



THE STOCK EXCHANGE OF MAURITIUS

MEMBER OF THE WORLD FEDERATION OF EXCHANGES

ANNUAL REPORT 2023

SEM

MISSION

STATEMENT

SEM is committed to becoming a World Class Stock Exchange. We will strive to position the Exchange as a service-driven and operationally excellent organisation with world-class trading and settlement capabilities, which incorporate and maintain the fundamental principles of market integrity, investor protection and efficient discovery. We undertake to actively pursue strategies that contribute to the growth of the capital market activities in Mauritius. In the pursuance of our mission, we endeavour to further the interests of the investing community, the business community, the government and nation, and our members, shareholders and employees.

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Key Market Statistics

	FINANCIAL YEAR		
	2023	2022	Change(%)
Total Turnover (Value) Rs'bn			
OM	13.3	14.8	(10.1)
DEM	0.8	1.9	(57.9)
Number of Sessions	250	252	
Average Daily Turnover (Value) Rs'm			
OM	53.3	58.6	(9.0)
DEM	3.1	7.5	(58.7)
Total Number of Shares Traded (m)			
OM	381.1	760.8	(49.9)
DEM	58.2	322.9	(82.0)
Accounts held with the Central Depository & Settlement Co. Ltd (CDS)			
Number of Investors registered with CDS	103,175	100,331	
Number of Shares Deposited (bn)	17.3	17.2	
Aggregate value of shares held (Rs'bn)	363.7	384.9	

	FINANCIAL YEAR	
	2023	2022
For the year (Rs'M)		
Revenue	145.7	166.5
Other Income	47.9	38.2
Administrative expenses	-100.5	-101.8
Operating profit	93.2	102.9
Net profit attributable to equity holders	62.1	68.9
At year-end (Rs'M)		
Net Current assets	147.6	194.6
Total assets	923.4	906.2
Total liabilities	105.3	121.5
Shareholders' funds (Rs'M)		
- Stated Capital	50.1	50.1
- Reserves	609.0	579.3
Number of shares issued	5,000,000	5,000,000
Revenue growth (%)	-12.5	15.5
Operating profit margin (%)	64.0	61.8
Net Profit Margin (%)	32.1	33.7
Cost-to-income ratio (%)	51.9	49.7
Return on Equity (%)	9.4	10.9
Per share Data		
Basic earnings (Rs)	12.43	13.79
Net Tangible Assets (Rs)	163.62	156.94
Net Dividend (Rs)	7.33	7.40

Definitions**Operating Profit Margin**

Operating Profit Margin is the operating profit of the group expressed as a percentage of revenue.

Net profit Margin

Net profit Margin is the net profit attributable to equity holders, expressed as a percentage of total revenue of the group.

Cost-to-income ratio

It is the ratio of total expenses to total revenue of the group.

Return on Equity

It is the net profit attributable to equity holders, expressed as a percentage of shareholders' funds.

Net assets

It is the total assets less total liabilities of the group, divided by the number of shares issued.

Net dividend

It is calculated as the dividends proposed divided by the number of shares issued.

CORPORATE REVIEW



DIPAK CHUMMUN

Chairman and Non-Executive Director

is a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW) and holds a degree in Computer Science from the University of Manchester. He is the Group CFO of IBL Ltd, is a Director of a number of listed, regulated and public interest companies including: Alteo Limited, Eagle Insurance Limited, DTOS, Manser Saxon, Healthscape and Bloomage. He is a Council member of the ICAEW in the UK representing Africa and also a Member of the Economic Development Board in Mauritius. An experienced international banking professional, Mr Chummun has over two decades held a number of senior positions with Standard Chartered, Barclays, Emirates NBD and Deutsche Bank in London, Dubai, Singapore and Frankfurt and has previously served as an International Advisory Board member of ICAEW.



SHIVRAJ KEVIN RANGASAMI

Vice-Chairman and Non-Executive Director

reckons more than 20 years of experience in financial services, having started his career with De Chazal Du Mée (now BDO Mauritius) before joining MCB Capital Markets, the investment banking, proprietary investment and investment management arm of the MCB Group, to head the Fund Management business. He is currently the Managing Director of the Brokerage and Investments division of MCB Capital Markets Ltd. Kevin is the vice chairman of the SEM and a non-executive director of the Central Depository & Settlement Co Ltd. He is a member of the Mauritius Institute of Professional Accountants (MIPA), the CFA Society of Mauritius (CFASM), the Mauritius Institute of Directors (MIoD) and a Fellow of the Association of Chartered Certified Accountants (FCCA). Kevin also holds a Global MBA from the Alliance Manchester Business School, UK.



PROF. DONALD AH-CHUEN

Non-Executive Director

is a fellow member of (a) the Institute of Chartered Accountants in England and Wales, and (b) the Institute of Chartered Accountants of Australia. He holds an MBA degree (University of Strathclyde, UK) and is also a M.C.I.P.D. (Member of Chartered Institute of Personnel & Development, UK). He was formerly Pro-Vice-Chancellor of the University of Mauritius and was for many years Chairman of the Tertiary Education Commission of Mauritius. He was also Chairman of the Mauritius Broadcasting Corporation, the Mauritius Institute of Management and the Association of Accountants of Mauritius. Furthermore, he was a director of the Bank of Mauritius, the Development Bank of Mauritius, and Chairman of the Standard Bank (Mauritius) Ltd. Other major positions held by him were as President of the Mauritius Chamber of Commerce and Industry, the Chinese Chamber of Commerce and the Commission of Inquiry in the Public Hospital Service of Mauritius. Professor Ah-Chuen worked for 12 years in Australia where as CEO of the Graham Group of Companies and Chairman of the Association of Galvanizing Enterprises of Australia he secured an effective collaboration between Academia and the Steel Galvanizing Industry. Professor Ah-Chuen is currently a Director of ABC Motors Company Ltd and POLICY Ltd, and Managing Director of ABC Banking Corporation Ltd. He was the Chairperson of the SEM in 2018 and has remained on the Board of Directors, being also a member of the SEM's Corporate Governance Committee. In 2009 he was conferred by Government the distinction of G.O.S.K (Grand Officer of the Order of the Star and Key of the Indian Ocean) in recognition of his valuable contributions to Commerce and Industry, Banking & Financial Services, and Tertiary Education.



SUNIL BENIMADHU

Executive Director

joined the SEM as Chief Executive in May 1998. He was appointed Executive Director of the SEM in October 2008. He holds a MBA in Finance and Investment from the University of Illinois, United States. He also holds a D.E.A. in Development Economics and a Maîtrise in Macro-Economics from the University of Aix-Marseille, France. Sunil has been the Chairman of Global Finance Mauritius from July 2014 to October 2020 and is now a director of Mauritius Finance. He has been a director on the Board of the World Federation of Exchanges (WFE), an association of the World's leading Stock Exchanges since 2014. Sunil was the President of the African Securities Exchanges Association (ASEA) an association of 28 Exchanges operating on the continent, from August 2010 to November 2014. From 2002 to 2004, he was a member of the Executive Committee of the South Asian Federation of Exchanges (SAFE), which comprises twelve Stock Exchanges of the South Asian region. From 2001 to 2003, he chaired the SADC Committee of Stock Exchanges (COSSE), an association of stock exchanges which includes ten exchanges of the Southern African region.



REEDHEE ANOUSHKA BHUTTOO

Non-Executive Director

is the Head of SBM Capital Markets Ltd regrouping the activities of trading, fund management, Corporate finance and structuring within the SBM Group of Companies. Currently, she is a Non- Executive Director of the CDS Ltd and she is also an Executive Director on several SBM entities. Holder of a MSc Financial Economics from the University of Mauritius and a Hons. Degree in Economics (first class) from the MS University of Baroda, she also holds an advanced professional diploma in Marketing from the Chartered Institute of Marketing (UK) and is an associate member of the Chartered Institute of Securities and Investment (UK).



JÉRÔME DE CHASTEAUNEUF

Independent and Non-Executive Director

joined the SEM in December 2020. He is a Chartered Accountant of England and Wales and holds a BSc Honours in Economics from the London School of Economics and Political Science, UK. Jérôme is the Group Finance Director of CIEL Limited and is also a Director of a number of listed, regulated and public interest companies including: Alteo Limited (Chairman as from 25 March 2022), CIEL, Harel Mallac & Co. Ltd, Miwa Sugar Limited and Sun Limited.



ANDRÉ CHUNG SHUI

Non-Executive Director

member of the Remuneration Committee. André holds an economics degree from the London School of Economics and is a Fellow of the Institute of Chartered Accountants in England & Wales. He is currently the Managing Director of PeaQ Advisors Ltd, a licensed investment advisor (unrestricted) from the FSC. André held the position of Managing Director of Mauritian Eagle Insurance from 2011-2014 and of Executive Director of LCF Securities Ltd from 2014-17. He is the Executive Director of Klumph Consultants Ltd and is also a fellow of the Mauritius Institute of Directors.



RAHUL GIRISH DESAI

Non-Executive Director

brings his decade long experience in international portfolio management, as the CEO of Redwood Finance, to the table. Having graduated as a Mechanical Engineer from University College London (UCL), Rahul pursued his career in the trading and portfolio management world with great success, having been named CEO of Warwyck Phoenix Securities Ltd by the age of 30. Exuding a dynamic, effective, and influential leadership style that motivates, Rahul oversees the investment management and business development side of the company and is determined to continue growing both the wealth of Redwood's clients and the AUM of the company, which is at an already impressive rate since the creation of the company (close to USD 50m or MUR 2.2bn invested mainly across international equities and bonds and derivative to a lesser extent).



GIANDUTH (ALVIN) JEEAWOCK

Non-Executive Director

is a Chartered Financial Analyst and is holder of an Executive MBA awarded by Paris-Dauphine and Sorbonne Business School. He specializes in the areas of corporate finance, structured products, derivatives, risk management, alternative investments and international finance. Alvin has extensive experience in leading large-scale investments in Mauritius and abroad and he has spearheaded several revenues generating initiatives in the capital markets segment such as fund raising, advisory and fund management. Alvin is an executive director on a number of Swan's subsidiaries.



JEAN-PIERRE LIM KONG

Independent and Non-Executive Director

is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a BSc (Hons) in Mathematics and Management Studies from King's College London. He is an experienced professional with a breadth of experience in areas as diverse as audit, advisory services, financial management, strategic planning, corporate finance and acquisitions. Jean Pierre is currently the Chief Executive Officer of Innodis Ltd. Prior joining Innodis Ltd, he worked for KPMG's audit practice in London, the business advisory departments of KPMG and DCDM Consulting in Mauritius, and Happy World Foods Ltd as General Manager - Finance & Administration. He also worked for the Cim Group for 11 years, first as Managing Director of Cim Finance Ltd and subsequently as Group Chief Finance Executive. Jean Pierre served on the Board of the Mauritius Institute of Directors for three years and has been appointed as a director of the Association of Mauritian Manufacturers in April 2023.



TOMMY LO SEEN CHONG

Non-Executive Director

has been professionally involved in the Financial Services Sector for over two decades and has witnessed first-hand the development of this sector over the years. He is a founder and director of Intercontinental Trust, a leading Management Company. Tommy is also the director of Capital Market Brokers Ltd. Of note, is Tommy's involvement in the setting up of Cape Town Stock Exchange an exchange licensed by the South African FSCA operating in South Africa of which he is a director. Prior to moving to this sector Tommy was the Finance Director of a major local group of companies involved in a vast array of economic activities inclusive of but not limited to real estate, trading and leisure.



JAIYANSING SHAILEN SOOBAH

Non-Executive Director

is a Fellow of the Association of Chartered Certified Accountants, holds an MBA and is a Chartered Governance Professional. He started his career with De Chazal Du Mée (now BDO) where he spent 10 years in the audit and offshore departments. In 2003, he moved to the Financial Services Commission where he was officer-in-charge of the insurance supervision department. In 2009, he joined CIM Group, and was subsequently appointed as Senior Manager Compliance of the insurance and investment cluster. He is currently Senior Manager at SWAN, holding the positions of Group Company Secretary and Risk Officer. Shailen is a director of a number of companies at SWAN and a Non-Executive Director of the CDS.



SUNIL BENIMADHU

Chief Executive

Please refer to Directors' Profile on page 9 of this Annual Report.

VICKRAM RAMFUL

Head of Listing

Vickram is a Fellow of the Association of Chartered Certified Accountants. He holds a BA (Hons) in Business Accounting from the University of Lincolnshire and Humberside (UK) and an MBA in Finance. He joined the SEM in 2005 as Financial Analyst and was appointed as Corporate Finance Manager in November 2007. On 15th July 2016, he was appointed as Head of Listing. He is a member of the Mauritius Institute of Professional Accountants (MIPA) and the ACCA Mauritius Branch.



PAMELA LI CHUN FONG

Manager Finance and Administration

Pamela is a Fellow of the Association of Chartered Certified Accountants and also holds a Diploma in Accountancy. She joined the SEM in 1995 as Accountant and currently holds the position of Manager Finance and Administration. She was appointed Company Secretary and has served on the SEM Board from October 2018 to February 2022. She is a member of the Mauritius Institute of Professional Accountants (MIPA) and the ACCA Mauritius Branch.



SHALINI GOKHOOL

Manager, Legal Affairs

Shalini holds an LLB (Hons) and has also completed the Vocational Course for Barristers at the Mauritius Council of Legal Education in 1997. Having acquired experience in legal firms and in the banking sector, she joined the SEM in 2001 as Manager Legal Affairs.

NISHAN AUBEELUCK

Manager Market Data, Market Development and Corporate Affairs

Nishan holds an MSc in International Business (Economics and Finance) from the University of Melbourne, Australia. He joined the SEM in 2004 and is the Manager of Market Data, Market Development and Corporate Affairs. Nishan is member of the World Federation of Exchanges Technology Working Group and the World Federation of Exchanges Sustainability Working Group. Nishan represents the SEM on the African Exchanges Linkage Project (AELP) Committee for the African Securities Exchanges Association (ASEA) and the African Development Bank (AfDB) to facilitate cross-border trading of securities in Africa. He is also a member of the Finance and Treasury Association, Australia.



AVISH GOOMANY

Manager, Trading & Market Surveillance

Avish holds a BSc (Hons) Finance from the University of Mauritius. He joined the SEM in December 2007 as Research Assistant. Having more than 13 years' experience in the Trading and Surveillance Department of the SEM, he has been appointed as Assistant Manager, Trading & Market Surveillance in February 2022. Avish was promoted to Manager, Trading & Market Surveillance as from February 2023.



The Board of Directors has pleasure in presenting the thirty fourth (34th) Annual Report of the Stock Exchange of Mauritius (SEM) for the year ended 30 June 2023.

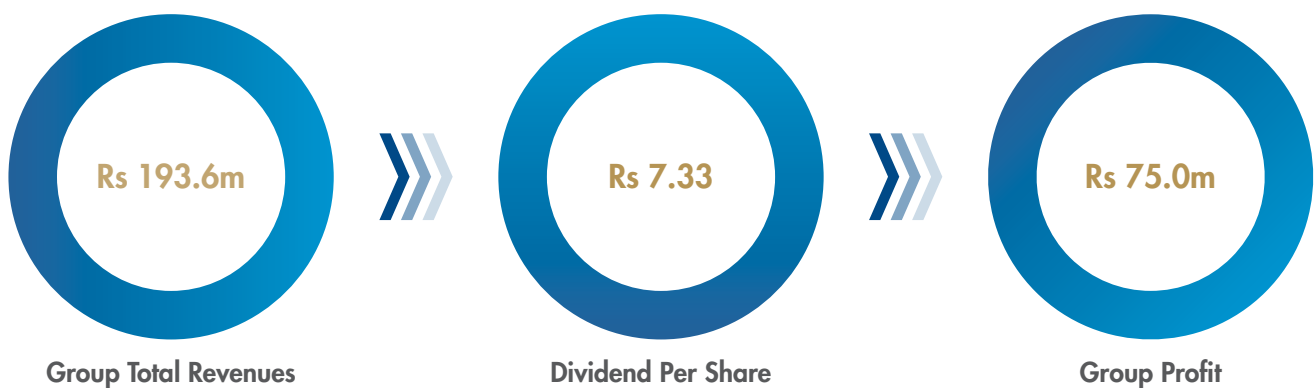
This Annual Report, which comprises the audited financial statements of the Group and the Company, the Corporate Governance Report and other statutory disclosures pursuant to Section 221 of the Companies Act 2001, has been approved by the Board of the SEM at a meeting held on 25th September 2023.

Principal activities of the Group and the Company

The principal activities of the SEM, as defined by its Constitution, are: 1) to operate and maintain a securities exchange in accordance with law; 2) to provide facilities for the buying and selling and otherwise dealing in securities on a securities exchange; 3) to provide and maintain, to the satisfaction of the Financial Services Commission (FSC) adequate and properly equipped premises for the conduct of its business; and 4) to have operating rules for the markets it operates pursuant to law.

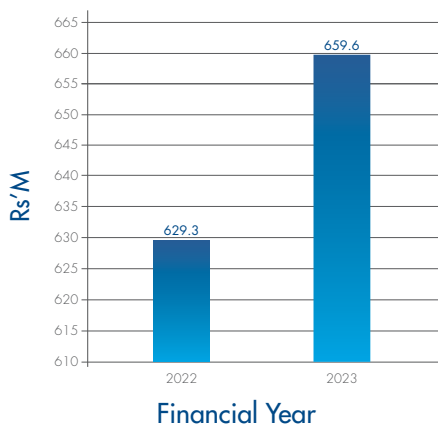
The principal activities of its Subsidiary Company, the Central Depository and Settlement Co. Ltd (CDS), as defined by the Securities (Central Depository, Clearing and Settlement) Act 1996, are to provide depository, clearing and settlement services in order to facilitate dealings in securities on the Exchange.

Group Results

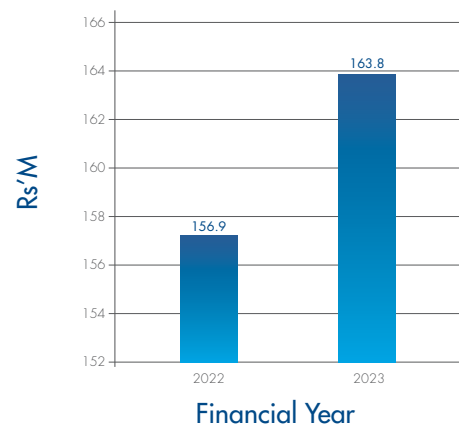


The group total revenues for FY 2023 amounted to Rs 193.6 m, a decrease of 5.4% on FY 2022 (Rs204.7 m). Group expenses were contained at Rs 100.3 m in FY 2023, a decrease of 1.5% on FY 2022 (Rs101.8 m). This resulted in Group Net Profit After Tax of Rs 75.0 m for the FY 2023, a decrease of 12.4% on FY 2022 (Rs 85.6 m).

Shareholders Funds



Net Asset value Per Share



Principal activities of the Group and the Company (Con'd)

Shareholders' funds increased by 4.7% over the preceding year, reaching a total value of Rs659.0m as at 30 June 2023 (FY 2022: Rs629.3m). Dividend Per Share was calculated at Rs7.33 for the FY 2023 (FY 2022: Rs7.40). The Net Asset Value Per Share was Rs163.62 for the FY 2023, an increase of 4.26% on FY 2022 (Rs156.94).

Company Results

SEM's total revenues for FY 2023 amounted to Rs 135.1 m, a decrease of 4.8% over the FY 2022 (Rs141.9m). Total expenses were contained at Rs64.4m, a decrease of 14.9% over FY 2022 (Rs75.7m). The Net Profit After Tax for the Company was Rs56.7m, a decrease of 8.1% over FY 2022 (Rs61.7m).

The Shareholders' funds at 30 June 2023 amounted to Rs514.9m, showing an increase of 4.9% as compared to FY 2022 (Rs491.0m).

Dividends

At a meeting held on 22nd June 2023, in line with SEM's approved dividend policy of distributing 60% of its Net profit After Tax, the SEM Board approved a total dividend payment of Rs36.6m for the FY 2023 (FY 2022: Rs37m).

Auditors

In accordance with Section 221 (1) (h) of the Companies Act 2001, the Remuneration of the Auditors is disclosed in note 17 of the audited financial statements.

Acknowledgements

On behalf of the Board, we would like to express our gratitude to all stakeholders, namely the Ministry of Financial Services, Good Governance and Institutional Reforms, the Financial Services Commission, the Listed Companies, the Investment Dealers, the Asset Management Companies and the Investors for their valuable support and contribution towards the operations of the market and the continuous development of the Exchange.

We extend our appreciation to all our fellow Directors for their continuous support and contributions in maintaining the long-term sustainability of the business operations. We would like to convey a special note of appreciation to Messrs. Ashley Coomarruhee, Nitish Benimadhu and Manvendra Singh who have served on the SEM Board and have ceased to be Directors during this financial year. We also welcome Messrs. Rahul Girish Desai, Gianduth (Alvin) Jeeawock and Jean-Pierre Claudio Lim Kong who have been newly appointed Directors to sit on the Board of the SEM.

Our heartfelt thanks to the Chief Executive, the SEM Management team and all SEM employees for their dedication and hard work during the past financial year.



Dipak Chummun
Chairman



Shivraj Kevin Rangasami
Vice Chairman

Date: 25.09.2023

The Financial Year 2022-2023 can be described as a year of mixed fortunes, characterised, on the one hand, by renewed hopes of a global economic rebound after two nerve-racking years of Covid-linked distress, and, on the other hand, by lingering fears of a Ukraine/Russia war-induced double-digit inflation. After keeping inflation within single-digit thresholds for nearly three decades, Mauritius had to face the scourge of double-digit inflation for the first time since 1993. Year-on-year headline inflation hit 12.2% in December 2022, its highest level since 2008. Developed as well as developing economies were not left unscathed by this global fall in purchasing power, with countries like the US facing inflation levels unseen since the 1980's. In an effort to tame inflation, central banks embarked on a fast tightening monetary trajectory, sending financial markets into a tailspin as asset valuation had to be repriced to factor-in the higher discount rates. Expectations that sharp increases in interest rates would push economies into recession have, so far, not materialised. The debate among economists is still on regarding whether leading economies like the US will achieve a "soft" or a "hard" landing.

Locally, the GDP at market prices grew at the improved rate of 8.8% in calendar year 2022 to reach Rs 571 billion (2021: 3.4%; Rs 479 billion). When viewed in rupee terms, the GDP has grown for the first time beyond its pre-covid level of Rs 512 billion in 2019, although the recovery is not yet complete when analyzed in US dollar terms (2019: \$ 14.0 billion; 2022: \$13.0 billion).

On the forex front, the rupee continued its decline against hard currencies during FY 2022-2023, with a fall of nearly 3% against the US dollar between 01 July 2022 and 30 June 2023, bringing the total depreciation since the beginning of Covid-19 in January 2020 till 30th June 2023 to 25%. There are, however, two positive aspects that should be highlighted. Firstly, the depreciation of the rupee towards the dollar in FY 2022-2023 is lower than that of the preceding three financial years, which ranged between 4% and 13%. Secondly, the exchange rates for the third quarter of FY 2022-2023 seem to show that the rupee has stabilised, under the influence of the influx of foreign earnings from the tourism industry, which is already operating at above the pre-covid level, and the gradual improvement in Mauritius' balance of payments observed since July 2022.

Market Performance & Highlights in FY 2022-2023

The local market embarked the month of July 2022 on a downward trend as the uncertainties triggered by the Russo-Ukrainian war continued to unleash selling pressures on listed stocks. For the month of July 2022, the SEMDEX and SEMTRI lost 5.46% and 5.21% respectively. The promising tourist arrival figures in August, coupled with the enhanced efforts of the government to attract more tourists helped the market to gradually erase some of its losses. The SEMDEX and the SEMTRI ended the session of 29 September 2022 at their highest FY 2022-2023 level i.e. at 2123.06 points and 8586.35 points respectively. For the first quarter of the period under review, the SEMDEX fell by 0.55% whereas the SEMTRI registered a loss of 0.15%.

Thereafter, during the period September 2022 to April 2023, the market evolved in a high volatile environment as sticky inflation and interest rates hikes, coupled with the continued depreciation of the rupee, continued to weigh heavily on investor sentiment. As from the beginning of May 2023, market indices embarked on a rising trend, fuelled mostly by the publication of solid financial results and good dividend pay-outs of some bellwether stocks of the market. The upward push was relatively strong, so much so that from 1 May 2023 till 30 June 2023, the SEMDEX gained 2.1% to close at 1967.05 points, and the SEMTRI grew by 4% to close at 8,296.47 points.

Overall, during the financial year of 2022-2023, the SEMDEX and the SEMTRI suffered a fall of 7.5% and 3.8% respectively. On the Development & Enterprise Market, the DEMEX and the DEMTRI were down by 14.6% and 12.3% respectively closing the year at 252.67 points and 395.56 points. On 30 June 2023, the total market capitalization of the SEM stood at Rs 362.2 billion, i.e. nearly 65% of the country's GDP. The total value traded on the SEM amounted to Rs 14.1 billion during the year. Issuers used the SEM's multi-currency platform to raise Rs 14.2 billion in 2022-2023.

Market Performance & Highlights in FY 2022-2023 (Cont'd)

The year also saw an increase in the participation level of foreign investors. Trading activities by foreigners in financial represented 26.1% of total transactions during fiscal year 2022-2023 compared to 15.6% during the last corresponding year. Moreover, since the start of 2023, the SEM-listed companies see to have regained the support of foreign investors who were net buyers of SEM stocks to the tune of Rs 375 million during the period January 2023 to June 2023.

Review of financial figures

FY 2022-2023 saw the Total Revenues of the SEM Group decrease to Rs 193.6 million (FY 2021-2022: Rs 204.7 million) and Profit for the Year to Rs 75.0 million (FY 2021-2022: Rs 85.6 million). This decline is explained mainly by the drop in trading volumes on our platform that we have witnessed during the financial year. It should be highlighted that this is a phenomenon that has affected not only the SEM but most stock exchanges across the world. In fact, the World Federation of Exchanges has reported that, at the global level, during the first half of 2023, the value of shares traded and the number of IPOs have decreased by 20.9% and 26.9%, respectively, as compared to the same period in 2022. In Africa and other emerging markets, the situation is even worse, with investors shifting to less risky interest-bearing assets, following the recent increases in interest rates. Mauritius has not been unscathed by these developments, as the country has had to face the additional effects of the depreciation of its currency over and above the increases in interest rates.

Key initiatives undertaken in 2022-2023

Despite the difficult business environment that has prevailed during FY 2022-2023, the SEM has continued on its pursuit of value-enhancing initiatives to deepen and broaden its capital markets ecosystem and improve its services and product offerings to its stakeholders. Some of these initiatives are described below:

- African Exchanges Linkage Project (AELP)**

The SEM has been one of the leading seven Exchanges in Africa actively involved in the technological integration of African Capital Markets through the African Exchanges Linkage Project (AELP). AELP was launched in December 2022, with its e-platform enabling seamless cross-border securities trading among seven African stock exchanges representing 2,000 companies with roughly USD 1.5 trillion market capitalization. The AELP Link Trading Platform incorporates stock market integration, an order routing system, and market and order-book data sharing. All instruments listed on the participating Exchanges and accessible to foreign investors can, therefore, be traded through the AELP Link.
- Amendments to the Listing Rules**

Listing Rule 2.3(b) (ii), which sets out the procedure for waivers in the context of post-listing obligations, has been amended. Previously, the SEM needed to seek the prior approval of the FSC, which was expected to be received within 5 business days. To enhance the effectiveness of the approval process of requests for waivers, Listing Rule 2.3(b) (ii) was amended, with the approval of the FSC, to empower the SEM to grant approvals without seeking the FSC's prior support. The SEM only needs to notify the FSC of such approvals.
- Continued improvements to the new Automated trading platform**

In May 2022, the SEM went live with its new state-of-the-art trading platform, which incorporates features that enable an improved real-time monitoring of stock market activities. During financial year 2022-2023, the SEM team worked closely with the system supplier STT to address teething problems associated with the implementation of new systems and improve the operational efficiency of the system.

Key initiatives undertaken in 2022-2023 (Cont'd)

- Assessment of the new Automated trading platform

An independent assessment of our new Automated trading platform was carried out in August 2022 to test its effectiveness and its compliance with the Trading Rules and Procedures. Our independent auditor tested a total of a total 26 scenarios on the new ATS, all of which were given 'compliant' status.
- Cybersecurity Audit

During FY 2022-2023, the IT infrastructure of SEM and CDS was also subject to a Cybersecurity Audit, carried out by an independent auditor, with the aim of evaluating the various safeguards of our organisation in ensuring the confidentiality, integrity and availability of our information assets. We are pleased to report that our auditor concluded that SEM and CDS had established the basic cybersecurity management practices and that the auditor's intrusive penetration test methods did not allow them to compromise our organisation's security to get hold of any valuable data.
- Review of the policy on the sale of Data

During FY 2022-2023, SEM reviewed its data policy with international data vendors and this review has not only generated 49% additional data revenue for the SEM from data over FY 2021-2022 figures, but has also helped raised the visibility of SEM activities internationally.

Near term endeavours

- Changes to the Rules on sending Annual Reports

The SEM will look into making further amendments to the Listing Rules and DEM Rules to make the SEM more competitive. A first change that will be made shortly is the alignment of the rules with the new requirements implemented by the Registrar of Companies with regards to how Annual Reports are sent to shareholders. The Registrar of Companies has issued Practice Direction No. 2 of 2022 (Sending of Annual Report and Financial Statements), whereby Companies are able to send their Annual Reports by any electronic means and can also seek the approval of their shareholders not to send the Annual Reports at all. This change is supportive of initiatives to promote environmental protection and will also result in cost savings for listed Companies in terms of printing and postage costs.
- Review of the listing framework for technical listings

The SEM will undertake a thorough review of the listing and postlisting requirements for technical listings in competing jurisdictions, and benchmark the SEM's rules against these competitors' rules. We will introduce amendments to our rules to ensure that SEM's pre and post-listing compliance costs and requirements for technical listings are more competitive than those of the competing jurisdictions.
- Reaching out to Management Companies to attract new business

A series of meetings will be organised with key Management Companies to: 1) explain the modern operating/listing framework of the SEM, 2) use concrete examples to underscore how Management Companies can leverage SEM's operational/listing platform to help them embrace higher value-add activities and increase the substance of GBC's and funds incorporated in Mauritius, and 3) share with Management Companies a comprehensive competitive analysis of SEM's attractiveness compared to competing jurisdictions like Luxembourg, Dublin etc., and 4) hear from MC's on proposed changes to our current listing rules to make them more appealing to GBC's specialist debt instruments, funds, and other financial products.
- Expanding the revenue stream from data

In 2023-2024, SEM will roll out the second leg of this data policy review and aim at further increasing the revenue stream from data. We will work towards effecting some data-mining on the wealth of data in our data-bank and commercialise the enhanced value-add data to our listed issuers and other market intermediaries.

Near term endeavours (Cont'd)

- Assessing the ESG Reporting of SEM-listed issuers

The SEM is currently involved in extensive discussions with an international firm to explore the use of Artificial Intelligence to scrutinise the Annual reports of all SEM-listed companies and rate these annual reports in terms of the quality, substance and completeness of the reporting with regard to international ESG standards. The objective of this new initiative is to raise the standards of ESG reporting over time by SEM-listed companies and attract more investment flows to these companies. We expect this initiative to be rolled out during FY 2023-2024.
- Review of SEMSI Criteria

During the second half of the FY 2023-2024, the SEM will make a review of the SEMSI eligibility criteria. This review will take into account the new ESG disclosures that will be required in Annual Reports by the International Sustainability Standards Board, the sister initiative of the IFRS Foundation. The new accounting standards are expected to be effective for annual reporting for periods beginning on or after 1 January 2024, although they will not be immediately mandatory in Mauritius.
- List the first Green/sustainable/gender bond on the SEM

In 2023-2024, SEM will actively engage with corporates, as well as with government institutions to list the first green/sustainable/gender bond on our platform. Based on statistics available within the SADC region, Mauritius is greatly lagging behind in terms of issuance of green/sustainable bonds. SEM can facilitate issuers' access to funding to guide and help them through the process of issuing a green/sustainable bond, putting together the necessary documentation and going through the independent verification process.
- Add a new dimension to SEM's scope of activities: Introduce a Carbon Credit Trading Platform

The SEM and CDS has initiated discussions with a Carbon-Credit Exchange to explore the possibilities and implications of leveraging its platform and expertise to introduce Voluntary Carbon Credit Trading in Mauritius through the SEM. Carbon Credit trading is still at an inception stage at the global level, but it is a market that possesses a huge potential.

Outlook

After three very difficult years due to Covid and the Russia/Ukraine war, the stock market in Mauritius has shown signs of recovery in recent months on the back of the macro-economic rebound, solid results of many leading stocks, and hopes that inflation will soon start tapering off. These renewed hopes, coupled with the first signs of positive inflows from foreign investors could set the stage for a better stock market performance in 2023-2024, provided that the rupee stabilises against the US dollar

Acknowledgments

I would like to take this opportunity to thank the SEM's Chairman, my fellow Board members, the Ministry of Financial Services & Good Governance and the Financial Services Commission for their continued guidance and support. My thanks also go to all our important stakeholders, brokers, investors, listed issuers, asset managers, and retail investors for doing business with the SEM.



Sunil Benimadhu

Chief Executive

Date: 25.09.2023

Introduction

The SEM is a Public Interest Entity as defined by the Financial Reporting Act 2004.

The Board of the SEM is accountable to the company's shareholders for the overall direction and control of the Company. It is committed to high standards of governance designed to protect the interests of its shareholders and all other stakeholders, while promoting the highest standards of integrity, transparency and accountability.

Compliance with Governance Standards

The SEM Board ensures that the company's policies and practices in the critical areas of financial reporting, remuneration reporting and corporate governance meet high levels of disclosure and comply with the eight principles of the New Code of Corporate Governance for Mauritius (2016), as well as the Securities Act 2005, the Financial Services Act 2007 and the relevant regulations and rules made under these Acts.

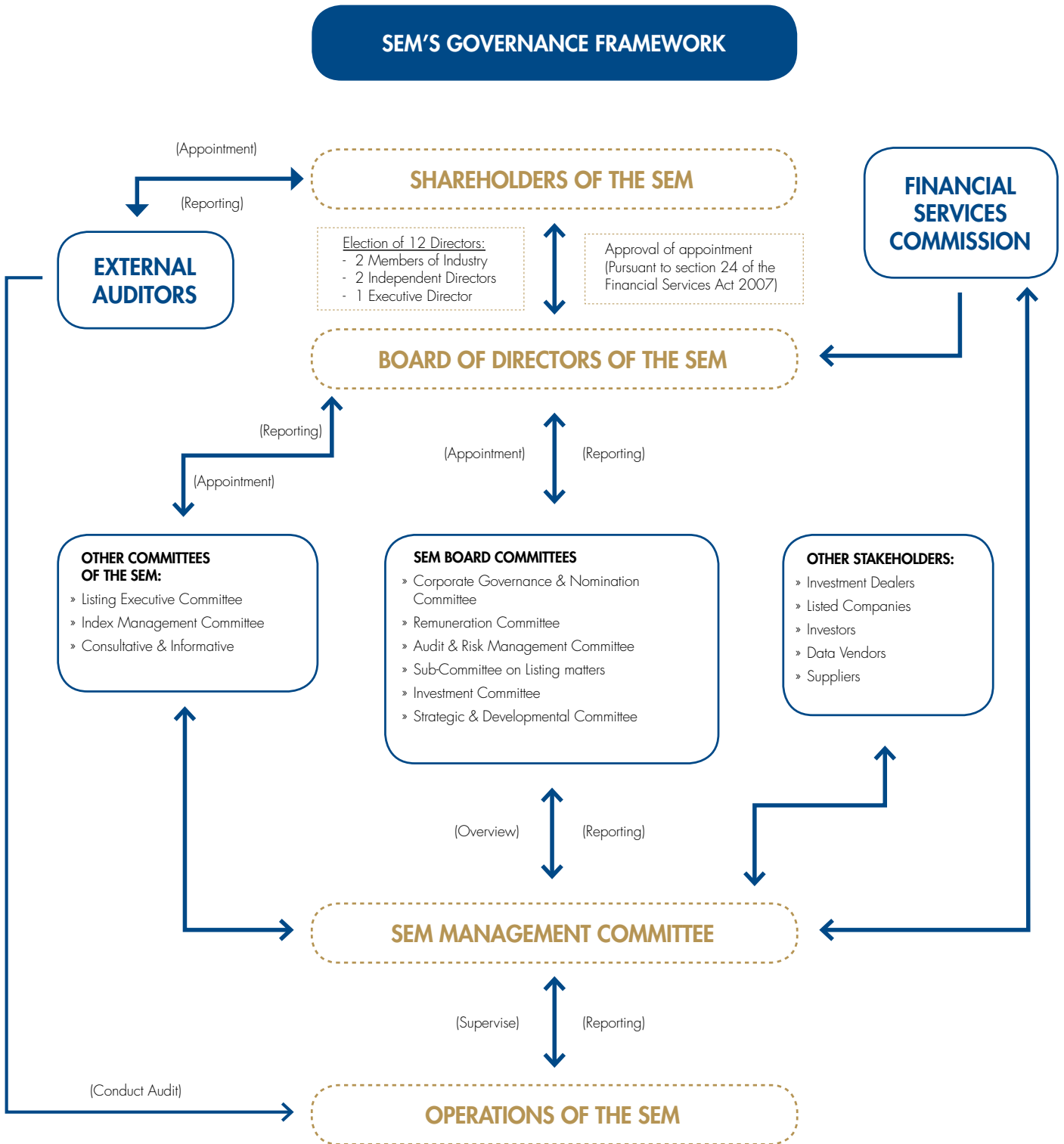
Principle 01 : Governance Structure

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

The Board of the SEM assumes responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements. The following key governance documents were approved by the SEM Board and are available on the SEM website:

- SEM Board Charter
- Code of Corporate Behaviour
- Position Statements of the Chairperson and the Company Secretary
- Job description of the Senior Management team.
- Organisation Chart

The following illustration depicts the Corporate Governance framework adopted by the SEM and outlines the lines of reporting of the SEM's organisation, the SEM Board and its Committees for the year under review.



Principle 02 : The Structure of the Board and its Committees

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

Size and Composition of the SEM Board

The Constitution of the SEM provides for a maximum number of twelve directors. Accordingly, in 2022-2023, the Board of directors consisted of twelve (12) directors, including two (2) independent directors and one (1) executive director. All non-executive directors are independent of the management of the SEM, in line with Section 18 of The Securities Act 2005.

The Chief Executive of the SEM is the executive director. The Board is of the view that due to the relative small size of the Company, there is no need to appoint a second executive director.

The SEM has a unitary Board which has an appropriate mix of gender, skills and experience to enable it to carry out its duties and responsibilities in an effective and competent manner. For the year under review, the SEM's Board comprised of one (1) woman director.

Terms of office

In accordance with the provisions of Clause 21.3(c) and Clause 23.1(b) of the SEM Constitution, the term of office of the Directors is for two years and the term of office of the Chairman and the Vice Chairman is for a maximum of two continuous terms of two years or such shorter periods as the Board may decide.

Company Secretary

The Company Secretary is appointed by the Board in accordance with the provisions of the SEM's Constitution. Mr Christophe Neveu is the Company Secretary since 20 January 2022. The position statement for the Company Secretary, which was duly approved by the Board is available on the SEM Website.

The status of directors and the names of members sitting on Board of the SEM for the year ended 30 June 2023 are disclosed in the following table:

Name	Status	Residency
Mr Dipak Chummun	Non-Executive Director, Chairperson	Mauritius
Mr Shivraj Kevin Rangasami	Non-Executive Director, Vice Chairperson	Mauritius
Professor Donald Ah Chuen	Non-Executive Director	Mauritius
Mr Sunil Benimadhu	Executive Director, Chief Executive	Mauritius
Mrs Reedhee Bhutto	Non-Executive Director	Mauritius
Mr Louis Jean Jérôme de Chasteauneuf	Non-Executive independent Director	Mauritius
Mr Andre Chung Shui	Non-Executive Director	Mauritius
Mr Rahul Girish Desai	Non-Executive Director	Mauritius
Mr Gianduth (Alvin) Jeeawock	Non-Executive Director	Mauritius
Mr Jean-Pierre Claudio Lim Kong	Non-Executive independent Director	Mauritius
Mr Tommy Lo Seen Chong	Non-Executive Director	Mauritius
Mr Jaiyansing Shailen Soobah	Non-Executive Director	Mauritius

The profile of the directors sitting on the Board of the SEM for the financial year ended 30 June 2023, are disclosed on pages 8 to 13 of the Annual Report.

SEM BOARD COMMITTEES

Corporate Governance Committee

Approved Terms of Reference

- Ensure reporting requirements on Corporate Governance are in accordance with the principles of the Code;
- Determine, agree and develop policies on corporate governance in accordance with the principles of the Code;
- Ensure disclosures are made in the Annual Report in compliance with the disclosure provisions in the Code of Corporate Governance for Mauritius.

Nomination Committee

Approved Terms of Reference

- Recommend the appointment of executive and non-executive directors;
- Make recommendations on the Board structure, size and composition;
- Identify and nominate candidates to fill Board vacancies and put in place plans for succession;
- Make recommendations to the Board regarding the composition of Board Committees;
- Overseeing the board self-evaluation process and reviewing the results thereof;
- Recommend continuation of service for directors reaching the age of 70;
- Recommend directors retiring by rotation for re-election.

Remuneration Committee

Approved Terms of Reference

- Determine, agree and develop the Company's policy on executive and senior management remuneration;
- Determine specific remuneration packages for executive directors of the company;
- Determine the level of non-executive & independent non-executive directors fees.

Audit & Risk Management Committee

Approved Terms of Reference

- Recommend the appointment of external auditors to the Board;
- Review the audit strategy and agree on the timing and nature of reports from the external auditors;
- Examine and review the financial statements and ensure they comply with the accounting standards and with legal requirements;
- Monitor and review the effective functioning of the internal control systems and reporting;
- Monitor and review the risk management framework.

Sub-Committee on Listing matters

Approved Terms of Reference

- To review the quarterly report of the Listing Division on matters pertaining to the continuing listing obligations of listed companies;
- To approve, in specific cases, proposed sanctions taken by the SEM against listed companies;
- To report to the Board of Directors on matters that may result in the eventual suspension or withdrawal of a listed company.

SEM BOARD COMMITTEES (CONT'D)

Strategic & Developmental Committee	Approved Terms of Reference
	<ul style="list-style-type: none"> • To discuss on matters pertaining to the Strategic Policy of the SEM; • To report to the Board of Directors on any outcome of matters pertaining to the Strategic policy of the SEM.
Investment Committee	Approved Terms of Reference
	<ul style="list-style-type: none"> • To determine and review the Investment Policy and Guidelines to be adopted by SEM Management for taking investment decisions. • To ensure that investments made by the SEM, is in line with the approved Investment Policy and Guidelines. • To consider and approve proposals from SEM Management that may exceed the maximum percentage stipulated in the Investment Policy and Guidelines. • To assess, analyze and review the performance of the investments undertaken by the SEM. • To report to the Board on investments undertaken by SEM on an annual basis. • To review and amend the Investment Policy and Guidelines from time to time, in line with the changing market environment and the evolution of the financial market.

SEM Board Committees and Sub-Committees

The Board of the SEM is accountable to shareholders for the strategic direction of the Company and the pursuit of value creation for shareholders. The Board delegates the implementation of its strategy to its management within a formal delegation framework. However, the Board remains ultimately responsible for corporate governance and the affairs of the Company.

The Board has established the following Committees and has entrusted them with specific responsibilities to oversee the affairs of the Company, with authority to act on behalf of the Board in accordance with their respective Terms of Reference (TOR):

- Corporate Governance Committee, which encompasses the Nomination and the Remuneration Committees;
- Audit and Risk Management Committee;
- Sub-committee on listing matters
- Strategic & Developmental Committee
- Investment Committee.

SEM Board and Board Committee Meetings

The directors' attendance at the SEM Board and Board Committee meetings during the past financial year 2022-2023 are detailed in the table below:

Name of Director	SEM BOARD		AUDIT & RISK MANAGEMENT COMMITTEE		REMUNERATION COMMITTEE		NOMINATION & CORPORATE GOVERNANCE COMMITTEE	
	MH	MA	MH	MA	MH	MA	MH	MA
Mr Dipak Chummun	4	4	-	-	-	-	5	5
Mr Shivraj Kevin Rangasami	4	4	-	-	2	2	-	-
Professor Donald Ah Chuen	4	4	-	-	-	-	5	5
Mr Sunil Benimadhu	4	4	-	-	2	2	5	5
Mrs Reedhee Bhuttoo	4	3	-	-	-	-	-	-
Mr Louis Jean Jérôme de Chasteauneuf	4	4	2	2	-	-	-	-
Mr Andre Chung Shui	4	4	2	2	2	1	-	-
Mr Rahul Girish Desai*	4	2	-	-	-	-	-	-
Mr Gianduth (Alvin) Jeeawock**	4	2	-	-	-	-	-	-
Mr Jean-Pierre Claudio Lim Kong***	4	-	2	-	-	-	-	-
Mr Tommy Lo Seen Chong	4	3	-	-	-	-	-	-
Mr Ashley Coomar Ruhee****	4	1	2	1	-	-	-	-
Mr Jaiyansing Shailen Soobah	4	4	-	-	2	2	5	4

MA : Represents the number of meeting attended during the year.

MH : Represents the number of meetings held.

* Mr Rahul Girish Desai was appointed as a Director in February 2023

** Mr Gianduth (Alvin) Jeeawock was appointed as a Director in February 2023

*** Mr Jean-Pierre Claudio Lim Kong was appointed as a Director in June 2023

**** Mr Ashley Coomar Ruhee resigned as a Director in November 2022

Membership and Meetings

Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee comprises three Non-Executive Directors and one Executive Director. During the year 2023, the following persons sat as Members of the Corporate Governance and Nomination Committee:

- Mr. Jaiyansing Shailen Soobah (Chairperson and Non-Executive Director).
- Professor Donald Ah Chuen (Non-Executive Director)
- Mr. Dipak Chummun (Non-Executive Director)
- Mr Sunil Benimadhu (Chief Executive and Executive Director)

Mrs Manjeet Bucktowarsing acts as secretary to the Corporate Governance and Nomination Committee.

Reporting and Accountability

The Corporate Governance and Nomination Committee, through its Chairperson, is accountable to the Board for its activities and makes recommendations to the Board on matters falling under its responsibility. The Corporate Governance and Nomination Committee meets as and when necessary and met five times during the year under review.

Remuneration Committee

During the year 2023, the following persons sat as Members of the Remuneration Committee:

- Mr. Jaiyansing Shailen Soobah (Non-Executive Director and Chairperson)
- Mr. Kevin Rangasami (Non-Executive Director)
- Mr. André Chung Shui (Non-Executive Director)
- Mr Sunil Benimadhu (Chief Executive and Executive Director)

Mrs Pamela Li Chun Fong acts as secretary to the Remuneration Committee.

Meetings

The RC meets as and when necessary and two meetings were held during the financial year 2023. In line with its Terms of Reference, the RC approved the performance/Special bonuses of the Chief Executive and SEM staff for the year ended 30 June 2023 and the remuneration packages of the Chief Executive and SEM staff for the forthcoming financial year 2023- 2024.

Remuneration Philosophy

At each year-end, the employees' remunerations and the performance bonuses are reviewed and approved by the Members of the RC. The salaries all employees are reviewed in accordance with the group policy of salary adjustment and as per the recommendations of the Chief Executive. The Remuneration strategy also includes assessing if remuneration is market competitive and is designed to attract, motivate and retain employees. The RC also makes recommendation to the Board as regards to the remuneration of the Non-Executive Directors.

Audit and Risk Management Committee

The Audit and Risk Management Committee includes a majority of independent directors. The Audit and Risk Management Committee for the year 2022-2023 comprised the following directors:

- Mr Jérôme de Chasteauneuf (Independent Director and Chairperson)
- Mr Tommy Lo Seen Chong (Non-Executive Director)
- Mr Jean-Pierre Claudio Lim Kong (Independent Director)

Mr Christophe Neveu acts as Secretary to the Committee. The Chief Executive and the Manager Finance and Administration also attend the Audit Committee meetings by invitation.

Reporting and Accountability

The Audit and Risk Management Committee through its Chairperson is accountable to the Board for its activities and makes recommendations to the Board on matters falling under its responsibility;

The Chairperson of the Audit Committee, or, in his absence, an alternate member attends the annual meeting to answer questions concerning matters falling within the ambit of the Committee.

Meetings

The Audit and Risk Management Committee meets as and when necessary and met twice during the financial year 2022-2023. In line with its terms of reference, the scope of work of the Committee included; review of audited accounts, annual report, budget, declaration of dividend and appointment of auditors and fixing of their remuneration.

Investment Committee

The Investment Committee comprises three Non-Executive directors and one Executive Director. Members for the year 2022-2023 were:

- Mr. Shivraj Kevin Rangasami (Non-Executive Director and Chairperson)
- Mr Alvin Jeeawock (Non-Executive Director)
- Mrs Reedhee Bhuttoo (Non-Executive Director)
- Mr. Sunil Benimadhu (Chief Executive and Executive Director)

Mrs Pamela Li Chun Fong (Manager Finance and Administration) also attends the Investment Committee. Miss Leena Dhunnoo acts as Secretary to the Investment Committee.

Reporting and Accountability

The Investment Committee through its Chairperson is accountable to the Board on all matters pertaining to all investments made by the Company. In line with its terms of reference, the scope of work of the Committee included; follow up on the financial soundness of the financial institutions where the SEM had made investments and overview of SEM investments.

Meetings

The Investment Committee meets as and when necessary. No meeting was held during the financial year 2022 -2023.

Other Sub-Committees of the SEM

The Sub-committee on listing matters comprises two non-executive directors. Members for the year were: Prof. Donald Ah Chuen (Chairperson) and Mr. Dipak Chummun. The Chief Executive and the Head of Listing are also members of the Sub-committee. The Manager Legal Affairs acts as secretary to the Sub-committee.

Reporting and Accountability

The Sub-committee on the supervision of listing matters through its Chairperson is accountable to the Board for its activities and makes recommendations to the Board on matters falling under its responsibilities.

Meetings

The Listing Division sends periodic reports on a quarterly basis to apprise the sub-committee members of on-going listing issues as well as on the financial monitoring of Listed companies. Meetings of the Sub-committee may be held as and when necessary during the year to consider specific cases referred to it by the SEM. No meeting of the Sub-committee on the supervision of listing matters was held during the financial year 2022-2023, but members were kept fully apprised of all impending issues and on the financial status of companies monitored through periodic reporting.

Other Sub-Committees of the SEM

Along with the SEM Board Committees, the SEM has also set-up three other Sub-Committees, namely;

- the Consultative and Informative Committee
- the Index Management Committee
- the Listing Executive Committee

The Terms of Reference for the three Sub-Committees are disclosed in the table below:

CONSULTATIVE AND INFORMATIVE COMMITTEE	INDEX MANAGEMENT COMMITTEE	LISTING EXECUTIVE COMMITTEE
Terms of Reference	Terms of Reference	Terms of Reference
Discuss issues related to trading activities, operational aspect of the ATS & CDS Systems, new products and development of the market.	Establish the criteria and procedures for selection of the constituents of the SEM-10;	Determine the suitability of applications for listing;
	Determine the base period and value and to formulate a scientific and transparent methodology of index calculation;	Recommend changes to Listing Rules and Rules of the Development & Enterprise Market (DEM) to the Board;
	Review, monitor and maintain periodically the SEM-10 and consider the development of sectoral indices.	Assess cases of apparent breaches of the Listing Rules / DEM Rules and make recommendations to the Board for their adjudication;
	The inclusion or exclusion of a constituent in the SEM-10 is at the discretion of an independently constituted IMC. This discretion shall only be used in the spirit of furthering the objectives of the SEM-10.	Assess cases on the suspension or cancellation of a listing on the Exchange and refer to the Board for consideration.

Consultative and Informative Committee (CIC)

The CIC comprises of representatives of SEM, CDS, Investment Dealers and Custodian Banks. It does not have executive powers, but can make recommendations to the Board. The Chief Executive of SEM acts as Chairperson of the Committee.

Meetings

The Committee meets as and when the need arises and did not meet during the year.

Index Management Committee (IMC)

The Index Management Committee, which is composed of investment dealers, fund managers, academics, and officials from the Stock Exchange of Mauritius, ensures that the process of building and maintaining the SEM-10 Index is as interactive as possible.

Members who sat on the IMC for the year ended 30 June 2023 are : Mr Prem Beejan (Chairman), Mr Sunil Benimadhu, Mr Raj Tapesar, Mr Mathew Lamport, Mr Vikash Tulsidas, Mr Nitish Benimadhu and Mr Avish Goomany.

Mr Avish Goomany acts as Secretary to the IMC.

Meetings

The Index Management Committee (IMC) meets quarterly to review the constituents of the SEM-10 and the Reserve List. These meetings are held on the first Tuesday (or nearest Mauritian business day after that day) of January, April, July and October.

Listing Executive Committee (LEC)

Members of the SEM's Management who sat on the LEC for the year ended 30 June 2023 were: Mr Sunil Benimadhu (CEO), Mr Vickram Ramful (Head of Listing) and Ms Shalini Gokhool (Manager Legal Affairs), Mr Avish Goomany (Manager Trading and Market Information). External Members who sat on the LEC for the year ended 30 June 2023 were: Mr Jean Pierre Lim Kong, Mrs Prabha Chinien, Mr Vaughan Heberden, Ms. Pauline Seeyave, Mr. Richard Robinson and Mr. Dhiren Ponnusamy. Mr. Jean Pierre Lim Kong was also the Chairperson of the LEC until he resigned from the Committee in June 2023. Mr. Dhiren Ponnusamy was thereafter appointed as Chairperson of the LEC.

Mr Vickram Ramful acts as Secretary to the LEC.

Meetings

During the financial year 2022-2023, nine (9) meetings of the LEC were held whereby the following issues, inter alia, were considered: Applications for listings on the Official Market and the DEM, withdrawals from the Official Market, Corporate actions for both the Official Market and the DEM and cancellations of admission from the Official Market and DEM.

Fees paid to external Members of the Listing Executive Committee (LEC)

The remuneration of the external LEC Members for the financial year 2023 and comparative for 2022 are disclosed in the table which follows:

Name of LEC Member	FY 2023 Rs'000	FY 2022 Rs'000
Mr Jean Pierre Lim Kong	115	115
Mrs Prabha Chinien	68	68
Mr Vaughan Heberden	77	74
Ms Pauline Seeyave	59	-
Mr Richard Robinson	65	77
Mr Dhiren Ponnusamy	62	71

SEM Management Committee (MC)

The SEM MC is composed of the Chief Executive, the Head of Listing, the Manager Finance and Administration, the Manager Legal Affairs, the Manager, Market Data, Market Development and Corporate Affairs and the Manager Trading and Market Information. The Executive Secretary acts as Secretary to the MC.

Meetings

The Members of the MC meet regularly to discuss on the day-to-day management and business operations of the SEM. Any relevant issues raised at Board level which need to be channelled to SEM management, are also discussed at the MC before implementation by the management team.

Profile of Management Team

The profile of each Member of the Management Team is disclosed on pages 14 to 15 of this Annual Report.

Principle 03 : Director Appointment Procedures

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

The Board assumes responsibility for succession planning and for the appointment and induction of new directors to the Board. With the exception of the Chief Executive, all directors have a term of office of two years.

The non-executive directors are elected every two years at the Annual Meeting, pursuant to the provisions of the Constitution of the Company. The election of non-executive directors, if the need arises, is carried out by ballot pursuant to the provisions of the Constitution.

The independent directors are nominated by the corporate governance and nomination committee. Thereafter, their appointment for a period of two years is approved at the Annual Meeting.

Before the Annual Meeting where the election of directors is carried out, a letter is addressed to all shareholders requesting them to nominate a candidate as prospective director for the election of directors at the next Annual Meeting. A resolution for the election of directors is forwarded to all shareholders with the notice of the Annual Meeting, together with a brief of new prospective directors.

Induction and Appointment of Directors

As part of the procedures for the appointment of Directors, an induction pack including an overview of SEM and the latest Annual Report is provided to newly appointed directors.

The Annual Report contains details of each director.

Professional Development

The Company provides the necessary resources to the Directors to develop their knowledge and capabilities. During the year 2023-2024 the Directors will undertake courses on AML/CFT.

Succession Planning

Succession planning for senior management positions is discussed annually at the level of the Remuneration Committee.

Principle 04 : Directors Duties, Remuneration and Performance

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

SEM's Board Charter

In order to assist the directors in the discharge of their duties, the SEM has a Board Charter which sets the framework for the composition, responsibilities, duties, procedures, powers, authority and accountability of its Board.

The SEM Board Charter also embodies the rules of conduct of Board Members of the SEM and the commitment of the Board of Directors to ensuring that the company's governance processes and structures comply with the new principles of the Mauritius Code of Corporate Governance.

Board Procedures

The agenda of each Board meeting is finalized by the Chief Executive, in consultation with the Chairman. Board papers are prepared by management, under the supervision of the Chief Executive, to provide relevant facts, analysis and recommendations to enable informed decision-making by the Board. The agenda and papers for meetings are submitted to Directors and Board Committee members at least 5 business days in advance, to enable them to prepare for these meetings.

During meetings, the Chairman encourages constructive and effective debates and Directors are given the chance to freely express their views or share information with their peers in the course of deliberation as a participative Board. Any Director / Board Committee member who has a direct or deemed interest in the subject matter to be deliberated, declares his/her interest and abstains from deliberation and voting on the same during the meeting.

The Company Secretary ensures that there is a quorum for all meetings and that such meetings are convened in accordance with the relevant terms of reference. The minutes prepared by the Company Secretary memorises the proceedings of all meetings, including the tabling of pertinent issues and the decisions made. In doing so, the Company Secretary internalises the governance principles in the Company and keeps the Board updated on the follow-up action arising from the Board's decisions and/or requests at subsequent meetings. This allows the Board to perform its fiduciary duties and fulfil its oversight role via the respective Board Committees towards instituting a culture of transparency and accountability in the Company.

Supply of and access to information

The Directors have individual and independent access to the advice and dedicated support services of the Company Secretary in ensuring the effective functioning of the Board. The Directors may seek advice from the management on issues under their respective purview. In addition, the Board may seek independent professional advice at the Company's expense on specific issues to enable the Board to discharge its duties in relation to the matters being deliberated.

Conflicts of Interests

The SEM Board Charter contains provisions relating to the management of conflicts of interest and the rules of conduct for directors. Clause 10 of the SEM Board Charter provides that 'a director should make a best effort to avoid conflicts of interest or situations where others might reasonably perceive there to be a conflict of interest'.

Where a conflict of interest arises or may arise, a director must disclose the conflict to the Board. On declaring their interest and ensuring that it is entered in the Register of Interests of the company, the director concerned should not be present at that part of the meeting in which the conflict or potential conflict is discussed and should not participate in the debate, vote or indicate how he or she would have voted on the matter in the Board or the committee meeting.

The Register of Interests is maintained by the Company Secretary and is available to the Shareholders of the SEM upon written request to the Company Secretary.

IT System

The SEM has outsourced its IT function to its subsidiary CDS Ltd, which possesses the necessary IT expertise. The outsourcing agreement, which started since January 2001, also includes the technical management of the Automated Trading System (ATS). Any software enhancements, modifications and additions are thoroughly tested before implementation in the live environment. A formal Change Management Procedure has been implemented so as to ensure that the IT Systems are being regularly updated.

An IT Security Policy which defines the responsibilities relating to the management of the Information Technology (IT) systems and the procedures to be followed by the employees as well as by remote users, including investment dealers, has been implemented. This IT Security Policy, which also makes reference to the Disaster Recovery Plan, is based on the ISO 27001 and is being subject to an IT Audit every two years.

All significant investments on information technology and expenditures are provided for in the annual budget of the SEM, which is approved by the SEM Board.

Board Evaluation

In line with Principle 4 of the Code of Corporate Governance for Mauritius (2016) and in accordance with Section 3.5 of the SEM Board Charter, a survey is carried out among the Directors of SEM in order to evaluate the overall performance of the Board every two years. The survey is in the form of a self-evaluation questionnaire which covers the following main areas: Board meetings, Board structure and composition, leadership of the Board, Board functions, Board committees, planning and objectives, risk assessment, human resources and succession planning, financial and operational reporting and compliance and ethical framework.

The previous survey was carried out in 2022 and the next survey is scheduled for 2024.

Dealings in shares by the directors

The Directors of SEM have followed the principle of the model code on securities transactions as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules.

There were no dealings in the shares of the SEM by the directors of the Company during the year ended 30 June 2023.

The Company has no share option plans.

Directorships in listed companies

The number of other directorships which the directors of the SEM Board hold in listed companies and the percentage number of shares held by them, both directly and indirectly in the SEM, are disclosed in the table below:

Name of Directors	Number of Directorship in Listed companies	% Shares held directly in SEM	% Shares held indirectly in SEM
Mr Dipak Chummun	1	Nil	Nil
Mr Shivraj Kevin Rangasami	Nil	Nil	Nil
Professor Donald Ah Chuen	3	Nil	0.46%
Mr Sunil Benimadhu	Nil	Nil	Nil
Mrs Reedhee Bhutto	Nil	Nil	Nil
Mr Louis Jean Jérôme de Chasteauneuf	5	Nil	Nil
Mr Andre Chung Shui	Nil	Nil	Nil
Mr Rahul Girish Desai	Nil	Nil	Nil
Mr Gianduth (Alvin) Jeeawock	4	Nil	Nil
Mr Jean-Pierre Claudio Lim Kong	1	Nil	Nil
Mr Tommy Lo Seen Chong	Nil	Nil	1.98%
Mr Jaiyansing Shailen Soobah	Nil	Nil	Nil

Management Agreement

There is a management agreement between SEM and the CDS for the provision of Information Technology (IT) Services to the Company.

Directors' Shareholdings and Interests

Under Clause 11 of the SEM Board Charter:

The Secretary of the Board shall maintain a register of interests, pursuant to S 190 (2) (c) of the Companies Act 2001. Upon appointment to the Board, a director shall be required to provide the Secretary to the Board with a complete list of their directorships and/or material interests in any security listed or traded on SEM and in any Member Company of SEM or any interests as defined by S147 of the Companies Act 2001 for entry in the interests register. 'Material interest' is defined as any interest of 5% or more in the share capital of the company.

Notwithstanding the provisions of S148 of the Companies Act, 2001, a director shall forthwith inform the Secretary to the Board of any changes in their directorships and/or shareholdings which would affect the effect of increasing or reducing their shareholding above or below the level of material interest disclosure.

Directorship in Other Companies

The following table discloses the directorship held in other organisations by each Director during the year 2023:

Name of Director	Directorship in other Companies	Type of Directorship held
Dipak Chummun	SEM Listed Companies	
	Alteo Limited	Non-Executive director
	Unlisted companies	
	Adam and Company Limited	Non-Executive director
	Air Mascareignes Limitée	Non-Executive director
	Alteo Energy Ltd	Non-Executive director
	Alteo Milling Ltd	Non-Executive director
	Bloomage Ltd	Non-Executive director
	Cassis Limited	Non-Executive director
	Central Depository & Settlement Co. Ltd	Non-Executive director
	Cervonic Ltd	Non-Executive director
	Compagnie Thonière de L'Océan Indien Ltée	Non-Executive director
	DTOS International East Africa (K) Limited	Non-Executive director
	DTOS International Ltd	Non-Executive director
	DTOS Ltd	Non-Executive director
	Eagle Insurance Limited	Non-Executive director
	Economic Development Board	Non-Executive director
	Engineering Support Services Ltd	Non-Executive director
	Equip and Rent Company Ltd	Non-Executive director
	IBL Entertainment Holding Limited	Non-Executive director
	IBL Entertainment Limited	Non-Executive director
	IBL Financial Services Holding Limited	Non-Executive director
	IBL Fishing Company Ltd	Non-Executive director
	IBL Shipping Company Ltd	Non-Executive director
	IBL Training Services Limited	Non-Executive director
	IBL Treasury Ltd	Non-Executive director
	IBL Treasury Management Ltd	Non-Executive director
	IBL Ugandan Holdings 1 Limited	Non-Executive director
	IMV Services Ltd	Non-Executive director
	Interface International Ltd	Non-Executive director
	Ireland Fraser & Company Limited	Non-Executive director
	Knights & Johns Management Ltd	Non-Executive director
	La Tropical Mauricienne Ltée	Non-Executive director
	Manser Saxon Contracting Limited	Non-Executive director
	Manser Saxon Openings Ltd	Non-Executive director
	Medical Trading Company Limited	Non-Executive director

Directorship in Other Companies (Cont'd)

Name of Director	Directorship in other Companies	Type of Directorship held
Dipak Chummun	Medical Trading International Limited	Non-Executive director
	New Cold Storage Company Limited	Non-Executive director
	Seafood Hub Limited	Non-Executive director
	Seaways Marine Supplies Limited	Non-Executive director
	Southern Investments Ltd	Non-Executive director
	Stock Exchange of Mauritius Ltd	Non-Executive director/ Chairman
	Winhold Limited	Non-Executive director
Shivraj (Kevin) Rangasami	MCB Stockbrokers Ltd	Managing Director
	MCB Leveraged Solutions I	Non-Executive director
	MCB Leveraged Solutions II	Non-Executive director
	Central Depository & Settlement Co Ltd.	Non-Executive director
Prof. Donald Ah-Chuen	SEM Listed Companies	
	ABC Banking Corporation Ltd	Executive director
	ABC Motors Company Ltd	Non-Executive director
	P.O.L.I.C.Y Ltd	Non-Executive director
	Unlisted companies	
	ABC Car Rental Ltd	Non-Executive director
	ABC Coach Works Ltd	Non-Executive director
	ABC Properties Ltd (subsidiary of ABC Motors Company Ltd)	Non-Executive director
	Meijing Investment Ltd	Non-Executive director
	Sunil Benimadhu	Mauritius Finance (2020 to date)
Treasury foreign Currency Management Fund (TFCMF)		Member of the Board
National Committee of Corporate Governance (NCCG)		Member of the Board
Financial Reporting Council (FRC)		Member of the Council
Financial Services Consultative Council (FSCC)		Member of the Council
Reedhee Anoushka Bhutto	Central Depository & Settlement Co.Ltd	Non-Executive director
	SBM Mauritius Asset Managers Ltd	Executive director
	SBM Alternative Investments Ltd	Executive director
	SBM Fund Services Ltd	Executive director
	SBM Capital Markets Ltd	Executive Director
	SBM (Mauritius) Infrastructure Development Co Ltd	Non-Executive director

Directorship in Other Companies (Cont'd)

Name of Director	Directorship in other Companies	Type of Directorship held	
Reedhee Anoushka Bhutto	SBM Africa Equity Fund Ltd	Executive Director	
	SBM Structured Solutions PCC	Executive Director	
Jérôme de Chasteauneuf	SEM Listed Companies		
	Alteo Limited	Non-Executive Director	
	CIEL Limited	Executive Director	
	Harel Mallac & Co. Ltd	Independent Non-Executive Director	
	MIWA Sugar Limited	Non-Executive Director	
	Sun Limited	Non-Executive Director	
	Unlisted companies		
	Alteo Agri Ltd	Non-Executive director	
	Alteo Energy Ltd	Non-Executive director	
	Alteo Milling Ltd	Non-Executive director	
	Alteo Properties Ltd	Non-Executive director	
	Alteo Refinery Ltd	Non-Executive director	
	Anahita Estate Limited	Non-Executive director	
	Anahita Hotel Limited	Non-Executive director	
	Anahita Residences & Villas Limited	Chairman	
	Azur Financial Services Limited	Chairman	
	Bank One Limited	Director	
	Biolink Limited	Non-Executive director	
	BNI Madagascar SA	Non-Executive director	
	Ciel Agro Limited	Non-Executive director	
	Ciel Corporate Services Ltd	Executive Director	
	Ciel Finance Limited	Non-Executive director	
	Ciel Foundation	Non-Executive director	
	C-Care (International) Ltd	Non-Executive director	
	Ciel Healthcare Africa Ltd	Non-Executive director	
	Ciel Hotels & Resorts Limited	Non-Executive director	
Ciel Properties Limited	Non-Executive director		
Ciel Properties Development Limited	Non-Executive director		
Ciel Textile Ltd	Non-Executive director		
Consolidated Energy Co. Ltd	Non-Executive director		
Deo Juvante Investment Company Limited	Non-Executive director		
Deep River-Beau Champ Milling Company Limited	Non-Executive director		
EM Insurance Brokers Limited	Chairman		
Ferney Limited	Chairman		

Directorship in Other Companies (Cont'd)

Name of Director	Directorship in other Companies	Type of Directorship held
Jérôme de Chasteauneuf	Indian Ocean Financial Holdings Limited	Non-Executive director
	Noveprim Ltd	Non-Executive director
	Mitco Group Ltd	Non-Executive director
	Sucrière des Mascareignes Ltd	Non-Executive director
	Sukari Investment Company Ltd	Non-Executive director
	SRL Touessrok Hotel Ltd	Non-Executive director
	The Kibo Fund LLC	Non-Executive director
	The Stock Exchange of Mauritius Ltd	Non-Executive director
	TPC Limited	Non-Executive director
	Transmara Investment Ltd	Non-Executive director
	Transmara Sugar Company Ltd	Non-Executive director
André Chung Shui	PeaQ Advisors Ltd	Managing director
	Klumph Consultants Ltd	Executive director
	Maritima Development Ltd	Executive director
	Soleia Development Ltd	Executive director
	Hatville Ltd	Non-Executive director
	Hilworld Ltd	Non-Executive director
	Chaussee Properties Ltd	Non-Executive director
	Redville Ltd	Non-Executive director
	Woodco Ltd	Non-Executive director
	Hatville Investments Ltd	Non-Executive director
	Happy World Ltd	Non-Executive director
	Albert Trading Ltd	Non-Executive director
	Greenland Global Fund Ltd	Non-Executive director
	Sefalana Mauritius (Pty) Ltd	Non-Executive director
	Tara Emerging Asia Liquid Fund Ltd	Non-Executive director
	Capvent Management Ltd.	Non-Executive director
	Active Alpha Capital	Non-Executive director
	Bluestone Marchant Fund Ltd	Non-Executive director
	SBM Insurance Agency Ltd	Non-Executive director
	Mazume Ltd	Non-Executive director
Selvi Capital PLC	Non-Executive director	
Pegasus Diversified Global Fund	Non-Executive director	
SBM Factors Ltd	Non-Executive director	
Rahul Girish Desai	-	

Directorship in Other Companies (Cont'd)

Name of Director	Directorship in other Companies	Type of Directorship held
Gianduth (Alvin) Jeeawock	SEM Listed Companies	
	Velogic Holding Company Ltd	Non-Executive director
	Oceanarium (Mauritius) Ltd	Non-Executive director
	Constance Hotels Services Ltd	Non-Executive director
	Tropical Paradise Co Ltd	Non-Executive director
	Unlisted companies	
	Swan Corporate Advisors Ltd	Executive director
	Swan Wealth International Ltd	Executive director
	Swan Wealth Managers Ltd	Executive director
	Swan Wealth Structured Products Ltd	Executive director
	Swan Smart Achievers Notes Ltd	Executive director
	Swan Forex Ltd	Executive director
	Swan Wealth Investment Holdings Ltd	Executive director
	Rogers Capital Ltd	Non-Executive director
	Rogers Capital Solutions Ltd	Non-Executive director
	Max City Property Fund Ltd	Non-Executive director
	Velogic Company Limited	Non-Executive director
Jean-Pierre Claudio Lim Kong	SEM Listed Companies	
	Innodis Ltd	Executive director
	Unlisted companies	
	Peninsula Rice Milling Ltd	Executive director
	Redbridge Investments Ltd	Executive director
	Challenge Hypermarkets Ltd	Executive director
	Moçambique Farms, Limitada	Executive director
	HVVFRL Investments Ltd	Executive director
	Mauritius Farms Ltd	Executive director
	Essentia Ltd	Executive director
	Poulet Arc-en-ciel Ltée	Executive director
	Chicken Corner Ltd	Executive director
	Supercash Ltd	Executive director
	Innodis Poultry Ltd	Executive director
	Innodis Property Ltd	Executive director
	Meaders Feeds Ltd	Non-Executive director
	Meaders (Seychelles) Ltd	Non-Executive director

Name of Director	Directorship in other Companies	Type of Directorship held
Tommy Lo Seen Chong	Cape Town Stock Exchange	Non-Executive director
	Accresco Investment Management Limited	Non-Executive director
	Capital Markets Brokers Ltd	Executive director
	Central Depository & Settlement Co. Ltd.	Non-Executive director
	Intercontinental Fund Services Limited	Executive director
	Intercontinental Secretarial Services Ltd	Executive director
	Intercontinental Trust Limited	Executive director
	ITL Escrow Services Ltd	Executive director
	ITL Trustees Ltd	Executive director
	Perigeum Capital Ltd	Executive director
Jaiyansing Shailen Soobah	Swan Corporate Affairs Ltd	Executive director
	Swan Corporate Advisors Ltd	Non-Executive director
	Swan International Co Ltd	Non-Executive director
	Swan Foundation	Non-Executive director
	Manufacturers Distributing Station Ltd	Non-Executive director
	Swan Securities Ltd	Non-Executive director
	Swan Global Funds Ltd	Non-Executive director
	Swan Smart Achiever Notes Ltd	Non-Executive director
	Swan Actuarial Services Ltd	Non-Executive director
	Central Depository & Settlement Co.Ltd	Non-Executive director
	Swan Wealth Investment Holdings Ltd	Non-Executive director

Directors' Remuneration

The total remuneration paid to the directors of the SEM and the CDS for the financial year ended 30 June 2023 and for the previous year 2022, are disclosed in the table below:

Name of Director	SEM		CDS	
	FY 2023	FY 2022	FY 2023	FY 2022
	Rs'000	Rs'000	Rs'000	Rs'000
Professor Donald Ah-Chuen	119	126	-	-
Mr Sunil Benimadhu	14,947	16,174	-	-
Mrs Reedhee Bhuttoo	98	121	161	155
Mr Dipak Chummun	235	212	106	120
Mr André Chung Shui	127	141	-	-
Mr Rahul Girish Desai	51	-	-	-
Mr Vinaye Jagessur	-	-	128	140
Mr Gianduth Jeeawock	51	-	-	-
Mr Tommy Lo Seen Chong	98	126	112	126
Mr Vipin Y.S. Mahabirsingh	-	-	6,337	7,462
Mrs Aruna Radhakeesoon	-	-	259	285
Mr Ashley Coomar Ruhee	45	121	-	-
Mr. Nitish Benimadhu	42	187	83	195
Mr Jérôme de Chasteauneuf	136	150	-	-
Dr Ashwin Moheeput	-	-	126	140
Mr Vimal Ori	-	-	159	173
Mr Shivraj Kevin Rangasami	135	124	42	-
Mr Manvendra Sherry Singh	9	112	-	-
Mr Jaiyansing Shailen Sooban	148	134	135	150

No non-executive directors have received remuneration in the form of share options or bonuses associated with organisational performance.

Principle 05 : Risk Governance and Internal Control

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

INTERNAL CONTROL REPORT 2023

The Board of Directors affirms its overall responsibility for the Company's system of internal control and risk management and for reviewing the adequacy and integrity of the system. The system of internal control covers inter alia, governance, risk management, financial, organisational, operational and compliance control.

Principle 05 : Risk Governance and Internal Control (Cont'd)

INTERNAL CONTROL REPORT 2023 (CONT'D)

The Board of the SEM has established Committees and has entrusted them with specific responsibilities to oversee the affairs of the Company, with authority to act on behalf of the Board in accordance with specific Terms of Reference (TOR). The Audit and Risk Management Committee has been established with the following TOR:

- To recommend the appointment of external Auditors to the Board;
- To review the audit strategy and agree on the timing and nature of reports from the external Auditors;
- To examine and review the financial statements and ensure they comply with the accounting standards and with legal requirements;
- To monitor and review the effective functioning of the internal control systems and reporting;
- To monitor and review the risk management framework.

KEY RISKS EXPOSURES AND RISK CONTROL MECHANISMS

This section of the report first discloses the key risks exposures for the SEM and gives a brief description of the identified risk exposure. It then highlights the Risk Control Mechanisms implemented by the SEM in order to mitigate those risks.

	KEY RISKS EXPOSURES	DESCRIPTION
1	Systemic Risk	Systemic Risk relates to the likelihood that financial difficulties experienced by an investment dealer may be transmitted or passed over to other investment dealers and through them, to the SEM. The SEM is subject to systemic risk, which is managed by the various stakeholders who participate in the financial markets.
2	Technology and Systems Risks	This includes: cyber security and incident response risks, IT resiliency and continuity risk, technology vendors and third-party risk, Data Management risk, IT program execution risk and technology operations risk.
3	Integrity Risk	The integrity risks relate to money laundering and terrorist financing due to negligence, insider trading, circumvention of economic and financial sanctions, fraud, embezzlement, forgery, bribery and the appearance of conflicting interests. Integrity risks may also relate to breach of or acting in conflict with the SEM's internal rules as well as breach of international rules and regulations, including FIAMLA and the FIAML Regulations.
4	Business Interruption Risk	Should a disaster occur (e.g. system failure) unnecessary financial losses and damage to the reputation of the SEM may occur as a result of the absence of a complete disaster recovery plan.
5	Process Risk	This encompasses all of the risks associated with the authorization, completeness and accuracy of transaction as they are entered into, flow through, and are reported.
6	Operations Risk	The risk that operations are not effectively and efficiently completed due to lack of properly established control procedures.
7	Credit Risk	Credit risk relates to the likelihood that clients will fail to meet their financial obligations as and when they fall due, thus exposing the SEM to a financial loss.
8	Covid-19 and its variants	The risk that the Coronavirus (Covid-19) pandemic and its variants may impact on the continuity of the trading and business operations.

Principle 05 : Risk Governance and Internal Control (Cont'd)**KEY RISKS EXPOSURES AND RISK CONTROL MECHANISMS (CONT'D)**

The risks control mechanisms which have been implemented at the SEM include:

- **Capital Adequacy Requirements**

In accordance with the Stock Exchange Financial Reporting of Investment Dealers Rules 2010, all investment dealers have to submit, in addition to the audited accounts, Capital Adequacy Requirements returns (CAR) by the tenth business day of quarterly period in respect of the close of business for the previous three months, reflecting the investment dealer's risk positions and its financial resources.

As per the Stock Exchange Financial Reporting of Investment Dealers Rules 2010, no investment dealer is allowed a shortfall in its capital, other than pursuant to a specific temporary exception granted by the SEM.

The SEM has full discretion as to the necessity and sufficiency of special adjustments in any particular case, taking into consideration all factors pertaining to the market with regard to the financial resources or future contracts and the affairs as a whole of the investment dealer involved.

- **Compensation Fund**

Section 148 of the Securities Act 2005 provides for the creation and maintenance of a Compensation fund to provide for the compensation of investors who suffer pecuniary loss as a result of:

- the inability of a licensee under this Act or any collective investment scheme to satisfy claims arising from civil liability by it in connection with services provided;
- fraud or defalcation by a licensee, a collective investment scheme or any of its officers or employees; or
- the insolvency or bankruptcy of any licensee or collective investment scheme.

The SEM Compensation Fund which was established, maintained and administered by the SEM under the repealed Stock Exchange Act 1988 is still being maintained by the SEM. In 1999, the Board of Directors of the SEM approved that an initial amount of Rs2.75 million be transferred out of the SEM's retained earnings for the purpose of the fund. The value of the Fund as at 30 June 2023 amounted to Rs 5.4 million. In case of any shortfall arising in the fund, the investment dealers, as per the requirements of the SEM Business Rules, would be called upon to contribute to the shortfall in the Compensation Fund.

In addition to that, depending upon the size of its business and its relative risk exposure, each investment dealer is required to take a Professional Indemnity insurance cover as per the requirements of the SEM Business Rules.

- **Stock Exchange Professional Indemnity/ Crime Insurance/ Directors & Officers Liability Insurance Cover**

Since SEM and CDS have common interests and common Directors who sit on both Boards, the management of SEM and CDS decided to take a comprehensive joint- insurance policy which includes the Stock Exchange Professional Indemnity, Crime Insurance and Directors & Officers Liability insurance, for a total amount of Rs25 million. This decision has enabled both companies to achieve synergies and reduce their insurance costs.

Principle 05 : Risk Governance and Internal Control (Cont'd)

KEY RISKS EXPOSURES AND RISK CONTROL MECHANISMS (CONT'D)

• Controls Testing

Controls testing are being done on a regular basis to ensure compliance with the Rules of the Stock Exchange. Each head of department has to ensure that the established Rules and Regulations are being complied with by all the market participants and other relevant stakeholders.

Furthermore, each head of department has also established a 'Manual of Procedures', that describes in detail, the activities that are performed by each department. Each Head of department has the ultimate responsibility to ensure that the control procedures as described in the 'Manual of Procedures' are being strictly followed by the staff working under his/her department. The 'Manual of Procedures' are regularly updated as and when needed and takes into account all amendments made to the Rules of the Stock Exchange.

• Internal Audit

Due to the small size of its business and lean number of employees, SEM does not as such, require an Internal Audit (IA) function. However, in order to keep under review the adequacy and effectiveness of the organisation's system of internal control, an audit of the internal controls of the SEM is undertaken by an external audit firm, other than the financial auditor, as and when requested by the Audit and Risk Management Committee.

The SEM also receives regular visits from the inspectors of the Financial Services Commission (FSC) to carry out on-site inspections and to audit SEM's internal controls and procedures implemented at the SEM. The last on-site inspection visit from the FSC was made on 5th September 2022. The FSC inspectors conducted an audit on the SEM's internal controls, from 5th September to 7th September 2022. In its letter dated 10th February 2023, the FSC made certain observations with regard to compliance with the AML/CFT framework and requested SEM to conduct a Business Risk Assessment and Customer Risk Assessment. The FSC also requested SEM to conduct an independent AML/CFT audit in accordance with the requirements of the Financial Intelligence and Anti-Money Laundering Regulations 2018 and as stipulated in the SEM's Internal AML/CFT Policies and Procedures.

Since then, the SEM has already conducted a Business Risk and Customer Risk assessment and during its last Board Meeting which was held on 22nd June 2023, the SEM Board of Directors approved the implementation of a Business Risk Assessment Report and the Adoption of an Internal AML/CFT Policies and Procedures and Control Manual. The SEM has also made a provision in its 2023-2024 Budget for an independent AML/CFT Audit to be carried out during this calendar year.

• External Audit

An external audit of the SEM financial statements is performed at the end of each financial year by External Auditors, who are duly registered under the Mauritius Institute of Professional Accountants (MIPA) and licensed by the Financial Reporting Council. The audited financial statements together with the annual report of the SEM are first discussed at the level of the Audit and Risk Management Committee. After review, the Audit and Risk Management Committee recommends the financial statements to the SEM Board for approval.

Principle 05 : Risk Governance and Internal Control (Cont'd)**KEY RISKS EXPOSURES AND RISK CONTROL MECHANISMS (CONT'D)**

- **Internal Anti Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Policies And Procedures of the SEM**

Section 22(1)(d) of the FIAML Regulations provides that :

22.(1) Every reporting person shall implement programmes against money laundering and terrorism financing having regard to the money laundering and terrorism financing risks identified and the size of its business, which at a minimum shall include the following internal policies, procedures and controls.

(d) an independent audit function to review and verify compliance with and effectiveness of the measures taken in accordance with the Act and these regulations.

To ensure compliance with these Regulations, the SEM has already implemented internal Anti Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Policies and Procedures (the 'Internal Policies'). The SEM has also appointed a Money Laundering Reporting Officer (MLRO)/Compliance Officer and a Deputy MLRO. During the year, the MLRO/Compliance Officer and Deputy MLRO followed comprehensive and Practical Trainings on AML/CFT Regulations and Sanctions.

- **Independent Audit**

In line with the established AML/CFT Policies and Procedures, once every two years, SEM will make provision in its Budget to cater for an independent AML/CFT Audit to verify compliance with the above measures.

- **IT Risks Audit**

To assist SEM and CDS to identify potential IT risks and undertake appropriate and timely measures to address those IT risks, the whole IT system is being subject to a specialized IT Security Audit once every two years by external Auditors. During the financial year 2022-2023, the SEM and the CDS, jointly engaged with Rogers Capital to carry out an IT Security Audit on the SEM /CDS organisation's IT system.

The IT security audit was conducted in April-June 2023 and the objectives of the audit was to evaluate the various safeguards of the SEM/CDS organisation in ensuring the confidentiality, integrity and availability of its information assets.

Principle 05 : Risk Governance and Internal Control (Cont'd)

KEY RISKS EXPOSURES AND RISK CONTROL MECHANISMS (CONT'D)

The Scope of the IT Security Audit comprised of the following:

- Governance and Risk Management
- Design flaws
- System Vulnerabilities
- Configuration Deficiencies
- System Obsolescence
- Detection Deficiencies

Summary of the Auditors Report

In their report, the Auditors stated that while their intrusive penetration test methods have not allowed them to compromise the organisation's security to get hold of any valuable data, their appreciation of other risks factors from an inside perspective have allowed them to make a series of recommendations that will add value to the organisation's cybersecurity programme.

The Auditors assigned the "Managed" rating to SEM for the Information Security Maturity Model which is based on Gartner developed IT Score methodology which provides a holistic and meaningful insight on the organisation's security practices. The model is a 5-level maturity stages representation. Based on the five levels an organisation can opt for its targeted objective with respect to its business requirements. The "Initial" and "Developing" stages are considered as high-risk stages as they both represent a barely secured framework. For some organisations, a "Managed" level can be sufficient while other organisations may deem that an "Optimised" level is of necessity.

The Auditors also assigned the "Low" rating to SEM for the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Vulnerability Scale which ranges from "Very High" to "Very Low". The Auditors' Report also highlighted the key security measures that have already been implemented by the SEM/CDS organisation.

The management of SEM and CDS will ensure that the new recommendations made by the IT Auditors will be implemented during the next two financial years.

• Disaster Recovery Plan

An important measurement of security and reliability is the ability to recover quickly from interruption and to get back to full functionality. A common Disaster Recovery Plan (DRP) is in place to overcome various types of disasters which may affect the operations of SEM and CDS. The DRP covers the SEM new Automated Trading System (ATS) as well as the CDS system since both are tightly coupled and run on the same network. It should also be noted that there are written agreements on the Disaster Recovery Services between SIL and SEM/CDS.

The DRP is simulated at least three times during a year. The main objectives of the DRP are as follows:

Principle 05 : Risk Governance and Internal Control (Cont'd)

KEY RISKS EXPOSURES AND RISK CONTROL MECHANISMS (CONT'D)

Preventive

- Prevention of data loss arising from failure of the main and backup ATS and CDS servers;
- Availability of power from a backup generator to cater for Mains failure;
- Availability of PCs for participants' use at the premises of SEM and CDS in the event of a disaster at their respective sites.

Corrective

Switching-over to the back-up servers within ten minutes in case of technical failures affecting the availability of the main ATS and CDS servers;

Immediate restoration of power supply to the main and backup servers in case the supplying UPS fails;

In the event that both the main and back-up servers or the premises of SEM and CDS become unavailable, systems operations will be restored within 2 hours at the State Informatics Ltd (SIL) site. It is the policy of SEM/CDS to carry out simulation of such a disaster three times during the year.

Observations

The simulation exercises were carried out on 21st October 2022, 17th February 2023 and 15th June 2023 for the year under review. During the simulation exercise carried out on 21st October 2022, a mock trading session together with related clearing and settlement functions were performed in the presence of investment dealers, custodian banks and employees of SEM and CDS. During the simulation exercises, the ATS and CDS systems recovered at the backup site within 2 hours. The results of all three simulations were successful.

Report on the Members' Compliance Visit

(Rule 5.2.1 of SEM Business Rules)

Section 24(1)(a) of the Securities Act 2005 provides that in addition to its other functions, the SEM shall have regulatory functions and shall, inter alia, ensure that it adequately supervises the market operations and conduct of market participants.

The SEM's Business Rules have been implemented to enable the SEM to discharge its regulatory functions vis à vis market participants. These rules provide for the criteria and conditions for Investment Dealers to be admitted as Trading Members of the SEM, disciplinary action against Trading Members in the event of non-compliance with the rules, requirements on the business practices of Trading Members and a Code of Conduct which the Trading Members must observe when trading on SEM.

The SEM's Business Rules were approved by the FSC in October 2008 and came into force in January 2009, following a 3-month transition period given to the Investment Dealers to ensure compliance with the new rules. The SEM has set up a compliance unit under which a senior staff shall monitor on an on-going basis compliance of Trading Members with the requirements of the SEM's Business Rules.

With the adoption of the SEM's Business Rules, the SEM monitors the following:

- Eligibility criteria for membership;
- Continued compliance with Exchange requirements, including training and certification of participants and capital adequacy;
- Trading operations of participants,
- Code of conduct for members and members' responsibilities;
- Maintenance of records;
- Inspection of participants;
- Sanctions in cases of non-compliance with regulations, rules and procedures of the Exchange.

A thorough investigation and compliance visit is undertaken with the Investment Dealers, in virtue of Rule 5.2.1 of SEM Business Rules to assess how the standards described in the Business Rules had been complied with.

Surprise visits are carried out to the offices of Trading Members during trading hours so as to verify whether transactions carried out on the stock exchange through the ATS are in conformity with the Trading Rules & Procedures and the Rules made under the Securities Act 2005. A questionnaire type form derived from the Business Rules is used during the audit exercise, which covered specific and general aspects of the trading operations of the Trading Member, such as the Admission of Applicants as Trading Members; Continuing Obligations of Trading Members; Business Practices of Trading Members and Code of Conduct of the SEM Business Rules.

Moreover, Trading Members are also assessed on specific provisions of the Financial Intelligence and Anti Money laundering Act & Regulations (FIAMLA). In this respect, a new AML/CFT questionnaire was introduced in 2022. The questionnaire covered section 17 of the FIAMLA, Regulations 3(1e), 12, 22 and 30 (1) of the FIAML Regulations.

Principle 06 : Reporting with Integrity

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

The Board of Directors affirms its responsibility for the preparation of financial statements which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit and loss and cash flow for the financial year. The Annual Report of the SEM and the audited financial statements are available on the SEM website.

The Directors have the responsibility to ensure that in preparing the financial statements of the Company and the Group, they have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed.

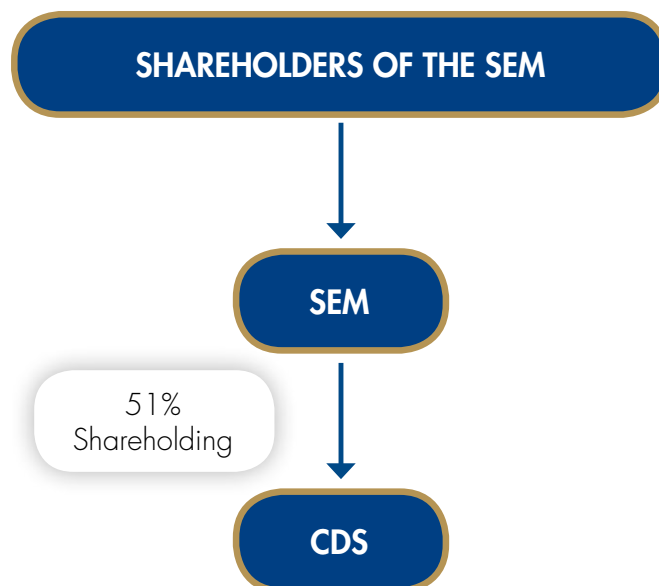
The Directors have the responsibility to ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2001.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities.

Other responsibilities of the Directors include overseeing the implementation and upholding of good Corporate Governance practices and ensuring that effective systems of internal controls and risk management have been maintained.

Group Structure of the SEM

The SEM holds 51 per cent of the ordinary share capital of the Central Depository and Settlement Co. Ltd (CDS). The main activities of the CDS are to provide depository, clearing and settlement services in order to facilitate dealings in securities. The total value of the ordinary share capital issued by the CDS is Rs15 million and its total reserves as at 30 June 2023 amounted to Rs 282.9 million.



Principle 06 : Reporting with Integrity

Dividend Policy of the SEM

The dividend policy adopted by the Company is disclosed in the Directors' Report on page 17 of the Annual Report.

Common directors and the shareholding percentages

The table below lists the names of common Directors who sat in both the Boards of the SEM and CDS during the financial year ended 30 June 2023 together with the shareholding percentages in SEM and CDS respectively:

Name of Director	Name of Shareholder	% shareholding in SEM Ltd	% shareholding in CDS
Mrs Reedhee Bhuttoo	SBM Capital Markets Ltd	4.83	3.33
Mr Dipak Chummun	IBL Ltd	8.88	-
Mr Tommy Lo Seen Chong	Azelbourne Financial Services Ltd	4.95	-
Mr Kevin Rangasami	MCB Stockbrokers Ltd	5.44	-
Mr Jaiyansing Soobah	Swan General Ltd	7.5	3.33

Related Party Transactions (RPT)

A list of the significant related-party disclosures between the Company and its subsidiaries, and between the Group and other related parties including relevant key management personnel for FY 2023, is set out in Note 22 of the Financial Statements.

Social, Ethical, Safety, Health and Environmental Issues

All the employees of the SEM are bound by the internal rules and regulations, as detailed in the SEM Employee Handbook. The SEM Employee Handbook is being regularly updated to take into account changes in the legislation. In the discharge of their duties, the SEM staff are committed to the highest standards of integrity and ethical conduct.

The Company has implemented the following measures to contribute to the protection of the environment by minimizing the use of paper:

- Sending statements of accounts and other documents by electronic mail instead of by post.
- Sending Board and Committee papers by electronic mail instead of by post.
- Sensitising employees to use consumables efficiently and print mails and documents only when necessary.

Staff Welfare

The SEM has also established a staff welfare programme where the sporting activities of the employees of the SEM are sponsored, in line with the approved budget. The SEM has also provided for medical insurance and 24-hour accident covers for all its employees.

Principle 06 : Reporting with Integrity

Staff Welfare (Cont'd)

Staff Training and Long-Term Professional Courses

Each year, a provision is made in the budget to cater for local and overseas courses that SEM employees can follow.

For employees that wish to undertake long-term Professional Courses, the SEM may under specific conditions, provide sponsorship that covers up to 50% of the direct costs.

WHISTLE-BLOWING RULES AND PROCEDURES

The Code of Corporate Behaviour for Directors and Employees of the SEM provides an established framework for reporting on potential breaches to the provisions of the aforementioned Code. No reports were made in this context during the year under review.

EQUAL OPPORTUNITY POLICY

In line with section 9 of the Equal Opportunity Act 2008 and the Guidelines issued by the Equal Opportunities Commission pursuant to Section 27(3)(f) of the Act, the SEM has adopted an Equal Opportunity Policy with a view to minimizing the risks of discrimination and to promoting recruitment, training, selection and employment on the basis of merit. There was no complaint on these matters for the year under review.

The SEM CSR policy is to contribute towards CSR programmes or activities that will help to "Eradicate Absolute Poverty". The amendment brought to Section 50L of the Income Tax Act and the Finance Act 2016 whereby at least 75% of the CSR Fund shall be remitted to the Director-General of the MRA, is applicable to the CSR Fund of SEM.

The CSR Fund of the SEM for the FY 2023 amounted to Rs 938,577 and 25% of this Fund was used to finance SEM's CSR programmes through three NGO as listed below:

Name of NGO		Amount sponsored (Rs'000)
1	Rotary Club of Port Louis- Rotary ZEP breakfast	135
2	Friends in Hope	60
3	Dis-Moi	40
Total amount sponsored		235

Political donations

No political donation was made by the SEM during the financial year 2023.

Principle 07 : Audit

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

Matters relating to internal and external audit are dealt with under the item 'Internal Control Report' on page 43 to 50 that forms part of the CG Report.

Principle 08 : Relations with Shareholders and Other Key Stakeholders

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

Shareholders' Agreement

There is no shareholders' agreement which affects the governance of the Company by the board and the SEM does not have any management agreement with third parties.

SEM Key Stakeholders

The key stakeholders of the Company are as follows: Ministry of Financial Services and Good Governance; Financial Services Commission; Central Depository & Settlement Co Ltd; Investment Dealers and Listed Companies. Regular meetings are held with stakeholders to discuss matters of common interest. Investment Dealers and Central Depository & Settlement Co Ltd are consulted prior to amendments to Rules and Procedures. Such consultations take place through discussions at the level of the Consultative and Informative Committee. Regular meetings are also held with the Financial Services Commission to discuss market development initiatives.

General Meetings

Annual meetings are held within six months from the end of the financial year and the notice of the Annual Meeting and related documents are sent to the shareholders of the SEM at least 21 days before the meeting. The notice clearly explains the procedures on proxy voting and includes the deadline for receiving proxies.

Principle 08 : Relations with Shareholders and Other Key Stakeholders (Cont'd)

Restrictions on the ownership of SEM shares

SEM being a public company, the transfer of its shares are not subject to pre-emption rights. However, restrictions on ownership of shares as required by law are reflected in the following clauses 10.1 and 10.4 of the SEM Constitution:

Clause 10.1: Transfer of Shares to be subject to Board and FSC approval:-

"Notwithstanding the rights conferred upon the Board by clause 10.4. hereof, all transfers and transmissions of Shares shall have to be approved by the Board. Any document relating to or affecting the title to any Shares shall be registered with the Company, after having been approved by the Board, without payment of any fee. No Shares shall be transferred except with the approval of the FSC pursuant to Section 23 of the Financial Services Act 2007".

- (a) *"The Board may, subject to compliance with sections 87 to 89 of the Act (Companies Act 2001), refuse or delay the registration of any transfer of any Share to any person, whether that person be an existing Shareholder or not, where:*
- (i) so required by law;*
 - (ii) a holder of any such Share has failed to pay on the due date any amount payable thereon either in terms of the issue thereof or in accordance with the Constitution (including any Call made thereon);*
 - (iii) the transfer is not accompanied by such proof as the Board reasonably requires of the right of the transferor to make the transfer;*
 - (iv) the Company is required or authorised to do so under the provisions of the Securities (Central Depository, Clearing and Settlement) Act or any other enactment.*
- (b) *Notice of the decision of the Board refusing or delaying a transfer of any Share, stating the reasons for the refusal, shall be sent to the transferor and the transferee within twenty-eight (28) days of the date on which such transfer was delivered to the Board".*

SEM Shareholders and the percentage shareholdings

The table below discloses the list of shareholders of the SEM and the relative number of Ordinary shares held by them as at 30 June 2023:

List of shareholders of the Stock Exchange of Mauritius Ltd		Total no. of shares held as at 30 June 2023	% Holding
1	Swan Life Ltd	787,879	15.76%
2	IBL Ltd	443,833	8.88%
3	Mauritius Telecom Ltd	375,000	7.50%
4	State Insurance Company of Mauritius Ltd	375,000	7.50%
5	Swan General Ltd	375,000	7.50%
6	Mirabel Investments Ltd	344,697	6.89%
7	Newton Securities Ltd	287,879	5.76%
8	MCB Stockbrokers Ltd	271,757	5.44%
9	Azelbourne Financial Services Ltd	247,712	4.95%
10	Plasmo Ltd	246,182	4.92%
11	Ramet Investment Ltd	242,424	4.85%
12	SBM Capital Markets Ltd	241,561	4.83%
13	Island Life Assurance Co Ltd	191,000	3.82%
14	ABC Motors Co Ltd	187,500	3.75%
15	Chue Wing & Co Ltd	187,500	3.75%
16	Alteo Agri Ltd	37,879	0.76%
17	Excelsior United Development Companies Limited	37,879	0.76%
18	Medine Limited	37,879	0.76%
19	ILA Managed Pension Fund	34,000	0.68%
20	Galvanising Co Ltd	30,303	0.61%
21	MUA Stockbrokers Ltd	15,136	0.30%
22	The Mauritius Development Investment Trust Co Ltd	2,000	0.04%
	Total	5,000,000	100%

Important Dates

Dividend declaration	23 June 2023
In compliance with Section 20 of the Securities Act 2005, online submission of the SEM Audited Accounts & Annual Reports to the Financial Services Commission (FSC)	September 2023
Dividend Payment	October 2023
Annual Meeting of the Shareholders of the SEM	December 2023

Statement of Compliance

Name of Public Interest Entity: The Stock Exchange of Mauritius Ltd

Reporting Period: 1 July 2022 to 30 June 2023

We, the Directors of the Stock Exchange of Mauritius Ltd, confirm that, to the best of our knowledge, the Company has complied with all of its obligations and requirements under the National Code of Corporate Governance (2016).



Jaiyansing Shailen Soobah

Chairperson

Corporate Governance Committee

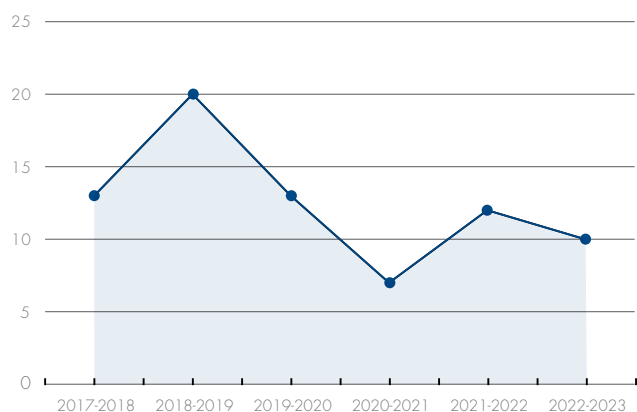
Date: 25.09.2023

OPERATING AND FINANCIAL **REVIEW**

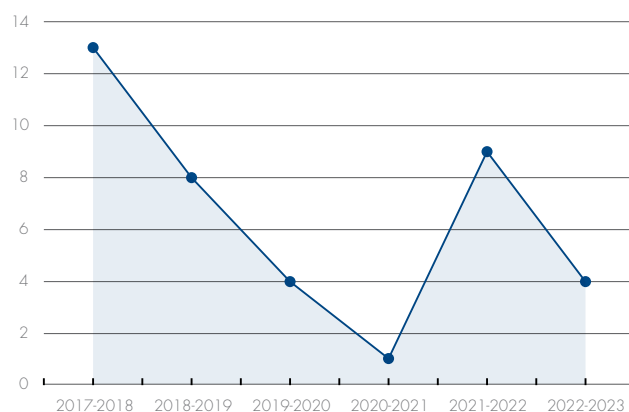
New Listings

The year 2022-2023 was marked by a surge in global inflation, which reached record levels, especially in Africa. Against this challenging and very volatile backdrop, the SEM closed the year with 14 new securities on its platform (versus 20 in the preceding year).

The evolution of the number of listings over the years and the spread between new listings, both domestic and foreign, is shown below:



New Domestic Securities Listed



New Foreign Securities Listed

Just like the precedent year, specialist debt instruments made up the majority of new listings on the Official Market in 2022-2023, with 8 new specialist debt instruments being admitted to listing. The Specialist Debt Securities segment saw listings by Premium Tobacco Holdings Limited, FortyTwo Point Two, United Docks Ltd, CIM Financial Services Ltd and Innodis Limited.

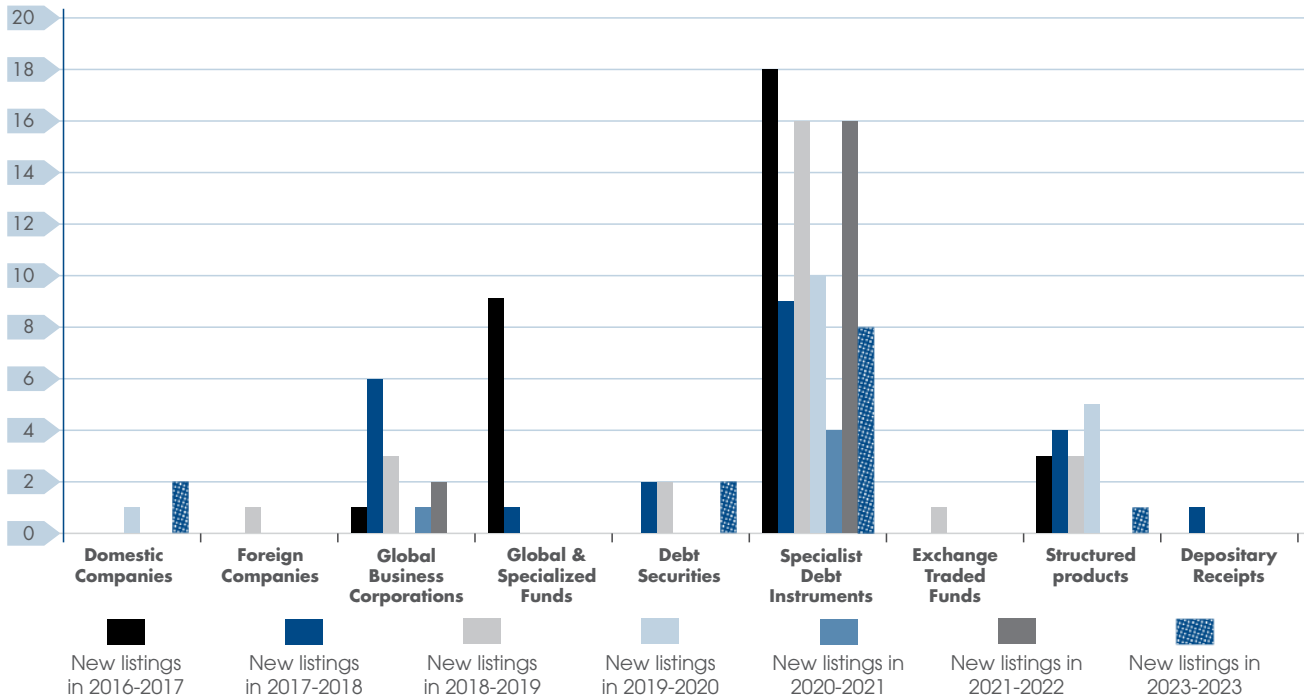
Two classes of preference shares by Beachcomber Hospitality Investments Limited were admitted to listing on the Official Market during the year, as well as debt securities issued by IBL Ltd and a structured product issued by MCB Structured Solutions.

As for the DEM, it saw the listing of one new company, namely Miwa Sugar Limited, following a restructuring exercise of Alteo Limited, where Miwa Sugar Limited was spun-off from the latter. MIWA Sugar Limited increased the DEM's market capitalisation by MUR 5.3 Billion and became the 3rd largest company on the DEM by market capitalisation.

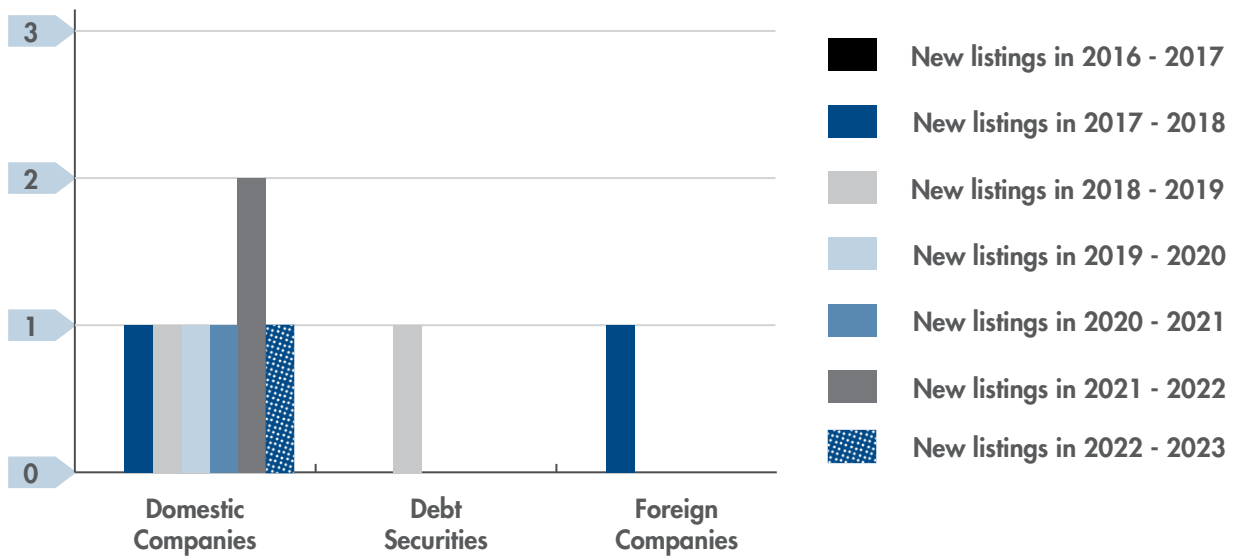
New Listings (Cont')

The spread of new listings, by type of issuer, over the years is illustrated below:

New Listings On The Official Market



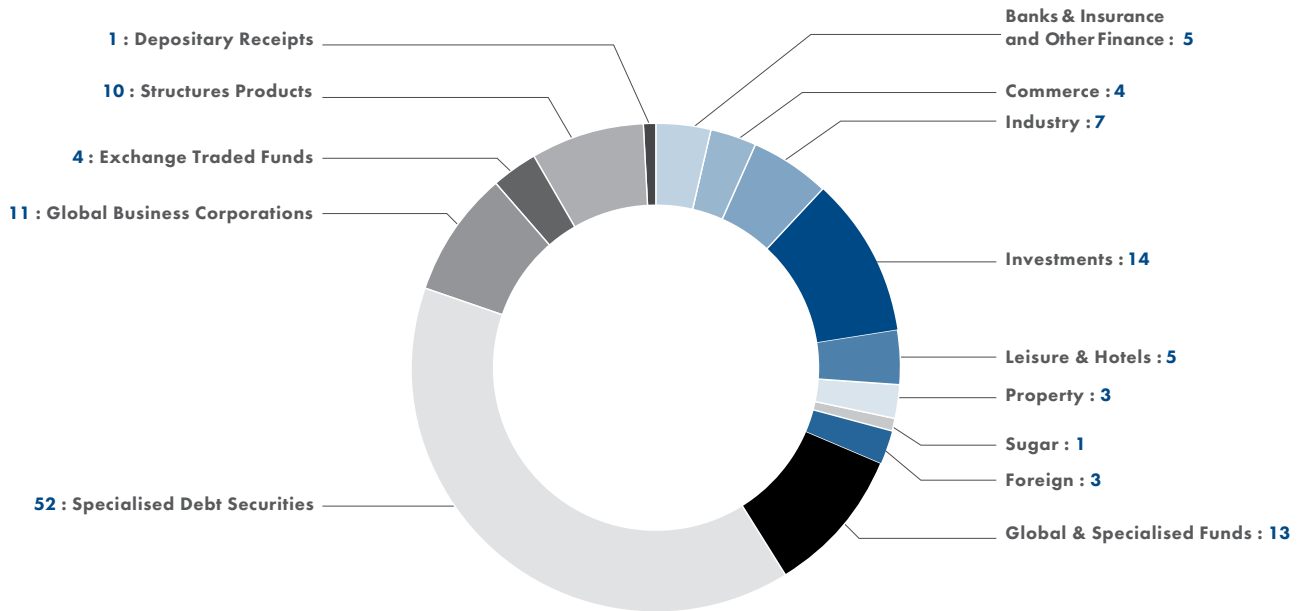
New Listings On The DEM



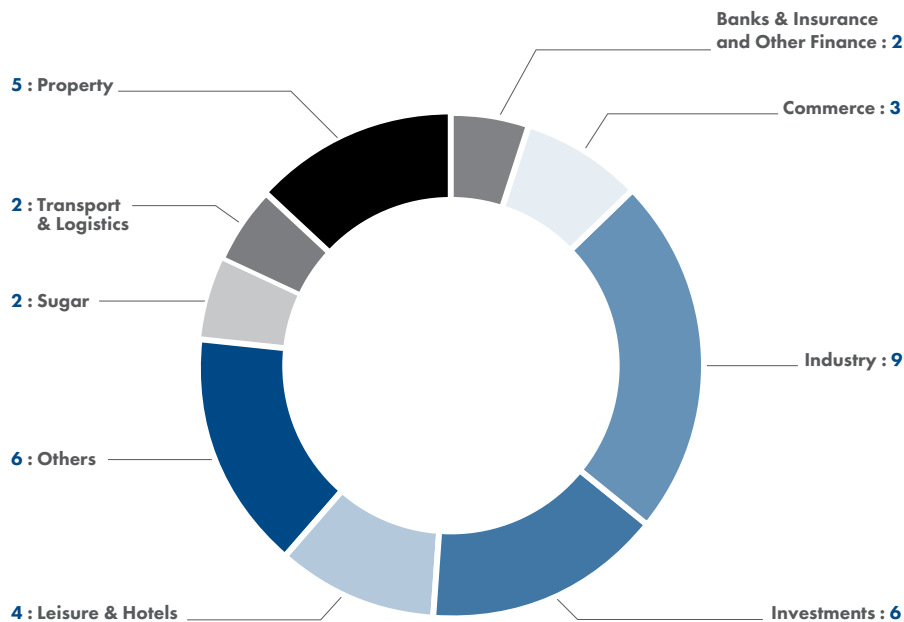
OVERVIEW OF LISTED ISSUERS

The charts below provide an overview of issuers listed on the OM and DEM (by sector of activity), as at the end of June 2023.

Official Market



Development & Enterprise Market :



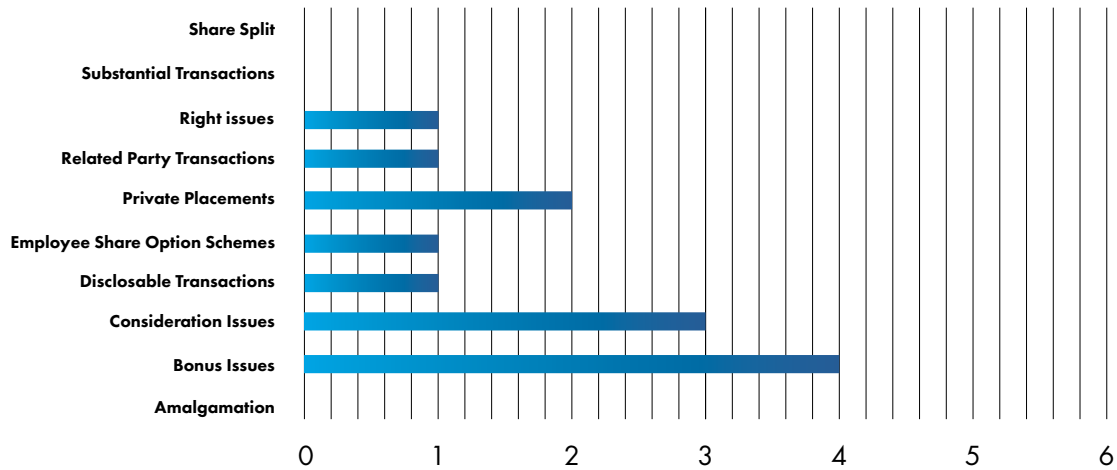
Withdrawals

2022-2023 saw the withdrawal of several Global Business Corporations from the Official Market, including Infrastructure Commodities (Mauritius) Ltd, New Frontier Properties Ltd, Bravura Holdings Ltd, Meritwise Group Public Ltd and Paradise Hospitality Group Limited.

As regards the DEM, during the year under review, Forges Tardieu Ltd was withdrawn following a takeover.

CORPORATE TRANSACTIONS ON THE OM AND THE DEM

The chart below provides a break-down of corporate transactions on the Official Market and the DEM during the year under review.



Bonus Issues were the most common corporate transaction in 2022-2023.

OTHER DEVELOPMENTS

(1) The setting up of the SEM Venture Market

The Listing Division is currently actively discussing with potential applicants, with the objective of attracting the first listings on the Venture Market. This new market has been especially designed to enable securities' holders of unlisted companies to use SEM's modern and efficient trading platform to trade their securities (ordinary shares, preference shares, bonds and other financial instruments) in a transparent and cost-effective manner.

(2) Promoting sustainability

During the new financial year, the Listing Division will make a review of the SEMSI eligibility criteria. This review will take into account the new ESG disclosures that will be required in Annual Reports by the International Sustainability Standards Board (ISSB), the sister initiative of the IFRS Foundation. The new accounting standards are expected to be effective for annual reporting for periods beginning on or after 1 January 2024.

(3) Amendments to the Listing Rules and DEM Rules

During the year under review, Listing Rule 2.3(b) (ii), which sets out the procedure for waivers in the context of post-listing obligations, was amended. Previously, the SEM needed to seek the prior approval of the FSC for granting waivers. Following the amendment, the SEM no longer needs the prior approval of the FSC for granting waivers, but only needs to notify the FSC of its decision to grant the waiver.

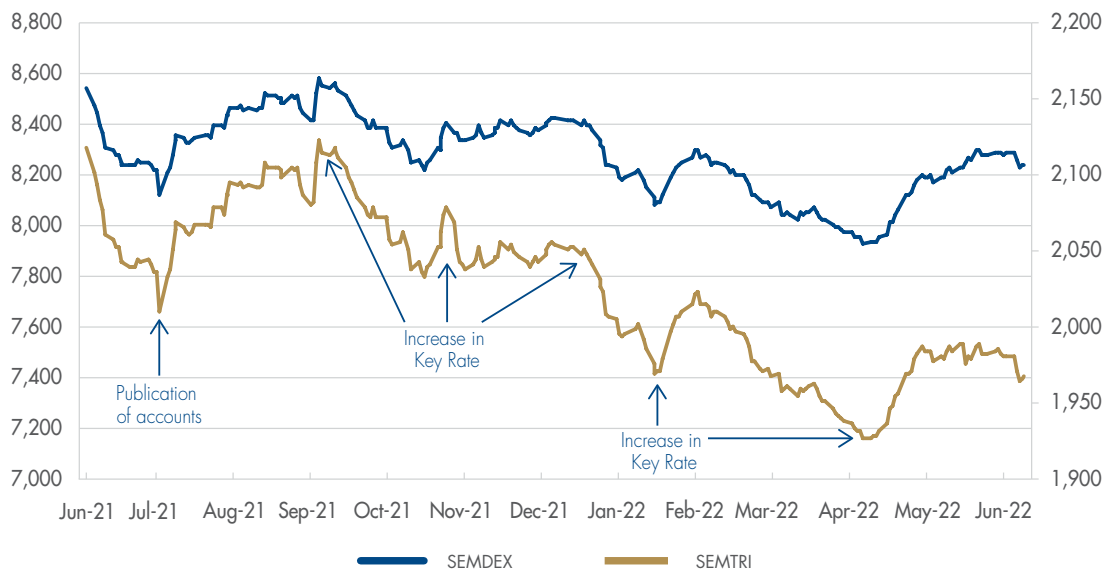
(4) Diversification of the range of products listed and traded on the SEM

During the year under review, the SEM signed a Collaboration Agreement on a fee-sharing basis with GIFS Investments Limited (GIFS) to develop an Islamic suite of financial products to be listed on SEM. The collaboration aims at diversifying the SEM's product offerings, generating more revenue for the SEM and the CDS through the listing, trading and settlement of Shariah-Compliant products on the SEM's and CDS' platform and enhancing the attractiveness of the Mauritius IFC.

The SEM may make amendments to its Listing Rules during the new financial year to facilitate the listing of Shariah-Compliant products.

Official Market

Evolution of SEMDEX & SEMTRI : FY 22 - 23



The main indices of the Official Market kicked off the year on a steep decline, following persisting double-digit inflation rates in the country. Standing at 11% in June 2022, inflation climbed to its peak of 12.2% in December of the same year. Increases in the repo rate to tame the high inflation by the Bank of Mauritius, coupled with the depreciation of the Mauritian rupee versus major currencies like the US Dollar resulted in strong downward pressures on securities' pricing, resulting in indices levels to sharply fall. The upwards kinks following the publication of quarterly reports by listed companies during the year helped slightly reversed the negative trend to some extent. Nonetheless, during the year, the SEMDEX and the SEMTRI lost 7.5% and 3.8% respectively.

Total value traded during the financial year 2022-2023 stood at Rs 13.3 billion. Around Rs 14.2 billion were raised during the year by listed issuers. The price earnings ratio and the dividend yield stood at 8.86 and 3.96% respectively at end of June 2023.

Performance of Market Indices

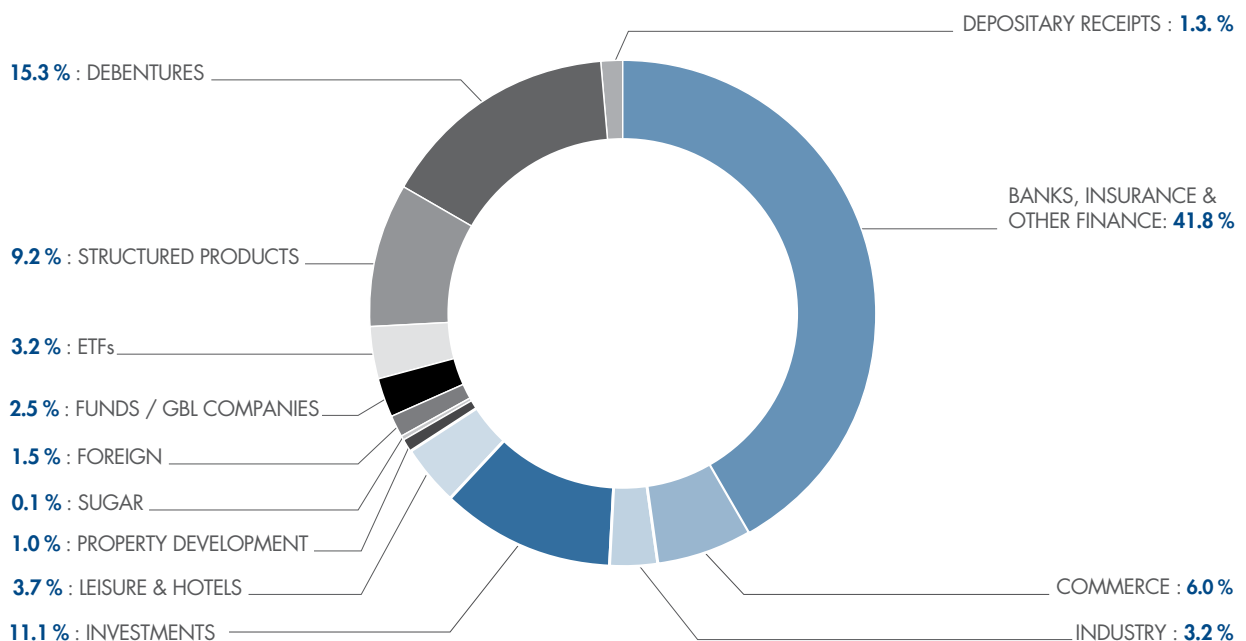
During the financial year 2022-2023, local indices navigated through high levels of uncertainty. The SEM All Share Index (SEM-ASI) and the SEMTRI-ASI lost 5.8% and 2% respectively during the year under review. The SEMDEX lost 7.5% and ended the year at 1967.05 points. The total return index, SEMTRI shed by 3.8%, closing the last session of the year at 8244.77 points. Both the SEM-10 and the SEMSI lost 6.6% during the same period. The table below shows the performance of indices during the year.

INDICES	OPENING 1-Jul-22	CLOSING 30-Jun-23	Return (%)
SEM-ASI	1,952.36	1,839.60	(5.8)
SEMTRI-ASI - RS	8,033.64	7,873.20	(2.0)
SEMDEX	2,127.14	1,967.05	(7.5)
SEMTRI - RS	8,568.62	8,244.77	(3.8)
SEMTRI - USD	2,999.70	2,846.90	(5.1)
SEM 10	387.18	361.66	(6.6)
SEMSI	113.68	106.19	(6.6)
SEM-AFRIDEX	103.94	102.56	(1.3)
SEMBI	103.05	103.76	0.7

Turnover and Volume Traded

Total transactions amounted to Rs 13.3bn during the year compared to Rs 14.8bn last year. Average daily turnover for the 250 trading sessions held stood at Rs 53.3m. Total volume of shares decreased by 49.9% during the year and amounted to 381.1 million shares at end of June 2023. A breakdown of value traded amongst the different sectors is depicted in the chart below.

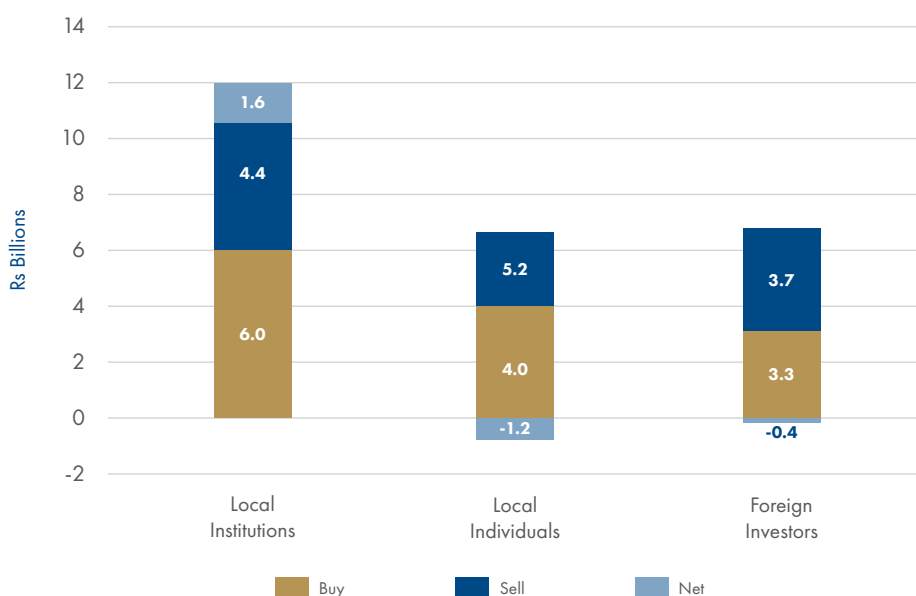
Value Traded - FY 2022-2023



Investor profile by category

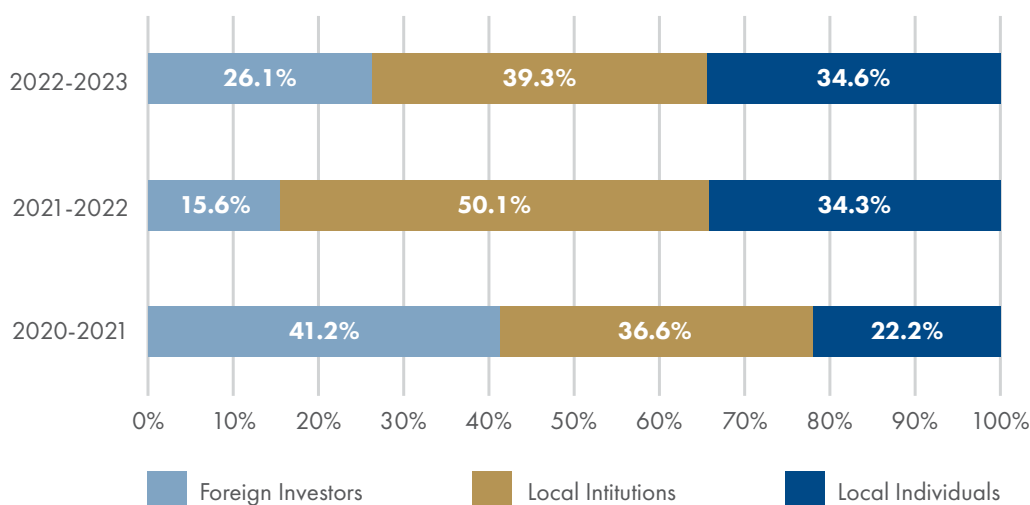
Local institutions were net buyers to the tune of Rs 1.6 billion during the year under review. Purchases and sales effected by local individuals amounted to Rs 4bn and Rs 5.2bn respectively. Foreign purchases amounted to Rs 3.3 billion whereas sales stood at Rs 3.7 billion resulting in a net outflow of Rs 0.4 billion.

Transactions by Types of Investors : FY 22-23



As shown in the chart below, transactions by local institutions represented 39.3%, followed by local individuals, which represented 34.6% during the financial year 2022-2023. The participation rate of foreigners during the year improved to 26.1% as opposed to 15.6% last year, translating to a value traded of Rs 7 Bn compared to Rs 4.6 Bn last year. The table below shows the breakdown of total value traded by different category of investors

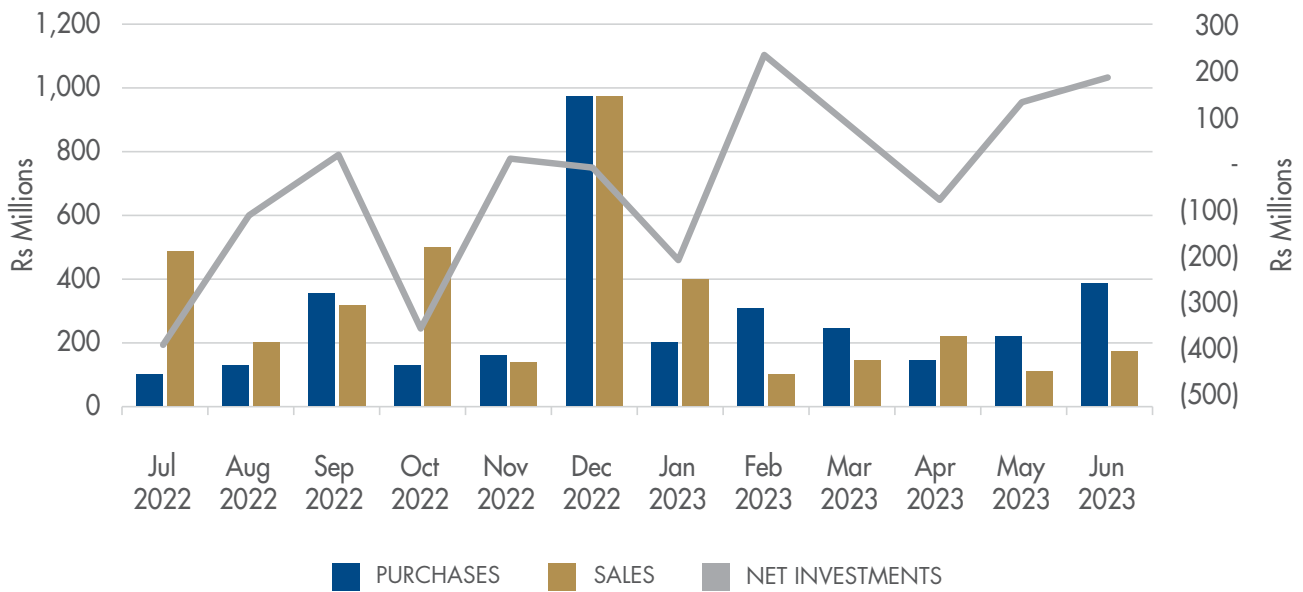
Value Traded by Investor Types : FY 22-23



Investments by Foreign Investors

Foreign investors were net sellers to an amount of Rs 408.9 million in the year 2022-2023 compared to an outflow of Rs 1.7 billion last corresponding year. The table below shows the monthly foreign data for the period July 2022 to June 2023

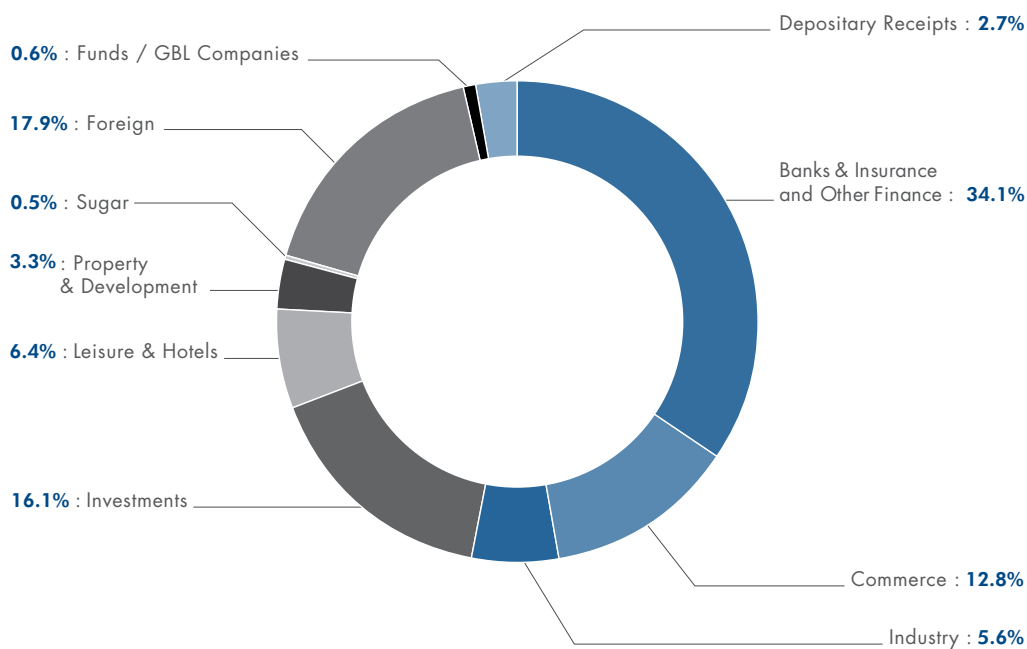
Investments by Foreign Investors : 2022 - 2023



Market Capitalization

The market capitalization of the SEM-ASI shrunk 8.3% during the year, closing the month of June 2023 at Rs 313.1 bn. The total value of shares of SEMDEX constituents lost 9.2% during the year and stood at Rs 246.8bn at end of June 2023.

Market Capitalisation by Sector - June 2023



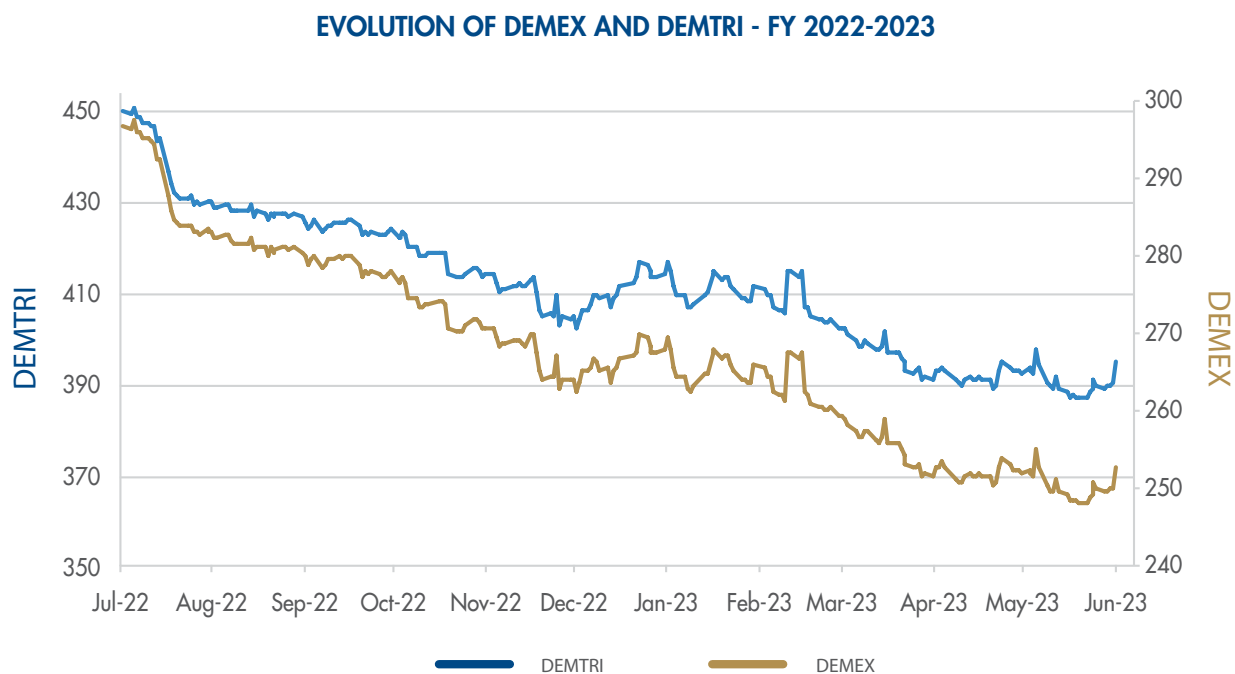
Top ten companies in terms of Total Return

The following table shows the top ten local companies in terms of total return for the financial year under review which ranges from 7.3% to 56.2%.

Companies	Listing Date	01-Jul-22	30-Jun-23	Change (%)
Alteo Limited	31-Jul-12	129	201.5	56.2%
Harel Mallac Ltd	20-Feb-91	891.8	1,162.2	30.3%
Vivo Energy Mauritius Limited	13-Nov-91	19,079.2	24,406.6	27.9%
Grit Real Estate Income Group Limited -(USD)	30-Mar-15	40.2	51.1	27.0%
Sun Limited	26-Jan-93	415.3	515.7	24.2%
Omnican Ltd	5-Jul-89	1,663.3	2,004.3	20.5%
Universal Partners Ltd (GBP)	8-Aug-16	141.5	165.1	16.7%
Rogers & Company Limited	27-Jun-90	12,098.2	13,400.9	10.8%
CIM Financial Services Ltd	30-Oct-12	332.2	363.8	9.5%
MCB Group Limited	5-Jul-89	40,052.5	42,976.7	7.3%

Development & Enterprise Market (DEM)

Market Performance



Development & Enterprise Market DEM (Cont'd)

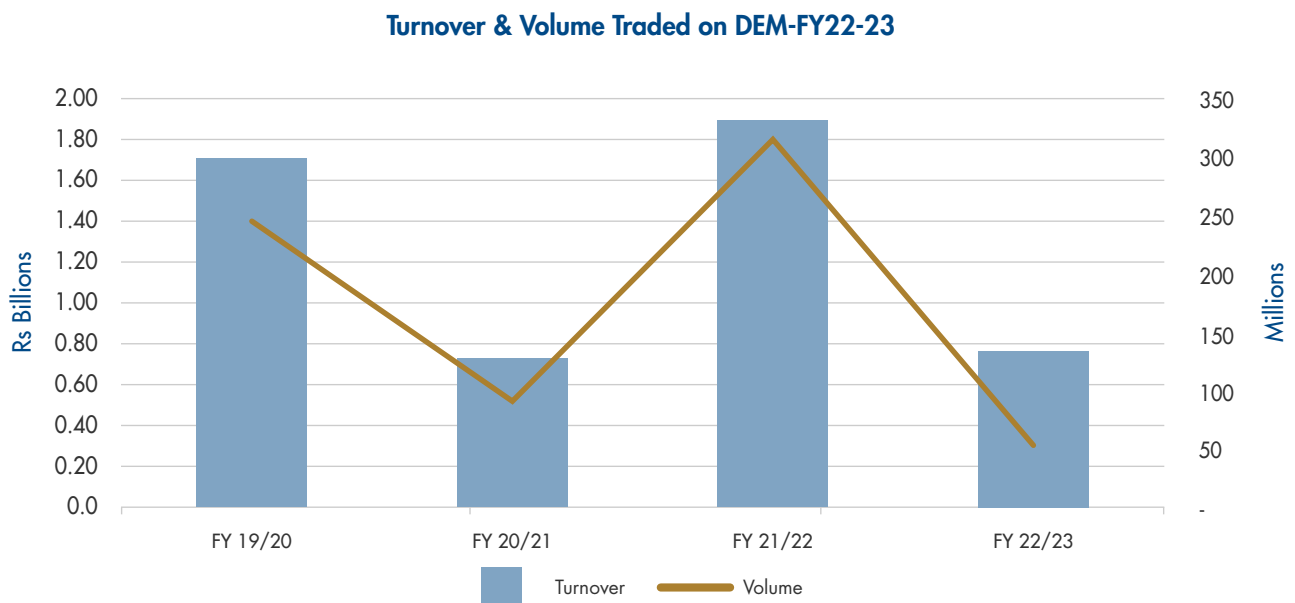
Market Performance (Cont'd)

The main indices of the Development & Enterprise Market (DEM) maintained a downward trend throughout the year. The DEMEX and the DEMTRI finished the session of 30 June 2023 of 252.67 points and 395.56 points respectively. For the financial year ended 30 June 2023, the DEMEX and the DEMTRI lost 14.6% and 12.3% respectively. The table depicts performance of the indices during the period under review.

INDICES	OPENING 1-Jul-22	CLOSING 30-Jun-23	Change (%)
DEMEX	295.92	252.67	(14.6)
DEMTRI (RS)	450.84	395.56	(12.3)
DEMTRI (US)	317.52	274.78	(13.5)
Market Capitalisation (Rs Bn)	51.74	49.12	(5.1)

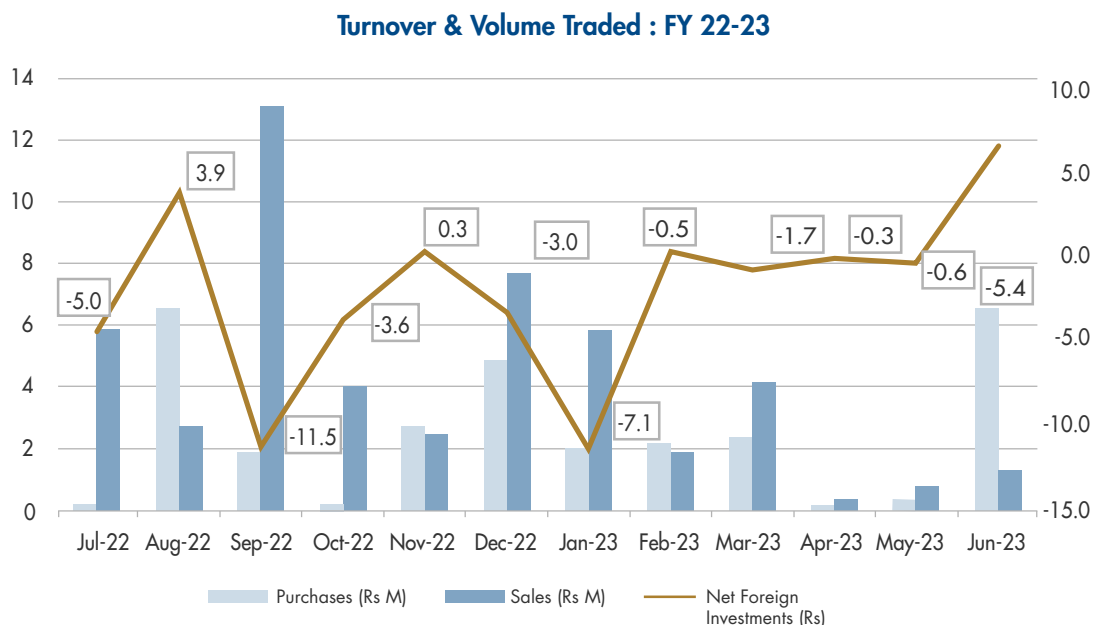
Turnover and Volume Traded

The total value traded stood at Rs 764.9 million compared to Rs 1.9 billion last year i.e. a decrease of Rs 1.1 billion. Volume of shares exchanged fell by 82% and stood at 58.2 million at end of June 2023. The chart below shows the value and volume traded during the last four years.



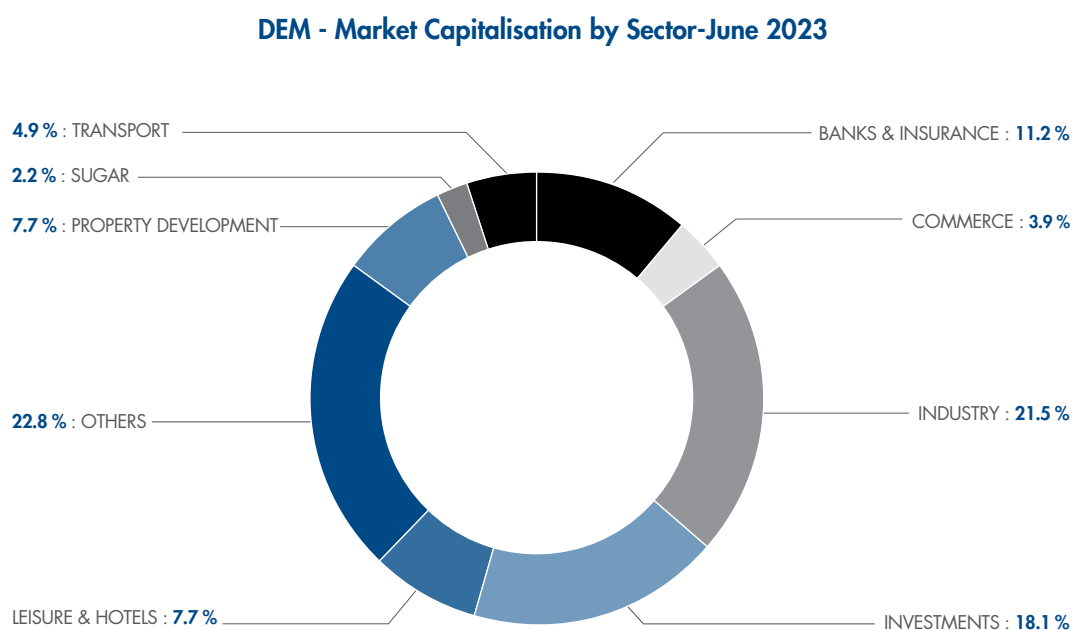
Foreign Investment

Total purchases by foreigners amounted to Rs 31.9 million during the year whereas total sales stood at Rs 54.7 million resulting in a net outflow of Rs 22.8 million. The chart below shows the evolution of net foreign investments on a monthly basis for the financial year 2022-2023.



Market Capitalization

Market capitalization of the DEM constituents fell by 5.1% during the period under review and stood at Rs 49.1bn at end of June 2023. The chart below shows the breakdown of market capitalization into different sectors.



Top ten companies in terms of Total Return

The following table shows the top ten companies in terms of total return for the financial year under review which ranges from 3.93% to 111.97%.

Companies	Listing Date	01-Jul-22	30-Jun-23	Change (%)
The Bee Equity Partners Ltd	4-Aug-06	1,993.90	4,226.5	112.0%
Compagnie Immobilière Ltée	4-Aug-06	614.8	1,067.6	73.6%
MFD Group Ltd	4-Aug-06	99.2	130.2	31.2%
Compagnie Des Villages De L'Isle De France Ltée	25-Apr-08	226.1	268.1	18.6%
Mauritius Cosmetics Ltd	4-Aug-06	494.5	541.3	9.5%
Attitude Property Ltd	21-Sep-15	131.5	141.2	7.4%
United Bus Service Ltd	4-Aug-06	1,553.80	1,649.5	6.2%
Associated Commercial Ltd	4-Aug-06	1,397.70	1,468.1	5.0%
Quality Beverages Ltd	3-Aug-06	128	134.1	4.8%
Kolos Cement Ltd	19-Feb-18	262.2	272.5	3.9%

During financial year 2022-2023, market data has underpinned SEM's strategic drive, in embracing a strategic reform of SEM's market data operations. The last financial year has also emphasized probing into further digital investor services that innovative technologies are creating, with the view to improving the experience of market players and investors using our exchange. More so, as digital technologies are fast changing expectations from investors by enabling on-demand offerings, where investors can pull services from the Exchange rather than with the classic push model.

Key Undertakings for 2022-2023

1st leg Reform of SEM's Market Data Operations

A 1st leg of reform of SEM's Market Data Operations has been implemented, effective as of 01-July-2022 to introduce for Display Usage a: (1) SEM Market Data Policy for Licensing and Compliance; (2) New User Reporting; and (3) New Billing Model. The rationale behind this strategic reform is to align with international standards under a carefully balanced approach in the context of the evolving key importance of data in the connected financial markets space, as market data is growingly becoming a key component in uncovering new pathways in increasing the breadth and depth of the market. Likewise, this reform will potentially spearhead the success of market data business as a stronger sustainable fixed income revenue stream in the long run.

The SEM Market Data Policy ("Policy") technically governs the Usage, Redistribution, as well as Compliance and Reporting by Distributors, Redistributors, and all Data Users of SEM Market Data sourced indirectly and/or directly from the SEM: (1) Real-Time Level 1 Equities/Debt data; (2) Real-Time Level 2 Equities/Debt data; (3) Delayed Data; and (4) End-Of-Day Data. The new User Reporting for Display Usage, is underpinned by a new Billing Model, based on the traditional fixed license fees payable by the Data Distributor plus the newly introduced variable data usage fees by Unit of Count. In a nutshell, as of 01-July-2022, Display Data Usage is being reported by Contracted Distributing Users:

- (i) in relation to, Internal Display Usage i.e. where the Data Feed User allows internal Individual Data Users to use the Data only by means of Display applications and not for Non-Display Usage (whereby internal display distribution does not require the Data Feed User to be licensed with SEM and only pays fees by Unit of Count); or
- (ii) in relation to, External Display Distribution i.e. where, in addition to possible distribution to internal Individual End Users, the Data Feed User distributes such Data to external End Users by means of Display applications (whereby external display usage requires the Data Feed User to be licensed with SEM, and pay fixed license fees at the level of the Data Distributor and variable data usage reporting fees by Unit of Count.

The Billing Model for Market Data Display Usage has been reformed as follows: (i) Fixed Display Data Usage Annual License fees for redistribution of real-time, delayed or end-of-day Data; (ii) Real-time Monthly Market Data fees by Unit of Count and current offering of service levels offered by SEM. namely: Level 1 (Best Bid/Offer), Level 2 (Market Depth); Indices; (iii) Listed Company License, and (iv) VPN Connectivity.

In this context, SEM also executed the signing of legally-binding Variation Agreements with existing Contracted Distributing Users licensed with the Exchange, to reflect this reform.

As of end of financial year 2022-2023, revenue from Market Data Operations increased by 100% year-on-year, accounting for 6.5% of SEM's total revenue compared to 3% for financial year 2021-2022. These figures reflect the instant starting results behind the reform of SEM's Market Data Operations in broadening and diversifying our fixed income revenue base, to take this income revenue stream higher in line with global practice by Exchanges.

Implementation of the African Exchanges Linkage Project (AELP) Trading Link

SEM is represented on the African Exchanges Linkage Project (AELP) Committee. The AELP Trading Link went live on 18 November 2022 following a beta testing period across 7 exchanges including the SEM, enabling seamless cross-border securities trading involving 35 brokers and 2,000 companies with roughly \$1.5 trillion market capitalization. The AELP Link Trading Platform incorporates stock market integration, an order routing system, and market and order-book data sharing, with the aim of promoting cross-border securities trading, increasing liquidity and diversifying investment opportunities for investors.

Technically, all listed instruments on all 7 Exchanges, including SEM, are eligible for trading through the AELP Link, and once a Broker has an arrangement with the Sponsoring Broker on the Exchange (Host Exchange) where a client wishes to buy or sell his/her security, the actual trade execution follows the market practice of that Exchange, while settlement of the trade uses the clearing and settlement system on the Host Exchange.

A partnership between ASEA and PAPSS has also been worked out with the view to improving facilitate cross-border trading, following discussions among AELP working committees. Accordingly, on April 14, 2023, ASEA and the Pan-African Payments and Settlement System (PAPSS) have signed a Memorandum of Understanding (MoU) to collaborate on ways to enhance the payments process for cross-border securities transactions on Exchanges through the AELP Link.

Future Undertakings for 2023-2024

2nd leg of Reform of Market Data Operations

Based on thorough technical discussions and evidence gathered from peer Exchanges during financial year 2022-2023, a 2nd leg of reform of SEM's Market Data Operations will be implemented, effective as of 01-September-2023 to introduce for Non-Display Usage, an updated: (1) SEM Market Data Policy for Licensing and Compliance; (2) User Reporting; and (3) Billing Model. The rationale behind this strategic reform and new business model, is to align with international standards and spearhead a stronger sustainable fixed income revenue stream looking forward.

Non-Display Usage technically pertains to accessing, processing, consumption or use of data for any purpose other than in support of its display or distribution. As of 01-September-2023, Non-Display Usage shall cover the following 3 categories, with individual licenses:

- (a) Trading-Based Usage Purposes and Non-Trading-Based Usage Purposes*
- (b) Index Creation*
- (c) Derived Data Creation*

- (a) Data Users shall be required to classify use of data for non-display usage as "Trading-Based" and/or "Non-Trading-Based" Usage Purpose.

Trading-Based Usage Purposes, being real-time market data typically used in trading-based applications to monitor trading usage purpose including but not limited to Algorithmic Trading /Black Box Trading, Automated or Semi-Automated Order/Quote generation, Execution Algorithms, Hedging Applications, Internalization Engines, Market-Making Applications, Order Pegging, Tokenization, Program Trading, Smart Order Routing & any other trading-based Usage Purposes. These are termed as usage purposes. For the avoidance of doubt, Derived Data Creation and Index Creation are not part of Trading-Based Usage Purposes.

Non-Trading-Based Usage Purposes, being real-time market data typically used in non-trading applications used in mid and/or back office Usage Purposes to support business functions, including but not limited to Fund Administration, Portfolio Valuation, Quantitative Analysis, Risk Management, Surveillance and any other non-trading-based Usage Purposes. These are termed as Usage Purposes. For the avoidance of doubt, Derived Data Creation and Index Creation are not part of Non-Trading-Based Usage Purposes.

Future Undertakings for 2023-2024 (Cont'd)**2nd leg of Reform of Market Data Operations (Cont'd)**

- (b) Index Creation, being the use of Data (Real-Time) in the construction of Level 1 and Level 2 Indices, that are constructed, calculated or compiled by the Data User.
- (c) Derived Market Data Creation, being the use of Data (Real-Time) in pricing (of a derived product) or other information that is created in whole or in part from the Data and that cannot be (i) readily reverse engineered to create the Data, or (ii) used to create other Data that is a reasonable facsimile for the Data. For the avoidance of doubt, Index Creation is not part of Derived Data Creation.

In relation to Unit of Count for Non-Display Usage, for Per Usage Purpose, Data charges shall be reported and payable for Real-Time Data per Trading-Based and/or per Non-Trading Based Usage Purpose, per market data source. Global Enterprise License for Non-Display Usage by Per Usage Purpose, shall be a flat enterprise license fee payable by the Data User.

In this connection, SEM will execute by end August 2023, the signing of legally-binding Variation Agreements with existing Contracted Distributing Users and Non-Display Users licensed with the Exchange, to reflect this reform.

Market Development - African Exchanges Linkage Project (AELP) Trading Link

During financial year 2023-2024, the AELP Trading Link shall expand the number of linked African exchanges from 7 to 15 to provide brokers and investors access to securities listed on up to 15 capital markets. Participating stock exchanges include the Botswana Stock Exchange, the Ghana Stock Exchange and six other stock exchanges in the pipeline. This will require involvement of all AELP working committees, including SEM's.

The Legal Affairs Department collaborated closely in various projects and provided its support in the implementation of regulatory amendments which were linked to the newly implemented high-end Automated Trading System, as well as changes in the securities legislation. During the current financial year, the focus on the regulatory front has been mostly on the reinforcement of internal policies and procedures.

SEM received the visit of inspectors of the Financial Services Commission (FSC) who conducted an on-site inspection at the business premises of the SEM, pursuant to Section 43 of the Financial Services Act 2007, from 5 September to 7 September 2022. The Legal Affairs Department had the responsibility of coordinating amongst the different departments of the SEM and facilitating the conduct of the on-site inspection visit by the Regulator. Subsequently, following the completion of the on-site inspection visit and some recommendations made by the Regulator, management carried out a review of the existing Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Policies and Procedures. The Legal Affairs Department provided its support and assistance in the conduct of a business risk assessment and customer risk assessment and proposed amendments to the Internal AML/CFT Policies and Procedures in force.

On the legislative and regulatory fronts, the Legal Affairs Department was also represented on some of the working groups set up by the FSC for the review of the Securities Act 2005 and for providing inputs to the Consultants and FSC team working on this project.

The Legal Affairs Department has continued to participate actively in various strategic initiatives of the SEM during the financial year 2022-2023 and collaborated with all the relevant departments of the SEM and the Central Depository & Settlement Co. Ltd as well as with the Regulator and other stakeholders of the Exchange.

Amendments to the Internal AML/CFT Policies and Procedures of SEM

The SEM has implemented Internal Anti Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Policies and Procedures since April 2012 to ensure compliance with the requirements of the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) legislative and regulatory framework. These Internal Policies and Procedures have been reviewed on several occasions to align with changes in the AML/CFT legislation and regulations as well as recommendations in the FSC Anti-Money Laundering and Countering the Financing of Terrorism Handbook 2020 intended for guidance of licensees. This year, technical amendments have been brought to the Internal Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Policies and Procedures of the SEM to reflect some changes with regard to the appointment of the Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer as well as new features of the ATS system used for market surveillance and detection of suspicious transactions. The proposed amendments to the Internal AML/CFT Policies and Procedures were approved by the SEM Board on 15 June 2023. The FSC has been informed of the changes to the Internal AML/CFT Policies and Procedures of SEM, which have now been incorporated in a Manual that additionally covers procedures for internal control as described below.

Implementation of Business Risk Assessment and Adoption of an Internal AML/CFT Policies and Procedures and Controls Manual

In line with the recommendations in the Anti-Money Laundering and Countering the Financing of Terrorism Handbook 2020 issued by the FSC, the SEM has carried out a business risk assessment and customer risk assessment for the company and its customers. A Business Risk Assessment (BRA) Report has been drafted which sets out the risk assessment of the Money Laundering and Terrorism Financing risks faced by the SEM based on the specificities of the SEM's business in the light of the key risk factors, as prescribed by the Financial Intelligence and Anti-Money Laundering Act 2002 (FIAMLA).

Following the assessment of the Money Laundering and Terrorism Financing risks faced by the SEM as set out in the Business Risk Assessment Report, the SEM has consolidated its internal policies and procedures for AML/CFT together with internal control measures into one document namely: the AML-CFT Policies, Procedures and Controls Manual.

The AML/CFT Policies, Procedures and Controls Manual is a single comprehensive document which incorporates the existing Internal AML/CFT Policies and Procedures of SEM and further describes the internal controls and procedures to be implemented by SEM in order to ensure compliance with the AML/CFT legislations and applicable regulations. This Manual sets out, amongst others, the different responsibilities regarding AML/CFT, Customer Due Diligence Requirements, Enhanced Due Diligence Requirements, as well as Training, Reporting and Independent Audit Requirements.

Both the Business Risk Assessment Report and the AML-CFT Policies, Procedures and Controls Manual of the SEM have been approved by the Board of Directors on 15 June 2023. A copy of both documents has also been submitted to the FSC

Consultation on proposed amendments to the securities legislative and regulatory framework

During the last financial year, the FSC set up several working groups comprising representatives from the industry for consultation on the proposed revamping of the Securities Act 2005. The Regulator organised several meetings of the Technical Committees to gather inputs from participants. Consultative and informative meetings were also held with the Consultants who have been appointed to work on the legislative and regulatory amendments. The SEM was represented on some of the Technical Committees and has provided its inputs and proposals to the FSC for amendment of the Securities Act and Rules made under the Act.

Application for authorisation of a foreign investment dealer

During the previous financial year, the SEM reported on its endeavor to bring new players to the Mauritian securities market and the approval by its Board of Directors of the application by a foreign investment dealer to be admitted as Trading Member of SEM, subject to the investment dealer being granted authorization by the FSC to conduct dealings on the SEM. The application by the foreign investment dealer to become a participant of the Central Depository & Settlement Co. Ltd (CDS) was also approved by the CDS Board. Pursuant to the provisions of the revamped Securities (Authorisation of Foreign Investment Dealers) Rules 2010, the application for FSC authorization to enable the foreign investment dealer to conduct dealings on the SEM was submitted, on behalf of the applicant foreign investment dealer, by the SEM. The Legal Affairs Department liaised with both the applicant and the Regulator to ensure proper communication and coordination with regard to the application for authorization. Approval of the FSC was subsequently granted on 30 December 2022. However, following FSC approval, the applicant foreign investment dealer informed the authorities of the decision of its Board of Directors to halt its implementation to become a Trading Member of the SEM and participant of the Central Depository & Settlement Co. Ltd due to prevailing uncertain and volatile world economic challenges and local challenges in its jurisdiction.

FINANCIAL REVIEW

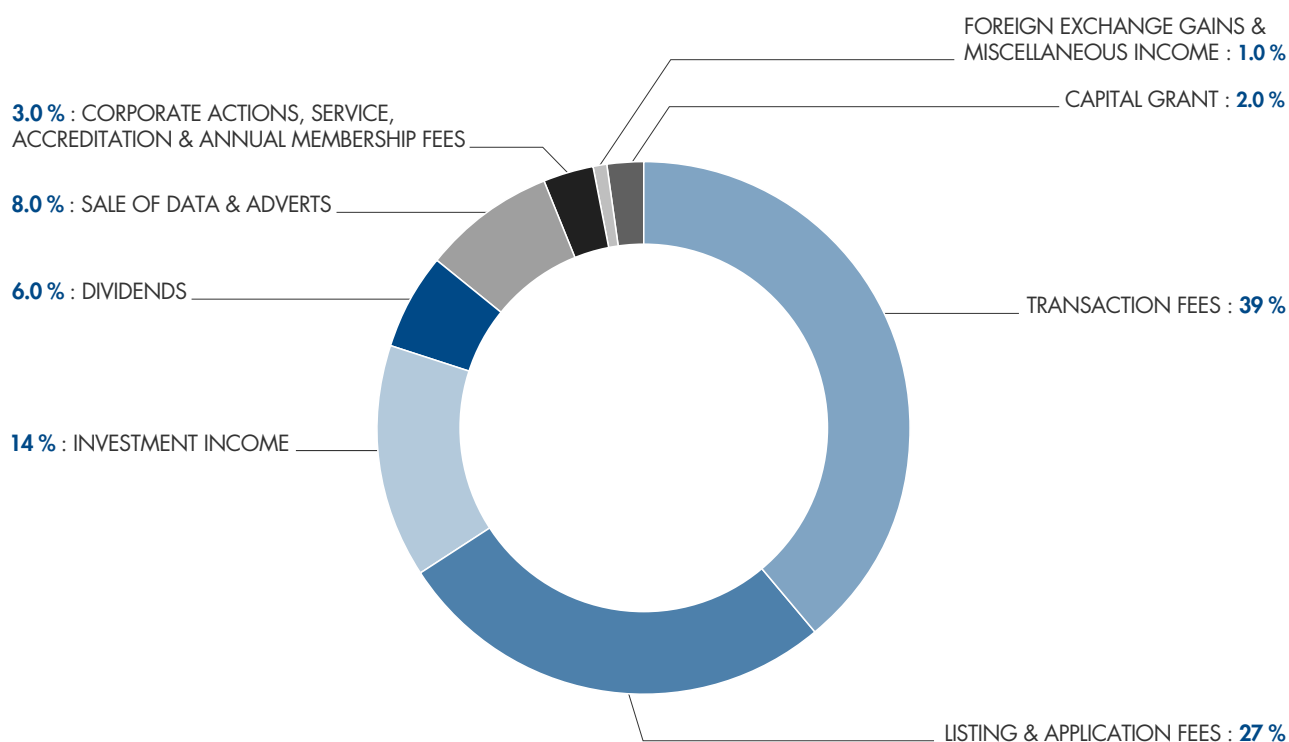
SEM TOTAL INCOME COMPOSITION

The Total Income of the SEM is categorized as follows:

- Transaction fees, which represent 39% of the total revenue of the SEM for the financial year 2023.
- Annual listing fees and Application fees for new listings represent 27% of SEM's total revenue.
- Income derived from Investments made by the SEM constitutes 14% while Dividends from our subsidiary company (CDS Ltd) represent 6% of the total revenue of the SEM.
- Sale of Data and Adverts on SEM WEB site represent 8% of SEM's total revenue.
- Fees received from Corporate Actions, Accreditation, Service and Membership fees paid by the Member Companies for the use of the ATS system, together constitute 3% of SEM's total revenue.
- Foreign exchange gains & miscellaneous income represent 1% and Capital grant allocated as income for this financial year, represents 2% of SEM's total revenue.

The chart which follows, illustrates the Total Income composition of the SEM for the financial year under review:

REVENUE - FINANCIAL YEAR 2023



COMPARATIVE ANALYSIS OF INCOME STREAMS

The table below compares the income streams of the SEM for the financial years 2023 and 2022 and calculates the percentage changes for each category of income over the two financial years.

Income	FY 2023	FY 2022	% Change
	Rs'M	Rs'M	
Transaction fees	52.3	63.6	-18%
Annual Listing & Application fees	36.4	37.4	-3%
Corporate Actions, Service, Accreditation & Annual Membership fees	4.2	5.4	-22%
Sale of Information & Advert on SEM WEB site	11.6	8.5	36%
Investment Income	18.7	14.9	26%
Dividends	8	10.2	-22%
Capital grant	2.6	0.4	550%
Foreign exchange gains & Miscellaneous Income	1.3	1.5	-13%
Total Revenues	135.1	141.9	-4.8%

An analysis of the income streams of the SEM indicates an overall decrease of 4.8% during financial year 2023 as compared to financial year 2022, mainly due to the following factors:

Revenue derived from transaction fees for FY 2023 amounted to Rs52.3 m, showing a significant decrease of 18% as compared to the FY 2022. This was mainly due the persistent inflation rate forcing the Bank of Mauritius to tighten its monetary policy leading to rising interest rates, resulting in a decline in the trading activities during the year 2022-2023.

Annual Listing and Application fees amounted to Rs36.4 m, a decrease of 3% as compared to FY 2022, which was mainly due to the de-listing of some listed companies; and also due to less applications being received during the year under review.

On the other hand, due to the rise in the prevailing market rates, long-term deposits reaching their maturity during the financial year, were renewed at higher rates of return. This resulted in a significant increase in the income derived from Investments by 26%, Rs18.7 m for the FY 2023 (FY 2022: Rs14.9 m).

Income derived from the sale of data and adverts on SEM WEB site increased significantly by 36%, reaching an amount of Rs11.6 m for the year under review (FY 2022 – Rs8.5 m). This increase was mainly due to a reform of SEM Market Data Operations effective as of 01-July-2022 for Display Data Usage with Data Distributors covering implementation of a 1) SEM Market Data Policy for Licensing and Compliance; (2) User Reporting; and a (3) New Billing Model in line with international standards.

Dividends receivable from the CDS for the FY 2023 are expected to be Rs8 m, a decrease of 22% as compared to the previous FY 2022 (Rs10.2 m).

The income derived from Corporate Actions, Accreditation, Service and Membership fees decreased by 22% over last year and totalled Rs4.2 m (FY 2022 – Rs5.4 m).

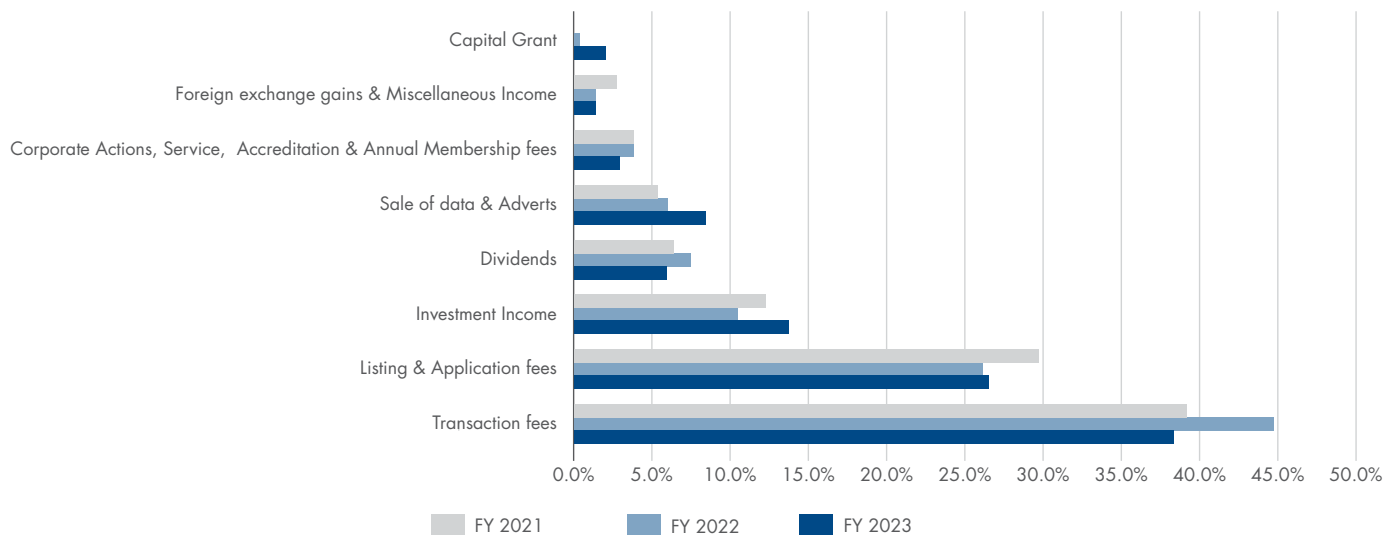
Capital Grant increased by 550% to Rs2.6M (Rs0.4M – FY 2022), mainly due to 12 months of capital grant being credited to the income statement as regards to FY 2022, where only 2 months were credited.

Foreign exchange gains and Miscellaneous Income decreased by 13%, from Rs1.5 m in the FY 2022 to Rs1.3 m in the FY 2023, mainly due to fluctuations in the foreign exchange rates; namely the USD, EURO and GBP.

TREND IN REVENUE COMPOSITION OVER 3 YEARS

The following chart illustrates the trend over the past three financial years 2021 to 2023 of the revenue composition of the SEM:

3-Year Revenue Trend (FY 2021 - FY 2023)



COSTS

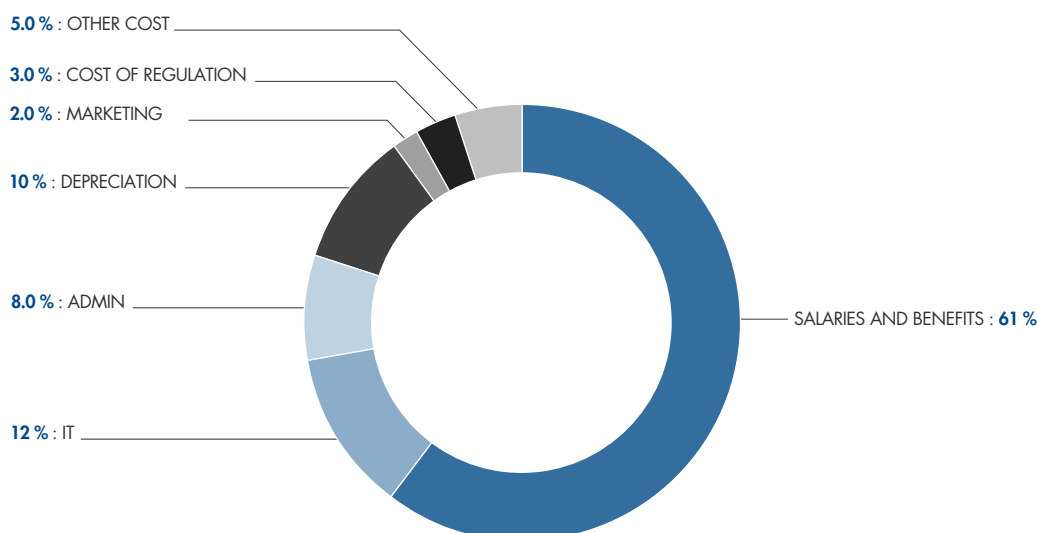
Costs are made up of personnel expenses (salaries and benefits), IT expenses, cost of depreciation, administrative expenses, marketing expenses, cost of regulation and Other costs.

Personnel expenses (salaries and benefits) and IT expenses are the major cost items for the SEM and together, represent 73% of SEM's total expenses for the year under review.

Administrative expenses and Other costs together accounted for 13% of SEM's total expenses for the FY 2022, while the cost of Depreciation represents 10%.

Marketing cost and the cost of regulation accounted for 2% and 3% respectively of SEM's total expenses.

Cost Composition - FY 2023



COMPARATIVE ANALYSIS OF COSTS BREAKDOWN

The table below compares the costs breakdown of the SEM for the financial years 2023 and 2022 and calculates the percentage changes for each category of cost over the two financial years.

	FY 2023	FY 2022	Change
	Rs'M	Rs'M	%
Salaries and benefits	39.8	56	29%
IT	7.4	6.7	-10%
Admin	4.9	4.0	-23%
Depreciation	6.5	3.9	-67%
Marketing	1.1	1.4	21%
Cost of regulation	1.7	1.5	-13%
Other Costs	3.0	2.2	-36%
Total Expenses	64.4	75.7	15%

On the overall, total costs of the Company for the FY 2023 were reduced by 15%, from Rs75.7m in FY 2022 to Rs64.4m in FY 2023.

Salaries and benefits decreased significantly by 29%, mainly due to: i) lesser performance bonuses being paid to the SEM employees for the FY 2023; and ii) a liability experience gain mainly due to the actual average remuneration increases being lower than expected over the past year and due to the release in liabilities in respect of a leaver during the year and a liability gain due to a change in the financial assumptions, as disclosed in the IAS 19 results.

The cost of IT increased by 10%, mainly due to: i) an increase in the IT Outsourcing Agreement which SEM has signed with the CDS Ltd, ii) an increase in the hardware maintenance cost and iii) an increase in the cost of technology infrastructure to improve the IT security measure as regards to the SEM Website.

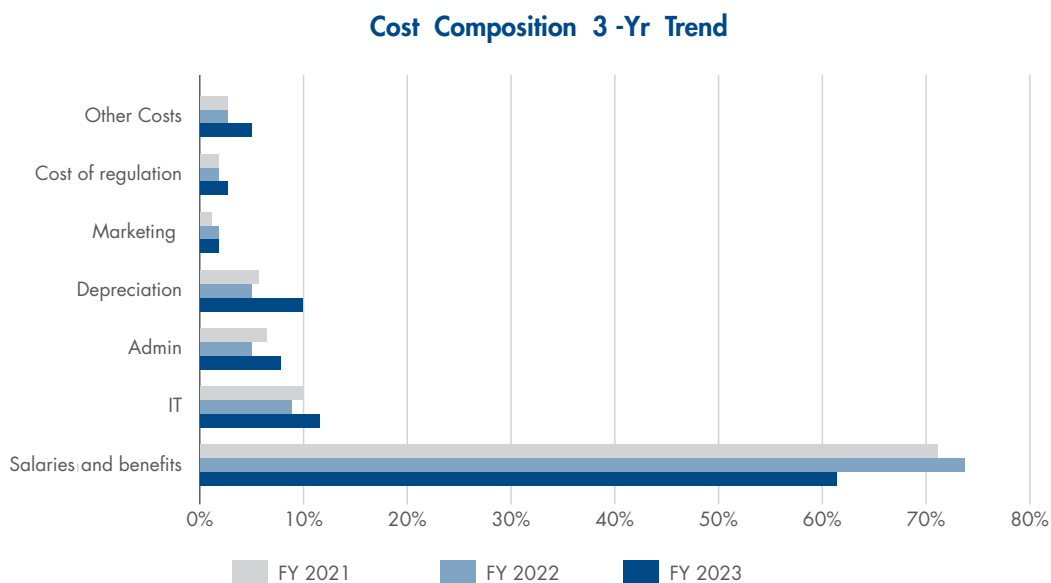
Marketing cost decreased by 21% from Rs1.4m in the FY 2022 to Rs1.1m in FY 2023, due to a reduction in the cost of publication and in the cost of organizing events.

Administration cost and Other costs increased by 23% and 36% respectively as compared to FY 2022, mainly due to increases in the cost of utilities, Professional fees and overseas travelling expenses.

Cost of Depreciation increased by 67% as compared to FY 2022, mainly explained by one full year amortization cost on the new servers and the implementation cost of the new ATS system as compared to FY 2022, where only two months amortization had been made.

TREND IN COST COMPOSITION OVER 3 YEARS

The Chart below illustrates the trend in the cost composition of the Company over the financial years from 2021 to 2023:

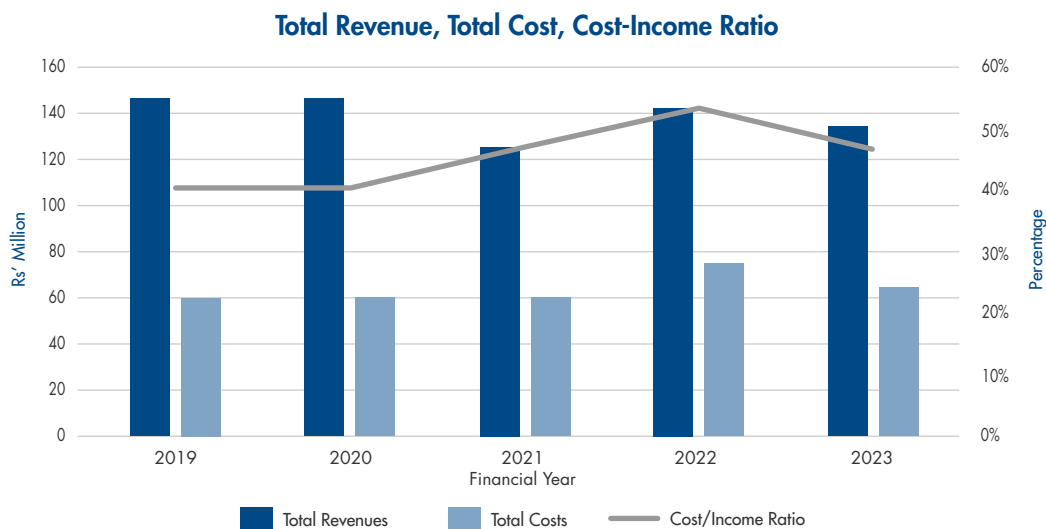


COSTS, REVENUES AND COST TO INCOME RATIO

The following table discloses the total revenues, total costs and the Cost to Income ratio over a five-year period from FY 2019 to FY 2023.

Financial Year	Total Revenues Rs'M	Total Costs Rs'M	Cost/Income Ratio %
2019	147.4	59.7	41%
2020	147.9	60.9	41%
2021	128.5	61.6	48%
2022	141.9	75.7	53%
2023	135.1	64.4	48%

The chart below illustrates the trend of 'Total Revenues', 'Total Costs' and 'Cost to Income' ratio over the 5-year period from FY 2019 to FY 2023.

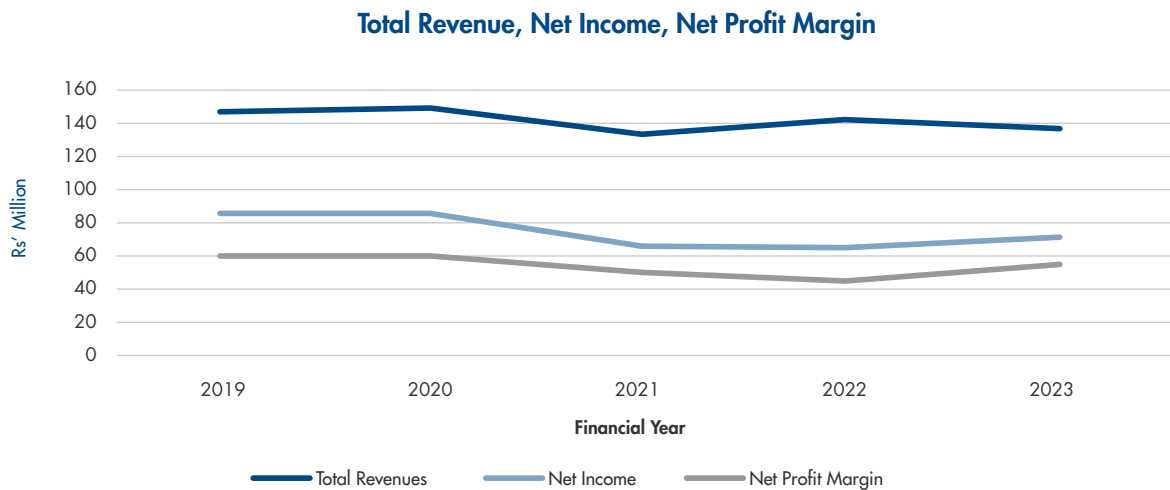


PROFIT MARGIN

The following table shows the Total revenues, Net income and Net Profit Margin over a five-year period from FY 2019 to FY 2023.

Financial Year	Total Revenues	Net Income	Net Profit Margin (Net Income/Total Revenue)
	Rs'M	Rs'M	%
2019	147.4	87.7	59
2020	147.9	87.0	59
2021	128.5	66.9	52
2022	141.9	66.2	47
2023	135.1	70.7	52

The chart below depicts the trend of Total Revenue, Net Income and Net Profit Margin over the five-year period from FY 2019 to FY 2023.



RETURN ON EQUITY (ROE)

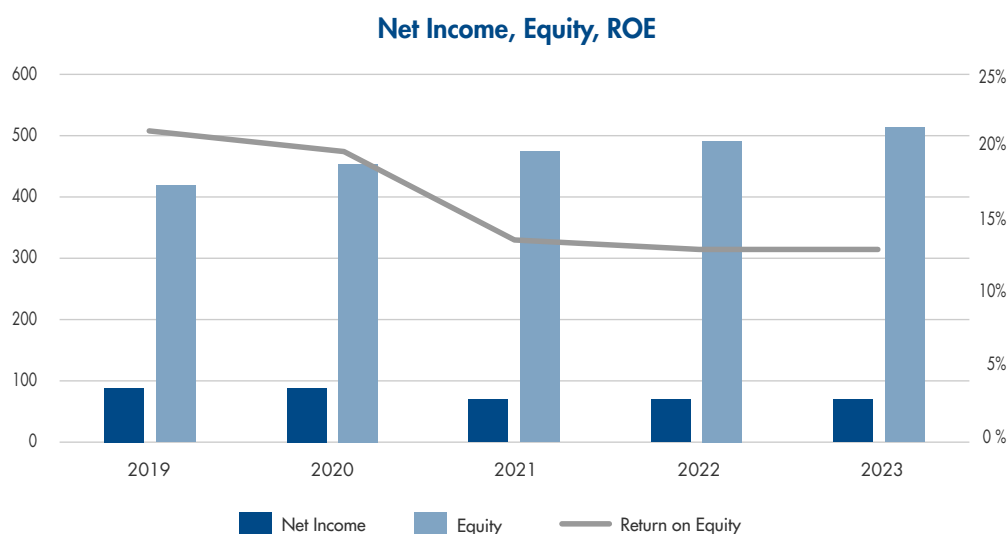
The table below discloses the Net Income, the Shareholders Funds (Equity) and the Return on Equity for the five-year period from FY 2019 to FY 2023.

Financial Year	Net Income	Equity	Return on Equity
	Rs'M	Rs'M	%
2019	87.7	417.4	21%
2020	87.0	447.0	19%
2021	66.9	473.0	14%
2022	66.2	491.0	13%
2023	70.7	514.9	14%

SEM Shareholders funds (Equity) over the 5-year period grew significantly by 23.4% from Rs 417.4 M in FY 2019 to Rs 514.9 M in FY 2023.

RETURN ON EQUITY (ROE) (CONT'D)

The following chart illustrates the 5-Year trend of the Net Income, the Shareholders Funds (Equity) and the Return On Equity of the Company over the last five years from FY 2019 to FY 2023.

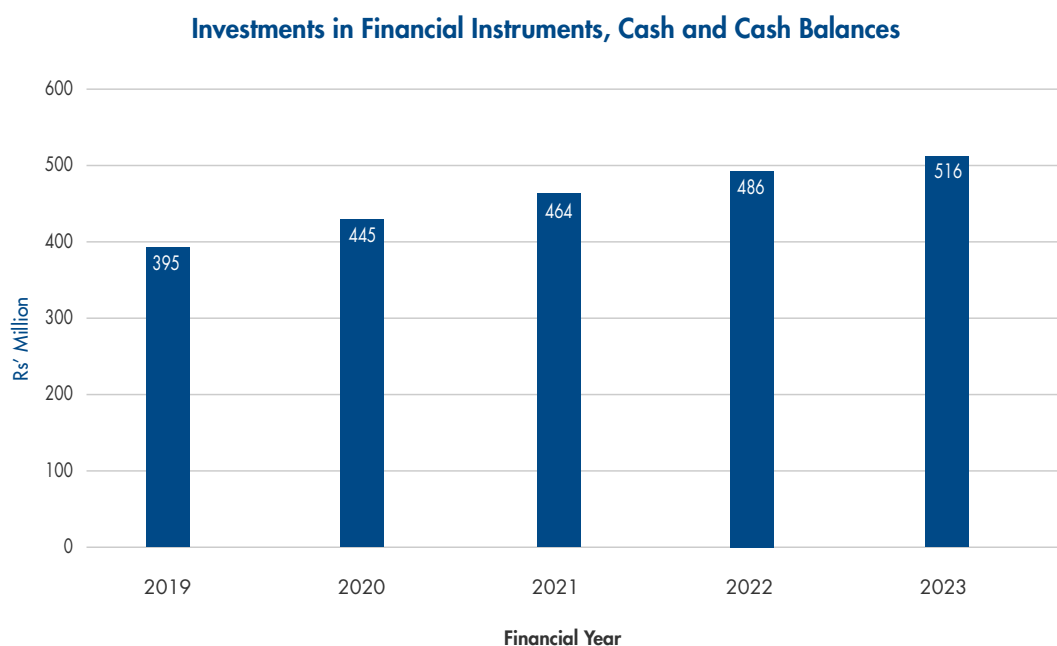


INVESTMENTS IN FINANCIAL INSTRUMENTS, CASH AND CASH BALANCES

Over the past five-year period, Investments in financial instruments, Cash and cash balances went up by 30.6% from Rs395 M in FY 2019 to Rs516 M in FY 2023.

	2019	2020	2021	2022	2023
	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M
Investments in Financial instruments, Cash and Cash balances	395	445	464	486	516

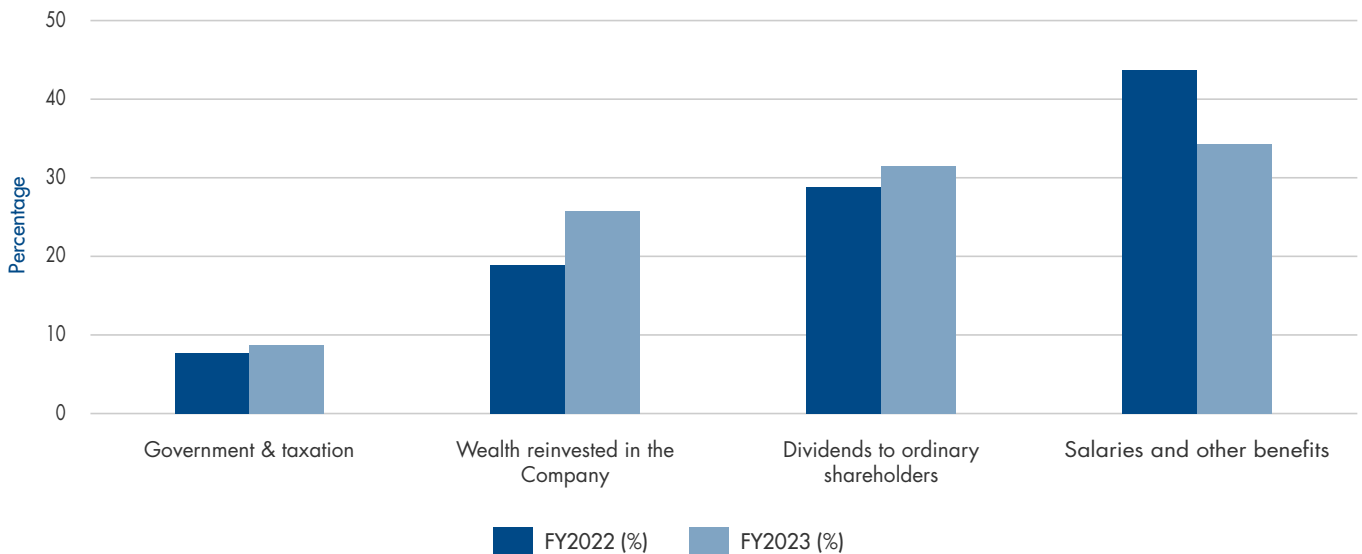
The trend of 'Investments in financial instruments', Cash and Cash balances of the Company over the past five years from 2019 to 2023, is illustrated in the chart below.



WEALTH CREATED AND DISTRIBUTED BY THE COMPANY

	2023		2022	
	Rs'M	%	Rs'M	%
Turnover	92.9		106.5	
Other Income	42.1		35.4	
Administrative Expenses	-18.1		-14.8	
TOTAL WEALTH CREATED	116.9	100%	127.1	100%
DISTRIBUTED AS FOLLOWS:				
Members of Staff				
Salaries and other benefits	39.8	34%	56	44%
Providers of Capital				
Dividends to ordinary shareholders	36.6	31%	37	29%
Government - taxation	10.2	9%	10.7	8%
	46.8	40%	47.7	38%
Wealth reinvested in the Company to maintain and develop operations:				
Profit retained	23.8	20%	19.5	16%
Depreciation	6.5	6%	3.9	3%
	30.3	26%	23.4	19%
TOTAL WEALTH DISTRIBUTED AND RETAINED	116.9	100%	127.1	100%

Wealth created and distributed - FY 2023 & FY 2022



The following statement, which should be read in conjunction with the Report of the Auditors, set out on pages 88 to 90, is made with a view to distinguishing the respective responsibilities of the Directors and of the auditors in relation to the financial statements.

The Directors are required by the Companies Act 2001 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit and loss and cash flow for the financial year.

The Directors consider that in preparing the financial statements on pages 91 to 133 the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities.

Other responsibilities of the Directors include overseeing the implementation and upholding of good Corporate Governance practices and ensuring that effective systems of internal controls and risk management have been maintained.



Dipak Chummun

Chairman

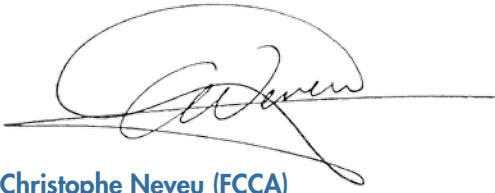


Sunil Benimadhu

Executive Director

Date: 25.09.2023

I certify that, to the best of my knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act 2001 in terms of Section 166 (d).

A handwritten signature in black ink, appearing to read 'C. Neveu', is written over a horizontal line.

Christophe Neveu (FCCA)

Secretary

Date: 25.09.2023

Report on the audit of the consolidated and separate financial statements**Opinion**

We have audited the consolidated and separate financial statements of The Stock Exchange of Mauritius Ltd (the "Company" or the "Public Interest Entity") and its subsidiary (the "Group") set out on pages 86 to 118, which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 30 June 2023, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

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 Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standard Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Annual Report, Corporate Governance Report, Statement of Compliance, the Certificate from the Company's Secretary's and additional information, but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information 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, 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.

Responsibilities of 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 requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and they are also responsible 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 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 the 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 skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

TO THE SHAREHOLDERS OF THE STOCK EXCHANGE OF MAURITIUS LTD

Auditor's responsibilities for the audit of the consolidated and separate financial statements (Cont'd)

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

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company and its subsidiary other than in our capacity as auditor and tax advisor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Financial Reporting Act 2004

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

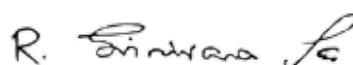
Use of this report

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



Deloitte

Chartered Accountants
25 September 2023



R. Srinivasa Sankar, FCA

Licensed by FRC

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	49,040	52,826	34,029	36,715
Intangible assets	6	22,941	25,737	22,935	25,711
Investment in subsidiary	7	-	-	7,650	7,650
Investments in financial assets	8	631,076	554,142	394,936	336,839
Stock Exchange Compensation Fund	9	5,433	5,284	5,433	5,284
Deferred Tax Asset	14 (iii)	-	689	-	-
Other receivables	11	2,959	2,718	1,855	2,183
		711,449	641,396	466,838	414,382
Current assets					
Inventories	10	385	452	-	-
Trade and other receivables	11	15,572	23,073	18,884	27,148
Investments in financial assets	8	182,991	217,824	113,371	133,819
Cash and bank balances		13,044	23,501	7,719	14,881
		211,992	264,850	139,974	175,848
TOTAL ASSETS		923,441	906,246	606,812	590,230
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	12	50,050	50,050	50,050	50,050
Retained earnings		608,968	579,279	464,801	441,000
Equity attributable to owners of the company		659,018	629,329	514,851	491,050
Non-controlling interest		153,657	150,095	-	-
TOTAL EQUITY		812,675	779,424	514,851	491,050
Stock Exchange Compensation Fund	9	5,433	5,284	5,433	5,284
		818,108	784,708	520,284	496,334
Non-current liabilities					
Retirement benefit obligations	13	16,592	26,925	12,651	15,786
Deferred taxation	14 (iii)	4,122	1,547	3,566	1,547
Deferred income - grant	25	20,199	22,777	20,199	22,777
		40,913	51,249	36,416	40,110
Current liabilities					
Trade and other payables	15	21,715	29,959	7,634	14,156
Tax Liability	14 (i)	3,501	751	3,274	51
Deferred income - grant	25	2,579	2,579	2,579	2,579
Dividends	16	36,625	37,000	36,625	37,000
		64,420	70,289	50,112	53,786
Total liabilities		105,333	121,538	86,528	93,896
TOTAL EQUITY AND LIABILITIES		923,441	906,246	606,812	590,230

Approved by the Board of Directors and authorised for issue on 25th September 2023


Dipak Chummun
Chairman



Sunil Benimadhu
Executive Director

The notes from pages 96 to 133 form an integral part of these financial statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs'000	Rs'000	Rs'000	Rs'000
Revenue	18	145,721	166,496	92,919	106,485
Other income	19 (a)	19,872	14,350	23,466	20,420
Investment Income	19 (b)	28,002	23,813	18,670	14,984
Administrative expenses		(99,954)	(101,032)	(67,965)	(68,655)
Impairment losses on trade receivables	11	(395)	(772)	-	(772)
Operating profit		93,246	102,855	67,090	72,462
Contribution to Guarantee Fund	21	(18)	(23)	-	-
Profit before taxation	17	93,228	102,832	67,090	72,462
Income tax expense	14 (ii)	(18,060)	(17,114)	(10,240)	(10,678)
Profit after taxation		75,168	85,718	56,850	61,784
Transfer to Stock Exchange Compensation Fund	9	(149)	(69)	(149)	(69)
PROFIT FOR THE YEAR		75,019	85,649	56,701	61,715
Other Comprehensive Income:-					
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain/(loss) on defined benefit obligations	13	5,582	(8,201)	4,488	(7,486)
Deferred tax on actuarial (loss)/gain on retirement benefit obligations	14 (iii)	(949)	1,395	(763)	1,273
Other comprehensive (loss)/income for the year		4,633	(6,806)	3,725	(6,213)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		79,652	78,843	60,426	55,502
Profit for the year attributable to:-					
Owners of the Company		62,126	68,936	56,701	61,715
Non-controlling interest		12,893	16,713	-	-
		75,019	85,649	56,701	61,715
Total comprehensive income attributable to :					
Owners of the Company		66,314	62,386	60,426	55,502
Non-controlling interest		13,338	16,457	-	-
		79,652	78,843	60,426	55,502
Earnings per share attributable to owners of the Company	20	12.43	13.79		

The notes from pages 96 to 133 form an integral part of these financial statements

(a) THE GROUP

Note	Issued Share Capital	Share Premium	Retained earnings	Attributable to owners of the company	Non controlling interest	Total Equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at 1 July 2021	50,000	50	553,893	603,943	141,427	745,370
Profit for the year	-	-	68,936	68,936	16,713	85,649
Other comprehensive income for the year	-	-	(6,550)	(6,550)	(256)	(6,806)
Total comprehensive income for the year	-	-	62,386	62,386	16,457	78,843
Proposed dividends to owners of the Company	16	-	(37,000)	(37,000)	-	(37,000)
Dividends paid to non-controlling interest	-	-	-	-	(7,789)	(7,789)
Balance at 30 June 2022	50,000	50	579,279	629,329	150,095	779,424
Balance at 1 July 2022	50,000	50	579,279	629,329	150,095	779,424
Profit for the year	-	-	62,126	62,126	12,893	75,019
Other comprehensive income for the year	-	-	4,188	4,188	445	4,633
Total comprehensive income for the year	-	-	66,314	66,314	13,338	79,652
Proposed dividends to owners of the Company	16	-	(36,625)	(36,625)	-	(36,625)
Dividends paid to non-controlling interest	-	-	-	-	(9,776)	(9,776)
Balance at 30 June 2023	50,000	50	608,968	659,018	153,657	812,675

The notes from pages 96 to 133 form an integral part of these financial statements

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2023

(b) THE COMPANY

	Note	Issued Share Capital	Share Premium	Retained earnings	Total
		Rs'000	Rs'000	Rs'000	Rs'000
Balance at 1 July 2021		50,000	50	422,498	472,548
Profit for the year		-	-	61,715	61,715
Other comprehensive income for the year		-	-	(6,213)	(6,213)
Total comprehensive income for the year		-	-	55,502	55,502
Proposed dividends	16	-	-	(37,000)	(37,000)
Balance at 30 June 2022		50,000	50	441,000	491,050
Balance at 1 July 2022		50,000	50	441,000	491,050
Profit for the year		-	-	56,701	56,701
Other comprehensive income for the year		-	-	3,725	3,725
Total comprehensive income for the year		-	-	60,426	60,426
Proposed dividends	16	-	-	(36,625)	(36,625)
Balance at 30 June 2023		50,000	50	464,801	514,851

The notes from pages 96 to 133 form an integral part of these financial statements

FOR THE YEAR ENDED 30 JUNE 2023

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	93,228	102,832	67,090	72,462
<i>Adjustments for:</i>				
Depreciation of property, plant and equipment	5,343	4,860	3,720	3,237
Amortisation of intangible assets	2,796	671	2,776	627
Gain/(loss) on disposal of property, plant and equipment	(8)	240	(8)	240
Fair value gain on investments held at FVTPL	(372)	(1,577)	-	-
Impairment of financial assets	830	772	-	772
Deferred income - Grant	(2,579)	(430)	(2,579)	(430)
Interest receivable	(28,002)	(22,236)	(18,670)	(14,984)
Retirement benefit obligations charge (net)	(4,751)	(1,408)	1,353	(2,498)
Dividend receivable	(1,090)	(708)	(7,994)	(10,175)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	65,395	83,016	45,688	49,251
Decrease/(increase) in inventories	67	46	-	-
Decrease in trade and other receivables	6,086	(5,286)	6,411	(5,260)
(Decrease)/increase in trade and other payables	(6,321)	11,195	(6,522)	7,987
CASH GENERATED FROM OPERATIONS	65,227	88,971	45,577	51,978
Income tax paid	(13,007)	(18,553)	(5,773)	(11,632)
Tax movement for Compensation Fund	12	24	12	24
NET CASH GENERATED FROM OPERATING ACTIVITIES	52,232	70,442	39,816	40,370
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property and equipment	(1,557)	(12,139)	(1,034)	(11,750)
Proceeds from sale of property and equipment	8	1,846	8	1,846
Dividend received	1,090	708	10,175	8,071
Interest received	25,953	35,641	15,950	28,735
Movement in financial assets	(41,407)	(70,293)	(35,077)	(40,441)
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(15,913)	(44,237)	(9,978)	(13,539)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid to shareholders of holding company	(37,000)	(32,302)	(37,000)	(32,302)
Dividends paid to non-controlling interest	(9,776)	(7,789)	-	-
NET CASH USED IN FINANCING ACTIVITIES	(46,776)	(40,091)	(37,000)	(32,302)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(10,457)	(13,886)	(7,162)	(5,471)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	23,501	37,387	14,881	20,352
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	13,044	23,501	7,719	14,881

Non cash movement for prior year relates to grant of MUR 25.8 M for the acquisition of intangible assets and which was remitted directly to the supplier.

The notes from pages 96 to 133 form an integral part of these financial statements

1. GENERAL INFORMATION

The Stock Exchange of Mauritius Ltd (the "Company") was incorporated as a private company on 31 March 1989. Following enactment of the Securities Act 2005, the Company adopted a new constitution and changed its status from private to public company on 6th October 2008. Its principal place of business and registered office is situated at One Cathedral Square Building, Level 4, 16, Jules Koenig Street, Port Louis.

The main activities of the Company and its subsidiary are:

The Stock Exchange of Mauritius Ltd :	To provide facilities for buying, selling and otherwise dealing in securities on the Stock Exchange.
The Central Depository & Settlement Co Ltd: (the subsidiary)	To provide depository, clearing and settlement service in order to facilitate dealings in securities.

The Company and its subsidiary are collectively referred to as the "Group".

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

In the current year, the Company has applied all of the new and revised Standards Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB which are relevant to its operations and effective for accounting periods beginning on 1 July 2022.

2.1 New and Revised IFRS that are effective for the current year.

The following relevant revised Standard have been applied in these financial statements. Their applications have not had any significant impact on the amounts reported for current and prior years but may affect the accounting treatment for future transactions or arrangements.

IAS 16	Property, plant and equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produces while the company is preparing the asset for its intended use.
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous
IFRS 3	Business Combinations - Amendments updating a reference to the Conceptual Framework
IFRS 9	Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018-2020 (fees in the '10 per cent' test for derecognition of financial liabilities)

2.2 New and revised Standards in issue not yet effective

At the date of authorisation of these financial statements, the following relevant new and revised Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:

IAS 1	Presentation of Financial Statements - Amendments to defer the effective date of the January 2020 amendments (effective 01 January 2023)
IAS 1	Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies (effective 01 January 2023)

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (CONT'D)

2.2 New and revised Standards in issue not yet effective (Cont'd)

IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities as current or non-current (effective 01 January 2024)
IAS 1	Presentation of Financial Statements - Non-current Liabilities with Covenants (Amendments to IAS 1) (effective 01 January 2024)
IAS 7	Statement of cash flows - Amendments regarding supplier finance arrangements (effective 1 January 2024)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates (effective 01 January 2023)
IAS 12	Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations (effective 01 January 2023)
IAS 12	Amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes (effective 1 January 2023)
IFRS 7	Financial instruments - Amendments regarding supplier finance arrangements (effective 1 January 2024)
IFRS 16	Leases - Amendments regarding lease liability in a sale and leaseback (effective 1 January 2024)

The directors anticipate that these Standards and Interpretation will be applied on their effective dates in future periods. The directors have not yet assessed the potential impact of the application of these amendments.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial Statements

The Financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) and the Mauritius Companies Act 2001 and Financial Reporting Act 2004.

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Where the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power including:

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of consolidation (Cont'd)

- the size of the Company's holding of voting rights relative to the size and dispersion of holding of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of the subsidiary is attributed to the owners of the Company 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 subsidiary to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows, relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of the consolidated subsidiary are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of original business combination and the non-controlling interests' share of changes in equity since the date of the combination.

(c) Revenue recognition

Revenue is recognised when or as an entity satisfies a performance obligation by transferring control of a promised goods or services (i.e an asset) to a customer at the agreed transaction price as per the contractual terms when control is transferred to the customer, either over time or at a point in time. This is applicable for transaction fees, listing fees, annual membership fees and service fees.

The consideration to which the Group and the Company expect to be entitled in a contract with a customer excludes amount collected on behalf of third parties and takes into consideration any financing component arising on transfer of control passed on over time for a period more than one year.

The main revenue streams are as follows :

(i) Transaction fees

The transactions fees relates to the fees charged by the Group to the brokers on the buying and selling orders placed by the latter. Performance obligation of the Group is to give access to the trader to effect individual transaction on official market/DEM. Transaction price for this access right to perform transactions on the trading portal is determined in the SEM rules (fixed fees applied on the volume of transactions effected during the period of access). As there is a single performance obligation, there is no transaction price allocation. Revenue is recognised at a point in time, that is on completion of individual transaction on the portal.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Revenue recognition (Cont'd)

(ii) Listing fees

As stipulated in the listing rules, an issuer must pay the annual fee for listing, calculated in accordance with the rates set out in the Listing Rules. The customer is the legal entity which places its shares on the official market/DEM for trading. Every listed entities are required to pay their annual listing fees as stated in the Listing Rules. and the DEM Rules. Performance obligation would be allowing the entities to list their shares on the SEM or DEM market over a calendar year. Transaction price is detailed as per the Listing rules and the DEM Rules (Fixed fee per band of market capitalisation figure of the legal entity). As there is a single performance obligation, there is no transaction price allocation. Revenue is recognised over time, that is over the period the legal entity would be listed on the official market/DEM.

(iii) Service fees and/or Annual Membership fees

These are recognised over time, that is over the listing period or over the period the entity has access to the Automatic Trading System (ATS).

Other revenue

Other revenues earned by the Group and the Company are recognised on the following basis:-

- Interest income is accrued over time, by reference to the principal outstanding and at the effective Interest rate applicable.
- Dividend income is recognised when the Group's and the Company's rights to receive payment have been established.

(d) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Profit or loss on disposal of property and equipment is determined as the difference between the carrying value of the assets and its net disposal proceeds and is accounted for in profit or loss.

Freehold office premises	- 50 Years
Office furniture and equipment	- 5 to 8 Years
Computer equipment	- 5 Years
Motor vehicles	- 5 to 8 Years

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(e) Intangible assets**

The Automatic Trading System is capitalised at cost and amortised over its estimated useful lives of 10 years.

Other Computer software that is not considered to form an integral part of any hardware equipment is recorded as intangible assets. The other computer software is capitalised at cost and amortised over its estimated useful lives of 13 1/2 years.

Amortisation is calculated so as to write off the cost of intangible assets less their residual values over their estimated useful lives using the straight line method as follows:

Automatic Trading System	- 10 Years
Other Computer software	- 13 1/2 Years

(f) Investment in subsidiary

In the Company's separate financial statements, investment in subsidiary is stated at cost. The carrying amount is reduced if there is any impairment in value.

(g) Inventories

Inventories are valued at the lower of cost (determined on the weighted average basis) and net realisable value. Cost of inventories comprise all costs of purchase and other costs incurred in bringing such stocks to their present condition and location. Net realisable value is the estimate of the transaction price in the ordinary course of business, less the estimated costs necessary to make the sale.

(h) Foreign currencies

Items included in the financial statements are measured using Mauritian Rupees ("Rs"). The financial statements of the Group and the Company are presented in Mauritian Rupees, which is the Group's and the Company's functional and presentation currency.

Transactions in foreign currencies are translated to Mauritian Rupees at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities outstanding at year end are translated to Mauritian rupees at the rates of exchange ruling at the reporting date.

Exchange differences arising on the settlement and the retranslation of monetary items are recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's and the Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred Tax

Deferred tax is provided on the comprehensive basis using the liability method.

Deferred tax liabilities are recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

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

(j) Retirement benefits

The Company operates a defined contribution pension plan whereas its subsidiary operates a defined benefit pension plan.

(i) *Defined contribution pension plan and state pension plan*

The Company's contributions to the defined contribution pension plan are charged to profit or loss in the year in which they fall due.

(ii) *Defined benefit pension plan*

The present value of retirement gratuities under The Workers' Rights Act 2019 is recognised in the statement of financial position as a liability. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(j) Retirement benefits (cont'd)**

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.
- Remeasurement.

The Group and the Company present the first two components of defined benefit costs in profit or loss in the line administrative expenses. Curtailment gains and losses are accounted for as past service costs.

(iii) *Retirement gratuities under Workers Rights Act*

For employees who are not covered or who are insufficiently covered under pension plans, the net present value of gratuity on retirement payable under the Workers Rights Act 2019 is calculated by Aon Hewitt Ltd and provided for. The obligations arising under this item are not funded.

(iv) *State pension plan*

Contributions to the National Pension Scheme are charged to profit or loss in the period in which they are due.

(k) Provisions

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event, and it is probable that the Group and the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date. Provisions are reviewed at the end of each reporting date and adjusted to reflect the current best estimate.

(l) Financial instruments

Financial assets and financial liabilities are recognised when the Group and the Company become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (cont'd)

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial Assets, at amortised costs include trade and other receivable (excluding non financial items like statutory deductions and prepayments), cash and bank balances and debt instruments (including the corresponding interest receivables) held with financial institutions.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (Cont'd)

Financial assets (Cont'd)

Classification of financial assets (Cont'd)

Despite the foregoing, the Group and the Company may make the following irrevocable election/ designation at initial recognition of a financial asset:

- the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group and the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Trade and other receivables

Trade and other receivables are initially recognised at fair value of the consideration receivable and subsequently measured at amortised costs, using the effective interest rate method.

Debt instruments

Debt instruments held with financial institutions are initially recognised at the fair value of the consideration paid to obtain the right over the financial instruments. Subsequently, the financial assets are recognised at amortised cost, using the effective interest rate method.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. For purchased or originated credit-impaired financial assets, the Group and the Company recognise interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (Cont'd)

Equity instruments designated as at FVTOCI

On initial recognition, the Group and the Company may make an election to designate investments in equity instruments (which are not subsidiary nor associates) at FVTOCI. Designation at FVTOCI is permitted if the business model is not to collect contractual cashflows from these investments.

Investments designated at FVTOCI are initially measured at fair value plus transaction costs. Fair value is determined using the most appropriate observable inputs for quoted entities and last transaction price of unquoted entities. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. The cumulative gain or loss is transferred to retained earnings on disposal.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

Financial assets measured at FVTPL:

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All other financial assets are classified as measured at FVTPL.

The investments in funds held by the Group and their performance are evaluated on a fair value basis because they are held neither to collect contractual cash flows nor to both collect contractual cash flows and sell.

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company apply the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions (when the trends are observable) and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group and the Company use the general approach to estimate the expected credit losses associated with these financial assets (namely deposit and cash at bank balances) using PD and LDG rates at country level or most reliable analyst data readily available.

Expected credit losses are measured as an allowance equal to 12-months ECL for Stage 1 (referring to a situation with no increase in credit risk) for those deposits/interest which are past due for 0 to 30 days.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (Cont'd)

Impairment of financial assets (Cont'd)

Expected credit losses are measured as an allowance equal to life time ECL for Stage 2 (referring to a situation with the increased credit risk since initial recognition) where the receivable from deposits/interest are past due more than 60 days.

Following 90 days past due period since maturity of the instruments (deposit/interest), the financial assets is categorised under Stage 3 whereby the full amount is considered as expected credit losses.

Furthermore, qualitative considerations are considered like financial standing of the financial institutions, operational ratios of the financial institutions and reputation on of the financial institutions in domestic market and delays in the collection of principal and/or interest on maturity or as per contractual terms.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Assessment of default range

The Group and the Company consider a financial asset like trade receivables in default when contractual payments are 180 days past due and for other financial assets (like deposit and other receivables), these are specific to the contractual terms with the third party. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

(i) *Write-off policy*

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the Group and the Company's recovery procedures. Any recoveries made are recognised in profit or loss.

(ii) *Recognition of expected credit losses*

The Group and the Company recognise an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfer nor retain substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Company recognise its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (Cont'd)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instrument

An equity instrument is any contract that evidences a residual interest in the asset of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Stated capital

Ordinary shares and share premium are classified as equity.

Financial liabilities

(i) *Trade and other payables*

Trade and other payables, including dividend payables and excluding statutory liabilities, are stated at cost, using the effective interest rate.

(ii) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the interest rate, transaction costs and other premium or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(iii) *Derecognition of financial liabilities*

Financial liabilities are derecognised when, and only when, the Group's and the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(m) Impairment of non financial assets

At the end of each reporting date, the Group and the Company review the carrying amounts of the tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly to control the other party or exercise significant influence over the other party's financial and operating decisions.

(o) Deferred Income - grant

Grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's and the Company's accounting policies, which are described in note 3, the directors are required to exercise judgement and also to use estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Actual results may differ as a result of changes in these estimates.

Critical judgements in applying the Group's and the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's and the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

(i) *Credit risk*

Expected credit losses are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of any financial assets has significantly increased, the Group and the Company takes into account reasonable and supportable qualitative and quantitative historical information on recoverability and/or, where applicable, forward looking information.

Key sources of estimation uncertainty

The key assumptions and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing an adjustment to the carrying amounts of assets and liabilities are detailed below.

(i) *Estimated useful lives and residual values of property, plant and equipment and Intangible Asset*

Determining the carrying amounts of property and equipment and Intangible Asset requires the estimation of the useful lives and residual values of these assets. Estimates of useful lives and residual values carry a degree of uncertainty due to technological change, wear and tear and obsolescence. The directors have used current information relating to expected use of assets and have benchmarked within the industry in order to determine the useful lives and residual values of property and equipment and intangible assets.

4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)*(ii) Defined benefit pension plan*

The subsidiary operates a defined benefit pension plan for its employees. The reported value at reporting date of the defined benefit pension fund is based on reports submitted by an independent actuarial firm. The amount shown in the statement of financial position in respect of retirement benefit obligations is subject to estimates in respect of periodic costs which costs would be dependent on returns on planned assets, future discount rates, rates of salary increases, retirement age and inflation rate in respect of the pension plans.

(iii) Calculation of loss allowance

The Group and the Company use qualitative consideration and past payment trends to calculate ECLs for trade receivables. The provision rates are estimated on days past due for and no customer segmentation is considered as the customer base of the Group and the Company is homogeneous in nature.

The provision estimate is initially based on the Group's and the Company's historical observed default payments/rates. Where applicable, the Group and the Company will consider for adjusting the historical credit loss experience with any reliable and observable forward-looking information. At every reporting date, the historical observed default figures/rates are updated and, where applicable, changes in the forward-looking estimates are analysed.

For deposit and cash and cash equivalents, country related information or reliable analyst data are used as source for estimation of Probability of default (PD).

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2023

5. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP

	Freehold office premises	Office furniture and equipment	Computer equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Cost					
At 1 July 2021	38,873	12,056	29,002	17,992	97,923
Additions	-	321	11,818	-	12,139
Disposal	-	(477)	(6,908)	(3,019)	(10,404)
At 30 June 2022	38,873	11,900	33,912	14,973	99,658
At 1 July 2022	38,873	11,900	33,912	14,973	99,658
Additions	335	806	320	96	1,557
Disposal	-	-	-	(63)	(63)
At 30 June 2023	39,208	12,706	34,232	15,006	101,152
Accumulated depreciation					
At 1 July 2021	8,314	11,522	25,248	5,206	50,290
Charge for the year	757	285	1,227	2,591	4,860
Disposal	-	(431)	(6,766)	(1,121)	(8,318)
At 30 June 2022	9,071	11,376	19,709	6,676	46,832
At 1 July 2022	9,071	11,376	19,709	6,676	46,832
Charge for the year	762	280	1,925	2,376	5,343
Disposal	-	-	-	(63)	(63)
At 30 June 2023	9,833	11,656	21,634	8,989	52,112
Net book value					
At 30 June 2023	29,375	1,050	12,598	6,017	49,040
At 30 June 2022	29,802	524	14,203	8,297	52,826

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE COMPANY

	Freehold office premises	Office furniture and equipment	Computer equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Cost					
At 1 July 2021	22,463	6,293	13,443	13,582	55,781
Additions	-	135	11,615	-	11,750
Disposal	-	(477)	(6,908)	(3,019)	(10,404)
At 30 June 2022	22,463	5,951	18,150	10,563	57,127
At 1 July 2022	22,463	5,951	18,150	10,563	57,127
Additions	-	707	231	96	1,034
Disposal	-	-	-	(63)	(63)
At 30 June 2023	22,463	6,658	18,381	10,596	58,098
Accumulated depreciation					
At 1 July 2021	4,720	5,933	11,626	3,214	25,493
Charge for the year	429	152	903	1,753	3,237
Disposal	-	(431)	(6,766)	(1,121)	(8,318)
At 30 June 2022	5,149	5,654	5,763	3,846	20,412
At 1 July 2022	5,149	5,654	5,763	3,846	20,412
Charge for the year	429	132	1,621	1,538	3,720
Disposal	-	-	-	(63)	(63)
At 30 June 2023	5,578	5,786	7,384	5,321	24,069
Net book value					
At 30 June 2023	16,885	872	10,997	5,275	34,029
At 30 June 2022	17,314	297	12,387	6,717	36,715

The directors are of the opinion that property and equipment of the Group and the Company has not suffered any impairment as of the reporting date.

6. INTANGIBLE ASSETS

(a) THE GROUP**Cost**

At 1 July 2021

Additions

At 30 June 2022 and 30 June 2023**Accumulated Amortisation**

At 1 July 2021

Charge for the year

At 30 June 2022

Charge for the year

At 30 June 2023**Net book value****At 30 June 2023**

At 30 June 2022

Automatic Trading System	Computer Software	Total
Rs'000	Rs'000	Rs'000
-	8,233	8,233
25,786	-	25,786
25,786	8,233	34,019
-	7,611	7,611
430	241	671
430	7,852	8,282
2,579	217	2,796
3,009	8,069	11,078
22,777	164	22,941
25,356	381	25,737

(b) THE COMPANY**Cost**

At 1 July 2021

Additions

At 30 June 2022

Additions

At 30 June 2023**Accumulated Amortisation**

At 1 July 2021

Charge for the year

At 30 June 2022

Charge for the year

At 30 June 2023**Net book value**

At 30 June 2023

At 30 June 2022

Automatic Trading System	Computer Software	Total
Rs'000	Rs'000	Rs'000
-	987	987
25,786	-	25,786
25,786	987	26,773
-	-	-
25,786	987	26,773
-	435	435
430	197	627
430	632	1,062
2,579	197	2,776
3,009	829	3,838
22,777	158	22,935
25,356	355	25,711

The directors are of the opinion that intangible assets of the Group and the Company have not suffered any impairment as of the reporting date.

7. INVESTMENT IN SUBSIDIARY

The Company

2023
and 2022

Rs'000

At 1 July and 30 June

7,650

The investment in subsidiary represents 51% of the ordinary share capital of Central Depository & Settlement Co Ltd ("CDS"), a company incorporated in Mauritius. The core business of the CDS is to provide centralised depository, clearing and settlement services to securities markets. At the end of the reporting year, the directors are of the opinion, that there has been no objective evidence of impairment.

The summarised financial information details of the non-wholly owned subsidiary in which the Company has a material non-controlling interest are as follows:

	2023	2022
	Rs'000	Rs'000
Current assets	80,557	99,378
Non-current assets	252,341	234,744
Current liabilities	30,490	36,617
Non current liabilities	4,497	11,139
Revenue	52,802	60,011
Other income	16,064	14,728
Expenses	(42,554)	(40,630)
Profit for the year	26,312	34,109
Other comprehensive income for the year	908	(593)
Total comprehensive income for the year	27,220	33,516
Net cash generated from operating activities	10,836	30,037
Net cash generated from/(used in)investing activities	(6,801)	29,123
Net cash used in financing activities	(19,950)	(15,825)
Net increase/(decrease) in cash and cash equivalents	(15,915)	43,335

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2023

8. INVESTMENTS IN FINANCIAL ASSETS

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
At Amortised Cost:				
<u>Principal Amount maturity falling:</u>				
- Within one year	167,270	206,034	102,140	128,284
- Between two to five years	338,909	336,447	156,680	181,123
- More than five years	236,166	160,036	236,166	150,502
	575,075	496,483	392,846	331,625
<u>Interest Amount maturity falling:</u>				
- Within one year	15,722	11,790	11,232	5,535
- After one year	12,939	14,970	2,089	5,214
	28,661	26,760	13,321	10,749
	771,006	729,277	508,307	470,658
AT FVTPL:				
<u>Investment in funds:</u>				
At 1st July	42,689	31,112	-	-
Additions	-	10,000	-	-
Increase in Fair Value	372	1,577	-	-
At 30th June	43,061	42,689	-	-
Total Investment	814,067	771,966	508,307	470,658
<u>Disclosed as follows :</u>				
- Non Current Assets	631,076	554,142	394,936	336,839
- Current Assets	182,991	217,824	113,371	133,819
	814,067	771,966	508,307	470,658

The debt instruments bear interest at rates ranging from 0.75 % to 6.6% p.a. (2022: 0.75% to 6.18% p.a.).

The directors have considered the credit risk impact to be insignificant for the Financial assets at amortised cost at 30 June 2023 and 30 June 2022 for the Group and the Company as the credit loss arising from general approach credit assessment under IFRS 9 using PD and LGD at country level is immaterial.

Furthermore, on qualitative grounds, the directors have considered that these instruments are held with financial institutions which have good financial standing, acceptable operational ratios and they are reputable institutions in Mauritius and there was no delayed returns of principal and/or interest on maturity or as per contractual terms. Additionally, these financial institutions operate in a highly regulated environment monitored by the Bank of Mauritius. Thus, the credit loss arising from deposits held with these financial institutions are remote.

9. STOCK EXCHANGE COMPENSATION FUND

The Board of Directors of The Stock Exchange of Mauritius Ltd decided on 3 August 1998 to create a compensation fund, in accordance with section 40 of The Stock Exchange Act 1988. This fund was set up in accordance with sections 40 to 45 of the Stock Exchange Act 1988, which has now been replaced by Section 148 of the Securities Act 2005. Its objective is to compensate persons suffering from pecuniary losses from any default committed by member companies. An initial amount of Rs 2,750,000 was transferred out of the Company's retained earnings for this purpose in 1999.

Movements in the fund are detailed below:

	THE GROUP AND THE COMPANY	
	2023	2022
	Rs'000	Rs'000
Balance at 1 July	5,284	5,215
Add: Interest receivable from investments made on behalf of Compensation Fund	174	81
	5,458	5,296
Less: Income tax charge arising on interest receivables	(25)	(12)
	5,433	5,284
Net movement for the year	(149)	(69)

10. INVENTORIES

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
Stationery, at cost	385	452

11. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Trade receivables	13,073	15,168	9,850	11,070
Less: Impairment losses	(2,014)	(1,619)	(1,619)	(1,619)
	11,059	13,549	8,231	9,451
Loan to employees	3,301	2,712	1,684	1,641
Dividend receivable from subsidiary	-	-	7,994	10,175
Other receivables and prepayments	4,171	9,531	2,830	8,064
	18,531	25,792	20,739	29,331
Disclosed in the financial statements as follows:				
Non current *	2,959	2,718	1,855	2,183
Current	15,572	23,073	18,884	27,148
	18,531	25,791	20,739	29,331
Movement in Expected credit losses				
Opening Balance	1,619	847	1,619	847
Amounts recovered	-	(343)	-	(343)
Additional provision	395	1,115	-	1,115
	2,014	1,619	1,619	1,619

During the current financial year, the Group has provided for impairment losses amounting to Rs 395,000 (2022: Rs 772,000). An amount of Rs 435,000 was written off by the subsidiary during the year.

*Included in the non current receivables of the Group and the Company are the non current portion of loans to employees and deferred expenditure for the Group and the Company respectively.

Trade Receivables

The average credit period on sales of services is 30 days for the Group and the Company. No interest is charged on the trade receivables. Before accepting any new customer, an assessment is made of the potential customer's credit quality. The application of simplified approach as of 30 June 2023 and 30 June 2022 has resulted in insignificant amount of credit loss. Based on historical debt collection trends analysis, any outstanding balances are recovered within 12 months from their invoiced date. The Group and the Company have an insignificant history of bad debts over the past three years.

Ageing of past due not impaired

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
31- 60 Days	168	1,156	164	771
61- 90 Days	-	2	-	-
Above 90 days	3,107	2,918	283	1,948
	3,275	4,076	447	2,719

11. TRADE AND OTHER RECEIVABLES

Other Receivables

Loans to employees are unsecured, repayable as per the contractual terms of the agreements, ranging between one to eight years and granted in line with the approved policy of the Group and the Company and bearing a fixed interest rate at 4.5% which are reviewed every six months.

The directors have reviewed the credit risk attached to the other receivables balance (designated as financial assets at amortised cost) and consider the impact to be insignificant considering that there was no past history of defaults by these third parties.

12. STATED CAPITAL

	THE GROUP AND THE COMPANY	
	2023	2022
	Rs'000	Rs'000
Issued and fully paid		
5,000,000 ordinary shares of Rs 10 each (2022: 5,000,000 shares of Rs 10 each)	50,000	50,000
Share Premium	50	50
	50,050	50,050

Ordinary shares are not redeemable, carry voting rights, are entitled to dividends or distributions and on winding up to any surplus on assets of the company.

13. RETIREMENT BENEFIT OBLIGATIONS/ (ASSETS)

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Gratuity on retirement (a)	12,651	15,786	12,651	15,786
Pension liabilities (b)	3,941	11,139	-	-
	16,592	26,925	12,651	15,786
<u>Disclosed as follows:</u>				
Retirement benefit obligations	16,592	26,925	12,651	15,786

a. Gratuity on retirement

The Company participates in a defined contribution (DC) pension plan for all its employees. Its contributions for DC employees are expensed to profit or loss and amounted to Rs 2,851,427 for the year ended 30 June 2023 (2022: Rs 3,161,000).

The Company has a residual obligation imposed by the Workers Right Act 2019 on top of the DC plan.

Accordingly, the Company has recognised a net defined liability of Rs 12,651,118 for these gratuities in its statement of financial position as at 30 June 2023 (2022: Rs 15,786,118).

13. RETIREMENT BENEFIT OBLIGATIONS/ (ASSETS) (CONT'D)**a. Gratuity on retirement (Cont'd)**

The pension plan typically exposes the Company to the following actuarial risks:

Interest risk: A decrease in the bond interest rate will increase the plan liability, however, this may be partially offset by a decrease in inflationary pressures on salary increases.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

There has been no plan amendment, curtailment or settlement during the year.

	THE GROUP AND THE COMPANY	
	2023	2022
	Rs'000	Rs'000
Reconciliation of Net Defined Liability		
At start of year	15,786	10,798
Amount recognised in profit or loss	1,353	1,134
Amount recognised in other comprehensive income	(4,488)	7,486
Less Employer contribution	-	(3,632)
At end of year	12,651	15,786
Reconciliation of Present Value of Defined Benefit Obligation		
At start of year	15,786	10,798
Current Service cost	595	670
Interest expense	758	464
Other benefit paid	-	(3,632)
Liability experience (gain)/loss	(3,168)	5,939
Liability (gain)/loss due to change in financial assumptions	(1,320)	1,547
At end of year	12,651	15,786
Component of amount recognised in Profit and Loss		
Current service cost	595	670
Net interest on net defined benefit obligation	758	464
	1,353	1,134
Component of amount recognised in Other Comprehensive Income		
Liability experience (gain)/loss	(3,168)	5,939
Liability (gain)/loss due to change in financial assumptions	(1,320)	1,547
	(4,488)	7,486
Principal Assumptions used at end of period		
Discount rate	5.6%	4.8%
Rate of salary increases	3.2%	3.3%
Rate of pension increases (for residual retirement gratuities only)	0.0%	0.0%
Average retirement age (ARA)	65	65

13. RETIREMENT BENEFIT OBLIGATIONS/ (ASSETS) (CONT'D)

a. Gratuity on retirement (Cont'd)

Sensitivity Analysis on Defined Benefit Obligation at end of period

	THE GROUP AND THE COMPANY	
	2023	2022
	Rs'000	Rs'000
Increase due to 1% decrease in discount rate	1,443	1,932
Decrease due to 1% increase in discount rate	1,265	1,694

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

Future Cashflows

The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.

The weighted average duration of the defined benefit obligation is 9 years. There was no unrecorded residual liability arising at reporting date.

Retirement benefit obligations have been based on the report submitted by AON Hewitt Ltd dated 15 August 2023.

b. Pension benefits

The subsidiary operates a defined benefit pension plan for its employees. The assets of the plan are held separately.

The plan exposes the subsidiary to normal risks associated with defined benefit pensions plans such as:

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

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

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

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

There has been no plan amendment, curtailment or settlement during the year.

13. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Reconciliation of Retirement benefit liabilities

At start of year
Amount recognised in profit and loss
Amount recognised in other comprehensive income
Less Employer contributions
At end of year

THE GROUP

2023	2022
Rs'000	Rs'000
11,139	9,334
2,588	2,533
(1,094)	715
(8,692)	(1,443)
3,941	11,139

The amounts recognised in the statement of financial position are determined as follows:

Present value of defined benefit obligation
Fair value of plan assets
Retirement benefit liabilities, recognised in statement of financial position

THE GROUP

2023	2022
Rs'000	Rs'000
52,593	51,969
(48,652)	(40,830)
3,941	11,139

The amounts recognised in the Statement of profit or loss and other comprehensive income are as follows:

Current service cost
Interest expense
Interest income
Net actuarial (gain)/loss recognised in the year
Total included in staff costs

2023	2022
Rs'000	Rs'000
2,197	2,102
2,724	2,422
(2,333)	(1,991)
(1,094)	715
1,494	3,248

The major categories of plan assets at the reporting date are as follows:

Equities - Overseas quoted
Equities - Local quoted
Debt - Overseas quoted
Debt - Local quoted
Debt - Local unquoted
Cash and other

Allocation of plan assets

2023	2022
%	%
29	30
28	36
9	10
19	13
8	4
7	7
100	100

13. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Fair value of plan assets:

	2023	2022
	Rs'000	Rs'000
Equities - Overseas quoted	14,291	12,249
Equities - Local quoted	13,853	14,699
Debt - Overseas quoted		
Debt - Overseas unquoted	4,283	4,083
Debt - Local quoted	9,004	5,308
Debt - Local unquoted	3,646	1,633
Cash and other	3,575	2,858
	48,652	40,830

Movements in the liability recognised in the Statement of financial position:

	2023	2022
	Rs'000	Rs'000
At start of year	11,139	9,334
Total included in staff costs as shown above	1,494	3,248
Less Employer Contributions	(8,692)	(1,443)
At end of year	3,941	11,139

The principal actuarial assumptions used at 30 June were as follows:

	2023	2022
Discount rate	5.70%	5.30%
Rate of salary increases	3.20%	3.20%
Rate of pension increases	1.90%	1.90%
Average retirement age (ARA)	65	65

13. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Sensitivity

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the period, while holding all other assumptions constant.

	2023	2022
	Rs'000	Rs'000
<u>Effect on present value of funded obligations</u>		
Decrease due to 1% increase in discount rate	8,734	8,977
Increase due to 1% decrease in discount rate	11,258	11,577
Increase due to 1% increase in salary increase rate	4,115	3,998
Decrease due to 1% decrease in salary increase rate	3,619	2,443
Increase due to decrease in longevity by 1 year at ARA	1,936	1,510
Decrease due to decrease in longevity by 1 year at ARA	2,012	1,562

Reconciliation of the present value of defined benefit obligations

	2023	2022
	Rs'000	Rs'000
At start of year	51,969	48,437
Current service cost	2,197	2,102
Interest expense	2,724	2,422
Benefit Paid	(2,218)	-
Liability gain	(2,079)	(992)
At end of year	52,593	51,969

Reconciliation of fair value of plan assets

	2023	2022
	Rs'000	Rs'000
At start of year	40,830	39,103
Interest income	2,333	1,991
Employer contributions	8,692	1,443
Benefit Paid	(2,218)	-
Return on plan assets excluding interest income	(985)	(1,707)
At end of year	48,652	40,830
Actual return on plan assets	1,348	284

Distribution of plan assets at end of year

The assets of the scheme are invested in a Deposit Administration Fund with Afri Life Insurance Ltd.

13. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

History of obligations, assets and experience adjustments

	2023	2022
	Rs'000	Rs'000
Fair value of plan assets	48,652	40,830
Present value of defined benefit obligation	(52,593)	(51,969)
Retirement benefit asset	(3,941)	(11,139)
Return on plan assets excluding interest income	(985)	(1,707)
Liability experience loss (gain) during the year	2,079	992

The expected contributions to post-employment benefit plans for the year ending 30 June 2024 are Rs 2,612,000 (2023: Rs 1,491,000).

Pension amounts and disclosures have been based on the report submitted by Aon Hewitt Ltd on 10 August 2023.

14. TAXATION

Income tax

Income tax is calculated at the rate of 15% (2022: 15%) on the profit for the year as adjusted for income tax purposes and corporate social responsibility ("CSR") of 2%.

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

(i) Tax Liability

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
At 1st July	751	4,715	51	3,658
Paid during the year	(6,643)	(4,577)	(51)	(3,520)
Overprovision on prior year's income tax	-	(138)	-	(138)
Provision for the year	14,263	12,967	8,292	7,040
APS Paid	(5,194)	(12,426)	(5,194)	(7,199)
CSR Provision	1,494	1,760	704	1,123
CSR paid	(1,170)	(1,550)	(528)	(913)
At 30 June	3,501	751	3,274	51

Disclosed in the statement of financial position as follows :

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
Current Liabilities : Tax Liability	3,501	751	3,274	51
At 30 June	3,501	751	3,274	51

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2023

14. TAXATION (CONT'D)

(ii) Tax Charge

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Provision for the year	14,263	12,967	8,292	7,040
Deferred tax movement	1,697	2,537	638	2,665
CSR	1,494	1,760	704	1,123
Overprovision on prior year's income tax	-	(138)	-	(138)
Underprovision in deferred tax	618	-	618	-
Tax Refund for Compensation fund	(12)	(12)	(12)	(12)
	18,060	17,114	10,240	10,678

(iii) Deferred taxation

Deferred tax is calculated on all temporary differences under the liability method at the rate of 17% (2022: 17%).

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July	858	(284)	1,547	154
Charge to profit or loss	1,697	2,537	638	2,666
Underprovision in deferred tax	618	-	618	-
Charge to other comprehensive income	949	(1,395)	763	(1,273)
At 30 June	4,122	858	3,566	1,547
Disclosed as follows:				
Deferred tax assets	-	(689)	-	-
Deferred tax (liability)	4,122	1,547	3,566	1,547
	4,122	858	3,566	1,547

Components of Deferred Tax Liability at reporting date are as follows:

THE GROUP	At 30-Jun 2021	Charge to profit or loss	Charge to other comprehensive income	At 30-Jun 2022	Charge to profit or loss	Charge to other comprehensive income	(Over)/under provision	At 30-Jun 2023
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Accelerated capital allowances	3,367	2,914	-	6,281	889	-	-	7,170
Retirement benefit obligations	(3,651)	(377)	(1,395)	(5,423)	808	949	618	(3,048)
Deferred tax liabilities / (assets)	(284)	2,537	(1,395)	858	1,697	949	618	4,122

14. TAXATION (CONT'D)

(iii) Deferred taxation (Cont'd)

Components of Deferred Tax Liability at reporting date are as follows: (Cont'd)

THE COMPANY	At 30-Jun 2021	Charge to profit or loss	Charge to other comprehensive income	At 30-Jun 2022	Charge to profit or loss	Charge to other comprehensive income	(Over)/under provision	At 30-Jun 2023
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Accelerated capital allowances	1,991	2,858	-	4,849	868	-	-	5,717
Retirement benefit obligations	(1,837)	(192)	(1,273)	(3,302)	(230)	763	618	(2,151)
Deferred tax liabilities / (assets)	154	2,666	(1,273)	1,547	638	763	618	3,566

(iv) Tax reconciliation

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	%	%	%	%
Tax at the applicable rate	17	17	17	17
Tax effect of:				
- Expenses not deductible for tax purposes	-	4	-	3
- Exempt income, tax rate differential and other adjustments	(1)	(6)	(3)	(7)
- CSR adjustments	2	2	1	2
Effective tax rate	18	17	15	15

15. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Financial Liabilities, at Amortised Costs				
Trade payables	360	345	360	345
Other payables and accruals	11,362	19,651	5,415	11,856
Amount due to subsidiary company	-	-	545	202
Non-Financial Liabilities				
Other payables and accruals	9,993	9,963	1,314	1,753
	21,715	29,959	7,634	14,156

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2023

15. TRADE AND OTHER PAYABLES (CONT'D)

There was no change in the classification of designated financial liabilities, at amortised costs to other class of financial liabilities during the financial year.

The amount due to subsidiary company is unsecured, interest free with no fixed terms of repayment.

The average credit period of trade payables is 30 days. The Group and the Company has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

16. DIVIDENDS

Following a board resolution dated 15 June 2023, a final dividend amounting to Rs 36,625,000 (Rs 7.325 per share) 2023: Rs 37,000,000 (Rs 7.40 per share)] was declared in respect of the year ended 30 June 2022.

17. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging the following items:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Staff costs	63,667	67,957	41,243	47,365
Depreciation of property, plant and equipment	5,343	4,860	3,720	3,237
Amortisation of intangible assets	2,796	671	2,776	626
Auditors' remuneration:				
- Audit fees to group auditors	574	436	574	436
- Audit fees to auditors of subsidiary	506	437	-	-
Amortisation of grants towards purchase of intangible assets	2,579	430	2,579	430

18. REVENUE

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Transaction fees	86,649	105,561	52,330	63,652
Listing fees	58,139	60,035	40,049	42,293
Service fees	270	270	270	270
Annual Membership fees	663	630	270	270
	145,721	166,496	92,919	106,485

19. OTHER INCOME

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
(a) Other income includes the following:				
Sale of information	9,163	5,926	9,163	5,926
Advertising income	2,400	2,350	2,400	2,350
(Loss) Profit on disposal of property, plant and equipment	8	(240)	8	(240)
Miscellaneous income	3,310	3,398	-	1
Profit on exchange	1,322	1,778	1,322	1,778
Capital Grant	2,579	430	2,579	430
Dividend income	1,090	708	7,994	10,175
	19,872	14,350	23,466	20,420
(b) Investment income includes the following:				
Interest receivable from debt instruments and bank balances	27,828	23,732	18,496	14,903
Interest for compensation fund	174	81	174	81
	28,002	23,813	18,670	14,984

20. EARNINGS PER SHARE

The calculation of earnings per share is based on earnings attributable to owners of the Company of Rs 62,126,000 (2022: Rs 68,936,000) and 5,000,000 ordinary shares in issue as at 30 June 2023.

21. GUARANTEE FUND

Section 3(8) of the Securities (Central Depository, Clearing and Settlement) Act 1996 requires the Central Depository & Settlement Co Ltd (CDS) to establish and maintain a Guarantee Fund for the purpose of providing an indemnity against any default in respect of payments for delivery of securities by any participant and of obligations of participants towards CDS.

The Fund is independently managed by the Business Conduct Committee (BCC) and not by the Board of Directors of CDS. The BCC consists of a majority of independent members who are not directors of the CDS.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2023

21. GUARANTEE FUND (CONT'D)

The assets of the Guarantee Fund consist of all money accruing lawfully to that fund and of such contributions as may be specified in the CDS rules. The Guarantee Fund is made up as follows:-

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
MCB deposit account	31,700	31,500
Savings account	5,424	5,142
Current account	9	17
Contributions due on value of transactions	2	2
Cash deposit from Investment dealers	(2,030)	(1,488)
Income tax payable	(54)	(65)
Interest receivable	1,781	862
	36,832	35,970
Movements on the fund are detailed below:-		
Balance at 01 July	35,970	35,474
Contribution made by CDS	18	23
Interest	1,159	556
Income tax	(315)	(83)
	862	496
Balance at 30 June	36,832	35,970

22. RELATED PARTY TRANSACTIONS

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	R\$'000	R\$'000	R\$'000	R\$'000
(i) Outstanding balances				
Amount payable to subsidiary	-	-	545	202
Amount receivable from subsidiary	-	-	7,994	10,175
Dividend payable to shareholders of the holding company	36,625	37,000	36,625	37,000
(ii) Rendering of services				
Annual Service fee for use of automated trading system	-	-	2,332	1,794
(iii) Compensation of key management personnel				
Short term benefits	22,192	25,797	16,664	19,087
Post employment benefits	2,089	2,078	1,280	1,326
	24,281	27,875	17,944	20,413
(iv) Remuneration of directors				
- Non executive	2,478	3,036	1,167	1,553
- Executive	21,284	23,636	14,947	16,174
	23,762	26,672	16,114	17,727
(v) Dividend income from subsidiary	-	-	7,994	10,175

23. FINANCIAL RISK MANAGEMENT

Capital risk management

The Group and the Company manage their capital to ensure that they will be able to continue as a going concern while maximising the returns of the stakeholders. The capital structure of the Group and the Company consists of stated capital and retained earnings.

The Board of Directors of the SEM has a policy of maintaining a non-distributable reserve included under retained earnings, representing 24 months budgeted expenditure to ensure its own business continuity and to provide a shock absorber to cover the ultimate risk when all other risk mechanisms have been exhausted.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets, financial liabilities and equity instruments are disclosed in note 3 to the financial statements.

Categories of financial instruments

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Financial assets, at amortised costs	820,592	758,313	557,955	496,080
Financial assets, at FVTPL	43,061	42,689	-	-
	863,653	801,002	557,955	496,080
Financial liabilities, at amortised costs	86,143	58,785	44,259	51,193

The financial assets, at FVTPL refers to investment made in a domestic fund, which has been regrouped under Investments in financial assets in the statement of financial position. The fair value of the investment has been determined by using the NAV of the Fund whose underlying was fair valued for the purpose of NAV computation. This investment is unquoted and thus, it is classified under Level 3 of the fair value hierarchy as per IFRS 13 Fair Value Measurements.

23. FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign Currency risk

The Group and Company are mainly exposed to currency risk of USD, GBP relative to MUR.

Currency Profile

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Financial Assets				
MUR	776,769	722,158	498,191	444,106
USD	79,610	72,688	52,824	46,106
GBP	7,027	6,003	6,940	5,868
Others	247	153	-	-
	863,653	801,002	557,955	496,080
Financial Liabilities				
MUR	86,143	53,340	44,259	45,748
USD	-	5,445	-	5,445
	86,143	58,785	44,259	51,193

The following table details the group's and company's sensitivity to a 5% increase in United States Dollars (USD) and Great Britain Pound (GBP) against the Mauritian Rupee (MUR). A positive number below indicates an increase in profit where USD and GBP strengthen 5% against MUR. For a 5% weakening of USD and GBP against the relevant currency, there would be an equal and opposite impact on the profit.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Increase in Profit and Equity				
USD	3,981	3,362	2,641	2,033
GBP	351	300	347	293
	4,332	3,662	2,988	2,326

23. FINANCIAL RISK MANAGEMENT (CONT'D)

Credit risk

The Group's and the Company's credit risk is primarily attributable to their financial assets. The impact of the financial assets (trade and other receivables and investments in financial assets) has been disclosed in the note 8 and note 11. The credit risk attached to bank balances are insignificant based on the country credit rating of these financial institutions and qualitative factors like reputation of the financial institutions. The carrying amount of financial assets recorded in the statement of financial position, represents the Group's and the Company's maximum exposure to credit risk.

The Group and the Company do not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group and the Company define counterparties as having similar characteristics. Concentration of risk is limited due to the customer base being large and diverse.

Interest rate risk

The Group and the Company are not significantly exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows as they do not hold significant variable interest bearing instruments.

The interest rate profile of the Group's and the Company's financial assets as at 30 June is as follows:

	THE GROUP AND THE COMPANY	
	2023	2022
	%	%
Deposits	0.75-6.60	0.75-6.18

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's and the Company's short, medium and long-term funding and liquidity management requirements. The Group and the Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Financial liabilities, at amortised costs are payable within one year, except for the amount payable to related party which is repayable on demand.

Fair value of financial instruments

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

24. CAPITAL COMMITMENTS

Authorised by the Board of Directors but not contracted for:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Commitments for the acquisition of property				
Plant and equipment	3,940	3,863	2,016	1,860

25. DEFERRED INCOME - GRANT

The Company has received a grant amounting to USD 590,000 from the African Development Bank (AfDB) for the new ATS System.

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Current	2,579	2,579	2,579	2,579
Non-current	20,199	22,777	20,199	22,777
	22,778	25,356	22,778	25,356

The purpose of the grant is to support the increase of the financial investment on the Stock Exchange of Mauritius (SEM) and the acceleration of the financial integration with SADC's stock exchanges. The grant will be recognised in Profit or loss on a straight line basis over the useful life of the related asset. There are no unfulfilled conditions or other contingencies attaching to this grant.

26. EVENTS AFTER REPORTING DATE

There has been no material events after the reporting date which require disclosure or amendment to the financial statements for the year ended 30 June 2023.

ADDITIONAL INFORMATION

8 investment dealers operate on the Stock Exchange of Mauritius. Each investment dealer holds a license granted by the Financial Services Commission. Investment dealers are required to have at least one duly licensed representative who shall be entitled to carry out the functions of the investment dealer.

Name	Address/E-Mail	Representatives of Investment dealers
AXYS Stockbroking Ltd	7 th Floor, Dias Pier Building Le Caudan Waterfront Caudan Port-Louis Tel:4054000 Fax:2133478 E-Mail:stockbroking@axys-group.com	- Mrs Fabiola Yit Niuc
Capital Markets Brokers Ltd	Alexander House, 35 Cybercity, Ebene. Tel:4020280 Fax:454-0430 E-Mail:traders@cmb.mu	- Mr Tommy Lo Seen Chong
DMH Stockbroking Ltd	Place Du Moulin Port Louis Waterfront Port Louis 11037 Tel: 212-3535 Fax: 208-6294 E-Mailtrading@dmh.mu.	- Mr Sajesh Baboolall
LCF Securities Ltd	1 st Floor, Eagle House 15A Wall Street Ebene Tel: 433-8388 Fax: 433-5953 E-Mail:tradedesk.mauritius@lcfsecurities.com	- Mr Teeluckraj Tapesar
MCB Stockbrokers Ltd	1 st Floor Raymond Lamusse Building Sir William Newton Street Port Louis Tel: 202-5245 / 202-5427 Fax: 208-9210 E-Mail:mcbsb@mcbcm.mu	- Mr Kevin Rangasami - Mr Ashveen Chummun - Ms Marie Ange Tse Rai Wai - Ms Micheline Ng Yuen Yan - Ms Reena Ramsurrun - Mr Derek Sum Ping - Ms Tatiana Madre - Ms Patricia Kolfir - Ms Irene Landinaff

Name	Address/E-Mail	Representatives of Investment dealers
Redwood Finance Limited	Moorgate House (Ground Floor) Sir William Newton Street Port Louis Tel: 2142515 / 52581070 E-Mail: mitesh.hasasamal@redwood-finance.net	Mr Mitesh Hassamal
SBM Capital Markets Ltd	Level 11, Hennessy Tower Pope Hennessy Street Port Louis Tel : 202-1437 / 202-1438 / 202-1551 Fax: 212-1710 E-Mail: scmltrading@sbmgroup.mu	<ul style="list-style-type: none"> - Mrs Reedhee (Anoushka) Bhuttoo - Mrs Patricia Dholah - Mr Dharmeshsing Mohadewo - Mrs Sanjana Seetahul
Swan Securities Ltd	3rd Floor, Swan Centre 10 ,Intendance Street Port-Louis Tel: 208-7010 Fax: 212-9867 E-Mail: securities@swanforlife.com	<ul style="list-style-type: none"> - Mr Neeraj Umanee - Ms Aisha Bibi Yoosoof Parak - Mr Pourbarlen Comarasawmy - Mrs Krishma Mungur - Ms Virginie Desjardins

OFFICIAL MARKET**BANKS, INSURANCE & OTHER FINANCE**

CIM Financial Services Ltd
 MUA Ltd
 MCB Group Limited (Ordinary)
 MCB Group Limited (Preference)
 SBM Holdings Ltd
 Swan General Ltd

COMMERCE

Harel Mallac Ltd
 IBL Ltd
 Innodis Ltd
 Vivo Energy Mauritius Ltd

INDUSTRY

Gamma Civic Ltd
 Go Life International Ltd
 Mauritius Chemical & Fertilizer Industry Ltd
 Mauritius Oil Refineries Ltd
 Phoenix Beverages Ltd
 PIM Ltd
 United Basalt Products Ltd

INVESTMENTS

Alteo Limited
 BMH Ltd
 Caudan Development Ltd
 CIEL Limited
 ENL Limited
 Fincorp Investment Ltd
 Medine Limited
 National Investment Trust Ltd
 P.O.L.I.C.Y Ltd
 Promotion and Development Ltd
 Rogers & Company Ltd
 Terra Mauricia Ltd
 The Mauritius Development Investment Trust Co. Ltd
 United Docks Ltd

LEISURE & HOTELS

Automatic Systems Ltd
 Lottotech Ltd
 Lux Island Resorts Ltd
 New Mauritius Hotels Ltd (Ordinary)
 New Mauritius Hotels Ltd (Preference)
 Sun Limited

PROPERTY

Ascencia Ltd
 Beachcomber Hospitality Investments Ltd (Class A Preference Shares)
 Beachcomber Hospitality Investments Ltd (Class B Preference Shares)
 BlueLife Limited

SUGAR

Omnican Limited

DEBT

Ascencia Ltd - Redeemable Bonds
 MCB Group Limited - 10-year Notes
 MCB Group Limited - FLRNMUR7Y Notes
 SBM Holdings Ltd - Class A 1 Series Bonds
 SBM Holdings Ltd - Class A 2 Series Bond
 SBM Holdings Ltd - Class B 2 Series Bond

DEPOSITARY RECEIPTS

African Export Import Bank

EXCHANGE TRADED FUNDS

Africa Domestic Bond Fund
 MCB India Sovereign Bond ETF
 NewFunds S&P GIVI South Africa Top 50 Index ETF Portfolio
 NewGold Issuer Limited (RF) Gold Bullion Debentures

FOREIGN

Dale Capital Group Limited
 Grit Real Estate Income Group Ltd
 PSG Konsult Limited

GLOBAL AND SPECIALISED FUNDS

Ekada India Focus Fund Ltd
 Global Investment Opportunities Fund Limited
 Harwood Investments
 Imara African Opportunities Fund Limited
 IPRO Growth Fund Ltd
 Kotak Investment Opportunities Fund Limited
 Novare Africa Fund PCC - Novare Africa Property Fund I
 Novare Africa Fund PCC - Novare Africa Property Fund II
 Sanlam Africa Core Real Estate Investments Limited
 Warwyck Phoenix PCC - Warwyck Phoenix Global Invest Fund 2
 Warwyck Phoenix PCC - Warwyck Phoenix Global Invest Fund 6

OFFICIAL MARKET (CONTINUED)**GLOBAL BUSINESS COMPANIES**

Africa Clean Energy Solutions Limited
 Africure Pharmaceuticals Ltd
 Arindo Holdings (Mauritius) Limited
 Astoria Investments Limited
 Avanz Growth Markets Limited
 Bayport Management Limited
 Crytel Mauritius Limited
 SREE AGRO Ltd
 Tadvest Limited
 Trans Switch Africa Holdings Ltd
 Universal Partners Limited

SPECIALISED DEBT SECURITIES

BlueLife Limited - Secured 7-year Notes
 BlueLife Limited - Unsecured 7-year Notes
 Brait Investment Holdings Limited - Exchangeable Bonds due 2024
 Brait PLC - Convertible Bonds due 2024
 CIM Financial Services Ltd - 3.30% Notes due 2023
 CIM Financial Services Ltd - 4.85% Notes due 2024
 CIM Financial Services Ltd - 4.00% Notes due 2025
 CIM Financial Services Ltd - 5.35% Notes due 2026
 CIM Financial Services Ltd - 5.80% Notes due 2028
 CIM Financial Services Ltd - 4.75% Notes due 2030
 Eastern and Southern African Trade and Development Bank
 Evaco Ltd - 5-year EUR Notes
 Evaco Ltd - 5-year MUR Notes
 Evaco Ltd - Floating Rate Notes
 Forty Two Point Two - 2.70% Notes due 2024
 Forty Two Point Two - 2.70% Notes due 2026
 Forty Two Point Two - 3.20% Notes due 2026
 Forty Two Point Two - 3.55% Notes due 2028
 Forty Two Point Two - 4.85% Notes due 2029
 Forty Two Point Two - 5.50% Notes due 2032
 IBL Ltd - Series 4 Notes due 2024
 IBL Ltd - Series 5 Notes due 2024
 IBL Ltd - Fixed Rate Notes due 2027
 IBL Ltd - Fixed Rate Notes due 2030
 Innodis Ltd - Tranche 2 Notes due 2026
 Innodis Ltd - Tranche 3 Notes due 2026
 Innodis Ltd - Fixed Rate Notes due 2024
 Investcorp (Holdings) Ltd

OFFICIAL MARKET (CONTINUED)**SPECIALISED DEBT SECURITIES**

IOST Company Ltd - Tranche 1 FLRNEUR5Y
 IOST Company Ltd - Tranche 3 FLRNEUR5Y
 IOST Company Ltd - Tranche 1 FLRNUSD5Y
 IOST Company Ltd - Tranche 1 FRNEUR5Y
 IOST Company Ltd - Tranche 2 FRNMUR5Y
 IOST Company Ltd - Tranche 3 FRNMUR5Y
 Kingfisher Ltd - Tranche A Notes - FRNEUR5Y
 Kingfisher Ltd - Tranche B Notes - FRNEUR5Y
 Kingfisher Ltd - Tranche C Notes - FRNEUR5Y
 Medine Limited - Tranche FLRNMUR7Y
 Medine Limited - Tranche FRNMUR5Y
 Medine Limited - Tranche FRNMUR7Y
 Meridian CRV Limited - Tranche 1 Notes due 2024
 New Mauritius Hotels Ltd - Tranche FLRNMUR7Y
 New Mauritius Hotels Ltd - Tranche FRNMUR7Y
 Northfields International High School Ltd - Notes due 2026
 Premium Tobacco Holdings Ltd - Tranche 1 Series 2 Notes
 Premium Tobacco Holdings Ltd - Tranche 1 Series 3 Notes
 Premium Tobacco Holdings Ltd - Tranche 1 Series 4 Notes
 Southern Cross Tourist Company Limited - Tranche FLRNEUR4Y
 Southern Cross Tourist Company Limited - Tranche FLRNEUR5Y
 Southern Cross Tourist Company Limited - Tranche FLRNMUR10Y
 Southern Cross Tourist Company Limited - Tranche FLRNMUR7Y
 Southern Cross Tourist Company Limited - Tranche FRNMUR5Y
 Sun Limited - Tranche FLRNMUR7Y
 Tensai Property Services Ltd
 United Docks – Fixed Rate Notes due 2029

STRUCTURED PRODUCTS

Absa Bank Limited - Series ASN.D0005 Notes
 Absa Bank Limited - Series ASN.D0006 Notes
 Absa Bank Limited - Series ASN.D0007 Notes
 Absa Bank Limited - Series ASN.D0008 Notes
 CM Diversified Credit Ltd - Secured Credit-Linked Notes
 CM Structured Products (2) Ltd - Secured Credit-Linked Notes
 CM Structured Finance (1) Ltd - Secured Credit-Linked Notes
 MCB Structured Solutions Ltd - Crescendo World Market Leaders MUR55 Notes
 MCB Structured Solutions Ltd - Crescendo World Market Leaders MUR130 Notes
 MCB Structured Solutions Ltd - Secured Credit & Index linked Notes

DEVELOPMENT & ENTERPRISE MARKET**BANKS & INSURANCE & OTHER FINANCE**

ABC Banking Corporation Limited
Swan Life Ltd

COMMERCE

ABC Motors Company Limited
Associated Commercial Company Ltd
Compagnie Immobilière Limitée

INDUSTRY

Kolos Cement Ltd
Les Gaz Industriels Ltée
Les Moulins de la Concorde Ltée (Ordinary)
Les Moulins de la Concorde Ltée (Preference)
Livestock Feed Limited (Ordinary)
Livestock Feed Limited (Preference)
Mauritius Cosmetics Limited
Mauritius Secondary Industries Ltd
Paper Converting Company Limited
Quality Beverages Limited
Soap & Allied Industries Limited

INVESTMENT

Excelsior United Development Companies Limited
Miwa Sugar Limited
Phoenix Investment Company Limited
RHT Holding Ltd
The Bee Equity Partners Ltd
United Investments Ltd

LEISURE & HOTELS

Constance Hotels Services Limited
Morning Light Co Ltd
Southern Cross Tourist Company Limited
Tropical Paradise Co Ltd (Ordinary)
Tropical Paradise Co Ltd (Preference)

OTHERS

Compagnie Des Villages de Vacances L'Isle de France Limitée (COVIFRA)
Hotelest Limited
C-Care (Mauritius) Ltd
MFD Group Limited
Oceanarium (Mauritius) Ltd
SIT Land Holdings Ltd - Options

PROPERTY

Attitude Property Ltd
Happy World Property Ltd
Lavastone Ltd
Novus Properties Ltd
Semaris Ltd

SUGAR

Constance La Gaiete Company Limited
The Union Sugar Estates Company Ltd

TRANSPORT AND LOGISTICS

Velogic Holding Company Ltd
United Bus Service Ltd



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