIEL Textile Limited	CIEL Textile Properties Ltd
ABBASAKOOR Faisal														✓													
AGGARWAL Kapil																											
AH-VEE Jean Patrick Tony																											
AMELOT Marc																											
APPASAMY Dassen				✓																							
BADIDA Murali Krishna Nagesh						✓																					
BAUSSOO Dharamdeosingh																											
BEGUE Mickael																											
BHEENICK Lakshmana										✓										✓							
BISSESUR Jitendra			✓																								
BLAAUBOER, Eline Anne																					✓						
BOULLÉ Patrick															R												
BOUMGHAR Yasmine																											
BOURDET Anne Marie Christine																											
BRAUD Damien																					✓						
BROCCHETTO Dora																									✓		
CAPDEVILA EL IDRISSI JANGEER KHAN Heba																										A	
CAUSY Navin					✓		✓	✓																			
CHIDAINE Xavier										✓																	
CHUNG KIM YUEN Clive																											
CLARKE Rudi															A												
CLAUS Felix																					AD						
COURTENAY Anthony																											
COURTENAY Gavin Peter																											
COUVE DE MURVILLE Jérôme																✓											
COQUET Gregory																											
D'ARGENT Jean Luc Gilles																											
DALAIS Guillaume											✓			✓				A		A			✓	✓		✓	✓
DALAIS Jean-Pierre			✓									✓					✓	✓	✓	✓	✓	✓		✓		✓	
DALAIS Marc																		✓									
DALAIS P. Arnaud																		R	✓			✓		✓		✓	
DALAIS Thierry																											
DALAIS Francois																											
DANON Pierre																				✓							
DE CHASTEAUNEUF L. J. Jérôme			✓						✓	✓							✓	✓	✓	✓	✓	✓	✓	✓		✓	

	Centre de Radiotherapie de l'Ocean Indien	City & Beach Hotels (Mauritius) Limited	C-Lab (International) Ltd	Consolidated Fabrics Limited	CTL Retail Ltd	Dentcare Limited	Ebene Skies Ltd	EM Insurance Brokers Limited	Evolis Properties Ltd	Falaise Rouge Estate Ltd	Ferney Limited	Ferney Agri Hub Ltd	Ferney Bubbles Ltd	Ferney Development Ltd	Ferney Eco Hospitality Ltd	Ferney Spinning Mills Limited	Ferney Trail Limited	Floreal International Limited	Floreal Madagascar S.A	Floreal Property Limited	FX Market Edge Limited	GreenSun Management Ltd	Halifax International Ltd	Healthcare East Africa Limited	IMG Pharmaceuticals Limited	Indian Ocean Financial Holdings Limited	International Air Ambulance Limited
ABBASAKOOR Faisal																											
AGGARWAL Kapil																											
AH-VEE Jean Patrick Tony																					A						
AMELOT Marc																						✓					
APPASAMY Dassen																											
BADIDA Murali Krishna Nagesh																											
BAUSSOO Dharamdeosingh																											
BEGUE Mickael	✓																										
BHEENICK Lakshmana																										✓	
BISSESUR Jitendra																											
BLAAUBOER, Eline Anne																											
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BOURDET Anne Marie Christine						✓																					
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CAPDEVILA EL IDRISSI JANGEER KHAN Heba																											
CAUSY Navin				✓																							
CHIDAINE Xavier																										✓	
CHUNG KIM YUEN Clive	✓																										
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COURTENAY Anthony								✓																			
COURTENAY Gavin Peter								✓																			
COUVE DE MURVILLE Jérôme																											
COQUET Gregory																											
D'ARGENT Jean Luc Gilles								✓																			
DALAIS Guillaume							✓		✓	✓		✓	✓	✓	✓					✓							
DALAIS Jean-Pierre											✓													✓			
DALAIS Marc																											
DALAIS P. Arnaud											✓																
DALAIS Thierry																											
DALAIS Francois																											
DANON Pierre																											
DE CHASTEAUNEUF L. J. Jérôme							R	✓			✓															✓	

	International Hospital Kampala Limited	International Medical Centres Limited	Isonoe 1 Ltd	Laguna Clothing (Mauritius) Ltd	Laguna Clothing Private Limited	Laguna Madagascar S.A	Loisirs des Iles Ltée	Long Beach IHS Ltd	Long Beach Resort Ltd	Mauritius International Trust Company Ltd	MITCO Business Solutions Ltd	MITCO Corporate Services Ltd	MITConsult Ltd	MITCO Fiduciary DMCC	MITCO Group Ltd	MITCO International Holdings Ltd	MITCO Limited	MITCO Services Ltd	Operational Excellence Management and Leadership Ltd	Riviere Champagne Limited	Rockwood Textiles Ltd	Société Bonneterie Malagasy - SOBOMA	Societe Civile Immobilière des Mascareignes	Société Textile d'Andraharo SA - TEXARO	SRL FS, Ltd	SRL Maldives Ltd	SRL Marketing Ltd
ABBASAKOOR Faisal																											
AGGARWAL Kapil																											
AH-VEE Jean Patrick Tony																											
AMELOT Marc																											
APPASAMY Dassen																											
BADIDA Murali Krishna Nagesh																											
BAUSSOO Dharamdeosingh																	R										
BEGUE Mickael																											
BHEENICK Lakshmana										✓					✓												
BISSESUR Jitendra									✓																		
BLAAUBOER, Eline Anne																											
BOULLÉ Patrick																											
BOUMGHAR Yasmine														✓													
BOURDET Anne Marie Christine																											
BRAUD Damien																											
BROCCHETTO Dora																											
CAPDEVILA EL IDRISSI JANGEER KHAN Heba																											
CAUSY Navin				A		✓																					
CHIDAINE Xavier																											
CHUNG KIM YUEN Clive																											
CLARKE Rudi																											
CLAUS Felix																											
COURTENAY Anthony																											
COURTENAY Gavin Peter																											
COUVE DE MURVILLE Jérôme																						✓					
COQUET Gregory																											
D'ARGENT Jean Luc Gilles																											
DALAIS Guillaume																				✓	✓						
DALAIS Jean-Pierre				R																							
DALAIS Marc																											
DALAIS P. Arnaud																											
DALAIS Thierry																											
DALAIS Francois																											
DANON Pierre																											
DE CHASTEAUNEUF L. J. Jérôme															✓												

	SRL Property Ltd	SRL Touessrok Hotel Ltd	SRL Touessrok IHS Villas Ltd	SRL Touessrok Residences & Villas Ltd	Sun Hotel & Resorts GmBH	Sun Hotel Holdings Ltd	Sun International Management Ltd	Sun Leisure Hotels Limited	Sun Leisure Investments Limited	Sun Limited	Sun Resorts CSR Fund Ltd	Sun Resorts France Sarl	Sunlife Hotel Management Ltd	Sun Resorts International Ltd	Sun Styled Boutiques Ltd	Sun Support Ltd	SUN Training Institute Ltd	Supply Chain Experts Ltd	TBLIMG Ltd	Tinka International Ltd	TKL International Ltd	TKL Knits (India) Private Limited	Tropic Knits Limited	Tropic Mad S.A	Washright Services Limited	Wolmar Sun Hotels Ltd	World Leisure Holidays (Pty) Ltd
ABBASAKOOR Faisal																											
AGGARWAL Kapil		✓		✓																							
AH-VEE Jean Patrick Tony																											
AMELOT Marc																											
APPASAMY Dassen																											
BADIDA Murali Krishna Nagesh																						✓					
BAUSSOO Dharamdeosingh																											
BEGUE Mickael																											
BHEENICK Lakshmana																											
BISSESUR Jitendra																											
BLAAUBOER, Eline Anne																											
BOULLÉ Patrick																											
BOUMGHAR Yasmine																											
BOURDET Anne Marie Christine																											
BRAUD Damien																											
BROCCHETTO Dora																											
CAPDEVILA EL IDRISSI JANGEER KHAN Heba																											
CAUSY Navin																											
CHIDAINE Xavier																											
CHUNG KIM YUEN Clive																											
CLARKE Rudi																											
CLAUS Felix																											
COURTENAY Anthony																											
COURTENAY Gavin Peter																											
COUVE DE MURVILLE Jérôme																				A	✓		✓	✓			
COQUET Gregory			A																								
D'ARGENT Jean Luc Gilles																											
DALAIS Guillaume										✓																	
DALAIS Jean-Pierre		✓								✓									✓								
DALAIS Marc																											
DALAIS P. Arnaud										✓																	
DALAIS Thierry										✓																	
DALAIS Francois			A																								
DANON Pierre																											
DE CHASTEAUNEUF L. J. Jérôme		✓								✓																	

APPENDIX A: DIRECTORSHIPS OF SUBSIDIARIES FY 2023

A: Appointed as director during the year
R: Resigned as director during the year
AD: Alternate Director
R*: Resigned on 30.06.2023

	Ajax Sweaters Ltd	Ambre Resort Ltd	Anahita Hotel Limited	Antsirabe Knitwear S.A	Aquarelle Clothing Limited	Aquarelle India (Private)Ltd	Aquarelle International Limited	Aquarelle Madagascar S.A	Azur Financial Services Limited	BNI Madagascar SA	Bois des Amourettes Limited	C Healthcare (EA) Ltd	C-Care Health (Uganda) Ltd	C-Care (Mauritius) Ltd	C-Care North Ltd	CDL Knits Ltd	CIEL Agro Limited	CIEL Corporate Services Ltd	CIEL Foundation	CIEL Finance Limited	C-Care (International) Ltd	CIEL Hotels & Resorts Ltd	CIEL Properties Development Ltd	CIEL Properties Limited	Cieltex SA Pty Ltd	CIEL Textile Limited	CIEL Textile Properties Ltd
DELAPORTE Antoine																										R	
DEMEY Laurent																				R							
DESVAUX DE MARIGNY Olivier Henri																											
DOOKHAN Muhammad Nishaan Ali																✓											
DOREL Anne-Laure																											
DORCHIES Eric						✓	✓																			✓	
Dr. CLARKE Ian													✓														
Dr. SEBUYIRA Jeff M.													✓														
DUGLAT Sandrine Claire Ony																											
DURR Elaine Mercia																											
ECHEVIN Hélène													✓	✓	✓						✓					R	
EL GUEDDARI Adnane										✓																	
ESPITALIER NOEL Roger																			✓					✓		✓	
EYNAUD Francois		✓	✓																								
GERMAIN Stephanie																											
GOVINDA Sachidananda Payandee																											
GHOSE Sarbajit																										✓	
Girard Laurent Christian																											
GUIMBEAU M.A. Louis																											
GUNGADIN Samindra																											
GREMEAUX Anne-Claire										A																	
HARDY Alexander Jacque																											
HIRIDJEE Hassanein Shahreza																											
HOAREAU Daniella																											
HUGNIN Thierry																					✓						
JEENARAIN Rameswarsingh																											
JOOMYE Azad																											
JULIE Bernardette Suzanne																											
KEENOO-SEEGOOLAM Poonam																											
KHADAROO Saleem																											
KHULLAR Amit	✓																										
KISSOONDARY Yougendranath													✓	✓									✓	AD			
KISTOO Ravindranath									✓				✓														
KOA WING Jane																											

	Centre de Radiotherapie de l'Ocean Indien	City & Beach Hotels (Mauritius) Limited	C-Lab (International) Ltd	Consolidated Fabrics Limited	CTL Retail Ltd	Dentcare Limited	Ebene Skies Ltd	EM Insurance Brokers Limited	Evolis Properties Ltd	Falaise Rouge Estate Ltd	Ferney Limited	Ferney Agri Hub Ltd	Ferney Bubbles Ltd	Ferney Development Ltd	Ferney Eco Hospitality Ltd	Ferney Spinning Mills Limited	Ferney Trail Limited	Floreal International Limited	Floreal Madagascar S.A	Floreal Property Limited	FX Market Edge Limited	GreenSun Management Ltd	Halifax International Ltd	Healthcare East Africa Limited	IMG Pharmaceuticals Limited	Indian Ocean Financial Holdings Limited	International Air Ambulance Limited
DELAPORTE Antoine																											
DEMEY Laurent																											
DESVAUX DE MARIGNY Olivier Henri										R																	
DOOKHAN Muhammad Nishaan Ali																											
DOREL Anne-Laure									✓																		
DORCHIES Eric									✓																		
Dr. CLARKE Ian																									✓		✓
Dr. SEBUYIRA Jeff M.																									✓		✓
DUGLAT Sandrine Claire Ony																											
DURR Elaine Mercia																											
ECHEVIN Hélène	✓		✓																						✓		
EL GUEDDARI Adnane																										✓	
ESPITALIER NOEL Roger											✓																
EYNAUD Francois		✓			✓																	✓					
GERMAIN Stephanie																											
GOVINDA Sachidananda Payandee																							A				
GHOSE Sarbajit																											
Girard Laurent Christian													✓														
GUIMBEAU M.A. Louis											✓																
GUNGADIN Samindra																			✓								
GREMEAUX Anne-Claire																											
HARDY Alexander Jacque																											
HIRIDJEE Hassanein Shahreza																										✓	
HOAREAU Daniella																											
HUGNIN Thierry																	✓										
JEENARAIN Rameswarsingh																											
JOOMYE Azad																							✓				
JULIE Bernardette Suzanne																											
KEENOO-SEEGOOLAM Poonam																							R				
KHADAROO Saleem																											
KHULLAR Amit																✓		✓									
KISSOONDARY Yougendranath							✓	✓	✓						✓						A				✓		✓
KISTOO Ravindranath	✓		✓			A																			✓		✓
KOA WING Jane																											

	International Hospital Kampala Limited	International Medical Centres Limited	Isonoe 1 Ltd	Laguna Clothing (Mauritius) Ltd	Laguna Clothing Private Limited	Laguna Madagascar S.A	Loisirs des Iles Ltée	Long Beach IHS Ltd	Long Beach Resort Ltd	Mauritius International Trust Company Ltd	MITCO Business Solutions Ltd	MITCO Corporate Services Ltd	MITConsult Ltd	MITCO Fiduciary DMCC	MITCO Group Ltd	MITCO International Holdings Ltd	MITCO Limited	MITCO Services Ltd	Operational Excellence Management and Leadership Ltd	Riviere Champagne Limited	Rockwood Textiles Ltd	Société Bonneterie Malagasy - SOBOMA	Societe Civile Immobilière des Mascareignes	Société Textile d'Andraharo SA - TEXARO	SRL FS, Ltd	SRL Maldives Ltd	SRL Marketing Ltd
DELAPORTE Antoine																											
DEMEY Laurent																											
DESVAUX DE MARIGNY Olivier Henri																											
DOOKHAN Muhammad Nishaan Ali																											
DOREL Anne-Laure																											
DORCHIES Eric				✓		✓																					
Dr. CLARKE Ian	✓	✓																									
Dr. SEBUYIRA Jeff M.	✓	✓																									
DUGLAT Sandrine Claire Ony																											
DURR Elaine Mercia																											
ECHEVIN Hélène	✓	✓																									
EL GUEDDARI Adnane																											
ESPITALIER NOEL Roger																											
EYNAUD Francois							✓	✓	✓																✓	✓	✓
GERMAIN Stephanie																										✓	
GOVINDA Sachidananda Payandee										A	A	A	A		A	A		A									
GHOSE Sarbajit				R	✓																						
Girard Laurent Christian																											
GUIMBEAU M.A. Louis																											
GUNGADIN Samindra																								✓			
GREMEAUX Anne-Claire																											
HARDY Alexander Jacque			A																								
HIRIDJEE Hassanein Shahreza																											
HOAREAU Daniella																										AD	
HUGNIN Thierry															✓												
JEENARAIN Rameswarsingh																											
JOOMYE Azad											✓	✓	✓			✓	A	✓									
JULIE Bernardette Suzanne																										✓	
KEENOO-SEEGOOLAM Poonam										R	R	R	R			R	✓	R									
KHADAROO Saleem									✓																		
KHULLAR Amit																											
KISSOONDARY Yougendranath	✓	✓	A																								
KISTOO Ravindranath	✓	✓																									
KOA WING Jane									✓																		

	SRL Property Ltd	SRL Touessrok Hotel Ltd	SRL Touessrok IHS Villas Ltd	SRL Touessrok Residences & Villas Ltd	Sun Hotel & Resorts GmBH	Sun Hotel Holdings Ltd	Sun International Management Ltd	Sun Leisure Hotels Limited	Sun Leisure Investments Limited	Sun Limited	Sun Resorts CSR Fund Ltd	Sun Resorts France Sarl	Sunlife Hotel Management Ltd	Sun Resorts International Ltd	Sun Styled Boutiques Ltd	Sun Support Ltd	SUN Training Institute Ltd	Supply Chain Experts Ltd	TBLIMG Ltd	Tinka International Ltd	TKL International Ltd	TKL Knits (India) Private Limited	Tropic Knits Limited	Tropic Mad S.A	Washright Services Limited	Wolmar Sun Hotels Ltd	World Leisure Holidays (Pty) Ltd
DELAPORTE Antoine																											
DEMEY Laurent																											
DESVAUX DE MARIGNY Olivier Henri																											
DOOKHAN Muhammad Nishaan Ali																											
DOREL Anne-Laure																											
DORCHIES Eric																				✓							
Dr. CLARKE Ian																											
Dr. SEBUYIRA Jeff M.																											
DUGLAT Sandrine Claire Ony																								✓			
DURR Elaine Mercia																											✓
ECHEVIN Hélène										✓																	
EL GUEDDARI Adnane																											
ESPITALIER NOEL Roger																											
EYNAUD Francois	✓	✓	A	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓							✓	✓	✓
GERMAIN Stephanie																											
GOVINDA Sachidananda Payandee																											
GHOSE Sarbajit																						✓					
Girard Laurent Christian																											
GUIMBEAU M.A. Louis																											
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GREMEAUX Anne-Claire																											
HARDY Alexander Jacque																											
HIRIDJEE Hassanein Shahreza																											
HOAREAU Daniella																											
HUGNIN Thierry																											
JEENARAIN Rameswarsingh																											✓
JOOMYE Azad																											
JULIE Bernardette Suzanne																											
KEENOO-SEEGOOLAM Poonam																											
KHADAROO Saleem	✓							✓																		✓	
KHULLAR Amit																											
KISSOONDARY Yougendranath																											
KISTOO Ravindranath																											
KOA WING Jane	✓								✓								✓										

APPENDIX A: DIRECTORSHIPS OF SUBSIDIARIES FY 2023

A: Appointed as director during the year
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R*: Resigned on 30.06.2023

	Ajax Sweaters Ltd	Ambre Resort Ltd	Anahita Hotel Limited	Antsirabe Knitwear S.A	Aquarelle Clothing Limited	Aquarelle India (Private)Ltd	Aquarelle International Limited	Aquarelle Madagascar S.A	Azur Financial Services Limited	BNI Madagascar SA	Bois des Amourettes Limited	C Healthcare (EA) Ltd	C-Care Health (Uganda) Ltd	C-Care (Mauritius) Ltd	C-Care North Ltd	CDL Knits Ltd	CIEL Agro Limited	CIEL Corporate Services Ltd	CIEL Foundation	CIEL Finance Limited	C-Care (International) Ltd	CIEL Hotels & Resorts Ltd	CIEL Properties Development Ltd	CIEL Properties Limited	Cieltex SA Pty Ltd	CIEL Textile Limited	CIEL Textile Properties Ltd
LAGESSE Thierry																											
LAURE Olivier																											
LEECH Paul Ernest																				R*							
LEE Patrick																											
LI KWONG WING Kate																											
LOWICK Jonathan																					✓						
LEROY Sophie																				R							
MAKOOND Deonanan (Raj)														✓													
MAUNICK Normela																											
MAYER Harold																										✓	
MCILRAITH Catherine																		A		R*							
MENEZ Vincent Paul Marie																											
MOHEETAH Jhasveersingh																											
MOONIEN Ruben																											
MONTI Bruno																											
MONTI Manuel																											
MOOSUN Mohammad Reshad																											
MORIARTY Emmett																					✓						
MUBEEZI Charity Melody																											
MUHIEDDINE Hassane										✓																	
NOWJEE Nitish Rao																					AD						
OOSMAN Mushtaq																											
PASCAL Sylvain														✓													
PATEL Maneesh					✓		✓																				
PAVEY George																				R*							
PERDIGON Véronique										R																	
PERRIER Charles	✓			✓					A																		
PERRIN Louis Marie Bernard																											
RABESISOA Haingo Fanapera										✓																	
RAJAONARIVELO Herintsalama										✓																	
RANDRIANIRINA Hanitra Olivia										✓																	
RANOROMARO Hasinirina										✓																	
RAMLAGUN Neelmanee																											
RAMPRUSAD Tinesh																											

	Centre de Radiotherapie de l'Ocean Indien	City & Beach Hotels (Mauritius) Limited	C-Lab (International) Ltd	Consolidated Fabrics Limited	CTL Retail Ltd	Dentcare Limited	Ebene Skies Ltd	EM Insurance Brokers Limited	Evolis Properties Ltd	Falaise Rouge Estate Ltd	Ferney Limited	Ferney Agri Hub Ltd	Ferney Bubbles Ltd	Ferney Development Ltd	Ferney Eco Hospitality Ltd	Ferney Spinning Mills Limited	Ferney Trail Limited	Floreal International Limited	Floreal Madagascar S.A	Floreal Property Limited	FX Market Edge Limited	GreenSun Management Ltd	Halifax International Ltd	Healthcare East Africa Limited	IMG Pharmaceuticals Limited	Indian Ocean Financial Holdings Limited	International Air Ambulance Limited
LAGESSE Thierry											✓																
LAURE Olivier							A		✓											A							
LEECH Paul Ernest																											
LEE Patrick																							R				
LI KWONG WING Kate																											
LOWICK Jonathan																											
LEROY Sophie																											
MAKOOND Deonanan (Raj)																											
MAUNICK Normela																											
MAYER Harold																											
MCILRAITH Catherine																											
MENEZ Vincent Paul Marie																											
MOHEETAH Jhasveersingh																					A						
MOONIEN Ruben																											
MONTI Bruno																											
MONTI Manuel																											
MOOSUN Mohammad Reshad																✓		✓									
MORIARTY Emmett																											
MUBEEZI Charity Melody																									✓		
MUHIEDDINE Hassane																										✓	
NOWJEE Nitish Rao																											
OOSMAN Mushtaq																											
PASCAL Sylvain																											
PATEL Maneesh				✓																							
PAVEY George																											
PERDIGON Véronique																											
PERRIER Charles																✓		✓	✓	✓							
PERRIN Louis Marie Bernard																					A						
RABESISOA Haingo Fanapera																											
RAJAONARIVELO Herintsalama																											
RANDRIANIRINA Hanitra Olivia																											
RANOROMARO Hasinirina																											
RAMLAGUN Neelmanee																											
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LAGESSE Thierry																											
LAURE Olivier																											
LEECH Paul Ernest																											
LEE Patrick										R	R	R	R		R	R	R	R									
LI KWONG WING Kate										✓					✓												
LOWICK Jonathan																											
LEROY Sophie																											
MAKOOND Deonanan (Raj)																											
MAUNICK Normela															✓												
MAYER Harold																			✓								
MCILRAITH Catherine																											
MENEZ Vincent Paul Marie																											
MOHEETAH Jhasveersingh																											
MOONIEN Ruben																			✓								
MONTI Bruno						R																					
MONTI Manuel						R																					
MOOSUN Mohammad Reshad																											
MORIARTY Emmett																											
MUBEEZI Charity Melody	✓																										
MUHIEDDINE Hassane																											
NOWJEE Nitish Rao																											
OOSMAN Mushtaq																											
PASCAL Sylvain																											
PATEL Maneesh				A																							
PAVEY George																											
PERDIGON Véronique																											
PERRIER Charles																								✓			
PERRIN Louis Marie Bernard																											
RABESISOA Haingo Fanapera																											
RAJAONARIVELO Herintsalama																											
RANDRIANIRINA Hanitra Olivia																											
RANOROMARO Hasinirina																											
RAMLAGUN Neelmanee																											
RAMPRUSAD Tinesh												A															

	SRL Property Ltd	SRL Touessrok Hotel Ltd	SRL Touessrok IHS Villas Ltd	SRL Touessrok Residences & Villas Ltd	Sun Hotel & Resorts GmBH	Sun Hotel Holdings Ltd	Sun International Management Ltd	Sun Leisure Hotels Limited	Sun Leisure Investments Limited	Sun Limited	Sun Resorts CSR Fund Ltd	Sun Resorts France Sarl	Sunlife Hotel Management Ltd	Sun Resorts International Ltd	Sun Styled Boutiques Ltd	Sun Support Ltd	SUN Training Institute Ltd	Supply Chain Experts Ltd	TBLIMG Ltd	Tinka International Ltd	TKL International Ltd	TKL Knits (India) Private Limited	Tropic Knits Limited	Tropic Mad S.A	Washright Services Limited	Wolmar Sun Hotels Ltd	World Leisure Holidays (Pty) Ltd
LAGESSE Thierry																											
LAURE Olivier																											
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LI KWONG WING Kate																											
LOWICK Jonathan																											
LEROY Sophie																											
MAKOOND Deonanan (Raj)																											
MAUNICK Normela																											
MAYER Harold										✓																	
MCILRAITH Catherine																											
MENEZ Vincent Paul Marie										A																	
MOHEETAH Jhasveersingh																											
MOONIEN Ruben																											
MONTI Bruno																											
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MUBEEZI Charity Melody																											
MUHIEDDINE Hassane																											
NOWJEE Nitish Rao																											
OOSMAN Mushtaq										✓																	
PASCAL Sylvain																											
PATEL Maneesh																											
PAVEY George																											
PERDIGON Véronique																											
PERRIER Charles																											
PERRIN Louis Marie Bernard																											
RABESISOA Haingo Fanapera																											
RAJAONARIVELO Herintsalama																											
RANDRIANIRINA Hanitra Olivia																											
RANOROMARO Hasinirina																											
RAMLAGUN Neelmanee																	✓										
RAMPRUSAD Tinesh																											

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RAVELOARIVONY Vonifanja				✓				✓																			
RAZE Mathieu																											
REY Alain																										✓	
RICHÉ Olivier																											
RIVALLAND Bertrand	✓			✓	✓		✓	✓	R																✓		✓
RIVET Jean-Marc											✓																
ROSTAND Tom																					AD						
RUNGHEN Satuda									✓																		
Sathisha						✓																					
SAUZIER Christine												✓		✓							✓			✓			
SAVOYE Jean-Louis																											
SHARMA Tina																											
SIVARAMEN Samila									✓																		
SLAMA Youssef																											
SANDHU Sukhmeet Singh													✓	✓													
SEWGOBIND Dev Krishen																			✓								
TAJOO Ayaz				A				✓																			
TEEROOVENGADUM Kevindra																								✓			
TERRIEN Denis																										✓	
THEVENAU Bertrand																										✓	
THOMAS Michel														✓													
VAQUIER Pierre																											
VEERASAMY Naderasen																											
VIJ Ashwini	✓																										
VITRY AUDIBERT Marie Odette Amelie																			✓								
VISWESWARAN Ramesh																											
WALTER Pascal					✓																						
WONG YUN SHING Tommy		✓	✓						✓																		
YEE SAK CHAN Jane																✓											

	Centre de Radiotherapie de l'Ocean Indien	City & Beach Hotels (Mauritius) Limited	C-Lab (International) Ltd	Consolidated Fabrics Limited	CTL Retail Ltd	Dentcare Limited	Ebene Skies Ltd	EM Insurance Brokers Limited	Evolis Properties Ltd	Falaise Rouge Estate Ltd	Ferney Limited	Ferney Agri Hub Ltd	Ferney Bubbles Ltd	Ferney Development Ltd	Ferney Eco Hospitality Ltd	Ferney Spinning Mills Limited	Ferney Trail Limited	Floreal International Limited	Floreal Madagascar S.A	Floreal Property Limited	FX Market Edge Limited	GreenSun Management Ltd	Halifax International Ltd	Healthcare East Africa Limited	IMG Pharmaceuticals Limited	Indian Ocean Financial Holdings Limited	International Air Ambulance Limited
RAVELOARIVONY Vonifanja																			✓								
RAZE Mathieu										A					✓												
REY Alain																											
RICHÉ Olivier																											
RIVALLAND Bertrand				✓					✓							✓		✓	✓	✓	A						
RIVET Jean-Marc										✓		✓	✓	✓	✓		✓										
ROSTAND Tom																											
RUNGHEN Satuda																											
Sathisha																											
SAUZIER Christine								✓			✓						✓							✓			
SAVOYE Jean-Louis																											
SHARMA Tina			✓																								
SIVARAMEN Samila																					R						
SLAMA Youssef	✓																										
SANDHU Sukhmeet Singh																									✓		✓
SEWGOBIND Dev Krishen																											
TAJOO Ayaz																			A								
TEEROOVENGADUM Kevindra											✓																
TERRIEN Denis																											
THEVENAU Bertrand																											
THOMAS Michel																											
VAQUIER Pierre																											
VEERASAMY Naderasen																											
VIJ Ashwini																											
VITRY AUDIBERT Marie Odette Amelie																											
VISWESWARAN Ramesh																											
WALTER Pascal				✓																							
WONG YUN SHING Tommy		✓			✓																	✓					
YEE SAK CHAN Jane																											

	International Hospital Kampala Limited	International Medical Centres Limited	Isonoe 1 Ltd	Laguna Clothing (Mauritius) Ltd	Laguna Clothing Private Limited	Laguna Madagascar S.A	Loisirs des Iles Ltée	Long Beach IHS Ltd	Long Beach Resort Ltd	Mauritius International Trust Company Ltd	MITCO Business Solutions Ltd	MITCO Corporate Services Ltd	MITCOnsult Ltd	MITCO Fiduciary DMCC	MITCO Group Ltd	MITCO International Holdings Ltd	MITCO Limited	MITCO Services Ltd	Operational Excellence Management and Leadership Ltd	Riviere Champagne Limited	Rockwood Textiles Ltd	Société Bonneterie Malagasy - SOBOMA	Societe Civile Immobilière des Mascareignes	Société Textile d'Andraharo SA - TEXARO	SRL FS, Ltd	SRL Maldives Ltd	SRL Marketing Ltd
RAVELOARIVONY Vonifanja						✓																✓	✓	✓			
RAZE Mathieu																											
REY Alain																											
RICHÉ Olivier																											
RIVALLAND Bertrand				A		✓																✓		✓			
RIVET Jean-Marc																				✓	✓						
ROSTAND Tom																											
RUNGHEN Satuda																											
Sathisha																											
SAUZIER Christine																											
SAVOYE Jean-Louis																											
SHARMA Tina																											
SIVARAMEN Samila															✓												
SLAMA Youssef																											
SANDHU Sukhmeet Singh	✓	✓																									
SEWGOBIND Dev Krishen																											
TAJOO Ayaz						✓																					
TEEROOVENGADUM Kevindra															✓												
TERRIEN Denis																											
THEVENAU Bertrand																											
THOMAS Michel																											
VAQUIER Pierre																											
VEERASAMY Naderasen																											
VIJ Ashwini																											
VITRY AUDIBERT Marie Odette Amelie																											
VISWESWARAN Ramesh					✓																						
WALTER Pascal																											
WONG YUN SHING Tommy							✓	✓	✓																✓	✓	✓
YEE SAK CHAN Jane			A																			✓					

	SRL Property Ltd	SRL Touessrok Hotel Ltd	SRL Touessrok IHS Villas Ltd	SRL Touessrok Residences & Villas Ltd	Sun Hotel & Resorts GmBH	Sun Hotel Holdings Ltd	Sun International Management Ltd	Sun Leisure Hotels Limited	Sun Leisure Investments Limited	Sun Limited	Sun Resorts CSR Fund Ltd	Sun Resorts France Sarl	Sunlife Hotel Management Ltd	Sun Resorts International Ltd	Sun Styled Boutiques Ltd	Sun Support Ltd	SUN Training Institute Ltd	Supply Chain Experts Ltd	TBLIMG Ltd	Tinka International Ltd	TKL International Ltd	TKL Knits (India) Private Limited	Tropic Knits Limited	Tropic Mad S.A	Washright Services Limited	Wolmar Sun Hotels Ltd	World Leisure Holdings (Pty) Ltd
RAVELOARIVONY Vonifanja																								✓			
RAZE Mathieu																											
REY Alain																											
RICHÉ Olivier										R																	
RIVALLAND Bertrand																				✓	✓		✓	✓			
RIVET Jean-Marc																											
ROSTAND Tom																											
RUNGHEN Satuda																											
Sathisha																											
SAUZIER Christine																			✓								
SAVOYE Jean-Louis										✓																	
SHARMA Tina																											
SIVARAMEN Samila																											
SLAMA Youssef																											
SANDHU Sukhmeet Singh																											
SEWGOBIND Dev Krishen																											
TAJOO Ayaz																											
TEEROOVENGADUM Kevindra																											
TERRIEN Denis																											
THEVENAU Bertrand																				R		R					
THOMAS Michel																											
VAQUIER Pierre										✓																	
VEERASAMY Naderasen										✓																	
VIJ Ashwini																											
VITRY AUDIBERT Marie Odette Amelie																											
VISWESWARAN Ramesh																											
WALTER Pascal																											
WONG YUN SHING Tommy	✓		A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓							✓	✓	✓
YEE SAK CHAN Jane																					✓	R	✓	✓			

APPENDIX B: CIEL LIMITED FY 2023 AUDIT FEES PAYABLE AND DONATIONS PAID BY THE COMPANY AND ITS SUBSIDIARIES (ALL FIGURES ARE IN MUR'000)

	CIEL Limited	Ajax Sweaters Ltd	Ambre Resort Ltd	Anahita Hotel Limited	Antsirabe Knitwear S.A	Aquarelle Clothing Limited	Aquarelle India (Private)Ltd	Aquarelle International Limited	Aquarelle Madagascar S.A	Azur Financial Services Limited	BNI Madagascar SA	Bois des Amourettes Limited	C Healthcare (EA) Ltd	C-Care Health (Uganda) Ltd	C-Care (Mauritius) Ltd	C-Care North Ltd	CDL Knits Ltd	CIEL Agro Limited	CIEL Corporate Services Ltd	CIEL Foundation	Ciel Finance Limited	C-Care (International) Ltd	CIEL Hotels & Resorts Ltd	CIEL Properties Development Ltd	CIEL Properties Limited	Cieltex SA Pty Ltd	CIELTextile Limited	CIEL Textile Properties Ltd	Centre de Radiotherapie de l'Ocean Indien	City & Beach Hotels (Mauritius) Limited	C-Lab (International) Ltd	Consolidated Fabrics Limited	CTL Retail Ltd	Dentcare Limited	Ebene Skies Ltd	"EM Insurance Brokers Limited
Audit fee	1,082	57	1,140	1,450	-	1,100	952	1,500	-	266	6,220	-	-	3,319	1,785	-	800	353	281	-	4,655	601	-	-	-	185	1,500	-	-	1,140	-	300	-	-	440	102
Other fee	93	-	52	71	-	80	196	60	-	74	-	-	-	-	143	-	80	-	39	-	53	231	-	-	-	-	80	-	-	52	-	80	12	-	29	-
Charitable donation	1,237	-	-	-	-	150	2,452	-	-	-	-	-	-	-	789	-	150	-	-	-	2,737	-	-	-	-	-	405	-	-	52	-	-	-	-	111	-
Political donation	500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

APPENDIX B: CIEL LIMITED FY 2023 AUDIT FEES PAYABLE AND DONATIONS PAID BY THE COMPANY AND ITS SUBSIDIARIES (ALL FIGURES ARE IN MUR'000)

	Evolis Properties Ltd	Falaise Rouge Estate Ltd	Ferney Limited	Ferney Agri Hub Ltd	Ferney Bubbles Ltd	Ferney Development Ltd	Ferney Eco Hospitality Ltd	Ferney Spinning Mills Limited	Ferney Trail Limited	Floreal International Limited	Floreal Madagascar S.A	Floreal Property Limited	FX Market Edge Limited	GreenSun Management Ltd	Halifax International Ltd	Healthcare East Africa Limited	IMG Pharmaceuticals Limited	Indian Ocean Financial Holdings Limited	International Air Ambulance Limited	International Hospital Kampala Limited	International Medical Centres Limited	Isonoe 1 Ltd	Laguna Clothing (Mauritius) Ltd	Laguna Clothing Private Limited	Laguna Madagascar S.A	Loisirs des Iles Ltée	Long Beach IHS Ltd	Long Beach Resort Ltd	Mauritius International Trust Company Ltd	MITCO Business Solutions Ltd	MITCO Corporate Services Ltd	MITConsult Ltd	MITCO Fiduciary DMCC	MITCO Group Ltd	MITCO International Holdings Ltd	MITCO Limited	MITCO Services Ltd
Audit fee	605	-	948	-	-	-	-	800	-	1,500	-	440	-	-	-	-	-	443	-	-	-	-	1,100	-	-	540	-	1,140	617	206	206	206	122	486	139	103	-
Other fee	73	-	384	-	-	-	-	80	-	80	-	25	-	-	-	-	-	25	-	-	-	-	55	-	-	18	4	52	27	17	17	17	73	18	17	-	-
Charitable donation	-	-	-	-	-	-	-	150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,059	65	257	-	-	-	-	-	-
Political donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

APPENDIX B: CIEL LIMITED FY 2023 AUDIT FEES PAYABLE AND DONATIONS PAID BY THE COMPANY AND ITS SUBSIDIARIES (ALL FIGURES ARE IN MUR'000)

	Operational Excellence Management and Leadership Ltd	Riviere Champagne Limited	Rockwood Textiles Ltd	Société Bonneterie Malagasy - SOBOMA	Societe Civile Immobilière des Mascareignes	Société Textile d'Andraharo SA - TEXARO	SRL FS, Ltd	SRL Maldives Ltd	SRL Marketing Ltd	SRL Property Ltd	SRL Touessrok Hotel Ltd	SRL Touessrok IHS Villas Ltd	SRL Touessrok Residences & Villas Ltd	Sun Hotel & Resorts GmBH	Sun Hotel Holdings Ltd	Sun International Management Ltd	Sun Leisure Hotels Limited	Sun Leisure Investments Limited
Audit fee	-	-	-	-	-	-	-	68	661	-	1,450	-	-	197	-	-	-	-
Other fee	-	-	-	-	-	-	-	-	86	3	83	-	-	-	-	3	-	-
Charitable donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Political donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Sun Limited	Sun Resorts CSR Fund Ltd	Sun Resorts France Sarl	Sunlife Hotel Management Ltd	Sun Resorts International Ltd	Sun Styled Boutiques Ltd	Sun Support Ltd	SUN Training Institute Ltd	Supply Chain Experts Ltd	TBLIMG Ltd	Tinka International Ltd	TKL International Ltd	TKL Knits (India) Private Limited	Tropic Knits Limited	Tropic Mad S.A	Washright Services Limited	Wolmar Sun Hotels Ltd	World Leisure Holidays (Pty) Ltd
Audit fee	2,000	-	91	200	-	90	-	-	-	-	211	300	1,064	1,100	-	160	1,140	343
Other fee	46	4	-	30	8	11	-	8	20	-	-	50	196	80	-	11	52	-
Charitable donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Political donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

FOSTER A VIBRANT WORKFORCE

Scope

Under this pillar, all the figures and analysis provided are based on Fixed Term and Casual Employees from CIEL subsidiaries as well as Bank One, Cotona and Alteo Group except where specifically stated otherwise. Other joint ventures/associates have been excluded.

Fixed Term Employees refer to Employees who have a contract of employment with a defined duration that ends when this specific time period expires.

Casual Employees refer to individuals working for the Company on an ad-hoc and temporary basis for specific needs of the business.

Under Diversity and Ethics section:

- 'Grievance' refers to an official statement of a complaint over an action believed to be wrong or unfair, excluding complaints regarding performance ratings, recruitment, promotions and personal salary negotiations. Typical examples of grievances include workplace harassment, discrimination, nepotism and concerns regarding team management
- 'Management Level' refers to employees that are Group CEO, CEO, General Manager (L), Executives and Heads of Department (L-1) as well as Managers or Supervisors (L-2) reporting directly to the Heads of Department

CHAMPION INCLUSIVE GROWTH

Scope

CLUSTER	SITES
CIEL Textile	All sites excluding Floreal head office
CIEL Hotels and Resorts	La Pirogue, Sugar Beach, Long Beach, Ambre, Ile aux Cerfs (excludes Managed hotels (Shangri La Le Touesserok, Four Seasons at Anahita) and other subsidiaries of Sun Ltd)
CIEL Finance	Bank One Limited, BNI Madagascar, MITCO (excludes Dubai site for MITCO)
CIEL Healthcare	Darne Hospital, Welkin Hospital, C-Labs, C-Care IHK and C-Care IMC (excludes C-Care Grand Baie and C-Care Tamarin)
CIEL Properties	La Vallée de Ferney, Solitude, Nouvelle Usine, Ebene Skies (excludes other Evolis sites, included under Textile cluster)
Joint venture/ Associates	Bank One Limited (included under CIEL Finance), Cotona SA (included under CIEL Textile), excluding Alteo, Procontact Ltd, Anahita Residences and Villas Ltd
Other Exclusions	CIEL Corporate Services Ltd, Azur Financial Services Ltd, Cluster Head Offices

Due to the nature of the KPIs under Champion Inclusive Growth, the data from Bank One Limited and Cotona SA were considered at 100%. We are working towards the alignment of our sustainability disclosures to the shareholding structure.

Community Empowerment

For both cluster contributions and CIEL Foundation data, the end of financial year exchange rate was used to calculate the values from respective geographic sites, as per the table below:

CURRENCY	EXCHANGE RATE AS AT 30TH JUNE 2023
MUR/MGA	0.0101
MUR/INR	0.5597
MUR/BDT	0.42
MUR/UGX	0.0124

Foundation data is accounted for the calendar year January to December 2022.

With regards to Kred, 2022 data is restated as follows:

11,079 **TOTAL NUMBER OF BENEFICIARIES** as at 30 June 2022

MUR **715** M **LOAN PORTFOLIO** as at 30 June 2022

ACTIVATE CLIMATE RESPONSE

Energy and Carbon

Carbon Footprint Accounting Project

Scope

CLUSTER	SITES	PERIOD
CIEL Textile	All sites (excludes Cotona SA)	July 2021 - June 2022
CIEL Hotels and Resorts	La Pirogue, Sugar Beach, Long Beach, Ambre, (excludes Ile aux Cerfs, Managed hotels (Shangri La Le Touesserok, Four Seasons at Anahita) and other subsidiaries of Sun Ltd)	July 2022 - June 2023
CIEL Finance	Bank One Limited, BNI Madagascar, MITCO (Excludes Dubai site for MITCO)	January 2022 - December 2022
CIEL Healthcare	Darne Hospital, Welkin Hospital, C-Labs, C-Care IHK and C-Care IMC (excludes C-Care Grand Baie and C-Care Tamarin)	July 2021 - June 2022
CIEL Properties	La Vallée de Ferney, Ebene Skies (excludes Solitude, Nouvelle Usine, other Evolis sites are included under the Textile cluster)	July 2021 - June 2022
Joint venture/ Associates	Bank One Limited (included under CIEL Finance) Excludes Alteo, Procontact Ltd, Anahita Residences and Villas Ltd	N/A
Other Exclusions	CIEL Corporate Services Ltd, Cluster Head Offices	N/A

We are working towards the alignment of our sustainability disclosures to the shareholding structure.

Methodology

Under the carbon footprint accounting exercise, Scope 1, Scope 2 and Scope 3 were considered using a methodology in line with Greenhouse Gas (GHG) Protocol. This methodology includes several categories or sources of emissions including on-site energy combustion, water consumption, purchased electricity, commuting, release of GHGs from cooling units, waste, value chain and others.

CIEL Carbon Emission Calculations

Scope

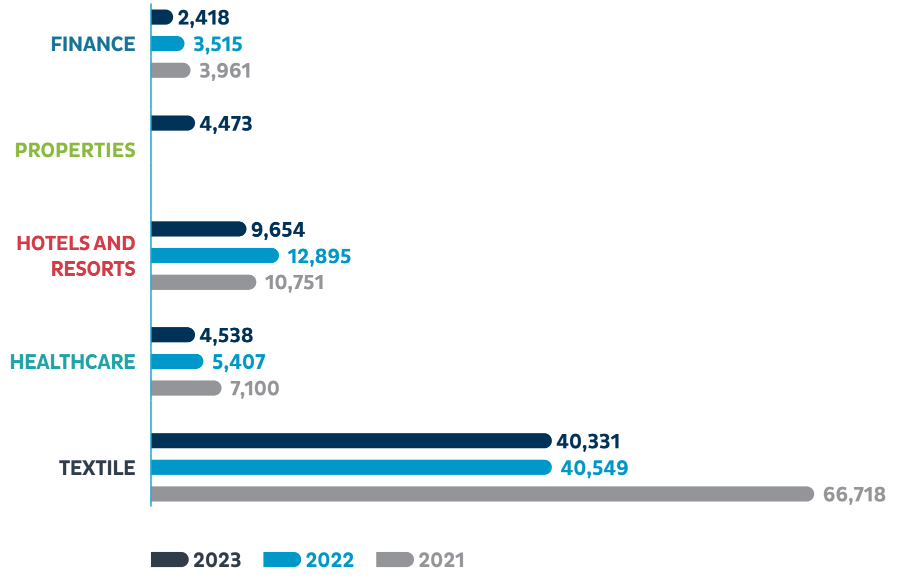
CLUSTER	SITES
CIEL Textile	All sites excluding Floreal head office
CIEL Hotels and Resorts	La Pirogue, Sugar Beach, Long Beach, Ambre, Ile aux Cerfs (excludes Managed hotels (Shangri La Le Touesserok, Four Seasons at Anahita) and other subsidiaries of Sun Ltd)
CIEL Finance	Bank One Limited, BNI Madagascar, MITCO (excludes Dubai site for MITCO)
CIEL Healthcare	Darne Hospital, Welkin Hospital, C-Labs, C-Care IHK and C-Care IMC (excludes satellite clinics)
CIEL Properties	La Vallée de Ferney, Solitude, Nouvelle Usine, Ebene Skies, (excludes other Evolis sites included under Textile cluster)
Joint venture/ Associates	Bank One Limited (50% included under CIEL Finance), Cotona SA (50% included under CIEL Textile), excluding Alteo, Procontact Ltd, Anahita Residences and Villas Ltd
Other Exclusions	CIEL Corporate Services Ltd, Azur Financial Services Ltd, Cluster Head Offices

We are working towards the alignment of our sustainability disclosures to the shareholding structure.

Methodology

The CIEL calculation considered Scope 1 and Scope 2 in line with the methodology used in previous years, which allows for transparency and comparison with historical data. This methodology includes emissions from the use of electricity and other direct sources of energy for operational purposes.

Emission per Cluster - tCO_2e



To calculate the tCO_2e emissions per cluster, the conversion factors from the Department for Business, Energy and Industrial Strategy of the United Kingdom Government (BEIS) were used. These conversion factors are also included in our digital tool.

ACTIVATE CLIMATE RESPONSE (CONT'D)

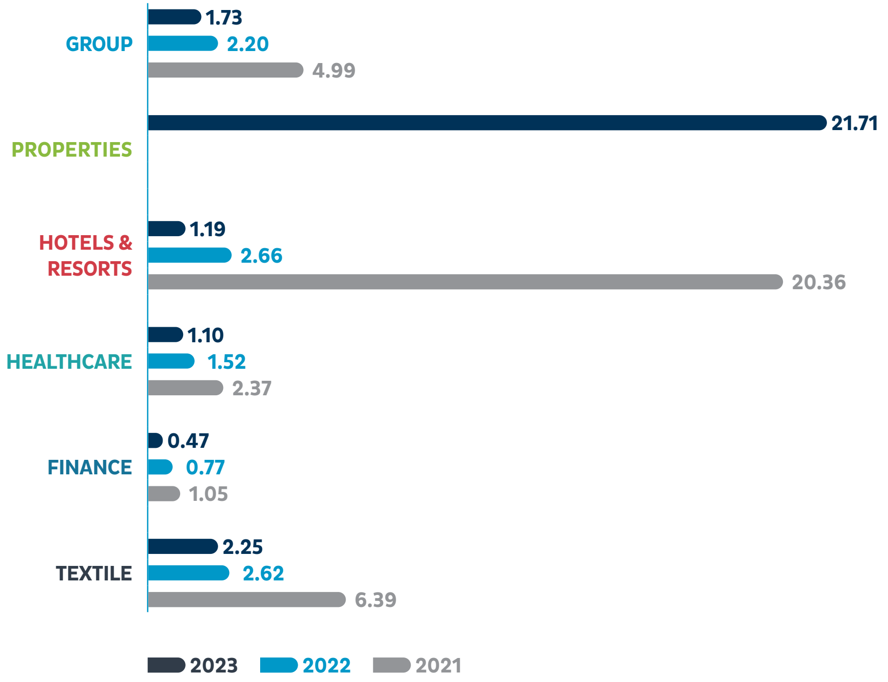
Energy and Carbon (Cont'd)

CIEL Carbon Emission Calculations (Cont'd)

Methodology (Cont'd)

Electricity-related emission factors were derived from Carbon Footprint Ltd, which uses leading international sources.

Carbon Intensity per Cluster - tCO_2e/M MUR



Carbon intensity figures are calculated by dividing the tCO_2e emissions by respective cluster revenue as at 30th June 2023. Therefore fluctuations in carbon intensity are subject to variation in revenues.

Value Chains

Scope

CLUSTER	SITES
CIEL Textile	All sites excluding Floreal head office
CIEL Hotels and Resorts	La Pirogue, Sugar Beach, Long Beach, Ambre, Ile aux Cerfs (excludes managed hotels - Shangri La Le Touesserok, Four Seasons at Anahita)
CIEL Finance	Bank One Limited, BNI Madagascar, MITCO (excludes Dubai site for MITCO)
CIEL Healthcare	Darne Hospital, Welkin Hospital, C-Labs, C-Care IHK and C-Care IMC (excludes satellite clinics)
CIEL Properties	La Vallée de Ferney, Solitude, Nouvelle Usine, Ebene Skies (excludes other Evolis sites, included under Textile cluster)
Joint venture/Associates	Bank One Limited (50% included under CIEL Finance), Cotona SA (50% included under CIEL Textile), excluding Alteo, Procontact Ltd, Anahita Residences and Villas Ltd
Other Exclusions	CIEL Corporate Services Ltd, Azur Financial Services Ltd, Cluster Head Offices

We are working towards the alignment of our sustainability disclosures to the shareholding structure.

- Value Chains: Water

The total water consumption includes industrial and potable water. This year water consumption from Ciel Finance was included in the results while Ciel Properties were excluded as the latter remains negligible. For CIEL Textile, specific KPIs related to the total water withdrawn for domestic/industrial use was introduced into the sustainability digital tool mid-financial year. This enhancement enables us to capture more accurate and detailed data.

Data accuracy and reporting

A digital tool has been implemented to capture sustainability KPIs under our 3 pillars and across all clusters. In the coming years, sustainability-related data will be obtained from the platform to increase data collection consistency and data accuracy. This will enable us to capture material information related to waste and other KPIs. Support is being provided across all clusters to enable consistent data capturing on a regular basis to promote data-driven decision making on our journey to achieve our sustainability goals.