



# ENL Limited

## PROSPECTUS

IN RESPECT OF THE ISSUE AND LISTING BY WAY OF AN OFFER FOR SUBSCRIPTION ON THE OFFICIAL MARKET OF THE STOCK EXCHANGE OF MAURITIUS LTD OF UP TO MUR 2.5 BILLION OF SECURED FIXED RATE NOTES AND SECURED FLOATING RATE NOTES

**20 October 2023**

SPONSORING BROKER  
M.C.B STOCKBROKERS LIMITED

CORPORATE FINANCE ADVISER  
MCB FINANCIAL ADVISERS

## Notes Issue by ENL Limited

Capitalised terms not otherwise defined in this prospectus (the “**Prospectus**”) have the meanings set out in Paragraph B of this Prospectus.

References in this Prospectus to (i) a **Paragraph** shall be to a paragraph of this Prospectus; (ii) a **Schedule** shall be to a schedule of this Prospectus; and (iii) a **Page** shall be to a page of this Prospectus.

ENL Limited (the “**Issuer**”) is a public company limited by shares incorporated on 28 February 1985 under the laws of the Republic of Mauritius. The business registration number of the Issuer is C06004687 and its registered office is at ENL House, Vivéa Business Park, Moka, Mauritius.

This Prospectus is issued pursuant to the Securities Act 2005, the rules, regulations and guidelines made thereunder and is deemed to be the listing particulars for the purposes of the Listing Rules of The Stock Exchange of Mauritius Ltd (the “**SEM Listing Rules**”) in relation to a listing by way of an offer for subscription of the Notes on the Official Market of the Stock Exchange of Mauritius Ltd (“**SEM**”). This Prospectus relates to the issue of secured fixed rate notes and secured floating rate notes (the “**Notes**”) for a maximum aggregate nominal amount of up to MUR 2,500,000,000 (the “**Maximum Aggregate Nominal Amount**”).

The date of this Prospectus is 20 October 2023

LEC Reference Number: LEC/OS/03/2023

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### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Prospectus provides information to the general public pertaining to the subscription of the Notes and includes information given in compliance with Chapter 9 Part B of the SEM Listing Rules. The Notes will be admitted on the Official Market of the SEM by way of an offer for subscription.

An application made to the SEM for the listing and permission to deal in the Notes and this Prospectus was approved by the Listing Executive Committee of the SEM (“**LEC**”) on 27 October 2023. A listing has not been sought for the Notes on any other stock exchange. On the first day of listing and trading of the Notes on the Official Market of the SEM, the Issuer undertakes to make available 100 Notes in each Tranche at an indicative price of MUR 1,000 per Note.

This Prospectus has been registered with the Financial Services Commission (“**FSC**”) pursuant to the Securities Act 2005 and the rules and regulations made thereunder.

For a full appreciation of this Prospectus, it should be read in its entirety. If you have any doubt as to its contents and/or any action you should take, please consult your banker, stockbroker, legal advisor, accountant or any other professional advisor immediately.

Your attention is further drawn to Paragraph A below, which contains a summary and overview of the Issue.

This Prospectus is not to be redistributed, reproduced, or used, in whole or in part, for any other purpose.

## **SELLING RESTRICTIONS**

The circulation and distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons who may come into possession of this Prospectus are required to inform themselves of, and to observe, any such restrictions. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, a security in any jurisdiction in which it is unlawful to make such an offer or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

The Notes and this Prospectus have not been registered under the United States Securities Act of 1933, as amended, or the United States Investment Company Act of 1940, as amended and may not be offered, sold or delivered in the United States of America, or to or for the account of a U.S. Person. Prospective Investors should consult their own legal, tax and other advisers to determine whether an investment in the Notes could result in adverse consequences to them or their related persons and affiliates. All U.S. Persons may have United States tax consequences arising from investing in the Notes.

## **DISCLAIMER**

Neither the LEC, the SEM nor the FSC assumes any responsibility for the contents of this Prospectus. The FSC will not be liable to any action in damages suffered as a result of the registration of this Prospectus by the FSC. The LEC, the SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this Prospectus and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

This Prospectus and such other information provided in connection with this Prospectus are not intended to provide a basis for any credit or other evaluation. Prospective Investors should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition.

The Corporate Finance Adviser and the other professional advisers have not separately verified the information contained in this Prospectus as provided to them by the Issuer. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by them as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer. The Corporate Finance Adviser and the other professional advisers do not accept any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Issue.

Any information on taxation contained in this Prospectus is a summary of certain tax considerations but is not intended to be a complete discussion of all tax considerations. The contents of this Prospectus are not to be construed as investment, legal or tax advice. Prospective Investors should consult their own lawyer, accountant, or investment advisor as to legal, tax and related matters concerning their investment.

Furthermore, nothing in this Prospectus shall be construed as a recommendation by the Issuer, the Corporate Finance Adviser and/or the other professional advisers that any recipient thereof should purchase the Notes.

Unless otherwise specified herein, the statements and information contained in this Prospectus have been compiled as of 30 June 2023. Neither the delivery of this Prospectus nor any allotment or issue of any Notes shall under any circumstances create an implication or constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date thereof.

## DIRECTORS CONFIRMATION

The Directors, whose names appear on Pages 29 to 36, collectively and individually confirm that the audited accounts (financial statements) of the Issuer for the financial years ended 30<sup>th</sup> June 2021, 30<sup>th</sup> June 2022 and 30<sup>th</sup> June 2023 have been prepared in accordance with the Securities Act 2005 and with relevant accounting standards, and accept full responsibility for them.

The Directors confirm that they have received the consent of the auditor of the Issuer for the inclusion of its independent audit reports for the financial years ended 30<sup>th</sup> June 2021, 30<sup>th</sup> June 2022 and 30<sup>th</sup> June 2023 in the Prospectus and that the auditor accepts responsibility for them, and that the auditor has not become aware, since the date of the report, of any matter affecting the validity of that report at that date. The Directors also confirm that the consent letter of its auditor has been filed with the FSC and that the auditor has not withdrawn its consent as at the date the Prospectus was lodged with the FSC for an acknowledgement of filing.

## RESPONSIBILITY STATEMENT

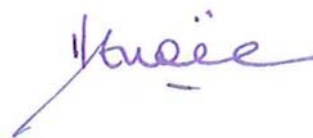
The Directors, whose names appear on Pages 29 to 36, collectively and individually accept full responsibility for the accuracy and completeness of the information contained in this Prospectus and confirm, to the best of their knowledge and belief after having made all reasonable enquiries, that this Prospectus complies with the Securities Act 2005 (including applicable rules, regulations and guidelines issued thereunder) and the SEM Listing Rules, and that this Prospectus contains or incorporates all information which is material in the context of the Issue and the offering of the Notes, that the information contained or incorporated in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Prospectus are honestly held and that there are no other facts, the omission of which would make this Prospectus, or any statement herein or any of such information or expression of any such opinions or intentions misleading.

A statement signed by all the Directors as required by the Securities Act 2005, the Securities (Public Offers) Rules 2007 and the Guidelines is included in Schedule 4 of this Prospectus.

This Prospectus has been approved by the Board on 11 October 2023 and signed on its behalf by:



Gilbert Espitalier-Noël  
Director



Hector Espitalier-Noël  
Director

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## A. SUMMARY AND OVERVIEW OF THE ISSUE

This overview must be read as an introduction to this Prospectus. Any decision to invest in the Notes should be based on consideration of this Prospectus as a whole, including the Documents Incorporated by Reference.

### A.1 Parties

|                                    |  |
|------------------------------------|--|
| <b>Issuer</b>                      | ENL Limited, a public company limited by shares, incorporated under the laws of Mauritius with business registration number C06004687 and having its registered office at ENL House, Vivéa Business Park, Moka, Mauritius                                  |
| <b>Corporate Finance Adviser</b>   | MCB Financial Advisers, a private company incorporated under the laws of Mauritius with business registration number C17145952 and having its registered office at Sir William Newton Street, Port Louis, Mauritius  |
| <b>Issuing and Paying Agent</b>    | DTOS Registry Services Ltd, a private company limited by shares incorporated under the laws of Mauritius with business registration number C18157458 and having its registered office at 19 Cybercity, Standard Chartered Tower, Ebène, Mauritius          |
| <b>Sponsoring Broker</b>           | M.C.B Stockbrokers Limited, a private company limited by shares incorporated under the laws of Mauritius with business registration number C07007927 and having its registered office at Sir William Newton Street, Port Louis, Mauritius                  |
| <b>Noteholders' Representative</b> | MUA Life Ltd, a public company limited by shares incorporated under the laws of Mauritius with business registration number C07006990 and having its registered office at 2 <sup>nd</sup> Floor, Barkly Wharf, Le Caudan Waterfront, Port-Louis, Mauritius |
| <b>Noteholders</b>                 | The holders of Notes as recorded in the registers maintained by the CDS and the IPA  |

## A.2 General

|  |  |   |   |
|--|--|---|---|
| <b>1. Type of Notes</b>                        | Secured Fixed Rate Notes   | Secured Floating Rate Notes                         |   |
| <b>2. Offer Mode</b>                           | Public offer in accordance with the Securities Act 2005 and the Securities (Public Offers) Rules 2007  |   |   |
| <b>3. Currency</b>                             | MUR  |   |   |
| <b>4. Tranche Reference Number</b>             | ENL-01-FRN-122028  | ENL-01-FLN-122030                                   | ENL-01-FLN-122038                                   |
| <b>5. Nominal Amount per Note</b>              | MUR 1,000  | MUR 1,000   | MUR 1,000   |
| <b>6. Issue Price per Note</b>                 | 100% of the Nominal Amount per Note in that Tranche  | 100% of the Nominal Amount per Note in that Tranche | 100% of the Nominal Amount per Note in that Tranche |
| <b>7. Minimum Aggregate Nominal Amount</b>     | MUR 2,050,000,000  |   |   |
| <b>8. Oversubscription Amount</b>              | The Issuer may raise an oversubscription amount of up to MUR 450,000,000 (the “ <b>Oversubscription Amount</b> ”) across any of the Tranches, provided that the Maximum Aggregate Nominal Amount is not exceeded   |   |   |
| <b>9. Maximum Aggregate Nominal Amount</b>     | Up to MUR 2,500,000,000  |   |   |
| <b>10. Targeted Nominal Amount per Tranche</b> | The Issuer shall seek to raise the targeted aggregate nominal amount set out below for each Tranche on a reasonable endeavours basis. Prospective Investors should be aware that the Issuer may, in its sole discretion, allocate different amounts across any Tranche provided that the aggregate nominal amount of the Notes raised does not exceed the Maximum Aggregate Nominal Amount |   |   |
|  | MUR 500,000,000  | MUR 1,500,000,000                                   | MUR 500,000,000                                     |
| <b>11. Number of Notes</b>                     | Up to 2,500,000  |   |   |
| <b>12. Purpose and Use of Proceeds</b>         | <p>The proceeds of the Issue will be used to refinance existing indebtedness of the Issuer. The proceeds will be applied as follows:</p> <ul style="list-style-type: none"> <li>the Minimum Aggregate Nominal Amount will be used to repay the Existing Notes; and</li> <li>the Oversubscription Amount, if any, will be used to repay the Issuer’s existing bank facilities.</li> </ul>   |   |   |



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|   | The Issuer will repay the Existing Notes and refinance its bank facilities no later than two (2) months following the Issue Date  |   |       |
| <b>13. Minimum Subscription Amount per Tranche</b>      | MUR 100,000   |   |       |
| <b>14. Issue Date</b>                                   | 18 December 2023  |   |       |
| <b>15. Interest Rate</b>                                | 5.0% p.a.   | The interest rate on the Secured Floating Rate Notes will be the aggregate of the Reference Rate and the Margin   |       |
| <b>16. Reference Rate</b>                               | N/A   | The daily weighted average of the Key Rate calculated over the Observation Period, which will be communicated by the IPA to the SEM on an Interest Payment Date   |       |
| <b>17. Margin</b>                                       | N/A   | 1.25%   | 1.75% |
| <b>18. Interest Payment Dates</b>                       | Interests on the Notes will be paid quarterly in arrears on 31 December, 31 March, 30 June and 30 September of each calendar year, subject to the Following Business Day Convention<br><br>Payment will start on 31 March 2024 (the “ <b>First Interest Payment Date</b> ”) until the applicable Maturity Date  |   |       |
| <b>19. Interest Period</b>                              | The period beginning on (and including) the Issue Date and ending on (but excluding) the First Interest Payment Date, and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date, save for the last interest period of each Tranche, which shall end on (but excluding) the applicable Maturity Date |   |       |
| <b>20. Day Count Fraction</b>                           | The day count fraction is the actual number of days in the applicable Interest Period divided by 365 days   |   |       |
| <b>21. Business Day Convention</b>                      | Following Business Day Convention   |   |       |
| <b>22. Early Redemption at the Option of the Issuer</b> | N/A   | On any Interest Payment Date as from the fifth (5 <sup>th</sup> ) anniversary of the Issue Date, the Issuer may, subject to providing at least thirty (30) days prior written notice to the Noteholders’ Representative and the Noteholders:<br><br>(i) redeem all the Notes in Tranche ENL-01-FLN-122030 and/or Tranche ENL-01-FLN-122038); or |       |

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|   |   | <p>(ii) redeem part of the Notes in Tranche ENL-01-FLN-122030 and/or ENL-01-FLN-122038 on a pro-rata basis among the Noteholders of each Tranche. If a partial redemption results in fractional notes, the Issuer shall round such fractional notes down to the nearest integer.</p> <p>The Notes will be redeemed at the Final Redemption Amount.</p> <p>Upon redemption, the Notes will be cancelled and will not be reissued</p> |
| <b>23. Early Redemption at the Option of the Noteholder</b> | N/A   |   |
| <b>24. Redemption Amount</b>                                | 100% of the Nominal Amount per Note   |   |
| <b>25. Form of the Notes</b>                                | <p>The Notes will be issued in inscribed form. No certificates will be issued</p> <p>Legal ownership of the Notes will be reflected by book entries recorded in the registers maintained by the CDS and the IPA respectively. Such entries shall constitute the definitive evidence of the title of the Noteholder to the number of Notes owned by it.</p>  |   |
| <b>26. Status of the Notes and Security Interest</b>        | <p>The Notes will constitute secured debt obligations of the Issuer.</p> <ul style="list-style-type: none"> <li>• The Issuer will, in respect of Tranche ENL-01-FRN-122028, grant a first rank mortgage over certain plots of land (the “<b>5Y Notes Mortgage Collateral</b>”) pursuant to a mortgage agreement (the “<b>5Y Notes Mortgage Agreement</b>”) inscribed in favour of the Noteholders’ Representative, acting for the benefit of the Noteholders (the “<b>5Y Notes Mortgage</b>”)</li> <li>• The Issuer will, in respect of Tranche ENL-01-FLN-122030, grant a first rank mortgage over certain plots of land (the “<b>7Y Notes Mortgage Collateral</b>”) pursuant to a mortgage agreement (the “<b>7Y Notes Mortgage Agreement</b>”) inscribed in favour of the Noteholders’ Representative, acting for the benefit of the Noteholders (the “<b>7Y Notes</b>”)</li> <li>• The Issuer will, in respect of Tranche ENL-01-FLN-122038, procure that Rogers Consolidated Shareholding Ltd (“<b>RSCL</b>”), its wholly owned subsidiary, pledges certain number shares (the “<b>Pledged Shares</b>”) in Rogers and Company Limited (“<b>Rogers</b>”) pursuant to a share pledge agreement (the “<b>Pledge Agreement</b>”) entered in favour of the Noteholders’ Representative, acting for the benefit</li> </ul> |   |

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|  | <ul style="list-style-type: none"> <li>The 5Y Notes Mortgage Collateral must be equal to at least 1.2x of the aggregate nominal amount of the Notes outstanding in Tranche ENL-01-FRN-122028</li> </ul> | <p><b>Mortgage”)</b></p> <ul style="list-style-type: none"> <li>The 7Y Notes Mortgage Collateral must be equal to at least 1.2x of the aggregate nominal amount of the Notes outstanding in Tranche ENL-01-FLN-122030</li> </ul> | <p>of the Noteholders (the “<b>Pledge</b>”)</p> <ul style="list-style-type: none"> <li>The value of the Pledged Shares must, at the time of the granting of the Pledge, be equal to at least 1.3x of the aggregate nominal amount of the Notes to be issued in Tranche ENL-01-FLN-122038. The value will be calculated by multiplying the number of Pledged Shares with the simple average of the closing price of the shares of Rogers on the Official Market of the SEM over a period of three (3) calendar months prior to (but excluding) the date of this Prospectus.</li> <li>On or before 30 June 2024 (the “<b>15Y Notes Security Substitution Date</b>”), the Issuer will substitute the Pledge with a first rank mortgage over certain plots of land (the “<b>15Y Notes Mortgage Collateral</b>”) pursuant to a mortgage agreement (the “<b>15Y Notes Mortgage Agreement</b>”) to be inscribed in favour of the Noteholders’ Representative,</li> </ul> |
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|  |  |  | <p>acting for the benefit of the Noteholders (the “<b>15Y Notes Mortgage</b>”)</p> <ul style="list-style-type: none"> <li>• The Issuer must give written notice of the substitution of the Pledge by the 15Y Notes Mortgage to the Noteholders’ Representative at least ten (10) days prior to the 15Y Notes Security Substitution Date. The notice of substitution must be accompanied by the 15Y Valuation Report dated no later than six (6) months prior to the 15Y Notes Substitution Security Date</li> <li>• The 15Y Notes Mortgage Collateral will be equal to at least 1.2x of the aggregate nominal amount of the Notes outstanding in Tranche ENL-01-FLN-122038</li> <li>• Subject to the 15Y Notes Mortgage Agreement being entered into on the 15Y Notes Security Substitution Date, the Noteholders’ Representative will take all necessary steps as may be required to release the Pledged Shares from the Pledge</li> </ul> |
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| <p><b>27. Ranking of the Notes</b></p>                   | <p>The ranking of the Notes of each Tranche will be as follows:</p>   |  |   |
|  | <p>in relation to the 5Y Notes Mortgage pertaining to the Tranche ENL-01-FRN-122028:</p> <ul style="list-style-type: none"> <li>• <i>pari passu</i> without any preference among themselves;</li> <li>• senior to all creditors of the Issuer;</li> <li>• senior to holders of all classes of the share capital of the Issuer</li> </ul>  | <p>in relation to the 7Y Notes Mortgage pertaining to the Tranche ENL-01-FLN-122030:</p> <ul style="list-style-type: none"> <li>• <i>pari passu</i> without any preference among themselves;</li> <li>• senior to all creditors of the Issuer;</li> <li>• senior to holders of all classes of the share capital of the Issuer</li> </ul> | <p>in relation to the Pledge or the 15Y Notes Mortgage (as applicable) pertaining to the Tranche ENL-01-FLN-122038:</p> <ul style="list-style-type: none"> <li>• <i>pari passu</i> without any preference among themselves;</li> <li>• senior to all creditors of the Issuer;</li> <li>• senior to holders of all classes of the share capital of the Issuer</li> </ul> |
| <p><b>28. Permitted Release of Security Interest</b></p> | <p>During the term of the Notes, the Issuer may request the Noteholders' Representative to release certain plots of land from the Collateral under the applicable Mortgage Agreement in respect of a Tranche (the "<b>Partial Release</b>").</p> <p>The Noteholders' Representative (acting reasonably) will give effect to a request for a Partial Release on the condition that the Issuer provides it with the Valuation Report dated no later than six (6) months prior to the date of request of Partial Release, confirming that the plots of land remaining as Collateral under the applicable Mortgage Agreement in respect of a Tranche is equal to at least 1.2x of the aggregate nominal amount of the Notes outstanding in the applicable Tranche</p>   |  |   |
| <p><b>29. Covenants</b></p>                              | <ul style="list-style-type: none"> <li>• Value of the Collateral:<br/>The Issuer will ensure that the value of the Collateral under the applicable Mortgage Agreement in respect of a Tranche will be equal to at least 1.2x of the aggregate nominal amount of the Notes issued in that Tranche. The Issuer undertakes to provide the Noteholders' Representative with the Valuation Report no later than one hundred and twenty (120) days after its financial year, ending 30 June of any calendar year</li> <li>• Negative Pledge:<br/>The Issuer will not, without the prior written consent of the Noteholders' Representative, create or permit any security interest on any of (i) the Collateral under the relevant Mortgage Agreement in respect of a Tranche; and (ii) the Pledged Shares</li> </ul> |  |   |
| <p><b>30. Conditions Precedent to the Issue</b></p>      | <p>The following conditions must be satisfied by the Issuer or waived by the Noteholders' Representative by the Conditions Date:</p> <ul style="list-style-type: none"> <li>• receipt of a certified true copy of the resolution of the Board covering, <i>inter alia</i>, (i) the Issue in accordance with the terms of the Prospectus, (ii)</li> </ul>  |  |   |

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|---|---|
|   | <p>the entering into the 5Y Notes Mortgage Agreement, the 7Y Notes Mortgage Agreement, the Pledge Agreement, the IPA Agreement and the Noteholders’ Representative Agency Agreement; (iii) the appointment of the Noteholders’ Representative, the IPA, the Sponsoring Broker, the Corporate Finance Adviser, Benoit Chambers and CARE;</p> <ul style="list-style-type: none"> <li>• receipt of a certified true copy of the resolution of the board of RCSL approving the granting of the Pledge and the entering into of the Pledge Agreement;</li> <li>• receipt of evidence confirming that, at the time of the granting of the Pledge, the value of the Pledged Shares, as calculated in the manner set out in Paragraph A.2 (26) above, is equal to at least 1.3x of the nominal amount of the Notes to be issued under Tranche ENL-01-FLN-122038;</li> <li>• receipt of the executed version of the Prospectus, the 5Y Notes Mortgage Agreement, the 7Y Notes Mortgage Agreement, the Pledge Agreement, the IPA Agreement and the Noteholders’ Representative Agency Agreement;</li> <li>• receipt of certified true copies of (i) the 5Y Valuation Report; and (ii) the 7Y Valuation Report, dated no later than six (6) months prior to the Issue Date;</li> <li>• receipt of evidence that CARE has assigned the Notes Rating to the Notes;</li> <li>• written confirmation from the Sponsoring Broker that it has received application monies from Prospective Investors for an amount that is at least equal to the Minimum Aggregate Nominal Amount</li> </ul> |
| <p><b>31. Conditions Subsequent to the Issuer</b></p> | <p>The following conditions must be satisfied by the Issuer or waived by the Noteholders’ Representative after the Issue Date:</p> <ul style="list-style-type: none"> <li>• receipt of written evidence from the Issuer within ten (10) days of the Issue Date that the 5Y Notes Mortgage Agreement and the 7Y Notes Mortgage Agreement have been submitted to the Registrar General and the Conservator of Mortgages for registration and inscription purposes;</li> <li>• receipt of written evidence from the noteholders’ representative appointed by the Issuer in respect of the Existing Notes (the “<b>Existing NR</b>”) that it has requested the Conservator of Mortgages to proceed with the erasure of the mortgage granted in relation to the PSA Notes (the “<b>PSA Notes Mortgage</b>”) from the register of the Conservator of Mortgages within five (5) Business Days of the repayment of the PSA Notes;</li> <li>• receipt of written evidence from the Existing NR that the erasure of the PSA Notes Mortgage from the register of the Conservator of Mortgages has been completed, immediately upon the Existing NR being notified of such erasure by the Conservator of Mortgages</li> </ul>   |
| <p><b>32. Event of Default</b></p>                    | <p>Please refer to Paragraph E (17) of this Prospectus</p>  |

|  |   |                  |                  |
|--|---|------------------|------------------|
| <b>33. Important Dates</b>                         |   |                  |                  |
| <b>a. Offer Start Date</b>                         | 30 October 2023   |                  |                  |
| <b>b. Offer End Date</b>                           | 6 December 2023   |                  |                  |
| <b>c. Payment Date</b>                             | 11 December 2023  |                  |                  |
| <b>d. Conditions Date</b>                          | 14 December 2023  |                  |                  |
| <b>e. Allotment Date</b>                           | 14 December 2023  |                  |                  |
| <b>f. Issue Date</b>                               | 18 December 2023  |                  |                  |
| <b>g. Interest Commencement Date</b>               | 18 December 2023  |                  |                  |
| <b>h. Date of listing and first day of trading</b> | 18 December 2023  |                  |                  |
| <b>i. Maturity Date</b>                            | 18 December 2028  | 18 December 2030 | 18 December 2038 |
| <b>34. Taxation</b>                                | Please refer to Paragraph I of this Prospectus  |                  |                  |
| <b>35. Listing</b>                                 | This Prospectus has been approved by the Listing Executive Committee of the SEM on 27 October 2023 and the Notes will be listed on the Official Market of the SEM on 18 December 2023   |                  |                  |
| <b>36. Notes Rating &amp; Rating Surveillance</b>  | <p>Subject to the Notes being issued, CARE Ratings (Africa) Private Limited (“<b>CARE</b>”) will assign a rating of CARE MAU A+ (stable) to the Notes (the “<b>Notes Rating</b>”)</p> <p>The Notes Rating must not be construed as being a recommendation to buy, sell or hold securities. The Notes Rating may be subject to revision, suspension or withdrawal at any time by CARE. The Notes Rating must be read in conjunction with the rating rationale and such other documents as may be published by CARE.</p> <p>The Notes Rating will be monitored by CARE during the lifetime of the Notes. Such monitoring may result in changes to the rating outlook, the rating being upgraded or downgraded. Any change in the Notes Rating will be communicated forthwith by the Issuer to the Noteholders and the Noteholders’ Representative</p> |                  |                  |
| <b>37. Register</b>                                | The Register maintained by the IPA as per of the Terms and Conditions   |                  |                  |

|                               |   |
|-------------------------------|---|
| <b>38. Method of Payment</b>  | Electronic bank transfers only. Cheques will not be accepted and will not be issued for any reasons whatsoever  |
| <b>39. Notices</b>            | Email notices only  |
| <b>40. Governing Law</b>      | This Prospectus is governed by, and will be construed in accordance with, the laws of the Republic of Mauritius |
| <b>41. Dispute Resolution</b> | Mediation and/or arbitration under the rules of the MARC  |



## B. GLOSSARY OF DEFINITIONS AND ABBREVIATIONS

All references in this document to 'MUR' refer to the currency of the Republic of Mauritius.

Where any term is defined within the context of any particular Paragraph in this Prospectus, the term so defined, will bear the meaning ascribed to it for all purposes in this Prospectus, unless the context otherwise requires. Expressions defined in this Prospectus will bear the same meanings in supplements to this Prospectus which do not themselves contain their own definitions.

Any reference in this Prospectus to any statute, regulation or other legislation will be a reference to that statute, regulation or other legislation at the date of this Prospectus, as amended or substituted from time to time.

In this Prospectus, unless inconsistent with the context, the following expressions will have the following meanings:

|                                     |   |
|-------------------------------------|---|
| <b>5Y Notes Mortgage</b>            | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>5Y Notes Mortgage Agreement</b>  | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>5Y Notes Mortgage Collateral</b> | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>5Y Valuation Report</b>          | Means the valuation report from an independent valuer confirming that the value of the 5Y Notes Mortgage Collateral is equal to at least 1.2x of the aggregate nominal amount of the Notes outstanding in Tranche 01-FRN-122028 |
| <b>7Y Notes Mortgage</b>            | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>7Y Notes Mortgage Agreement</b>  | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>7Y Notes Mortgage Collateral</b> | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>7Y Valuation Report</b>          | Means the valuation report from an independent valuer confirming that the value of the 7Y Notes Mortgage Collateral is equal to at least 1.2x of the aggregate nominal amount of the Notes outstanding in Tranche 01-FLN-122038 |
| <b>15Y Notes Mortgage</b>           | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |

|   |  |
|---|--|
| <b>15Y Notes Mortgage Agreement</b>         | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus   |
| <b>15Y Notes Mortgage Collateral</b>        | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus   |
| <b>15Y Notes Pledge Collateral</b>          | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus   |
| <b>15Y Notes Security Substitution Date</b> | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus   |
| <b>15Y Valuation Report</b>                 | Means the valuation report from an independent valuer confirming that the value of the 15Y Notes Mortgage Collateral is equal to at least 1.2x of the aggregate nominal amount of the Notes outstanding in Tranche 01-FLN-122038 |
| <b>Allotment Date</b>                       | The date on which all successful Prospective Investors will be notified of their allotment by way of an allotment letter sent by email by the IPA  |
| <b>Applicable Procedures</b>                | The rules, guidelines and operating procedures of the SEM and/or CDS, as the case may be   |
| <b>Application Form</b>                     | The application form approved by the Issuer for subscription of Notes to be issued hereunder, as set out in Schedule 6 to this Prospectus  |
| <b>Board</b>                                | The board of directors of the Issuer   |
| <b>Business Day</b>                         | A day (other than a Saturday or Sunday or public holiday) on which commercial banks are open in Mauritius  |
| <b>CARE</b>                                 | Has the meaning as described to such term in Paragraph A.2 (36) of this Prospectus   |
| <b>CDS</b>                                  | Central Depository & Settlement Co. Ltd  |
| <b>Class A Ordinary Shares</b>              | Has the meaning ascribed to such term in Paragraph D.10 of this Prospectus   |
| <b>Collateral</b>                           | The 5Y Notes Mortgage Collateral, the 7Y Notes Mortgage Collateral and the 15Y Notes Mortgage Collateral collectively or any one of them (as applicable)   |
| <b>Companies Act</b>                        | The Companies Act 2001 of the Republic of Mauritius, as amended from time to time  |
| <b>Comprehensive Indebtedness Statement</b> | The statement set out in Schedule 1 to this Prospectus   |
| <b>Condition</b>                            | A term and condition specified in the Paragraph E ' <i>Terms and Conditions of the Notes</i> '   |
| <b>Constitution</b>                         | The constitution of the Issuer, as amended from time to time   |

|  |  |
|--|--|
| <b>Cross Default</b>                       | Any of the following (other than the Financial Indebtedness contemplated under the Transaction Documents): <ul style="list-style-type: none"> <li>a) any Financial Indebtedness of the Issuer is not paid when due nor within any originally applicable grace period;</li> <li>b) any Financial Indebtedness of the Issuer is declared to be or otherwise becomes due and payable before its specified maturity as a result of an event of default (however described);</li> <li>c) any commitment for any Financial Indebtedness of the Issuer is cancelled or suspended by a creditor of the Issuer as a result of an event of default (howsoever described); or</li> <li>d) any creditor of the Issuer becomes entitled to declare any Financial Indebtedness of the Issuer due and payable before its specified maturity as a result of an event of default (however described)</li> </ul> |
| <b>Day Count Fraction</b>                  | The actual number of days in the relevant Interest Period divided by 365   |
| <b>Director</b>                            | A director of the Issuer   |
| <b>Documents Incorporated by Reference</b> | Has the meaning ascribed to such term in Paragraph C of this Prospectus  |
| <b>Encumbrance(s)</b>                      | Any mortgage, charge, lien, pledge, assignment, hypothecation, preferential right, or any other security interest or arrangement   |
| <b>Enforcement Action</b>                  | Has the meaning ascribed to such term in Condition 17.5  |
| <b>Event of Default</b>                    | An event of default described in Condition 17  |
| <b>Existing Notes</b>                      | The PSA Notes and the PSB Notes  |
| <b>Existing NR</b>                         | Has the meaning ascribed to such term in Paragraph A.2 (31) of this Prospectus   |
| <b>Final Interest Period</b>               | The Interest Period ending on (but excluding) the Maturity Date.   |
| <b>Final Redemption Amount</b>             | The amount of principal payable in respect of each Note upon final redemption thereof, being 100% of the Issue Price per Note  |
| <b>Financial Indebtedness</b>              | Any indebtedness in respect of: <ul style="list-style-type: none"> <li>a) monies borrowed;</li> <li>b) any amount raised by acceptance under any credit facility;</li> <li>c) any amount raised (other than this preferential offer) pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;</li> <li>d) any counter-indemnity or reimbursement obligation in respect of any guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</li> <li>e) any shares which are expressed to be redeemable; and</li> </ul>   |

|  |  |
|--|--|
|  | f) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (e) above  |
| <b>First Interest Payment Date</b>       | 31 March 2024  |
| <b>First Interest Period</b>             | The Interest Period beginning on (and including) the Issue Date and ending on (but excluding) the First Interest Payment Date  |
| <b>Following Business Day Convention</b> | Has the meaning ascribed to such term in Condition 3.9   |
| <b>FSC</b>                               | The Financial Services Commission  |
| <b>Group</b>                             | The Issuer and its subsidiaries  |
| <b>Guidelines</b>                        | The Guidelines for Issue of Corporate and Green Bonds in Mauritius issued under section 7(1)(a) of the Financial Services Act 2007   |
| <b>Insolvency Proceedings</b>            | Any of the following proceedings as defined under the Insolvency Act 2009: <ul style="list-style-type: none"> <li>a) liquidation (voluntary, creditors' or compulsory),</li> <li>b) winding-up,</li> <li>c) conservatorship,</li> <li>d) receivership, or</li> <li>e) administration</li> </ul>  |
| <b>Interest Amount</b>                   | The amount of interest payable in respect of the Notes, calculated in accordance with Condition 3.7  |
| <b>Interest Commencement Date</b>        | Same date as the Issue Date  |
| <b>Interest Payment Date</b>             | The interest payment dates set out in Paragraph A.2 (17) of this Prospectus  |
| <b>Interest Period</b>                   | The period beginning on (and including) the Issue Date and ending on (but excluding) the First Interest Payment Date, and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date, save for the last Interest Period of each Tranche, which will end on (but excluding) the applicable Maturity date |
| <b>Interest Rate</b>                     | The rate or rates of interest applicable to the Notes as indicated in Condition 3.3  |
| <b>IPA or Issuing and Paying Agent</b>   | The issuing, registrar, calculating, transfer and paying agent appointed by the Issuer pursuant to the IPA Agreement   |
| <b>IPA Agreement</b>                     | The agency agreement to be entered between the Issuer and the IPA on or about the date hereof setting out the rights and obligations of the parties thereunder, as may be further supplemented and/or amended and/or restated from time to time  |
| <b>Issuer</b>                            | Has the meaning ascribed to such term in Paragraph A.1 of this Prospectus  |

|   |  |
|---|--|
| <b>Issue</b>  | The issue of the Notes up to the Maximum Aggregate Nominal Amount  |
| <b>Issue Date</b>                                   | 18 December 2023   |
| <b>Key Rate</b>                                     | The Key Rate or any successor index as determined by the Bank of Mauritius from time to time   |
| <b>LEC</b>  | The Listing Executive Committee of the SEM   |
| <b>MARC</b>   | The Mediation and Arbitration Center (Mauritius) Ltd   |
| <b>Maturity Date</b>                                | The applicable maturity date of each Tranche as set out in Paragraph A.2 (33)(33.i) of the Prospectus  |
| <b>Maximum Aggregate Nominal Amount</b>             | Has the meaning ascribed to such term in Paragraph A.2 (9) of this Prospectus  |
| <b>Minimum Aggregate Nominal Amount</b>             | Has the meaning ascribed to such term in Paragraph A.2 (7) of this Prospectus  |
| <b>Minimum Subscription Amount</b>                  | The minimum amount of the Notes that a Noteholder may subscribe as set out in Paragraph A.2 (13) of this Prospectus  |
| <b>Mortgage Agreement(s)</b>                        | The 5Y Notes Mortgage Agreement, the 7Y Notes Mortgage Agreement and the 15Y Notes Mortgage Agreement collectively or any one of them (as applicable)  |
| <b>Nominal Amount per Note</b>                      | MUR 1,000  |
| <b>Noteholders</b>                                  | Has the meaning ascribed to such term in Paragraph A.1 of this Prospectus  |
| <b>Noteholders' Representative</b>                  | Has the meaning ascribed to such term in Paragraph A.1 of this Prospectus  |
| <b>Noteholders' Representative Agency Agreement</b> | The noteholders' representative agency agreement to be entered into between the Issuer and the Noteholders' Representative on or about the date hereof, setting out the rights and obligations of the parties thereunder, as may be further supplemented and/or amended and/or restated from time to time  |
| <b>Notes</b>  | The secured fixed rate notes and the secured floating rate notes to be issued by the Issuer under this Prospectus  |
| <b>Notes Rating</b>                                 | Has the meaning ascribed to such term in Paragraph A.2 (36) of this Prospectus   |
| <b>Observation Period</b>                           | Means, with respect to Tranche ENL-01-FLN-122030 and Tranche ENL-01-FLN-122038: <ul style="list-style-type: none"> <li>(a) in relation to the First Interest Period, three (3) calendar months prior to the Issue Date and ending on (but excluding) the Issue Date; or</li> <li>(b) in relation to each subsequent Interest Period (including the Final Interest Period), consecutive periods of three (3) calendar months starting as from (and including) the first day of the immediately</li> </ul> |

preceding Interest Period and ending on (but excluding) the last day of that immediately preceding Interest Period

|                                    |   |
|------------------------------------|---|
| <b>Oversubscription Amount</b>     | Has the meaning ascribed to such term in Paragraph A.2 (8) of this Prospectus   |
| <b>Partial Release</b>             | Has the meaning ascribed to such term in Paragraph A.2 (28) of this Prospectus  |
| <b>Payment Date</b>                | The date by which the IPA will receive the full amount of the subscription proceeds in cleared funds, being 11 December 2023  |
| <b>Pledge</b>                      | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>Pledge Agreement</b>            | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>Pledged Shares</b>              | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>Prospective Investor</b>        | An investor provided with this Prospectus and considering an investment in the Notes to be issued hereunder   |
| <b>PSA Notes</b>                   | Means the existing notes issued by the Company under a Multi-Currency Note Programme dated 20 December 2018, namely tranches FRN-02-MUR5Y, FLN-01-MUR5Y, FRN-02-MUR7Y and FLN-02-MUR7Y issued under Pricing Supplement A dated 20 December 2018 |
| <b>PSA Notes Mortgage</b>          | Has the meaning ascribed to such term in Paragraph A.2 (31) of this Prospectus  |
| <b>PSB Notes</b>                   | Means the existing notes issued by the Company under a Multi-Currency Note Programme dated 20 December 2018, namely tranche FRN-01-MUR5Y issued under Pricing Supplement B dated 20 December 2018.  |
| <b>RCSL</b>                        | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>Reference Rate</b>              | Has the meaning ascribed to such term in Paragraph A.2 (16) of this Prospectus  |
| <b>Register</b>                    | The register maintained in accordance with Condition 20   |
| <b>Restricted Countries</b>        | All countries other than the Republic of Mauritius  |
| <b>Rogers</b>                      | Has the meaning ascribed to such term in Paragraph A.2 (26) of this Prospectus  |
| <b>RRS</b>                         | Has the meaning as described in Paragraph D.10 of this Prospectus   |
| <b>Secured Floating Rate Notes</b> | The Notes issued in Tranches ENL-01-FLN-122030 and ENL-01-FLN-122038  |
| <b>SEM</b>                         | The Stock Exchange of Mauritius Ltd   |

|                              |  |
|------------------------------|--|
| <b>Special Resolution</b>    | In relation to Noteholders, a resolution passed at a properly constituted meeting of such Noteholders duly convened and held in accordance with the provisions of the Noteholders' Representative Agreement (i) upon a show of hands, by a majority of not less than seventy five percent (75%) of the voting rights attached to the Notes voted by Noteholders present in person or by proxy or (ii) if a poll is duly demanded, by a majority of not less than seventy five percent (75%) of the votes cast at such poll by the Noteholders present in person or by proxy  |
| <b>Terms and Conditions</b>  | The Terms and Conditions incorporated in the Paragraph E, headed " <i>Terms and Conditions of the Notes</i> ", under which the Notes will be issued  |
| <b>Tranche</b>               | Means a tranche of Notes under this Prospectus   |
| <b>Transaction Documents</b> | Means: <ul style="list-style-type: none"> <li>a) this Prospectus (together with all its Schedules);</li> <li>b) the IPA Agreement;</li> <li>c) the Noteholders' Representative Agency Agreement;</li> <li>d) the Mortgage Agreements;</li> <li>e) the Pledge Agreement; and</li> <li>f) any other document designated as a "<b>Transaction Document</b>" by the Issuer and the Noteholders' Representative</li> </ul>  |
| <b>U.S. Person</b>           | <ul style="list-style-type: none"> <li>a) any natural person resident in the United States, including any U.S. resident who is temporarily outside the United States;</li> <li>b) any corporation, partnership, limited liability company or other entity organised or incorporated under the laws of the United States;</li> <li>c) any estate of which any executor or administrator is a U.S. Person;</li> <li>d) any trust of which any trustee is a U.S. Person;</li> <li>e) any agency or branch of a foreign entity located in the United States;</li> <li>f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;</li> <li>g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident, in the United States; and</li> <li>h) any corporation, partnership, limited liability company or other entity if (1) organised or incorporated under the laws of any non-U.S. jurisdiction and (2) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) promulgated under the U.S. Securities Act) which are not natural persons, estates or trusts.</li> </ul> <p>Notwithstanding the foregoing, the following persons do not constitute "U.S. Person" for purposes of this Prospectus:</p> <ul style="list-style-type: none"> <li>a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer</li> </ul> |

- or other professional fiduciary organised, incorporated, or (if an individual) resident, in the United States;
- b) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (i) an executor or administrator of the estate which is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by non-U.S. law;
  - c) any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person;
  - d) an employee benefit plan established and administered in accordance with the laws of a country other than the United States and customary practices and documentation of such country;
  - e) any agency or branch of a U.S. Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
  - f) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans

**Valuation Report**

Means the valuation report to be provided by an independent valuer confirming that the value of the Collateral under the Mortgage Agreement in respect of each Tranche is equal to at least 1.2x of the aggregate nominal amount of the Notes issued in that Tranche



### C. DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Prospectus (hereinafter the “**Documents Incorporated by Reference**”):

- a) all supplements to this Prospectus as may be issued by the Issuer from time to time;
- b) the IPA Agreement;
- c) the Noteholders’ Representative Agency Agreement;
- d) the Pledge Agreement until the release of the Pledge; and
- e) the 5Y Notes Mortgage Agreement, the 7Y Notes Mortgage Agreement and the 15Y Notes Mortgage Agreement (when the Pledge is substituted with the 15Y Notes Mortgage).

Following publication of this Prospectus, a supplement may be prepared by the Issuer. Statements contained in any such supplement (or contained in any document incorporated by reference therein) will, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded will not, except as so modified or superseded, constitute a part of this Prospectus.

Prospective Investors will be deemed to have notice of all information contained in the Documents Incorporated by Reference, as if all such information were included in this Prospectus. Prospective Investors who have not previously reviewed such information should do so in connection with their application to purchase the Notes.

## D. DESCRIPTION OF THE ISSUER

### D.1 About the Issuer

The Issuer is a public limited liability company incorporated under the laws of Mauritius on 28 February 1985. The business registration number of the Issuer is C06004687. The registered office of the Issuer is ENL House, Vivéa Business Park, Moka, Mauritius. The Issuer was originally incorporated under the name of LA SABLONNIERE LIMITED and changed its name to ENL Limited after an amalgamation which became effective on 01 January 2019. The amalgamation included LA SABLONNIERE LIMITED, ENL Limited, ENL Land Ltd, ENL Finance Limited and ENL Commercial Limited, after which LA SABLONNIERE LIMITED remained the only surviving entity, and was renamed ENL Limited. The successful implementation of the amalgamation has aligned the interests of all shareholders, and now carries a clearer and stronger ENL brand in a more focused manner.

The Issuer is a diversified investment holding company with over 100+ subsidiaries and total assets of MUR 43bn. The Issuer has been a major player in the Mauritian economy since 1821.

The Group is well diversified with:

- a track record of generating strong cash flows from its land assets. In this respect, the Issuer, through its key operating subsidiaries, has been able to consistently generate operating cash flows through the sale of lands and the rental of retail and office properties;
- a portfolio of more than 120 international and homegrown brands in diverse industries. The Issuer's activities are conducted through its subsidiaries, as outlined in Paragraph D.3 of this Prospectus.

### Summary of the Constitution determining the Issuer's objects

#### **"7. OBJECTS AND POWERS**

*The Company has, both within and outside the Republic of Mauritius, full capacity to carry on and/or undertake any business or activities, to do any act or enter into any transaction, and, for those purposes, shall have full rights, powers and privileges."*

### D.2 Key Facts and Figures

With 175 subsidiaries as at 30 June 2023, the Issuer is one of the largest listed conglomerates in Mauritius. The Group generated revenue of MUR 20.85bn as at 30 June 2023 (FY 2022: MUR 17.67bn) and a profit after tax from continuing operations of MUR 2.99bn (FY 22: MUR 1.59bn).

The Issuer is listed on the Official Market of the SEM and is a constituent of the SEM-10 index, which consists of the 10 largest companies listed on the Official Market of the SEM by market value. The Issuer is also a constituent of the SEMSI index, which consists of companies listed on the Official Market or the Development & Enterprise Market of the SEM that demonstrate strong sustainability practices. As at 30 June 2023, the Issuer had a market capitalisation of MUR 7.3bn (FY 2022: MUR 10.1bn) and 4,251 (FY 2022: 4,254) shareholders.

| Description  | FY 2021    | FY 2022     | FY 2023    |
|--|------------|-------------|------------|
| Group Revenue from continuing activities (MUR bn)          | 12.84      | 17.67       | 20.85      |
| Group Profit after Tax from continuing operations (MUR bn) | -1.07      | 1.59        | 2.99       |
| <b>Market Capitalisation (MUR bn)</b>                      | <b>7.8</b> | <b>10.1</b> | <b>7.3</b> |

Source: ENL Limited's Annual Reports 2022 and 2023

## **Cluster Overview**

### **Land & Investment**

The Land & Investment cluster manages the Group's 23,000 acres of land. The majority of this land is devoted to agricultural use. A small proportion of the lands is used in the development of smart cities, offices and shopping malls. The development of real estate is typically carried out by other subsidiaries of the Group.

As at the date of this Prospectus, the Group's renewable energy activities is carried out through the Land & Investment cluster. In this respect, EnVolt Ltd (a wholly owned subsidiary of the Issuer) has recently announced its intention to make additional investments in certain solar farms. Additional information on EnVolt Ltd's activities can be found at [www.envolt.mu](http://www.envolt.mu)

### **Agribusiness**

The Agribusiness cluster is divided into sugarcane and other businesses. The increased remuneration for bagasse and the relatively high sugar prices have contributed to increased investments in the sugarcane activity. Such investments will focus on sugarcane replantation schemes, mechanisation and irrigation.

In addition to sugarcane, the activities of the Agribusiness cluster involve food crop production, landscaping services, retailing of flowers and plants, poultry and deer farming. Despite the relatively high price of sugar, a diversification away from sugarcane activities remains a strategic priority for this cluster.

### **Real Estate**

The Group has a proven track record of creating value from its land bank. In particular, the real estate cluster has been particularly successful in the development of shopping centres (both convenience and large dominant shopping malls), Grade A-offices, residences and mixed-use real estate development. The Group's activities have focused on the geographical regions of Moka, Savannah and Bel Ombre.

As at the date of this Prospectus, the Group, through its wholly owned subsidiary, ENL Property Limited, is currently implementing two Government Smart City Schemes, namely Moka Smart City and Savannah Countryside. Additional information on both developments can be found on the following web-sites: <https://www.moka.mu/en/> and <https://savannah.mu/en/>

ENL Property Limited also manages over 30,000m<sup>2</sup> of office property portfolio (including Vivéa Business Park, Telfair and Bagatelle). It focuses on developing high quality, super-connected and environment-friendly office spaces fostering employee well-being. To date, and excluding the development properties, the managed offices are over 95% fully tenanted. ENL Property Limited recently partnered with Workshop 17, a South African brand for flexible, fully-serviced workplaces, to offer turn-key office solutions to businesses.

In terms of malls, Ascencia Limited leads the retail property market with 7 shopping malls set strategically across Mauritius, namely Bagatelle Mall of Mauritius, Phoenix Mall, Riche Terre Mall, Kendra, Les Allées, So'Flo and Bo'Vallon Mall.

Finally, the long-term development strategy for Bel Ombre is to turn the latter into a regional benchmark for sustainable living in the tropics.

## **Hospitality**

The Hospitality cluster is an industry leader in the Mauritian hospitality sector. It offers an integrated hospitality, dining and leisure experience through well-established brands like Veranda Resorts and Heritage Resorts. In addition, the Issuer is a major shareholder of New Mauritius Hotels Ltd (holding an effective stake of 29%) which operates under the Beachcomber brand. The Hospitality cluster experienced a strong bounce back from the pandemic with increased average daily rates (even after accounting for MUR depreciation) as well as more forward bookings with increased length of stay. Given the promising outlook of the Hospitality cluster, the Issuer is planning to strengthen its position as a leading hotel and leisure player by offering new experiences and continuously upgrading its hotels. For instance, by enhancing the position of Heritage Resorts through service excellence and by promoting Veranda Resorts as a boutique resort, the Hospitality cluster endeavours to sustain the growth momentum and build resilience.

## **Finance & Technology**

This Finance & Technology cluster deals with the provision of fiduciary, technology and specialised financial services with a particular emphasis on credit (consumer finance, leasing and factoring) mainly under Rogers Capital Ltd. Rogers Capital Corporate Services Ltd, Rogers Capital Finance Ltd and Rogers Capital Technology Services Ltd are the operating arms of this cluster. This cluster positions itself as a provider of structured solutions for both local and international clients and is seeking to unlock potential through strategic partnerships and organic growth.

## **Logistics**

Logistics and supply chain services are mainly supplied through Velogic Limited, a subsidiary of Rogers. Velogic Limited covers a broad spectrum of operations, including freight forwarding, customs clearing, courier service, domestic transportation and container services. Despite facing greater competition in the logistics sector as well as geopolitical risk stemming from the Russia-Ukraine crisis, opportunities exist for this cluster through the automation of internal processes to gain efficiencies and by taking advantage of the continued growth in the freight forwarding and shipping businesses. The Group also holds the FedEx agency for courier services in Mauritius.

## **Commerce & Manufacturing**

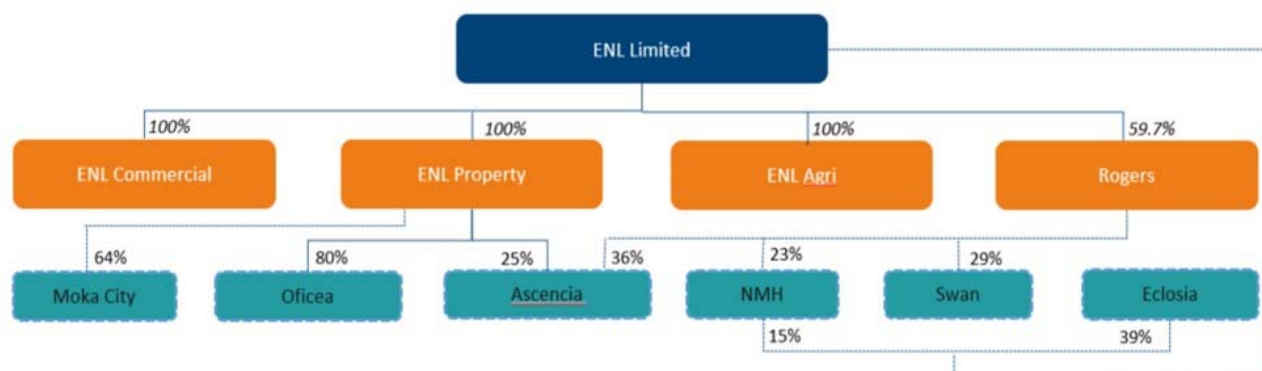
The Commerce & Manufacturing cluster provides a wide range of products and services sourced both locally and from a network of trusted global suppliers. The product and services portfolio includes motor vehicles dealership, eyewear, swimming pools and water storage solutions, timber and building materials, IT equipment and services, sports equipment and apparel. Although most of the activities of this business cluster are concentrated in the local market and have benefitted from sustained consumer spending, margins remain under pressure in light of uncertainties regarding the Mauritian Rupee as well as rising global prices and freight. The opening of a second 'Decathlon' outlet and the possibility of broadening Axess Limited's product base in light of the reduction in import duties and taxes for hybrid and electric vehicles represent promising opportunities for this cluster.

A breakdown of the revenue and profit after tax by cluster for the year ended 30 June 2023 is set out in the table below:

| Cluster                  | Cluster Revenue FY 2023<br>(MUR m) | Profit after tax FY 2023<br>(MUR m) |
|--------------------------|------------------------------------|-------------------------------------|
| Land & Investment        | 103                                | (333)                               |
| Agribusiness             | 1,076                              | 167                                 |
| Real Estate              | 3,296                              | 1,060                               |
| Hospitality              | 5,065                              | 1,362                               |
| Finance & Technology     | 1,193                              | 108                                 |
| Logistics                | 3,654                              | 273                                 |
| Commerce & Manufacturing | 6,455                              | 433                                 |

Source: ENL Limited's Annual Report 2023

### D.3 Simplified Group Structure



### D.4 Board Composition

The Issuer is led by a committed and unitary board, which is collectively accountable and responsible for the long-term success of the organisation. The Issuer operates within a clearly defined governance framework which provides for delegation of authority and clear lines of responsibility while enabling the Board to retain effective control. As such, the Board is ultimately accountable and responsible for the performance and the conduct of the affairs of the Issuer. The Board is comprised of highly experienced individuals with a wealth of expertise across various sectors.

A summary profile of Directors is included in the table below.

| Name   | Biography   | Nationality      | Residential Address   |
|--|---|------------------|---|
| <p><b>Mrs. Virginie Anne Corneillet</b><br/><b>(Executive Director)</b></p>            | <p><b>Date of appointment:</b> 01 January 2019</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>• Joined ENL in 2010 as Head of Legal and Corporate Affairs and is now Group Head of Governance and Legal Affairs</li> <li>• Previously worked at Groupe Mon Loisir (now IBL Ltd)</li> <li>• Started her career at Soulier &amp; Associés, a French law firm based in Paris and Lyon, France</li> <li>• Board member of the Mauritius Institute of Directors</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>• Extensive experience in mergers and acquisitions, corporate transactions and corporate governance matters</li> <li>• Leadership skills with a track record in human resource, legal and communications management</li> <li>• Strong proponent of future-fitting the Group through investments in human capital, technology, and sustainable business initiatives</li> <li>• Staunch advocate of good governance and diversity at Board level</li> </ul> <p><b>Qualifications and Education:</b></p> <ul style="list-style-type: none"> <li>• “Maîtrise en Droit des Affaires” from University of Paris V (France)</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <ul style="list-style-type: none"> <li>• See Schedule 5</li> </ul> | <p>Mauritian</p> | <p>Allee de Vieux Moulin/Morc . Swan, Péreybère &amp; Bain Boeuf, Mauritius</p> |
| <p><b>Mr. Marie André Eric Espitalier-Noël (*)</b><br/><b>(Executive Director)</b></p> | <p><b>Date of appointment:</b> 01 January 2019</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>• CEO of ENL Commercial Limited</li> <li>• Worked for De Chazal Du Mée &amp; Co, Chartered Accountants</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>• Extensive experience in the commercial and hospitality sectors</li> </ul>   | <p>Mauritian</p> | <p>Helvétia, Saint Pierre, Mauritius</p>  |

| Name   | Biography  | Nationality | Residential Address         |
|--|--|-------------|-----------------------------|
|  | <p><b>Qualifications and Education:</b></p> <ul style="list-style-type: none"> <li>Bachelor of Social Science, Master of Business Administration</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <ul style="list-style-type: none"> <li>See Schedule 5</li> </ul>   |             |                             |
| <p><b>Mr. Marie Edouard Gilbert Espitalier-Noël (*)</b><br/><b>(Group Chief Executive Officer)</b></p> | <p><b>Date of appointment:</b> 01 January 2019</p> <p><b>Professional Journey:</b></p> <ul style="list-style-type: none"> <li>CEO of ENL Limited and of ENL Group</li> <li>CEO until June 2023 and Chairman as from 5 July 2023 of New Mauritius Hotels Limited</li> <li>Past CEO of ENL Property Limited</li> <li>Past Operations Director of Eclosia Group</li> <li>Past President of the Mauritius Chamber of Commerce and Industry, the Mauritius Chamber of Agriculture, the Joint Economic Council and the Mauritius Sugar Producers Association</li> <li>Past Vice-President of the Mauritius Export Association</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>In-depth knowledge and extensive experience of operations in ENL’s key sectors of activity</li> <li>Skilled at creating high-performing teams</li> <li>Strong proponent of entrepreneurship, innovation, and initiative</li> <li>Staunch advocate of, and extensive experience in, public-private partnerships for economic stewardship</li> <li>Sound understanding of the business dynamics in Mauritius</li> </ul> <p><b>Qualifications and Education:</b></p> <ul style="list-style-type: none"> <li>BSc University of Cape Town, BSc (Hons)</li> <li>Louisiana State University and MBA INSEAD</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <ul style="list-style-type: none"> <li>See Schedule 5</li> </ul> | Mauritian   | Royal Road, Moka, Mauritius |

| Name   | Biography  | Nationality | Residential Address                      |
|--|--|-------------|--|
| <p><b>Mr. Marie Maxime Hector Espitalier-Noël (*)</b><br/><b>(Non-Executive Director and Chairman)</b></p> | <p><b>Date of appointment as Director:</b> 01 January 2019</p> <p><b>Date of appointment as Chairman:</b> 29 September 2023</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>• CEO of ENL Limited and of ENL Group until 30 June 2023</li> <li>• Worked for Coopers and Lybrand in London</li> <li>• Worked for De Chazal du Mée in Mauritius</li> <li>• Past Chairman of the Boards of Rogers and Company Limited, New Mauritius Hotels Limited and Semaris Ltd</li> <li>• Past chairman of the Mauritius Chamber of Agriculture, the Mauritius Sugar Producers Association, and the Mauritius Sugar Syndicate</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>• Extensive CEO and leadership experience and skills</li> <li>• Strong financial management and strategic business planning skills</li> <li>• Significant experience in alliances, ventures, and partnerships</li> <li>• Staunch advocate for a more open national economy</li> <li>• Advocate for a strong public-private sector partnership for sustainable growth</li> <li>• Strong proponent of private enterprise and entrepreneurship</li> <li>• Strongly convinced of the multidimensional role of business</li> </ul> <p><b>Qualifications and Education</b></p> <ul style="list-style-type: none"> <li>• Member of the Institute of Chartered Accountants in England and Wales</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <ul style="list-style-type: none"> <li>• See Schedule 5</li> </ul> | Mauritian   | Villa & Old Réduit Road, Moka, Mauritius |



| Name  | Biography  | Nationality | Residential Address                |
|---|--|-------------|------------------------------------|
| <p><b>Mr. Marie Patrick Roger Espitalier Noël (*)</b><br/><b>(Non-Executive Director)</b></p> | <p><b>Date of appointment:</b> 01 January 2019</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>Former Corporate Sustainability Advisor of CIEL Textile where his activities were focused on the environmental, logistics, utilities as well as the retail aspects of the knits division</li> <li>Retired from Floreal Knitwear after serving for more than 36 years in different managerial/executive positions in Mauritius and Madagascar</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>Extensive experience in the textile industry (manufacturing &amp; operations, environment) and in sustainability management</li> </ul> <p><b>Qualifications and Education:</b></p> <ul style="list-style-type: none"> <li>Certificate in Textile and Knitwear Technology</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <ul style="list-style-type: none"> <li>See Schedule 5</li> </ul> | Mauritian   | 28 Angus Road, Vacoas, Mauritius   |
| <p><b>Mr. Marie Joseph Jean-Pierre Montocchio</b><br/><b>(Non-Executive Director)</b></p>     | <p><b>Date of appointment:</b> 01 January 2019</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>Appointed Notary Public in Mauritius in 1990</li> <li>Contributed to the workings of the National Committee on Corporate Governance as a member of the Board of Directors' Sub-Committee</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>Well versed in corporate governance matters and NED experience across the private and public sectors</li> <li>Extensive experience in alliances, ventures, and partnerships</li> <li>Strong proponent of fairness in business</li> <li>Staunch defendant of shareholder's interests</li> </ul> <p><b>Qualification and Education:</b></p> <ul style="list-style-type: none"> <li>Notary</li> </ul> <p><b>Directorship(s) in other companies:</b> see Schedule 5</p>  | Mauritian   | Royal Road Saint Pierre, Mauritius |

| Name   | Biography  | Nationality | Residential Address                           |
|--|--|-------------|---|
| <p><b>Mr. Mushtaq Mohamed Oomar Noormohamed Oosman</b><br/><b>(Independent Non-Executive Director)</b></p> | <p><b>Date of appointment:</b> 01 January 2019</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>• Heads OIP Ltd, an insolvency practice he founded in January 2016 after retiring from PwC</li> <li>• Retired from PwC in November 2015 after 30 years in service</li> <li>• Former Assurance Partner at PwC and responsible for Business Recovery Services as well as the Chief Operating Partner for Mauritius</li> <li>• Past Member of the Africa Central Governance Board</li> <li>• Trained and qualified as a Chartered Accountant with Sinclairs in the UK</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>• Well versed in the working and responsibilities of a Governance Board</li> <li>• Professional experience in audit and financial advice, with a diversified portfolio of clients in sectors such as banking, insurance, manufacturing, sugar companies, the hospitality industry, betting operator, textiles and trading</li> <li>• Outspoken professional, challenging set business lines and practices with a view to spur improvement</li> </ul> <p><b>Qualification and Education:</b></p> <ul style="list-style-type: none"> <li>• Fellow of the Institute of Chartered Accountants in England and Wales</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <ul style="list-style-type: none"> <li>• See Schedule 5</li> </ul> | Mauritian   | Kiwi Avenue, Sodnac, Quatre Bornes, Mauritius |
| <p><b>Mr. Joseph Marie Johan Pilot</b><br/><b>(Executive Director)</b></p>                                 | <p><b>Date of appointment:</b> 01 January 2019</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>• Chief Executive Officer of ENL Property Limited</li> <li>• Previously worked at PwC-Mauritius</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>• More than 15 years of experience in the property developments of ENL group</li> <li>• Modern leadership skills</li> </ul>   | Mauritian   | Pierre Simonet Street, Floréal, Mauritius     |

| Name   | Biography  | Nationality | Residential Address                        |
|--|--|-------------|--|
|  | <ul style="list-style-type: none"> <li>Driven by his vision to be a trend-setter in terms of sustainable urban development</li> <li>Strong proponent of the pluri-dimensional role of business</li> </ul> <p><b>Qualification and Education:</b></p> <ul style="list-style-type: none"> <li>Chartered Accountant from the Institute of Chartered Accountants in England &amp; Wales</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <ul style="list-style-type: none"> <li>See Schedule 5</li> </ul>  |             |  |
| <p><b>Olivier Brousse de Laborde (*)</b><br/><b>(Non-Executive Director)</b></p> | <p><b>Date of appointment:</b> 29 September 2023</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>Presently Independent Consultant – Executive Leadership Counselling</li> <li>Former Group Chief Transformation Officer at Medine Group</li> <li>Was “Membre du CoDir”/Senior Consultant at Thomas More Partners</li> <li>Worked as Director General of Radio Maria, France</li> <li>Worked as Distribution Manager for Financière de Champlain</li> <li>Worked as Trainer/Consultant at Actas Consultants</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>Over 15 years’ experience as a Leadership Development Coach</li> <li>Extensive experience in catalysing authentic leadership among CEOs C-suite executives and teams for high-performance and sustainability</li> <li>Very good people skills</li> </ul> <p><b>Qualification and Education:</b></p> <ul style="list-style-type: none"> <li>3ème cycle en Management et Gestion des Ressources Humaines (Groupe ESSEC),</li> <li>Maîtrise de Philosophie (Université PANTHEON-SORBONNE),</li> <li>Certified Expert IVP (‘Institut de la Vocation Professionnelle’) and VHA (‘Valeur Humaine Ajoutée’)</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <p>See Schedule 5</p> | Mauritian   | Lot 227, Domaine de Palmyre, Rivière Noire |

| Name  | Biography   | Nationality | Residential Address                           |
|---|---|-------------|---|
| <p><b>Mrs. Keshwaree Zindel</b><br/><b>(Independent Non-Executive Director)</b></p> | <p><b>Date of Appointment:</b> 29 September 2023</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>• Presently, Executive/Deputy Head of the Transactional Department at ENSafrica (Mauritius).</li> <li>• Previously worked as ‘Chargée d’affaires juridiques’ at NYSE Euronext/BlueNext SA (Paris) and as Juriste réglementation des marchés OTC et direction des affaires juridiques at Société Générale (Paris)</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>• Extensive legal expertise in banking and finance, distribution of financial products and general corporate law</li> <li>• Proven ability to provide legal advice/solutions to leading financial institutions on high-profile and complex financing and capital market transactions</li> </ul> <p><b>Qualifications and Education:</b></p> <ul style="list-style-type: none"> <li>• Master 2 – Droit Bancaire et Financier (Université Paris I Panthéon- Sorbonne),</li> <li>• LLM in European Legal Studies and Business Law (Cardiff Law School),</li> <li>• Master 1 – Droit des Affaires (Université de Droit et des Sciences Politiques de Nantes),</li> <li>• Licence de Droit (Université de Droit et des Sciences Politiques de Nantes)</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <p>None</p> | Mauritian   | Sir Hesketh Bell Avenue 4, Floreal, Mauritius |
| <p><b>Ms. Pauline Sybille Cheh Seeyave</b><br/><b>(Non-Executive Director)</b></p>  | <p><b>Date of Appointment:</b> 29 September 2023</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>• Group Chief Financial Officer of New Mauritius Hotels Limited since 2016</li> <li>• Occupied senior executive roles in banking, including finance, risk management, credit, project finance and corporate banking</li> <li>• Managed a wide portfolio of clients and across various sectors in Audit and Business Assurance in UK</li> <li>• Current Non-Executive Director of Innodis Ltd</li> <li>• Member of the Listing Executive Committee of the Stock Exchange of Mauritius Ltd</li> </ul>   | Mauritian   | 26 John Kennedy Avenue, Floreal               |

| Name  | Biography   | Nationality | Residential Address                             |
|---|---|-------------|---|
|   | <ul style="list-style-type: none"> <li>Past Director of SBM Bank (Mauritius) Ltd, State Insurance Company of Mauritius Ltd and Club Méditerranée Albion Resorts Ltd</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>Over 20 years in leadership roles</li> <li>Extensive experience in risk management, finance and corporate governance</li> </ul> <p><b>Qualifications and Education:</b></p> <ul style="list-style-type: none"> <li>Master of Arts, St Catharine’s College, University of Cambridge</li> <li>Associate of the Institute of Chartered Accountants in England and Wales</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <p>See Schedule 5</p>  |             |   |
| <p><b>Mr. Marie Hector Philippe Espitalier-Noël (*)</b><br/><b>(Executive Director)</b></p> | <p><b>Date of Appointment:</b> 29 September 2023</p> <p><b>Professional journey:</b></p> <ul style="list-style-type: none"> <li>Chief Executive Officer of Rogers Group</li> <li>Honorary Consul of the Kingdom of Denmark</li> <li>Chairman of Business Mauritius Sustainability and Inclusive Growth Commission since March 2017</li> <li>Previously worked as management consultant for CSC Index in London</li> </ul> <p><b>Skills and experience:</b></p> <ul style="list-style-type: none"> <li>Proficient in mergers and acquisitions, business turnaround and transformation</li> <li>Extensive knowledge in formulating and implementing strategic initiatives, coupled with a talent for inspirational leadership and a deep understanding of people development strategy</li> </ul> <p><b>Qualification and Education:</b></p> <ul style="list-style-type: none"> <li>BSc in Agricultural Economics (University of Natal, South Africa), Master of Business Administration (London Business School)</li> </ul> <p><b>Directorship(s) in other companies:</b></p> <p>See Schedule 5</p> | Mauritian   | Morcellement Hillside, Labourdonnais, Belle Vue |

Source: ENL Limited

(\*) Family related

## D.5 Board Committees

While the Board has reserved certain matters for its approval, it has created three (3) main committees tasked to provide specialist guidance to the Board to help it carry out its duties and responsibilities. A reporting mechanism is in place to ensure that matters affecting the affairs and reputation of the Issuer are escalated to the Board by the chairpersons of those committees and the boards of subsidiaries of the Issuer. Accordingly, the Board maintains an effective oversight process within a flexible and autonomous structure that allows for adequate ring-fencing of activities.

The Board's committees consist of (i) the Audit Committee, (ii) the Risk Committee; and (iii) the Corporate Governance Committee.

### a. Audit Committee

The Audit Committee assists the Board in fulfilling its oversight responsibilities. The Board has delegated to the Audit Committee the explicit responsibility, amongst others, to:

- examine and review the quality and integrity of the financial statements of the Issuer, including its annual and half-yearly reports, interim reports and any other formal announcement relating to the Issuer's financial performance;
- oversee the Issuer's relations with the external auditor;
- monitor and review the effectiveness of the Issuer's internal audit function, in the context of the Issuer's overall risk management system; and
- review the Issuer's internal financial controls and of the system for monitoring compliance with laws and regulations.

The Audit Committee meets every quarter. It is chaired by Mushtaq Oosman, an Independent Non-Executive Director. The other members of the Audit Committee are Keshwaree (Nashenta) Zindel (Independent Non-Executive Director), Pauline Seeyave and Roger Espitalier Noël (Non-Executive Directors).

### b. Risk Committee

The Risk Committee assists the Board in fulfilling its oversight and foresight responsibilities. The Board has delegated to the Risk Committee the explicit responsibility, amongst others, to:

- oversee, in conjunction with other Board-level committees or the full Board, risks such as strategic, financial, credit, market, liquidity, security, property, IT and cybersecurity, sustainability, legal, regulatory, reputational and other risks;
- review the Issuer's procedures to manage or mitigate principal risks and to identify emerging risks, to assist in the board's assessment of principal and emerging risks; and
- review and assess the Issuer's risk appetite and associated stress testing.

The Risk Committee meets every quarter. It is chaired by Mushtaq Oosman, an Independent Non-Executive Director. The other members of the Risk Committee are Gilbert Espitalier-Noël, Philippe Espitalier-Noël, Virginie Corneillet (Executive Directors) and Roger Espitalier Noël (Non-Executive Director).

### **c. Corporate Governance Committee**

The Corporate Governance Committee also acts as the Nomination and Remuneration Committee and is responsible for ensuring that the Issuer complies with the principles of the Code of Corporate Governance. The Corporate Governance Committee makes recommendations to the Board on matters within its remit where action or improvement is needed.

The Corporate Governance Committee is chaired by Hector Espitalier-Noël, a Non-Executive Director. The other members of the Corporate Governance Committee are Gilbert Espitalier-Noël (Executive Director), Roger Espitalier Noël, Jean-Pierre Montocchio and Olivier Brousse de Laborde (Non-Executive Directors).

## **D.6 Gearing up for the Future**

The Group's strategic direction for the medium term was articulated in its CAP26 plan. Under that plan, the Group focuses on improving its profitability and cash generating ability in the manner described below.

1. Employee experience: The Group is of the view that the success of its employees is critical to achieving its business and profitability targets. In this respect, the Group has put in place a career path/employee programme based on internal mobility, balance between professional and personal life, remuneration, development and retention of talent. The Group's objective remains to attract and retain the best talents.
2. Customer experience: Time is at the service of precision, informed by customer data. The tool developed by the Group to collect, pool and enrich its customer data is now ready to play a central role in improving customer experience.
3. Sustainable practices: The Group will go further in its commitment to sustainable development by ensuring that ESG principles integrate processes and working methods at all levels.
4. Operational efficiency: The quest for better operational efficiency is a priority. The focus is on purchasing optimisation, improved inventory management, attention to customer needs and digitalisation.
5. Business growth: The priority is to grow in the Group's six clusters, namely agro-industry, commerce and manufacturing, hospitality, real estate, logistics, as well as finance and technologies. Particular attention will be paid to expanding the Group's international footprint to further reduce its geographic exposure.

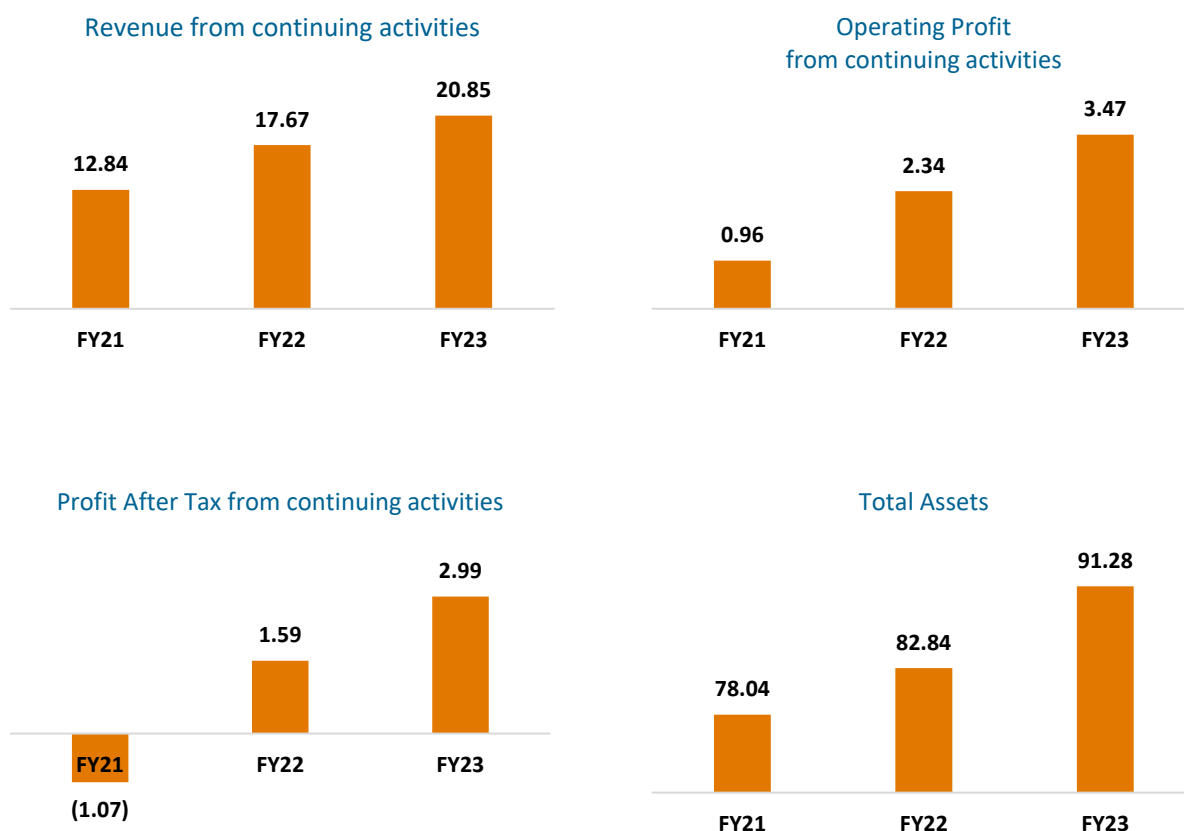
## **D.7 Financial Performance**

The Issuer's financial performance over the last three (3) financial years is included in Paragraph F of this Prospectus.

Prospective Investors can find additional details pertaining to the Issuer's last three (3) financial accounts, including unaudited quarterly accounts at <https://www.enl.mu>.

## D.8 Key Trends

The Group's key financial metrics are included in the charts below. The Group's financial results for the financial year ended 30 June 2023 demonstrated continued growth compared to the financial year ended 30 June 2022: The Group's revenues, operating profit, profit after tax and total assets increased by 18.0%, 48.0%, 88.1%, and 10.2% respectively.



(Amounts shown in charts above are in MUR bn)

Source: ENL Limited's Annual Reports 2022 and 2023

### Contribution to Group profits

The table below sets out the Group's operating entities and their relative contribution to the Issuer's FY 2023 Group profit after tax from continuing operations.



| Cluster  | Main subsidiaries and associates   | Profit After Tax, MUR m | % of Group Profit |
|--|--|-------------------------|-------------------|
| Commerce & Manufacturing   | Axess Ltd, Ensport Ltd, Platinax Austral Ltee, Superdist Ltd   | 433                     | 14.46%            |
| Real Estate  | Ascencia Ltd, ENL Property Ltd, Oficea Ltd, Moka City Ltd, Enatt Ltd, Semaris Ltd  | 1,059                   | 35.42%            |
| Hospitality  | VLH Ltd, Island Living Ltd, Veranda Tamarin Ltd, Rogers Aviation Holding Company Ltd, New Mauritius Hotels Ltd   | 1,362                   | 45.53%            |
| Logistics  | Velogic Holding Co Ltd, Freeport Operations (Mauritus) Ltd, Logistics Solutions Ltd, Associated Container Services Ltd, Rogers Logistics International Ltd, VK Logistics Ltd | 273                     | 9.11%             |
| Others   | Combined impact of remaining group entities on profitability   | (136)                   | (4.52%)           |
| <b>Total</b>   |  | <b>2,991</b>            | <b>100.00%</b>    |
| <i>The subsidiary companies included in the reported clusters together with their stated capital, principal activities, percentage holding and country of incorporation are listed in Schedule 3: List of Subsidiaries</i> |  |                         |                   |

Source: ENL Limited

#### D.9 Outlook for FY 2023/24

The recovery post Covid was faster than expected. The lifting of sanitary measures and the subsequent recovery of travel and tourism provided much needed relief and multiple expansionary effects to activities highly impacted by the pandemic. Businesses in various sectors, including travel and tourism, have significantly improved year on year. The performance for the first quarter of FY24 is in line with targets and forecasts for the rest of the year are promising.

The economic climate still remains volatile as high unabated inflation rates are leading central banks around the world to raise interest rates. At some stage, these measures are expected to slow down growth. In spite of the uncertainty looming in the economic horizon, the Issuer, being a diversified investment holding company, is committed to sustain the growth in its total assets by developing yielding assets (investment properties), enhancing productive assets (property, plant and equipment) and benefiting from enhanced value of its associates and subsidiaries.

## D.10 Shareholder Information

As at 30 June 2023, the Issuer's issued share capital consisted of 374,996,326 Class A Ordinary shares with economic and voting rights (the "**Class A Ordinary Shares**"). The Class A Ordinary Shares are listed on the Official Market of the SEM.

In addition, the Issuer has issued 700,000,000 Restricted Redeemable Shares with only voting rights (the "**RRS**").

The Issue will have no impact on the issued share capital of the Issuer. The issued share capital of the Issuer for the last three (3) years is set out in the table below.

|              | Number of Class A Ordinary Shares | Consideration for the Class A Ordinary Shares (MUR) | Number of RRS | Consideration for the RRS (MUR) |
|--------------|-----------------------------------|---|---------------|---------------------------------|
| 30 June 2021 | 374,996,326                       | 3,607,986,666                                       | 700,000,000   | 100                             |
| 30 June 2022 | 374,996,326                       | 3,607,986,666                                       | 700,000,000   | 100                             |
| 30 June 2023 | 374,996,326                       | 3,607,986,666                                       | 700,000,000   | 100                             |

Source: ENL Limited's Annual Report for the year ended 30 June 2023, ENL Limited

### **Largest Shareholders**

As at 30 June 2023, there is only one shareholder holding at least 5% of the voting rights of the Issuer, as set out in the table below:

| Name of shareholders           | % Holding* |
|--------------------------------|------------|
| La Sablonnière Holding Limited | 65.6%      |

Source: ENL Limited's Annual Report for the year ended 30 June 2023, ENL Limited, Note (\*): Rounded to 1 decimal place

### **Employee Share Option Scheme**

The Issuer does not have an employee share option scheme and confirms that no share options have been issued in respect of its share capital.

### **Earnings per Share**

The Issuer's earnings per share is set out in the table below:

| Description                                   | FY 2021   | FY 2022 | FY2023  |
|---|-----------|---------|---------|
| Profit for the year (MUR thousands)           | (185,958) | 381,097 | 848,514 |
| Average number of ordinary shares (thousands) | 374,996   | 374,996 | 374,996 |
| Diluted number of shares (thousands)          | 374,996   | 374,996 | 374,996 |
| Earnings per share (MUR)                      | (0.50)    | 1.02    | 2.26    |

Source: ENL Limited's Annual Report for the year ended 30 June 2023, ENL Limited

## Dividend Policy

The Issuer does not have a dividend policy in place. Payment of dividends is subject to the applicable provisions of the Companies Act 2001, profitability, cash flow, working capital and capital-expenditure requirements of the Issuer. The dividend per share paid during the last three (3) years is set out in the table below.

|                            | 2021        | 2022        | 2023        |
|----------------------------|-------------|-------------|-------------|
| Dividend Paid in           | MUR/Share   | MUR/Share   | MUR/Share   |
| Interim                    | -           | 0.35        | 0.50        |
| Final                      | 0.50        | 0.45        | 0.50        |
| <b>Total dividend paid</b> | <b>0.50</b> | <b>0.80</b> | <b>1.00</b> |

Source: ENL Limited

## D.11 Additional Consideration

### 1. Ratio of Operating Profits against Interest Expense

The ratio of the Issuer's operating profits (as per the Issuer's FY 2023 audited financial statements) against its interest expense is set out in the table below.

|                                      | As at June 2023 |
|--------------------------------------|-----------------|
| Operating Profit (in MUR million)    | 628             |
| Interest Expense (in MUR million)    | 440             |
| Operating Profit / Interest Expense  | 1.42            |
| Net Tangible Assets (in MUR million) | 42,550          |

\* Operating Profit means operating profit per the Statement of Profit or Loss and Other Comprehensive income plus proceeds from capital reduction and net proceeds from sale of land

Source: ENL Limited's Annual Report for the year ended 30 June 2023; Calculations based on Issuer (and not Group) basis

### 2. Directors' Interest

Details of the Directors and the Chief Executive Officer of the Issuer and their respective associates (as known to each Director after having made all reasonable enquiries) having an interest in the equity securities of the Issuer as at 30 June 2023 are set out in the table below.

| Directors                   | Direct Shareholding |                | Indirect Shareholding |                |
|-----------------------------|---------------------|----------------|-----------------------|----------------|
|                             | Number of Shares    | % Shareholding | Number of Shares      | % Shareholding |
| Virginie Corneillet         | 27,058              | 0.003          | -                     | -              |
| Eric Espitalier-Noël        | 1,419,047           | 0.133          | 97,858,352            | 9.168          |
| Late Gérard Espitalier Noël | 1,855,245           | 0.174          | -                     | -              |
| Gilbert Espitalier-Noël     | 520,011             | 0.049          | 55,331,536            | 5.184          |
| Hector Espitalier-Noël      | 1,548,566           | 0.145          | 98,312,641            | 9.210          |
| Roger Espitalier Noël       | -                   | -              | 1,940,237             | 0.182          |

| Directors              | Direct Shareholding |                | Indirect Shareholding |                |
|------------------------|---------------------|----------------|-----------------------|----------------|
|                        | Number of Shares    | % Shareholding | Number of Shares      | % Shareholding |
| Jean-Raymond Hardy     | 28,133              | 0.003          | 70,676                | 0.007          |
| Jean Noël Humbert      | -                   | -              | -                     | -              |
| Jean-Pierre Montocchio | 465,598             | 0.044          | 1,184,793             | 0.111          |
| Mushtaq Oosman         | -                   | -              | -                     | -              |
| Johan Pilot            | 180,300             | 0.017          | -                     | -              |
| Simon Pierre Rey       | -                   | -              | -                     | -              |

Source: ENL Limited's Annual Report for the year ended 30 June 2023, ENL Limited

The Directors, the Chief Executive Officer of the Issuer and their respective associates (as known to each Director after having made all reasonable enquiries) do not have any interest in the debt securities of the Issuer.

### 3. Directors' Remuneration

The table below sets out the aggregate remuneration paid and benefits in kind granted to the Directors by the Group for the financial year ended 30 June 2023.

| Directors                   | Remuneration (MUR) |
|-----------------------------|--------------------|
| Virginie Corneillet         | 10,445,124         |
| Eric Espitalier-Noël        | 14,943,868         |
| Hector Espitalier-Noël      | 55,246,918         |
| Johan Pilot                 | 19,229,535         |
| Late Gérard Espitalier Noël | 350,000            |
| Gilbert Espitalier-Noël     | 833,182            |
| Roger Espitalier Noël       | 800,000            |
| Jean-Raymond Hardy          | 1,344,000          |
| Jean-Pierre Montocchio      | 1,260,000          |
| Jean Noel Humbert           | 900,000            |
| Mushtaq Oosman              | 700,000            |
| Simon-Pierre Rey            | 625,000            |

Source: ENL Limited

Save for (i) the appointment of new executive directors, (ii) inflation, and (iii) performance-based remuneration, the remuneration to be paid and benefits in kind to be granted to the Directors by the Group for FY 2023/24 for a full year of service is expected to be fixed on the same basis as that of FY 2022/23.

The remuneration of the Executive Directors is determined by the Corporate Governance Committee which also acts as a Nomination and Remuneration Committee.

In accordance with the Constitution, fees are paid to the Directors for holding office. The underlying philosophy is to set remuneration at the necessary level to attract, retain and motivate high calibre persons and reward in alignment with their individual as well as joint contribution towards the achievement of the Issuer's objective and performance, whilst taking into account the current market conditions and Issuer's financial position. The Directors are remunerated for their knowledge, experience, and insight given to the Board and its committees.

The Board has approved an annual fee for the Directors. They are paid an extra fee as members of Board's committees and as chair of Board's committees. The chairperson of the Board is paid a special level of fees appropriate to his office. Particulars of remuneration paid to Directors are entered into the interests register of the Issuer.

Any Director who is in full-time employment of the Group does not receive any additional remuneration for sitting on the boards of directors of other companies. Any remuneration perceived by an employee of the Group in respect of his sitting on the board of directors of any company is deducted from his yearly remuneration.

The Non-Executive Directors are not entitled to any remuneration in the form of share options or bonuses associated with the Issuer's performance.

#### **4. Outstanding Debt Securities**

The Issuer's outstanding debt securities as at the date of this Prospectus are set out in the Comprehensive Indebtedness Statement.

#### **5. Mortgages and/or Charges**

The Encumbrances which have been granted on the Issuer's assets and which still exists as at the date of this Prospectus are set out in the Comprehensive Indebtedness Statement.

#### **6. Working Capital**

The Directors, after due and careful enquiry, certify that the working capital available to the Group is sufficient for the Group's present requirements, that is twelve (12) months from the date of listing of the Notes.

#### **7. Material Adverse Change**

There has been no material adverse change in the financial or trading position of the Group since 30 June 2023.

#### **8. Material Interest**

There are no contracts or arrangements subsisting at the date of this Prospectus in which a Director is materially interested and which is significant in relation to the business of the Group.

#### **9. Material Contracts entered outside the Ordinary Course of Business**

There is currently no existing or proposed service contract between the Issuer (or any of its subsidiaries) and the Directors, except the Executive Directors.

The Directors, the Issuer or any member of the Group have not entered into any material contracts, other than contracts entered into in the ordinary course of business, in the two (2) years immediately preceding the publication of the Prospectus.

## 10. Loans and Guarantees to Directors

As at date of this Prospectus, no member of the Group has granted any loans and/or guarantees to the Directors.

## 11. Legal and Arbitration Proceedings

As far as the Directors are aware, there are no current, pending or threatened legal or arbitration proceedings against the Issuer or any member of the Group, which may have, or have had, in the past twelve (12) months preceding the date of this Prospectus, a significant impact on the Group's financial position.

## 12. Conflicts of Interest

Prospective Investors are advised that certain Directors are employed by and/or are directors of entities within the Group. This may result in conflicts of interests between the Issuer and other entities within and outside the Group.

## 13. Costs relating to the Listing and Estimated Net Proceeds

An application has been made for a listing of the Notes on the Official Market of the SEM. The estimated cost for the listing of the Notes on the Official Market of the SEM, assuming the Maximum Aggregate Nominal Amount is raised, is as follows:

| Details  | Amount (MUR)      |
|--|-------------------|
| Total upfront fees to functionaries appointed (incl VAT) | 20,500,000        |
| SEM fees   | 150,000           |
| FSC Fees   | 100,000           |
| <b>Total</b>   | <b>20,750,000</b> |

Expenses relating to the listing of the Notes will be borne solely by the Issuer.

The net proceeds after deducting the above estimated cost for the listing of the Notes on the Official Market of the SEM are estimated at MUR 2,479,250,000, assuming the Maximum Aggregate Nominal Amount is raised.

## 14. Issuer's business dependence

The Issuer does not depend on any particular customers or suppliers or on patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to its business operations.

## 15. Company Secretary

ENL Secretarial Services Limited is the company secretary of the Issuer and comprises a team of experienced staff providing support and services to the Issuer. The statutory records of the Issuer are kept at its registered office.

## **E. TERMS AND CONDITIONS OF THE NOTES**

*The following are the Terms and Conditions of the Notes to be issued by the Issuer under this Prospectus and will be incorporated by reference into each Note.*

The Board has approved the Issue, the terms and conditions of which are provided herein.

### **1. Issue**

- 1.1 The Issuer will issue (i) 2,050,000 MUR denominated Notes at the relevant Issue Price per Note corresponding to the Minimum Aggregate Nominal Amount, and (ii) up to 450,000 MUR denominated Notes corresponding to the Oversubscription Amount, provided that the Maximum Aggregate Nominal Amount is not exceeded.
- 1.2 The minimum subscription amount for the Notes is MUR 100,000 each. The Issue Price per Note will be paid in one instalment on the Payment Date.
- 1.3 The offer will be made by way of public offer.
- 1.4 The Board reserves its right to close the offer at an earlier date and/or not to process subscriptions received (without assigning any particular reasons thereof). The Board can reduce subscriptions made by Prospective Investors in the event of oversubscription.
- 1.5 In the event that subscriptions received are not processed, all monies already paid by Prospective Investors will be returned to them without interest and net of bank charges. Refunds will be made within three (3) Business Days after the Issue Date by bank transfer to the account specified in the Application Form. Prospective Investors must be aware that any refunds may be subject to applicable bank charges.
- 1.6 The Issue is not underwritten.

### **2. Form of the Notes**

- 2.1 The Notes will be issued in inscribed form.
- 2.2 No certificates will be issued. Legal ownership of the Notes will be reflected by book entries recorded in the registers maintained by the CDS and the IPA respectively. Such entries will constitute the definitive evidence of the title of the Noteholder to the number of Notes owned by it.

### **3. Use of proceeds**

- 3.1 The proceeds of the Issue will be used to refinance existing indebtedness of the Issuer. The proceeds will be applied as follows:
  - 3.1.1 the Minimum Aggregate Nominal Amount will be used to repay the Existing Notes; and
  - 3.1.2 the Oversubscription Amount, if any, will be used to refinance the Issuer's existing bank facilities.
- 3.2 The Issuer will repay the Existing Notes and refinance its bank facilities no later than two (2) months following the Issue Date.
- 3.3 Interest Rate

The Interest Rate applicable to each Tranche of Notes is set out in the table below:

| Tranche Reference Number | ENL-01-FRN-122028 | ENL-01-FLN-122030   | ENL-01-FLN-122038 |
|--------------------------|-------------------|---|-------------------|
| Interest Rate            | 5.0% p.a.         | The interest rate on the Secured Floating Rate Notes will be the aggregate of the Reference Rate and the Margin |                   |

### 3.4 Reference Rate

In respect of the Secured Floating Rate Notes, the Reference rate will be the daily weighted average of the Key Rate calculated over the Observation Period.

### 3.5 Margin

The Margin applicable to each Tranche of Secured Floating Rate Notes is set out in the table below:

| Tranche Reference Number | ENL-01-FLN-122030 | ENL-01-FLN-122038 |
|--------------------------|-------------------|-------------------|
| Margin                   | 1.25%             | 1.75%             |

### 3.6 Interest Payment Dates

Interests on the Notes will be paid quarterly in arrears on 31 December, 31 March, 30 June and 30 September of each calendar year, subject to the Following Business Day Convention, starting on the First Interest Payment Date and ending on the applicable Maturity Date. Interest will be payable in arrears based on the Nominal Amount per Note.

Interest will be paid on each Interest Payment Date to Noteholders registered on the Register three (3) Business Days prior to that Interest Payment Date.

Interest payments will be credited as per prevailing instructions on the CDS account of the Noteholder.

### 3.7 Calculation of Interest Amount

For each Interest Period, the IPA will calculate the Interest Amount on each Note as follows:

**(Interest Rate) X (Nominal Amount per Note) X (Day Count Fraction)**, rounded to the nearest cent.

As at the date of the Prospectus and based on the Key Rate, the expected yield on each Tranche of Notes is as per the table below:

|           | ENL-01-FRN-122028 | ENL-01-FLN-122030 | ENL-01-FLN-122038 |
|-----------|-------------------|-------------------|-------------------|
| Yield (%) | 5.00%             | 5.75%             | 6.25%             |



### 3.8 IPA's decision to be final

All communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3 by the IPA will, in the absence of wilful deceit, bad faith, manifest error or any dispute, be binding on the Issuer, the IPA, the Noteholders' Representative and all Noteholders, and the IPA will have no liability towards the Issuer or the Noteholders in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

### 3.9 Following Business Day Convention

If any date referred to in this Prospectus would otherwise fall on a day that is not a Business Day, such date shall be postponed to the next day that is a Business Day (the "**Following Business Day Convention**").

## 4. Basis of Allocation

- 4.1 The Issuer's business model requires long term funding. Accordingly, the Issuer will endeavour to issue Notes with the longest possible tenor in priority.
- 4.2 Subject to paragraph 4.1, the Issuer will allocate the Notes in the different Tranches to Prospective Investors falling within the retail category of investors in priority to all other categories of investors.

## 5. Maturity Date

The Maturity Date in relation to the Notes is as per the table below:

| Tranche Reference Number | ENL-01-FRN-122028 | ENL-01-FLN-122030 | ENL-01-FLN-122038 |
|--------------------------|-------------------|-------------------|-------------------|
| Maturity Date            | 18 December 2028  | 18 December 2030  | 18 December 2038  |

## 6. Notes Rating and Notes Rating Surveillance

- 6.1 Subject to the Notes being issued, CARE will assign a Notes Rating of CARE MAU A+ (stable).
- 6.2 The Notes Rating should not be construed as being a recommendation to buy, sell or hold securities. The Notes Rating may be subject to revision, suspension or withdrawal at any time by CARE. The Notes Rating should be read in conjunction with the rating rationale and such other documents as may be published by CARE.
- 6.3 The Notes Rating will be monitored by CARE during the lifetime of the Notes. Such monitoring may result in changes to the rating outlook, the rating being upgraded or downgraded. Any change in the Notes Rating will be communicated to the Noteholders' Representative. The latest information about the Notes Rating can be found at [www.careratingsafrica.com](http://www.careratingsafrica.com)

## 7. Conditions Precedent to the Issue

Please refer to the conditions described in Paragraph A.2 (30) of this Prospectus.

## **8. Conditions Subsequent to the Issue**

Please refer to the conditions described in Paragraph A.2 (31) of this Prospectus.

## **9. Covenants**

The Issuer makes the covenants described in Paragraph A.2 (29) of this Prospectus and undertake to ensure that they remain in force during the whole tenor of the Notes.

## **10. Status of the Notes**

Please refer to the conditions described in Paragraph A.2 (26) of this Prospectus.

## **11. Security Interest**

Please refer to the conditions described in Paragraph A.2 (26) of this Prospectus.

## **12. Partial Release**

Please refer to the conditions described in Paragraph A.2 (28) of this Prospectus.

## **13. Redemption**

13.1 Subject to the other provisions of this Prospectus, the Notes will be automatically redeemed on their applicable Maturity Date, at the applicable Nominal Amount per Note and the redemption proceeds will be paid to the Noteholders to the bank account specified in their respective Application Form on the applicable Maturity Date. Once redeemed, the Notes will be cancelled and will not be reissued.

13.2 No Redemption at the Option of Noteholders

The Notes will be not redeemable at the option of the Noteholders.

13.3 Early redemption at the Option of the Issuer

(a) On any Interest Payment Date as from the fifth (5<sup>th</sup>) anniversary of the Issue Date, the Issuer may, subject to providing at least thirty (30) days prior written notice to the Noteholders' Representative and the Noteholders:

(i) redeem all the Notes in Tranche ENL-01-FLN-122030 and/or ENL-01-FLN-122038; or

(ii) redeem part of the Notes in Tranche ENL-01-FLN-12230 and/or ENL-01-FLN-122038, on a pro-rata basis among the Noteholders of the relevant Tranche. Fractional Notes will not be issued. If such redemption results in fractional Notes, the Issuer shall round down any fractional Notes to the nearest integer.

(b) The Notes will be redeemed at the Final Redemption Amount.

(c) Upon redemption, the Notes will be cancelled by the Issuer and will not be reissued.

(d) Following the redemption of the Notes, the Issuer will instruct the IPA to update the Register to reflect the redemptions made.

13.4 Redemption funds to the IPA

The Issuer shall, in any case, ensure that the IPA has received funds from it prior to the date of any such redemption payment becomes due.

## 14. Payments

### 14.1 General

All payments will be made in MUR. Payments of principal and/or interest will be made to the registered holder of such Note, i.e. who are on the registers three (3) Business Days prior to the Interest Payment Date, as set forth in the registers maintained by the CDS and the IPA respectively. Investment in the Notes is subject to credit and other risks as disclosed in this Prospectus and all payments will be made only if the Issuer has made the funds available to the IPA.

### 14.2 Method of Payment

Interest payments will be credited as per prevailing instructions on the CDS account of the Noteholder.

In the case of joint Noteholders, payment by electronic funds transfer will be made to the bank account of the Noteholder specified in the CDS account and the Issuer will, under no circumstances, be required to verify the beneficiary of such bank account. Payment by electronic funds transfer to the bank account of the Noteholder specified in the CDS account will discharge the Issuer of its payment obligations under the Notes.

## 15. Exclusion of Rights

Noteholders have:

- (a) no claim against the Issuer except as expressly set out in this Prospectus;
- (b) no right to participate in the issue of any shares or any other securities of any kind of the Issuer in their capacity as Noteholders;
- (c) no right to receive notice of or vote at any meeting of shareholders of the Issuer.

## 16. Taxation

All payments made under the Notes will be made without set off or counterclaim and without any withholding or deduction for or on account of tax other than as required from time to time by law.

## 17. Events of Default

17.1 Any of the events contemplated in sub-paragraphs (a) to (e) below (inclusive) will be deemed to be an event of default (“**Event of Default**”).

### (a) Non-payment

The Issuer does not, or is unable to, pay when due, any amount payable under this Prospectus at the place and in the currency in which it is expressed to be payable unless:

- (i) its failure and/or delay to pay is caused by administrative or technical error which is not its fault or as a result of a force majeure event including without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Issuer will use its best endeavours to resume performance as soon as practicable under the circumstances); and

(ii) payment is made within seven (7) Business Days of its due date.

(b) Insolvency

The granting of an order by any competent court or authority for the liquidation, winding up, conservatorship, receivership, dissolution or administration of any member of the Group, whether provisionally (and not dismissed or withdrawn within thirty (30) days thereof) or finally, the placing of the Issuer under voluntary liquidation and the facing of other insolvency proceedings will constitute an Event of Default. However, no such proceedings will constitute an Event of Default if any such proceedings are for effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement.

(c) Non-Compliance

The Issuer fails to comply with, or defaults in respect of, its duties, covenants, conditions, undertakings, representations, warranties, responsibilities and obligations under this Prospectus, or any of the Transaction Documents (as the case may be).

(d) Misrepresentation

Any representation, warranty or statement made or given or deemed to be made or given by the Issuer under this Prospectus, or any of the Transaction Documents (as the case may be) is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

(e) Cross default

The occurrence of a Cross Default exceeding MUR 300,000,000.

17.2 An Event of Default is continuing if it has not been remedied within thirty (30) days or such other extended period as approved by the Noteholders' Representative in writing (where applicable) or by the Noteholders of occurrence of such Event of Default. Where the Issuer becomes aware of the occurrence of an Event of Default, the Issuer must forthwith notify the Noteholders' Representative.

17.3 In the case of an Event of Default which is continuing, the Issuer must, during the thirty (30) days' period mentioned above, keep the Noteholders' Representative or the Noteholders informed of any steps it is taking to cure the breach.

17.4 Upon the occurrence of an Event of Default, the Noteholders or the Noteholders' Representative (for the benefit of the Noteholders) will be entitled to claim a default interest of 3% per annum over and above the Interest Rate applicable on any amount of interest that was not paid on the relevant Interest Payment Date until the date of actual payment.

17.5 Upon the occurrence of an Event of Default which is continuing, the Noteholders' Representative may, without prejudice to the generality of its rights under the Noteholders' Representative Agency Agreement, take, or appoint an agent or receiver to take, any of the following actions (each an "**Enforcement Action**"), in accordance with the Noteholders' Representative Agency Agreement:

(a) enforce any security interest granted in relation to the Notes in accordance with the terms set forth herein;

- (b) bring proceedings to recover any amount then due and payable but unpaid pursuant to the Notes (subject to the Issuer being able to make the payment and remain solvent);
- (c) initiate any insolvency proceedings;
- (d) by written notice to the Issuer, declare all amounts payable under the Notes to be forthwith due and payable; or
- (e) subject to the ranking of the Notes, prove the claim in any of the Insolvency Proceedings.

17.6 In accordance with the Noteholders' Representative Agency Agreement, except in respect of an Event of Default under Condition 17.1(a) (Non-Payment), the Noteholders' Representative will initiate an Enforcement Action if it has been sanctioned by a Special Resolution of the Noteholders.

## **18. Treatment of unclaimed money**

Where after five (5) years from the date of redemption of the Notes, any Redemption Amount has not been claimed, such amount will revert to the Issuer and the relevant Noteholders will have no right whatsoever to such amount.

Where after three (3) years from the relevant Interest Payment Date, any Interest Amount has not been claimed, such amount will revert to the Issuer and the relevant Noteholders shall have no right whatsoever to such amount.

## **19. Transfer and Transmission of Notes**

The Notes shall be freely transferable.

The transfer of Notes will be effected through the market infrastructure of the SEM in accordance with the Applicable Procedures.

## **20. Register**

20.1 The Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the register maintained by the CDS and the IPA.

20.2 The IPA will maintain a register of Noteholders (the "**Register**") at its registered office. The Register will set out:

- (a) the number and amount of Notes issued to the Noteholders;
- (b) the name and the address of the Noteholders; and
- (c) the number of Notes issued to the Noteholders (each at the Nominal Amount per Note), the corresponding Tranches and the date of issue of the Notes.

20.3 The Register will be available for inspection by a Noteholder or any person authorised in writing by the Noteholder subject to the Noteholder providing at least seventy-two (72) hours prior written notice to the IPA. The inspection will take place during the normal business hours of the IPA.

20.4 The IPA will:

- (a) not be obliged to record any transfer while the Register is closed; and
- (b) not to be bound to enter any trust into the Register or to take notice of any, or to accede to any trust executed, whether express or implied, to which any Note may be subject.

## **21. IPA**

- 21.1 The Issuer is entitled to vary or terminate the appointment of the IPA and/or appoint additional or other agents and/or approve any change in the specified office through which any such agent acts on the terms of the IPA Agreement, provided that there will at all times be an IPA with an office in such place as may be required by the Applicable Procedures. The IPA does not assume any obligation towards or relationship of agency or trust for or with any Noteholders.
- 21.2 To the extent that the Issuer acts as the IPA, all references in these Terms and Conditions to:
- (a) any action, conduct or functions in such role shall be understood to mean that the Issuer shall perform such action, conduct or function itself; and
  - (b) requirements for consultation, indemnification by or of, payment by or to, delivery by or to, notice by or to, consent by or to, or agreement between the Issuer and the IPA shall be disregarded to the extent that the Issuer performs such role.

## **22. Noteholders' Representative**

- 22.1 The Noteholders' Representative has been appointed in furtherance to the Noteholders' Representative Agency Agreement entered into between the Noteholders' Representative and the Issuer, with the aim, *inter alia*, of providing for the protection and enforcement of the rights and entitlements, and the implementation of the obligations, of the Noteholders. Accordingly, all such rights, entitlements and obligations of the Noteholders will be protected, enforced and implemented, as the case may be, through the office of the Noteholders' Representative.
- 22.2 The Noteholders' Representative will remain in office until:
- (a) it resigns, further to it having given at least sixty (60) days' prior written notice to the Issuer in the manner prescribed in clause 19 of the Noteholders' Representative Agency Agreement, provided however that such resignation shall not be effective without the consent of the Bankruptcy Division of the Supreme Court of Mauritius and until another person has been appointed to and taken offer as a noteholders' representative. On the effective date of such resignation, the Noteholders' Representative will be discharged from its future obligations under the Noteholders' Representative Agency Agreement and will not be responsible for any loss or costs occasioned by its resignation; or
  - (b) it becomes disqualified in law to hold the office of Noteholders' Representative; or
  - (c) it is removed from office by a Special Resolution of the Noteholders; or
  - (d) it is provisionally or finally wound up or liquidated or makes an arrangement or composition with its creditors.
- 22.3 If the Noteholders' Representative should cease to hold office pursuant to Condition 22.2 above, a meeting of Noteholders will be convened by the Noteholders' Representative or the Issuer (as the context requires), within fourteen (14) days of the Noteholders' Representative ceasing to hold office, to appoint another person to the office of the Noteholders' Representative.
- 22.4 Upon the appointment of a new noteholders' representative in the place of the former Noteholders' Representative, the new noteholders' representative will, in writing, signify its acceptance of the appointment and will thereafter be vested with all the rights, powers, authorities and privileges and

be subject to the obligations set out in a noteholders' representative agreement, as if it had originally been appointed as noteholders' representative, other than any liability for breaches of the Noteholders' Representative Agency Agreement committed by the former Noteholders' Representative.

- 22.5 The appointment of the Noteholders' Representative will terminate upon the redemption of all the Notes.
- 22.6 The Noteholders are deemed to have notice of, are entitled to the benefit of, and are subject to, all the provisions of the Noteholders' Representative Agency Agreement.

### **23. Notices**

- 23.1 All notices to be given pursuant to this Prospectus will be in writing.
- 23.2 Prior to the Issue, notices will only be sent to Noteholders by email to the email address provided in the Application Form. Following the Issue and the crediting of the Notes to the CDS account of a Noteholder, notices will only be sent to that Noteholder by email to the email address associated with the CDS account of that Noteholder.
- 23.3 A notice to be given by any Noteholder to the Issuer must be in writing and must be given by delivering (either by hand delivery or simple courier or posting by registered mail) that notice to the registered office of the Issuer as specified in Paragraph K (*Corporate Information*).
- 23.4 Notices given by registered mail or delivered by hand will be deemed to have been given on the seventh (7<sup>th</sup>) day after the day on which it is mailed and on the day of delivery if hand delivered.
- 23.5 Notices given by email will be deemed duly served, if sent during normal business hours (between 9am and 4pm), then applicable at the time of transmission and, if sent outside normal business hours, then on the next following Business Day.

### **24. Meetings of Noteholders and Rights of Noteholders**

- 24.1 The Noteholders' Representative Agency Agreement contains the rights and powers of the Noteholders, the duties and powers of the Noteholders' Representative and provisions for convening meetings of the Noteholders to consider any matter affecting their interests. Such meetings may be convened by the Issuer or Noteholders holding not less than ten percent (10%) in aggregate nominal amount of the Notes in issue.
- 24.2 One or more Directors or duly appointed representatives of the Issuer may attend and speak at a meeting of Noteholders but will not be entitled to vote neither for himself as a Noteholder nor as proxy or representative of a Noteholder.
- 24.3 The quorum for the meeting will be any such number of Noteholders representing at least fifty percent (50%) of the aggregate nominal amount of the Notes in issue.
- 24.4 A Special Resolution passed at any meeting of the Noteholders will be binding on all the Noteholders, whether or not they are present at the meeting.
- 24.5 The Noteholders will have, *inter alia*, the following powers which will be exercised by Special Resolution of the Noteholders:

- (a) to bind the Noteholders to any compromise or arrangement to be made between the Issuer and the Noteholders or any of them;
- (b) to provide specific instructions to the Noteholders' Representative and whereupon the Noteholders' Representative will (if properly indemnified by the Noteholders) be bound to act or refrain from acting as specified by the resolution;
- (c) to agree to any variation or modification of any of the rights of the Noteholders, in each case subject to the consent or concurrence of the Issuer; and
- (d) to discharge or exonerate the Noteholders' Representative from liability in respect of any specific breach of its obligations under the Noteholders' Representative Agency Agreement.

## 25. Modification

25.1 The Issuer may, without the consent of Noteholders but subject to at least seven (7) days prior written notice to the Noteholders' Representative, effect any modification to the Terms and Conditions which:

- (a) does not affect the rights of, or creates obligations on, the existing Noteholders;
- (b) is of a formal, minor or technical nature;
- (c) is made to correct a manifest error; or
- (d) is made to comply with any laws, regulations, rules guidelines or procedures applicable to the Issuer and/or the Notes.

Any such modification will be binding on the Noteholders and must be notified to the Noteholders in accordance with Condition 23 as soon as practicable thereafter.

25.2 Save as provided in Condition 25.1 above, no modification to the Terms and Conditions may be effected unless made in writing and signed by or on behalf of the Issuer and by the Noteholders' Representative after the sanction of a Special Resolution of the Noteholders approving such modifications.

## 26. Data Protection

26.1 The Issuer shall, in the performance of its obligations under this Prospectus, collect and, where necessary or required, process personal information communicated by Prospective Investors or Noteholders (the "**Personal Data**"). The Issuer undertakes to treat the Personal Data confidentially and securely in compliance with the provisions of the Data Protection Act 2017, as amended from time to time.

26.2 A Noteholder has the right of access to, the possibility to request the Issuer to correct and/or destroy, the Personal Data in the custody or control of the Issuer. The Personal Data will be stored for a minimum period of seven (7) years, unless destroyed earlier by the Issuer at the request of the Noteholder. Save as otherwise herein provided, the Issuer warrants not to reveal or otherwise disclose the Personal Data of a Noteholder to any external body, unless (i) the Issuer has obtained the express consent of that Noteholder, or (ii) it is under either a legal obligation or any other duty to do so, or (iii) where the Personal Data is disclosed to any agent, third party service provider, professional adviser or any other person under a duty of confidentiality to the Issuer's Group. The attention of Prospective Investors is further drawn to the fact that the foregoing disclosures may



require that the Personal Data of a Noteholder may be transferred to parties located in countries which do not offer the same level of data protection as the Republic of Mauritius.

- 26.3 The consent given by Prospective Investors or Noteholders may at any time be withdrawn, but, notwithstanding the foregoing, any Personal Data processed by the Issuer (or such other person to whom the Personal Data has been disclosed in compliance with this paragraph) prior to the consent being withdrawn shall be deemed to be authorised and lawful.
- 26.4 Where personal information relating to the officers, employees and directors of any Prospective Investor or Noteholder is, or is required to be, collected by the Issuer, the Prospective Investor shall procure to do all such things as may be required by the Issuer to ensure that its officers, employees and directors are made aware of the data protection provisions set out in this Condition 26 and that such officers, employees and directors give their consent with regards to the collection, processing and transfer of such personal information by the Issuer.

## **27. Governing Law**

This Prospectus and the Notes to be issued hereunder will be governed by and construed in accordance with the laws of the Republic of Mauritius.

## **28. Dispute Resolution**

- 28.1 In the event of a dispute arising out of or relating to this Prospectus, including any question regarding its existence, validity or termination, the parties will first seek settlement of that dispute by mediation in accordance with the MARC Mediation Rules, which rules are deemed to be incorporated by reference into this Paragraph.
- 28.2 If the dispute is not settled by mediation within thirty (30) days of the appointment of the mediator, or such further period as the parties will agree in writing, the dispute will be referred to and finally resolved by arbitration under the MARC Arbitration Rules, which rules are deemed to be incorporated by reference into this Paragraph.
- 28.3 The language to be used in the mediation and in the arbitration proceedings will be English.
- 28.4 In any arbitration commenced pursuant to this paragraph,
- (a) the number of arbitrators will be one (1);
  - (b) the seat, or legal place, of the arbitration will be Mauritius;
  - (c) the award of the arbitrator will be final, binding and will not be subject to appeal by the parties.

## F. ISSUER'S FINANCIAL POSITION

### 1. Independent Auditor's Consent and Reports

The independent auditor's report in relation to financial year ended 30 June 2023 is included in the Schedule 7 of the Prospectus and please refer to page 69 of the Prospectus for those of 2021 and 2022.



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LAD/AL/gs/bd/237/24

28 September 2023

Mr Paul Tsang  
Group Head of Finance  
ENL Limited  
ENL House,  
Vivea Business Park,  
Moka,  
MAURITIUS

Dear Sir,

PROSPECTUS OF ENL LIMITED IN RESPECT OF THE ISSUE AND LISTING BY WAY OF AN OFFER FOR SUBSCRIPTION ON THE OFFICIAL MARKET OF THE STOCK EXCHANGE OF MAURITIUS LTD OF UP TO MUR 2.5 BILLION OF SECURED FIXED RATE NOTES AND SECURED FLOATING RATE NOTES (THE "NOTES")

We refer to the prospectus to shareholders of ENL Limited (the "Company") to be issued on or about 15 October 2023 (the "Prospectus") detailing the issue of the Notes by the Company. The definitions and interpretations under *Section B - Glossary of definitions and abbreviations* of the Prospectus apply, *mutatis mutandis*, to this letter.

We consent to the reference to our name and inclusion of the audit report for the financial years ended 30 June 2021, 2022 and 2023 in the Prospectus. We understand that the full sets of audited financial statements, on which the audit reports were issued, will also be included in the prospectus. We further confirm that we have not at the date hereof withdrawn our consent and, provided that the Prospectus is not amended in any material manner after the date of this letter, will not do so prior to the date of issue of the Prospectus.

Yours faithfully,

ERNST & YOUNG

## 2. Statements of Profit and Loss

|   | Group            |                  |                  | Company          |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
|   | As at<br>30 June | As at<br>30 June | As at<br>30 June | As at<br>30 June | As at<br>30 June | As at<br>30 June |
|   | 2023<br>Rs'000   | 2022<br>Rs'000   | 2021<br>Rs'000   | 2023<br>Rs'000   | 2022<br>Rs'000   | 2021<br>Rs'000   |
| <b>Continuing operations</b>  |                  |                  |                  |                  |                  |                  |
| <b>Revenue:</b>   |                  |                  |                  |                  |                  |                  |
| Revenue from contracts with customers   | 19,170,651       | 15,332,788       | 10,900,290       | 72,269           | 69,255           | 54,928           |
| Rental income   | 1,056,972        | 1,695,508        | 1,523,493        | 73,382           | 47,846           | 52,550           |
| Commission  | 469,735          | 407,699          | 190,131          | 0                | 0                | 0                |
| Interest income calculated using the effective interest rate (EIR) method                             | 136,900          | 214,478          | 218,100          | 0                | 0                | 0                |
| Interest and dividend income  | 17,548           | -17,416          | 9,889            | 307,246          | 232,818          | 153,417          |
|   | 20,851,806       | 17,667,889       | 12,841,903       | 452,897          | 349,919          | 260,895          |
| <b>Expenses:</b>  |                  |                  |                  |                  |                  |                  |
| Cost of sales   | (11,501,555)     | (10,594,825)     | (7,480,982)      | 0                | 0                | 0                |
| Other operating expenses  | (1,556,639)      | (1,517,758)      | (1,503,069)      | (94,848)         | (85,586)         | (78,491)         |
| Interest expense - consumer finance business  | (26,000)         | (19,100)         | (73,000)         | 0                | 0                | 0                |
| Administrative expenses   | (5,250,202)      | (3,905,826)      | (3,537,587)      | (330,822)        | (268,730)        | (207,214)        |
| Reversal/(increase) of loss allowance on financial assets   | (64,700)         | 54,700           | (174,810)        | (768)            | (228)            | (3,524)          |
| Fair value gain on investment properties  | 949,471          | 657,082          | 807,058          | 1,119,186        | 298,152          | 147,739          |
| Movement in consumable biological assets  | 68,046           | (8,590)          | 79,965           | 0                | 0                | 0                |
| Operating profit  | 3,470,227        | 2,333,572        | 959,478          | 1,145,645        | 293,527          | 119,405          |
| Fair value gain on financial assets at fair value through profit or loss                              | (20,970)         | 6,684            | 9,880            | (20,970)         | 6,684            | 9,880            |
| Profit on disposal of land and buildings  | 19,222           | 19,722           | 68,257           | 168,454          | 364,487          | 11,488           |
| Bargain purchase  | 53,000           | 0                | 0                | 0                | 0                | 0                |
| Profit/(loss) on capital reduction of investment in subsidiaries                                      | 0                | 0                | 0                | 0                | 6,759            | (52,800)         |
| Compensation for excess contribution to interchange   | 0                | 0                | 0                | 0                | 33,000           | 0                |
| Impairment of goodwill and others   | 0                | 0                | (62,122)         | 0                | 0                | 0                |
| (Loss)/profit realised on the fair value of contingent consideration                                  | 0                | (200)            | 14,100           | 0                | 0                | 0                |
| Land conversion rights  | 0                | 0                | 53,951           | 0                | 0                | 53,951           |
| Settlement of pre-existing obligations  | 0                | (41,308)         | 0                | 0                | 0                | 0                |
| Share of profit/(loss) recognised of associated companies and jointly controlled entities, net of tax | 1,564,922        | 554,435          | (805,555)        | 0                | 0                | 0                |
| Finance costs   | (1,641,156)      | (1,154,219)      | (1,106,865)      | (439,555)        | (320,837)        | (326,403)        |
| Profit/(loss) before taxation   | 3,445,245        | 1,718,686        | (868,876)        | 853,574          | 383,620          | (184,479)        |
| Taxation  | (453,759)        | (126,572)        | (200,334)        | (5,060)          | (2,523)          | (1,479)          |
| <b>Profit/(loss) for the year from continuing operations</b>  | 2,991,486        | 1,592,114        | (1,069,210)      | 848,514          | 381,097          | (185,958)        |
| <b>Discontinued operations</b>  |                  |                  |                  |                  |                  |                  |
| Profit for the year from discontinued operations  | 11,300           | 33,700           | 4,000            | 0                | 0                | 0                |
| <b>Profit/(loss) for the year</b>   | 3,002,786        | 1,625,814        | (1,065,210)      | 848,514          | 381,097          | (185,958)        |

|                                       | Group            |                  |                  | Company          |                  |                  |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                       | As at<br>30 June | As at<br>30 June | As at<br>30 June | As at<br>30 June | As at<br>30 June | As at<br>30 June |
|                                       | 2023<br>Rs'000   | 2022<br>Rs'000   | 2021<br>Rs'000   | 2023<br>Rs'000   | 2022<br>Rs'000   | 2021<br>Rs'000   |
| <b>Profit/(loss) attributable to:</b> |                  |                  |                  |                  |                  |                  |
| Owners of the company                 |                  |                  |                  |                  |                  |                  |
| -continuing operations                | 1,705,340        | 826,311          | (734,742)        | 848,514          | 381,097          | (185,958)        |
| -discontinued operations              | 3,942            | 15,052           | 1,553            | 0                | 0                | 0                |
| Non-controlling interests             | 1,293,504        | 784,451          | (332,021)        | 0                | 0                | 0                |
|                                       | 3,002,786        | 1,625,814        | (1,065,210)      | 848,514          | 381,097          | (185,958)        |

### 3. Statements of Financial Position

|   | Group                              |                                    |                                    | Company                            |                                    |                                    |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|   | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 |
| <b>ASSETS</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>Non-current assets</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Property, plant and equipment                                     | 36,397,391                         | 32,774,763                         | 32,379,124                         | 689,235                            | 667,178                            | 672,362                            |
| Investment properties   | 25,634,419                         | 22,032,643                         | 20,538,199                         | 13,714,086                         | 12,984,739                         | 13,037,659                         |
| Deferred expenditure  | 0                                  | 0                                  | 10,200                             | 0                                  | 0                                  | 0                                  |
| Intangible assets   | 1,813,813                          | 1,577,127                          | 1,570,428                          | 430,062                            | 311,528                            | 311,528                            |
| Investments in subsidiary companies                               | 0                                  | 0                                  | 0                                  | 23,966,910                         | 19,326,710                         | 14,318,551                         |
| Investments in associated companies                               | 11,016,067                         | 10,197,339                         | 8,798,006                          | 1,205,400                          | 1,217,800                          | 742,200                            |
| Investments in jointly controlled entities                        | 37,583                             | 40,783                             | 40,983                             | 0                                  | 0                                  | 0                                  |
| Financial assets at fair value through other comprehensive income | 615,721                            | 578,211                            | 484,145                            | 90,613                             | 106,475                            | 92,515                             |
| Other financial assets at amortised cost                          | 74,749                             | 82,148                             | 66,623                             | 1,837,818                          | 1,837,818                          | 1,837,892                          |
| Loans and advances  | 333,100                            | 1,451,500                          | 1,445,000                          | 0                                  | 0                                  | 0                                  |
| Deferred tax assets   | 217,300                            | 239,838                            | 247,832                            | 69,002                             | 73,749                             | 71,908                             |
| Deferred rent assets  | 6,382                              | 4,183                              | 2,200                              | 6,382                              | 4,183                              | 2,200                              |
| Employee benefits assets  | 25,000                             | 36,200                             | 35,500                             | 0                                  | 0                                  | 0                                  |
|   | 76,171,525                         | 69,014,735                         | 65,618,240                         | 42,009,508                         | 36,530,180                         | 31,086,815                         |
| <b>Current assets</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Inventories   | 4,305,488                          | 3,530,573                          | 2,944,846                          | 0                                  | 0                                  | 0                                  |
| Consumable biological assets                                      | 429,729                            | 362,625                            | 370,663                            | 0                                  | 0                                  | 0                                  |
| Loans and advances  | 300,300                            | 752,800                            | 827,500                            | 0                                  | 0                                  | 0                                  |
| Trade and other receivables                                       | 2,228,035                          | 2,294,353                          | 2,092,610                          | 4,363                              | 3,899                              | 6,972                              |
| Assets related to contracts with customers                        | 137,719                            | 124,119                            | 159,432                            | 0                                  | 0                                  | 0                                  |
| Amounts receivable from group companies                           | 0                                  | 0                                  | 0                                  | 313,770                            | 264,249                            | 663,748                            |
| Other financial assets at amortised cost                          | 1,791,209                          | 1,457,903                          | 1,297,610                          | 56,266                             | 70,369                             | 32,155                             |
| Financial assets at fair value through profit or loss             | 41,032                             | 61,770                             | 54,640                             | 41,032                             | 61,770                             | 54,640                             |
| Cash at bank and in hand  | 5,725,091                          | 5,245,016                          | 4,655,282                          | 637,353                            | 452,566                            | 681,868                            |
|   | 14,958,603                         | 13,829,159                         | 12,402,583                         | 1,052,784                          | 852,853                            | 1,439,383                          |
| Non-current assets classified as held for sale                    | 154,730                            | 0                                  | 19,100                             | 0                                  | 0                                  | 0                                  |
| <b>Total assets</b>   | 91,284,858                         | 82,843,894                         | 78,039,923                         | 43,062,292                         | 37,383,033                         | 32,526,198                         |
| <b>EQUITY AND LIABILITIES</b>                                     |                                    |                                    |                                    |                                    |                                    |                                    |
| <b>EQUITY</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Stated capital  | 3,607,987                          | 3,607,987                          | 3,607,987                          | 3,607,987                          | 3,607,987                          | 3,607,987                          |
| Treasury shares   | (250,000)                          | (250,000)                          | (250,000)                          | (250,000)                          | (250,000)                          | (250,000)                          |
| Fair value, revaluation and other reserves                        | 19,114,975                         | 16,771,936                         | 15,293,013                         | 14,096,797                         | 10,120,561                         | 5,043,702                          |
| Retained earnings   | 9,549,557                          | 8,483,831                          | 7,871,386                          | 16,757,142                         | 16,282,772                         | 16,229,735                         |
| Equity holders' interests   | 32,022,519                         | 28,613,754                         | 26,522,386                         | 34,211,926                         | 29,761,320                         | 24,631,424                         |
| Non-controlling interests   | 17,545,828                         | 14,990,877                         | 14,533,455                         | 0                                  | 0                                  | 0                                  |
| <b>Total equity</b>   | 49,568,347                         | 43,604,631                         | 41,055,841                         | 34,211,926                         | 29,761,320                         | 24,631,424                         |
| <b>LIABILITIES</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Non-current liabilities   |                                    |                                    |                                    |                                    |                                    |                                    |
| Borrowings  | 26,746,350                         | 24,293,704                         | 24,461,931                         | 6,296,967                          | 6,278,562                          | 6,685,877                          |
| Liabilities related to contracts with customers                   | 272,900                            | 226,700                            | 197,700                            | 0                                  | 0                                  | 0                                  |

|   | Group                              |                                    |                                    | Company                            |                                    |                                    |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|   | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 |
| Deferred tax liabilities  | 1,512,524                          | 1,026,075                          | 1,094,316                          | 0                                  | 0                                  | 0                                  |
| Employee benefits liabilities   | 1,109,907                          | 1,061,646                          | 1,027,222                          | 348,216                            | 358,336                            | 351,264                            |
| Deferred income   | 10,903                             | 11,569                             | 11,629                             | 0                                  | 0                                  | 0                                  |
| Other long term payables  | 76,780                             | 0                                  | 0                                  | 17,046                             | 0                                  | 0                                  |
|   | 29,729,364                         | 26,619,694                         | 26,792,798                         | 6,662,229                          | 6,636,898                          | 7,037,141                          |
| <b>Current liabilities</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Trade and other payables  | 5,574,396                          | 4,655,769                          | 4,174,286                          | 94,190                             | 56,935                             | 45,642                             |
| Provisions  | 333,600                            | 248,200                            | 0                                  | 0                                  | 0                                  | 0                                  |
| Liabilities related to contracts with customers                                     | 766,617                            | 773,714                            | 545,625                            | 10,921                             | 33,980                             | 0                                  |
| Amounts payable to group companies  | 0                                  | 0                                  | 0                                  | 143,757                            | 34,942                             | 32,835                             |
| Current tax liabilities   | 95,404                             | 129,044                            | 87,663                             |                                    | 0                                  | 0                                  |
| Borrowings  | 5,029,632                          | 6,644,094                          | 5,195,812                          | 1,751,771                          | 690,210                            | 591,658                            |
| Dividends payable   | 187,498                            | 168,748                            | 187,498                            | 187,498                            | 168,748                            | 187,498                            |
|   | 11,987,147                         | 12,619,569                         | 10,190,884                         | 2,188,137                          | 984,815                            | 857,633                            |
| Liabilities directly associated with non-current assets classified as held for sale | 0                                  | 0                                  | 400                                | 0                                  | 0                                  | 0                                  |
| <b>Total liabilities</b>  | 41,716,511                         | 39,239,263                         | 36,984,082                         | 8,850,366                          | 7,621,713                          | 7,894,774                          |
| <b>Total equity and liabilities</b>   | 91,284,858                         | 82,843,894                         | 78,039,923                         | 43,062,292                         | 37,383,033                         | 32,526,198                         |

#### 4. Statements of Comprehensive Income

|   | Group   |                                    |                                    | Company                            |                                    |                                    |                  |
|---|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------|
|   | As at 30<br>June<br>2023<br>Rs'000              | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 |                  |
|   | <b>Profit/(loss) for the year</b>               | <b>3,002,786</b>                   | <b>1,625,814</b>                   | <b>(1,065,210)</b>                 | <b>848,514</b>                     | <b>381,097</b>                     | <b>(185,958)</b> |
|   | <b>Other comprehensive income for the year:</b> |                                    |                                    |                                    |                                    |                                    |                  |
| <b>Items that will not be reclassified to profit or loss:</b>                               |   |                                    |                                    |                                    |                                    |                                    |                  |
| Gain on revaluation of property, plant and equipment, net of tax                            | 3,909,663                                       | 813,671                            | 253,021                            | 26,547                             | 0                                  | 0                                  |                  |
| Remeasurement of employee benefits liabilities, net of tax                                  | (18,019)  | (49,688)                           | 140,967                            | (7,184)                            | (21,304)                           | (5,038)                            |                  |
| Change in fair value of equity instruments at fair value through other comprehensive income | (22,125)  | 141,827                            | (46,072)                           | 3,976,354                          | 5,070,100                          | 971,272                            |                  |
|   | 3,869,519                                       | 905,810                            | 347,916                            | 3,995,717                          | 5,048,796                          | 966,234                            |                  |
| <b>Items that may be reclassified subsequently to profit or loss:</b>                       |   |                                    |                                    |                                    |                                    |                                    |                  |
| Currency translation differences  | (55,642)  | 40,755                             | 24,200                             | -0                                 | 0                                  | 0                                  |                  |
| Share of other comprehensive income of associated companies and jointly controlled entities | (219,528)                                       | 992,309                            | 1,097,763                          | 0                                  | 0                                  | 0                                  |                  |
|   | (275,170)                                       | 1,033,064                          | 1,121,963                          | 0                                  | 0                                  | 0                                  |                  |
| <b>Other comprehensive income for the year, net of tax</b>                                  | <b>3,594,349</b>                                | <b>1,938,874</b>                   | <b>1,469,879</b>                   | <b>3,995,717</b>                   | <b>5,048,796</b>                   | <b>966,234</b>                     |                  |
| <b>Total comprehensive income for the year</b>  | <b>6,597,135</b>                                | <b>3,564,688</b>                   | <b>404,669</b>                     | <b>4,844,231</b>                   | <b>5,429,893</b>                   | <b>780,276</b>                     |                  |
| <b>Profit/(loss) attributable to:</b>   |   |                                    |                                    |                                    |                                    |                                    |                  |
| Owners of the company   |   |                                    |                                    |                                    |                                    |                                    |                  |
| -continuing operations  | 1,705,340                                       | 826,311                            | (734,742)                          | 848,514                            | 381,097                            | (185,958)                          |                  |
| -discontinued operations  | 3,942   | 15,052                             | 1,553                              | 0                                  | 0                                  | 0                                  |                  |
| Non-controlling interests   | 1,293,504                                       | 784,451                            | (332,021)                          | 0                                  | 0                                  | 0                                  |                  |
|   | 3,002,786                                       | 1,625,814                          | (1,065,210)                        | 848,514                            | 381,097                            | (185,958)                          |                  |
| <b>Total comprehensive income attributable to:</b>  |   |                                    |                                    |                                    |                                    |                                    |                  |
| Owners of the company   | 4,064,172                                       | 2,398,959                          | 391,296                            | 4,844,231                          | 5,429,893                          | 780,276                            |                  |
| Non-controlling interests   | 2,532,963                                       | 1,165,729                          | 13,373                             | 0                                  | 0                                  | 0                                  |                  |
|   | 6,597,135                                       | 3,564,688                          | 404,669                            | 4,844,231                          | 5,429,893                          | 780,276                            |                  |

## 5. Statements of Cash Flows

|   | Group                              |                                    |                                    | Company                            |                                    |                                    |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|   | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 |
| <b>Operating activities</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Cash generated from/(used in) operations  | 3,365,385                          | 3,530,895                          | 1,483,725                          | (94,613)                           | 10,056                             | (199,133)                          |
| Interest paid - consumer finance business   | (26,000)                           | (19,100)                           | (71,000)                           | 0                                  | 0                                  | 0                                  |
| Interest received - consumer finance business   | 150,000                            | 211,400                            | 199,100                            | 0                                  | 0                                  | 0                                  |
| Pension paid  | 0                                  | 0                                  | (25,500)                           | 0                                  | 0                                  | 0                                  |
| Tax paid  | (196,495)                          | (151,994)                          | (134,040)                          | 0                                  | 0                                  | 0                                  |
| <b>Net cash generated from/(used in) operating activities</b>                               | <b>3,292,890</b>                   | <b>3,571,201</b>                   | <b>1,452,285</b>                   | <b>(94,613)</b>                    | <b>10,056</b>                      | <b>(199,133)</b>                   |
| <b>Investing activities</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| Purchase of property, plant and equipment   | (1,510,510)                        | (922,365)                          | (657,783)                          | (23,058)                           | (6,631)                            | (9,953)                            |
| Purchase of intangible assets   | (241,241)                          | (127,006)                          | (40,076)                           | (71,704)                           | (25,000)                           | 0                                  |
| Purchase of investment properties   | (1,334,952)                        | (1,336,068)                        | (1,000,484)                        | (41,019)                           | (26,978)                           | 0                                  |
| Purchase of shares in subsidiary companies  | 0                                  | (64,021)                           | 0                                  | (479,448)                          | (440,081)                          | (380,250)                          |
| Purchase of financial assets at fair value through other comprehensive income               | (59,392)                           | (414,121)                          | (92,900)                           | 0                                  | 0                                  | 0                                  |
| Purchase of financial assets at fair value through profit or loss                           | 0                                  | 0                                  | 0                                  | 0                                  | (1,000)                            | 0                                  |
| Purchase of investment in associated companies  | (31,939)                           | (3,010)                            | 0                                  | 0                                  | 0                                  | 0                                  |
| Acquisition of subsidiaries   | 17,800                             | (12,500)                           | 0                                  | 0                                  | 0                                  | 0                                  |
| Proceeds from disposal of subsidiaries  | 126,600                            | 0                                  | 7,002                              | 0                                  | 0                                  | 0                                  |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | 17,700                             | 75,172                             | 46,275                             | 776                                | 0                                  | 0                                  |
| Proceeds from disposal of property, plant and equipment                                     | 131,545                            | 123,580                            | 144,703                            | 2,014                              | 2,759                              | 1,511                              |
| Proceeds from disposal of investment properties   | 5,115                              | 13,526                             | 74,000                             | 607,930                            | 763,173                            | 618,870                            |
| Purchase of bearer biological assets  | (42,324)                           | (29,531)                           | (33,503)                           | 0                                  | 0                                  | 0                                  |
| Capital reduction from investments  | 2,137                              | 892                                | 851                                | 100,000                            | 25,554                             | 436,992                            |
| Loans granted   | (87,195)                           | (95,108)                           | (2,610)                            | (1,027,049)                        | (618,172)                          | (486,755)                          |
| Loans refunded  | 18,632                             | 49,380                             | 864                                | 859,245                            | 978,914                            | 263,350                            |
| Interest received   | 34,645                             | 14,104                             | 18,690                             | 63,125                             | 58,138                             | 54,721                             |
| Dividend received   | 3,804                              | 0                                  | 0                                  | 3,804                              | 0                                  | 0                                  |
| <b>Net cash (used in)/generated from investing activities</b>                               | <b>(2,949,575)</b>                 | <b>(2,727,076)</b>                 | <b>(1,534,971)</b>                 | <b>(5,384)</b>                     | <b>710,676</b>                     | <b>498,486</b>                     |



|  | Group                              |                                    |                                    | Company                            |                                    |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|  | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 | As at 30<br>June<br>2023<br>Rs'000 | As at 30<br>June<br>2022<br>Rs'000 | As at 30<br>June<br>2021<br>Rs'000 |
| <b>Financing activities</b>  |                                    |                                    |                                    |                                    |                                    |                                    |
| Issue of shares to non-controlling shareholders  | 762,197                            | 313,600                            | 797,083                            | 0                                  | 0                                  | 0                                  |
| Grant received   | 0                                  | 0                                  | 4,976                              | 0                                  | 0                                  | 0                                  |
| Capital reduction by subsidiary companies attributable to non-controlling shareholders | (98,186)                           | (117,824)                          | (216,012)                          | 0                                  | 0                                  | 0                                  |
| Proceeds from borrowings   | 7,773,062                          | 10,753,359                         | 5,979,541                          | 1,652,419                          | 499,750                            | 92,109                             |
| Payments on borrowings   | (6,098,290)                        | (8,864,087)                        | (4,367,647)                        | (610,902)                          | (806,064)                          | (163,428)                          |
| Principal payments on lease liabilities  | (241,317)                          | (262,953)                          | (214,775)                          | (5,993)                            | (7,539)                            | (7,928)                            |
| Interest paid  | (1,574,864)                        | (1,140,036)                        | (1,129,912)                        | (394,840)                          | (317,403)                          | (327,654)                          |
| Dividends paid   | (356,247)                          | (318,747)                          | 0                                  | (356,247)                          | (318,747)                          | 0                                  |
| Dividends paid by subsidiaries to non-controlling shareholders                         | (529,643)                          | (292,977)                          | (89,584)                           | 0                                  | 0                                  | 0                                  |
| <b>Net cash generated from/(used in) financing activities</b>                          | (363,288)                          | 70,335                             | 763,670                            | 284,437                            | (950,003)                          | (406,901)                          |
| <b>Increase/(decrease) in cash and cash equivalents</b>                                | (19,973)                           | 914,460                            | 680,984                            | 184,440                            | (229,271)                          | (107,548)                          |
| <b>Movement in cash and cash equivalents</b>   |                                    |                                    |                                    |                                    |                                    |                                    |
| At July 1,   | 4,026,764                          | 3,112,103                          | 2,403,516                          | 452,566                            | 681,868                            | 789,390                            |
| Effects of exchange rate changes   | (2,883)                            | 201                                | 27,603                             | 347                                | (31)                               | 26                                 |
| Increase/(decrease) in cash and cash equivalents                                       | (19,973)                           | 914,460                            | 680,984                            | 184,440                            | (229,271)                          | (107,548)                          |
| <b>At June 30,</b>   | <b>4,003,908</b>                   | <b>4,026,764</b>                   | <b>3,112,103</b>                   | <b>637,353</b>                     | <b>452,566</b>                     | <b>681,868</b>                     |

## 6. Statements of Changes in Equity – Group

|   | Attributable to owners of the parent |                  |                                  |  |   |                   |                                  |                      |                   |                           |              |
|---|--------------------------------------|------------------|----------------------------------|--|---|-------------------|----------------------------------|----------------------|-------------------|---------------------------|--------------|
|   | Stated capital                       | Treasury shares  | Holding company and subsidiaries |  | Associated companies                                      | Retained earnings | Holding company and subsidiaries | Associated companies | Total             | Non-controlling interests | Total equity |
|   |                                      |                  | Revaluation reserves             | Fair value, capital and translation reserves | Revaluation, fair value, capital and translation reserves |                   |                                  |                      |                   |                           |              |
|   |                                      |                  |                                  |  |   |                   |                                  |                      |                   |                           |              |
| Balance at July 1, 2020   | 3,607,987                            | (250,000)        | 14,312,129                       | (25,497)                                     | 218,467   | 7,045,588         | 1,371,439                        | 26,280,113           | 14,149,238        | 40,429,351                |              |
| Issue of shares to non-controlling shareholders   | 0                                    | 0                | 0                                | 0  | 0   | 0                 | 0                                | 0                    | 25,849            | 25,849                    |              |
| Convertible bonds issued to non-controlling interests                                   | 0                                    | 0                | 0                                | 0  | 0   | 0                 | 0                                | 0                    | 467,400           | 467,400                   |              |
| Effect of change in ownership interest not resulting in loss of control                 | 0                                    | 0                | (179)                            | 0  | 0   | 38,654            | 0                                | 38,475               | 94,146            | 132,621                   |              |
| Disposal of group companies   | 0                                    | 0                | 0                                | (1,135)                                      | (11,886)  | 1,135             | 11,886                           | 0                    | 0                 | 0                         |              |
| Transfers   | 0                                    | 0                | (11,245)                         | 4,400  | 0   | 5,636             | 1,209                            | 0                    | 0                 | 0                         |              |
| Profit/(loss) for the year  | 0                                    | 0                | 0                                | 0  | 0   | 2,919             | (736,108)                        | (733,189)            | (332,021)         | (1,065,210)               |              |
| Other comprehensive income for the year   | 0                                    | 0                | 211,153                          | (5,129)                                      | 601,935   | 14,729            | 301,797                          | 1,124,485            | 345,394           | 1,469,879                 |              |
| Dividends   | 0                                    | 0                | 0                                | 0  | 0   | (187,498)         | 0                                | (187,498)            | 0                 | (187,498)                 |              |
| Dividends paid by subsidiaries and associated companies to non-controlling shareholders | 0                                    | 0                | 0                                | 0  | 0   | 0                 | 0                                | 0                    | (216,551)         | (216,551)                 |              |
| <b>Balance at June 30, 2021</b>   | <b>3,607,987</b>                     | <b>(250,000)</b> | <b>14,511,858</b>                | <b>(27,361)</b>                              | <b>808,516</b>  | <b>6,921,163</b>  | <b>950,223</b>                   | <b>26,522,386</b>    | <b>14,533,455</b> | <b>41,055,841</b>         |              |

|   | Attributable to owners of the parent |                  |                                  |  |   |   |                      |                   |                   |                           |              |
|---|--------------------------------------|------------------|----------------------------------|--|---|---|----------------------|-------------------|-------------------|---------------------------|--------------|
|   | Stated capital                       | Treasury shares  | Holding company and subsidiaries |  | Associated companies                                      | Holding company and subsidiaries                          | Associated companies | Retained earnings | Total             | Non-controlling interests | Total equity |
|   |                                      |                  | Revaluation reserves             | Fair value, capital and translation reserves | Revaluation, fair value, capital and translation reserves | Revaluation, fair value, capital and translation reserves |                      |                   |                   |                           |              |
|   |                                      |                  |                                  |  |   |   |                      |                   |                   |                           |              |
| Balance at July 1, 2021   | 3,607,987                            | (250,000)        | 14,511,858                       | (27,361)                                     | 808,516   | 6,921,163   | 950,223              | 26,522,386        | 14,533,455        | 41,055,841                |              |
| Issue of shares to non-controlling shareholders   | 0                                    | 0                | 0                                | 0  | 0   | 0   | 0                    | 0                 | 274,474           | 274,474                   |              |
| Capital reduction by subsidiary company to non-controlling shareholders                 | 0                                    | 0                | 0                                | 0  | 0   | 0   | 0                    | 0                 | (109,005)         | (109,005)                 |              |
| Effect of change in ownership interest not resulting in loss of control                 | 0                                    | 0                | 6,595                            | 0  | 0   | (14,189)  | 0                    | (7,594)           | (569,404)         | (576,998)                 |              |
| Transfer on disposal of land and investments  | 0                                    | 0                | (19,687)                         | 0  | 0   | 19,687  | 0                    | 0                 | 0                 | 0                         |              |
| Profit for the year   | 0                                    | 0                | 0                                | 0  | 0   | 567,138   | 274,225              | 841,363           | 784,451           | 1,625,814                 |              |
| Other comprehensive income for the year   | 0                                    | 0                | 738,624                          | 113,355                                      | 640,036   | (51,450)  | 117,031              | 1,557,596         | 381,278           | 1,938,874                 |              |
| Dividends   | 0                                    | 0                | 0                                | 0  | 0   | (299,997)   | 0                    | (299,997)         | 0                 | (299,997)                 |              |
| Dividends paid by subsidiaries and associated companies to non-controlling shareholders | 0                                    | 0                | 0                                | 0  | 0   | 0   | 0                    | 0                 | (304,372)         | (304,372)                 |              |
| <b>Balance at June 30, 2022</b>   | <b>3,607,987</b>                     | <b>(250,000)</b> | <b>15,237,390</b>                | <b>85,994</b>                                | <b>1,448,552</b>  | <b>7,142,352</b>  | <b>1,341,479</b>     | <b>28,613,754</b> | <b>14,990,877</b> | <b>43,604,631</b>         |              |
| Balance at July 1, 2022   | <b>3,607,987</b>                     | <b>(250,000)</b> | <b>15,237,390</b>                | <b>85,994</b>                                | <b>1,448,552</b>  | <b>7,142,352</b>  | <b>1,341,479</b>     | <b>28,613,754</b> | <b>14,990,877</b> | <b>43,604,631</b>         |              |
| Issue of shares to non-controlling shareholders   | 0                                    | 0                | 0                                | 0  | 0   | 0   | 0                    | 0                 | 64,787            |                           |              |
| Capital reduction by subsidiary company to non-controlling shareholders                 | 0                                    | 0                | 0                                | 0  | 0   | 0   | 0                    | 0                 | (90,838)          |                           |              |
| Convertible bond issued to non-controlling shareholders                                 | 0                                    | 0                | 0                                | 0  | 0   | 0   | 0                    | 0                 | 646,000           |                           |              |
| Effect of change in ownership interest not resulting in loss of control                 | 0                                    | 0                | 0                                | 0  | 291   | 36,296  | 0                    | 36,587            | 12,149            |                           |              |
| Transfer on disposal of land and investments  | 0                                    | 0                | (549)                            | (25,800)                                     | 0   | 26,349  | 0                    | 0                 | 0                 |                           |              |
| Movement in reserves  | 0                                    | 0                | 0                                | 0  | (177,054)   | 7,412   | (147,356)            | (316,998)         | (103,954)         |                           |              |

|   | Attributable to owners of the parent |                  |                                  |  |   |                                  |                      |                   |                           |                   |
|---|--------------------------------------|------------------|----------------------------------|--|---|----------------------------------|----------------------|-------------------|---------------------------|-------------------|
|   | Stated capital                       | Treasury shares  | Holding company and subsidiaries |  | Associated companies                                      | Holding company and subsidiaries | Associated companies | Total             | Non-controlling interests | Total equity      |
|   |                                      |                  | Revaluation reserves             | Fair value, capital and translation reserves | Revaluation, fair value, capital and translation reserves | Retained earnings                |                      |                   |                           |                   |
|   |                                      |                  |                                  |  |   |                                  |                      |                   |                           |                   |
| Profit for the year   | 0                                    | 0                | 0                                | 0  | 0   | 721,515                          | 987,767              | 1,709,282         | 1,293,504                 |                   |
| Other comprehensive income for the year   | 0                                    | 0                | 2,548,375                        | (52,448)                                     | (50,224)  | (29,941)                         | (161,320)            | 2,354,890         | 1,239,459                 |                   |
| Dividends   | 0                                    | 0                | 0                                | 0  | 0   | (374,996)                        | 0                    | (374,996)         | 0                         |                   |
| Dividends paid by subsidiaries and associated companies to non-controlling shareholders | 0                                    | 0                | 0                                | 0  | 0   | 0                                | 0                    | 0                 | (506,156)                 |                   |
| <b>Balance at June 30, 2023</b>   | <b>3,607,987</b>                     | <b>(250,000)</b> | <b>17,785,216</b>                | <b>7,746</b>                                 | <b>1,322,013</b>  | <b>7,528,987</b>                 | <b>2,020,570</b>     | <b>32,022,519</b> | <b>17,545,828</b>         | <b>49,568,347</b> |

## 7. Statements of Changes in Equity – Issuer

|   | Stated Capital   | Treasury shares  | Revaluation reserves | Fair value reserves | Retained earnings | Total equity      |
|---|------------------|------------------|----------------------|---------------------|-------------------|-------------------|
|   | Rs'000           | Rs'000           | Rs'000               | Rs'000              | Rs'000            | Rs'000            |
| Balance at July 1, 2020   | 3,607,987        | (250,000)        | 1,114,125            | 3,011,105           | 16,555,429        | 24,038,646        |
| Loss for the year   | 0                | 0                | 0                    | 0                   | (185,958)         | (185,958)         |
| Transfer on capital reduction on investment in subsidiary company | 0                | 0                | 0                    | (52,800)            | 52,800            | 0                 |
| Other comprehensive income for the year                           | 0                | 0                | 0                    | 971,272             | (5,038)           | 966,234           |
| Dividends   | 0                | 0                | 0                    | 0                   | (187,498)         | (187,498)         |
| <b>Balance at June 30, 2021</b>                                   | <b>3,607,987</b> | <b>(250,000)</b> | <b>1,114,125</b>     | <b>3,929,577</b>    | <b>16,229,735</b> | <b>24,631,424</b> |
| Balance at July 1, 2021   | 3,607,987        | (250,000)        | 1,114,125            | 3,929,577           | 16,229,735        | 24,631,424        |
| Profit for the year   | 0                | 0                | 0                    | 0                   | 381,097           | 381,097           |
| Transfer on capital reduction on investment in subsidiary company | 0                | 0                | 0                    | 6,759               | (6,759)           | 0                 |
| Other comprehensive income for the year                           | 0                | 0                | 0                    | 5,070,100           | (21,304)          | 5,048,796         |
| Dividends   | 0                | 0                | 0                    | 0                   | (299,997)         | (299,997)         |
| <b>Balance at June 30, 2022</b>                                   | <b>3,607,987</b> | <b>(250,000)</b> | <b>1,114,125</b>     | <b>9,006,436</b>    | <b>16,282,772</b> | <b>29,761,320</b> |
| Balance at July 1, 2022   | <b>3,607,987</b> | <b>(250,000)</b> | <b>1,114,125</b>     | <b>9,006,436</b>    | <b>16,282,772</b> | <b>29,761,320</b> |
| Profit for the year   | 0                | 0                | 0                    | 0                   | 848,514           | 848,514           |
| Transfer on capital reduction on investment in subsidiary company | 0                | 0                | 0                    | (26,665)            | 26,665            | 0                 |
| Release on capital reduction on investment in subsidiary company  | 0                | 0                | 0                    | 0                   | (26,040)          | (26,040)          |
| Other comprehensive income for the year                           | 0                | 0                | 26,547               | 3,976,354           | (7,184)           | 3,995,717         |
| Dividends   | 0                | 0                | 0                    | 0                   | (374,996)         | (374,996)         |
| Movement in reserves  | 0                | 0                | 0                    | 0                   | 7,411             | 7,411             |
| <b>Balance at June 30, 2023</b>                                   | <b>3,607,987</b> | <b>(250,000)</b> | <b>1,140,672</b>     | <b>12,956,125</b>   | <b>16,757,142</b> | <b>34,211,926</b> |

## **8. Important Notice**

The consolidated and separate summary financial statements are derived from the audited consolidated and separate financial statements of the Issuer for the years ended 30 June 2021, 30 June 2022 and 30 June 2023.

The audited consolidated and separate financial statements for the years ended 30 June 2021 and 30 June 2022, together with their respective independent auditors' report, which have been prepared in accordance with International Financial Reporting Standards, are available at the office of the Company Secretary and can be viewed on our website:

<https://www.enl.mu/en/investors/publications#filter=.annualreports>

The audited consolidated and separate financial statements for the year ended 30 June 2023, which have been prepared in accordance with International Financial Reporting Standards, are set out in the Schedule 7.

## G. SUBSCRIPTION AND SALE

### G.1 Restrictions

The Issuer represents, warrants and agrees that it will not: (i) offer Notes for subscription; and (ii) solicit any offer for subscription or sale of the Notes, in any Restricted Countries in which it is unlawful to make such an offer or solicitation unless such an offer or solicitation is made in full and strict compliance with the applicable laws and regulations of the relevant Restricted Countries.

The Corporate Finance Adviser will not, directly or indirectly, offer, sell or deliver the Notes or distribute or publish any offering circular, information memorandum, prospectus, form of application, advertisement or other document or information in any Restricted Countries except under circumstances that will, to the best of its knowledge and belief, result in full and strict compliance with the applicable laws and regulations of the relevant Restricted Countries.

Neither the Issuer nor the Corporate Finance Adviser represent that the Notes may at any time be lawfully subscribed or sold in any Restricted Countries in compliance with any registration or other requirements under the applicable laws and regulations of the relevant Restricted Countries or pursuant to any exemption available under the applicable laws and regulations of the relevant Restricted Countries. Accordingly, neither the Issuer nor the Corporate Finance Adviser assumes any responsibility for facilitating such subscription or sale of the Notes.

### G.2 Procedures of the Issue

- **Timetable**

|                                   |                  |
|-----------------------------------|------------------|
| <b>Offer Start Date</b>           | 30 October 2023  |
| <b>Offer End Date</b>             | 6 December 2023  |
| <b>Payment Date</b>               | 11 December 2023 |
| <b>Conditions Date</b>            | 14 December 2023 |
| <b>Allotment Date</b>             | 14 December 2023 |
| <b>Issue Date</b>                 | 18 December 2023 |
| <b>Interest Commencement Date</b> | 18 December 2023 |
| <b>Date of first trading</b>      | 18 December 2023 |

Pursuant to Section 75(2) of the Securities Act 2005, the Notes will be issued within 6 months of the effective date of registration of the Prospectus.

- **Procedures for the Application**

Applications for subscription may only be made using the Application Form.

Prospective Investors who are individuals must be 18 years old and above. However, a parent or legal guardian of a minor may apply for Notes for the benefit of the minor.

Application Forms of Prospective Investors other than individuals must be signed under the hand of a duly authorised official whose representative capacity must be stated.

Non-residents, not being a U.S. Person, may apply for Notes under this Issue.

Amounts invested must be equal to at least the Minimum Subscription Amount.

The Prospectus is available for public inspection and the Application Form is available for collection at the office of the Sponsoring Broker:

M.C.B Stockbrokers Ltd  
Sir William Newton Street  
Port-Louis, Mauritius

Payment for the Notes can only be made by electronic bank transfer to a designated bank account as set out in the Application Form. Prospective Investors must complete the bank transfer form included with the Application Form.

The completed Application Form, the required AML/CFT documents described below and the completed bank transfer form must reach the Sponsoring Broker at the address mentioned above by 15h00 hrs latest on the Offer End Date.

- **AML/CFT Documents**

As part of the Issuer's AML/CFT procedures and in line with: (i) the Financial Intelligence and Anti-Money Laundering Act 2022, (ii) the Financial Intelligence and Anti-Money Laundering Regulations 2018, and (iii) the Anti-Money Laundering and Countering the Financing of Terrorism Handbook issued by the FSC, Prospective Investors must submit the 'Know Your Client' documents below together with their Application Forms.

Prospective Investors that do not fall within any of the categories below are requested to contact the Sponsoring Broker to obtain the list of 'Know Your Client' documents applicable to them.



### **Individuals / Joint Holders**

| <b>Checklist for Individuals / Joint Holders</b><br><i>(Applicable to directors, shareholders, ultimate beneficial owners, authorised signatories and other individuals)</i> |  |                                  |
|--|--|----------------------------------|
| <b>SN</b>  | <b>Required Documentation</b>  | <b>Tick<br/>(as appropriate)</b> |
| 1  | <p>A clear and legible certified true copy of the National Identity Card (both front and back required) of the subscriber, bearing the subscriber's signature; or</p> <p>A clear and legible certified true copy of the valid passport of the subscriber bearing the individual's signature.</p>   |                                  |
| 2  | <p>A certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the subscriber.</p> <p>If the proof of address is not in the name of the subscriber, a certified copy of the relevant proof of relationship between the subscriber and the person whose name appears on the utility bill, bank statement or lease agreement. (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>   |                                  |
| 3  | <p>For minor(s):</p> <ul style="list-style-type: none"><li>(a) a certified true copy of the birth certificate of the minor;</li><li>(b) a clear and legible certified true copy of the valid passport of the guardian(s) bearing the signature of the guardian(s) (National Identity Card is acceptable for Mauritian residents); and</li><li>(c) a proof of address of the guardian(s) (for example, a certified true copy of a utility bill, bank statement or lease agreement in the name of the guardian(s) and dated less than three months).</li></ul> <p>If the proof of address is not in the name of the guardian(s), a certified true copy of the relevant proof of relationship between the guardian(s) and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |                                  |

### **Domestic Companies**

| <b>CHECKLIST FOR DOMESTIC COMPANIES</b> |   |                                  |
|---|---|----------------------------------|
| <b>SN</b>                               | <b>Required Documentation</b>   | <b>Tick<br/>(as appropriate)</b> |
| 1                                       | <p>A certified true copy of the board resolution or a certified true copy of the extract of the minutes of meeting of the board of the company approving the subscription of the Notes by the company and the list of authorised signatories (the 'Authorised Signatories') of the company who can execute the application form on behalf of the company.</p> |                                  |
| 2                                       | <p>A certified true copy of the certificate of incorporation of the company.</p>  |                                  |
| 3                                       | <p>A certified true copy of the business licence of the company (for example the business registration card of the company).</p>  |                                  |
| 4                                       | <p>A letter issued by the Authorised Signatories providing the details on the business activity of the company.</p>   |                                  |

**CHECKLIST FOR DOMESTIC COMPANIES**

| SN | Required Documentation   | Tick<br>(as appropriate) |
|----|--|--------------------------|
| 5  | A certified true copy of the register of members of the company dated not more than three months.  |                          |
| 6  | A certified true copy of the register of directors of the company dated not more than three months.  |                          |
| 7  | A certified true copy of the register of ultimate beneficial owners (the 'UBOs') of the company dated not more than three months.  |                          |
| 8  | A certified true copy of the structure chart of the company.   |                          |
| 9  | <p>For direct shareholders of the company who hold 20% or more of the shares of the company:</p> <ul style="list-style-type: none"> <li>• <u>Corporate shareholder of the company</u> <ul style="list-style-type: none"> <li>(a) a certified true copy of the certificate of incorporation of the shareholder;</li> <li>(b) a certified true copy of the register of members of the shareholder dated not more than three months; and</li> <li>(c) a certified true copy of the register of directors of the shareholder dated not more than three months.</li> </ul> </li> <li>• <u>Individual shareholder of the company</u> <ul style="list-style-type: none"> <li>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the shareholder, bearing the individual shareholder's signature; or</li> <li>(b) a clear and legible certified true copy of the valid passport of the shareholder, bearing the shareholder's signature; <u>and</u></li> <li>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the shareholder.</li> </ul> </li> </ul> <p>If the proof of address is not in the name of the individual shareholder, a certified true copy of the relevant proof of relationship between the shareholder and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |                          |
| 10 | <p>For each UBO:</p> <ul style="list-style-type: none"> <li>(a) a clear and legible certified true copy of the National Identity Card of the UBO (both front and back required), bearing the UBO's signature; or</li> <li>(b) a clear and legible certified true copy of the valid passport of the UBO bearing the UBO's signature; <u>and</u></li> <li>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the UBO.</li> </ul>  |                          |

**CHECKLIST FOR DOMESTIC COMPANIES**

| SN | Required Documentation   | Tick<br>(as appropriate) |
|----|--|--------------------------|
|    | <p>If the proof of address is not in the name of the UBO, a certified true copy of the relevant proof of relationship between the UBO and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |                          |
| 11 | <p><u>For each director of the company</u></p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the director, bearing the director’s signature; or</p> <p>(b) a clear and legible certified true copy of the valid passport of the director bearing the director’s signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the director.</p> <p>If the proof of address is not in the name of the individual director, a certified copy of the relevant proof of relationship between the director and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |                          |
| 12 | <p><u>For each Authorised Signatory:</u></p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the Authorised Signatory, bearing the Authorised Signatory’s signature; or</p> <p>(b) a clear and legible certified true copy of the valid passport of the Authorised Signatory bearing the Authorised Signatory’s signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the Authorised Signatory.</p> <p>If the proof of address is not in the name of the Authorised Signatory, a certified copy of the relevant proof of relationship between the Authorised Signatory and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |                          |

***Investment funds***

| <b>CHECKLIST FOR INVESTMENT FUNDS</b> |   |                                  |
|---------------------------------------|---|----------------------------------|
| <b>SN</b>                             | <b>Required Documentation</b>   | <b>Tick<br/>(as appropriate)</b> |
| 1                                     | A certified true copy of the extract of the minutes of the board or certified true copy of board resolution approving the subscription of the Notes by the fund and the list of authorised signatories (the 'Authorised Fund Signatories') who can execute the application form on behalf of the fund, or equivalent.   |                                  |
| 2                                     | A certified true copy of the certificate of incorporation, certificate of registration or any equivalent documentation.   |                                  |
| 3                                     | A letter issued by the Authorised Fund Signatories providing the details on the purpose of the investment fund and on the business activity of the fund.  |                                  |
| 4                                     | A list of all the promoters of the fund.  |                                  |
| 5                                     | <p><u>For each corporate promoter</u></p> <p>(a) a certified true copy of the certificate of incorporation of the promoter;</p> <p>(b) a certified true copy of the register of members of the promoter dated not more than three months; and</p> <p>(c) a certified true copy of the register of directors of the promoter dated not more than three months.</p> <p><u>For each individual promoter</u></p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the promoter, bearing the promoter's signature; or</p> <p>(b) a clear and legible certified true copy of the valid passport of the promoter bearing the promoter's signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the promoter.</p> <p>If the proof of address is not in the name of the individual promoter, a certified copy of the relevant proof of relationship between the promoter and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |                                  |
| 6                                     | A list of all the directors of the fund.  |                                  |
| 7                                     | <p><u>For each individual director of the fund</u></p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the director, bearing the director's signature; or</p> <p>(b) a clear and legible certified true copy of the valid passport of the director bearing the director's signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the director.</p>   |                                  |

| CHECKLIST FOR INVESTMENT FUNDS |  |                          |
|--------------------------------|--|--------------------------|
| SN                             | Required Documentation   | Tick<br>(as appropriate) |
|                                | If the proof of address is not in the name of the individual director, a certified copy of the relevant proof of relationship between the director and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).   |                          |
| 8                              | <p>For each Authorised Signatory:</p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the Authorised Fund Signatory, bearing the Authorised Fund Signatory's signature; or</p> <p>(b) a clear and legible certified true copy of the valid passport of the Authorised Fund Signatory bearing the Authorised Fund Signatory's signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the Authorised Fund Signatory.</p> <p>If the proof of address is not in the name of the Authorised Fund Signatory, a certified copy of the relevant proof of relationship between the Authorised Fund Signatory and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |                          |

### **Partnerships / Sociétés**

| CHECKLIST FOR PARTNERSHIP/ SOCIÉTÉ |   |                          |
|------------------------------------|---|--------------------------|
| SN                                 | Required Documentation  | Tick<br>(as appropriate) |
| 1                                  | A certified true copy of the written resolutions or relevant extract of minutes or letter from Partners/Principles/Gérants, or equivalent document, approving the subscription of the Notes by the partnership/ société and the list of authorised signatories (the 'Authorised Officers') who can execute the application form in relation to the subscription of the Notes on behalf of the partnership/ société. |                          |
| 2                                  | A certified true copy of the partnership deed or acte de société.   |                          |
| 3                                  | A certified true copy of the certificate of registration of the partnership/société or equivalent (if applicable).  |                          |
| 4                                  | A letter issued by the Authorised Officers providing the details on the business activity of the partnership/ société.  |                          |
| 5                                  | A list of all the 'associé' holding above 20% of 'parts sociales' or 'parts d'intérêts' in the partnership/société.   |                          |
| 6                                  | <p><u>For each corporate associé referred to in SN 5 above</u></p> <p>(a) a certified true copy of the certificate of incorporation of the associé;</p>   |                          |

**CHECKLIST FOR PARTNERSHIP/ SOCIÉTÉ**

| SN | Required Documentation   | Tick<br>(as appropriate) |
|----|--|--------------------------|
|    | <p>(b) a certified true copy of the register of members of the associé dated not more than three months; and</p> <p>(c) a certified true copy of the register of directors of the associé dated not more than three months.</p> <p><u>For each société referred to in SN 5 above</u></p> <p>(a) a certified true copy of the acte de société of such société.</p> <p><u>For each individual associé of the partnership/société referred to in SN 5 above</u></p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the associé, bearing the associé's signature; or</p> <p>(b) a clear and legible certified true copy of the valid passport of the associé bearing the associé's signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the associé.</p> <p>If the proof of address is not in the name of the individual associé, a certified copy of the relevant proof of relationship between the associé and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |                          |
| 7  | A list of all the administrators or gérants of the partnership/société.  |                          |
| 8  | <p><u>For each individual manager of the partnership/ société</u></p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the manager, bearing the manager's signature; or</p> <p>(b) a clear and legible certified true copy of the valid passport of the manager bearing the manager's signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the manager.</p> <p>If the proof of address is not in the name of the individual manager, a certified copy of the relevant proof of relationship between the manager and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |                          |
| 9  | <p>For each Authorised Officer:</p> <p>(a) a clear and legible certified true copy of the National Identity Card (both front and back required) of the Authorised Officer, bearing the Authorised Officer's signature; or</p>  |                          |

| CHECKLIST FOR PARTNERSHIP/ SOCIÉTÉ |  |                       |
|------------------------------------|--|-----------------------|
| SN                                 | Required Documentation   | Tick (as appropriate) |
|                                    | <p>(b) a clear and legible certified true copy of the valid passport of the Authorised Officer bearing the Authorised Officer's signature; <u>and</u></p> <p>(c) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the Authorised Officer.</p> <p>If the proof of address is not in the name of the Authorised Officer, a certified copy of the relevant proof of relationship between the Authorised Officer and the person whose name appear on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |                       |

Prospective Investors may call at the office of the Sponsoring Broker with the relevant original documents and the Sponsoring Broker will cause copies of the documents to be certified.

Alternatively, the relevant documents can be certified as true copies by any one of the following persons: a law practitioner, an actuary, a professional accountant, a commissioner of oath, a director or secretary of an organization regulated by the Bank of Mauritius or the Financial Services Commission or a serving police officer not below the rank of assistant superintendent, with their designation or registration to a professional institution and contact details clearly stated on the certified document.

Your Application Form may not be processed if you do not submit at the same time the applicable 'Know Your Client' documents. The Issuer reserves the right to request any additional documents and/or information (other than those mentioned in the above table) that it may determine necessary as part of its AML/CFT procedures.

- **Allotment**

On the Allotment Date, the IPA will inform in writing each Prospective Investor whose application has been accepted of the allotment of the Notes subscribed for by that Prospective Investor.

On the Allotment Date, the IPA will also inform in writing each Prospective Investor whose application has been declined that his application for subscription of Notes has been unsuccessful.

- **Refunds**

In the event that any application monies received from a Prospective Investor are not processed, such application moneys will be refunded to that Prospective Investor in full without interest. Refunds will be made within three (3) Business Days after the Issue Date by electronic funds transfer to the bank account specified in the Application Form. Prospective Investors must be aware that they may be subject to applicable bank charges.

- **CDS account**

Notes will be issued in inscribed form and will be credited directly to a CDS account in the name of the Noteholder.

For existing CDS account holders, the Notes will be directly credited to the CDS account as specified on the Application Form. A copy of the “CDS Statement” showing the specified CDS account number should be attached to the Application Form.

Prospective Investors that do not have a CDS account must open a CDS account with the investment dealer (stockbroker) of their choice.

If a CDS account is not specified or if the corresponding CDS Statement is not attached to the Application Form, the Sponsoring Broker will open a CDS account in the name of the Prospective Investor and any expenses associated with the opening of the CDS account will be borne by the Prospective Investor.



## H. RISK FACTORS

*Prior to making an investment decision, Prospective Investors should carefully consider, along with the information contained in this Prospectus, the following risk factors associated with an investment in the Republic of Mauritius, the Issuer and the Notes. The risks and uncertainties below are not the only ones the Issuer and the Noteholders face. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently believes are immaterial, could also impair the Issuer's business, financial condition or results of operations and, as a result, its ability to service its payment obligations under the Notes. Investors should pay particular attention to the fact that the Issuer is subject to the legal and regulatory environment in the Republic of Mauritius, which, in some respects, may differ from that prevailing in other countries.*

*The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it, or which it may not currently be able to anticipate. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.*

*Prospective Investors should also read the detailed information set out in this Prospectus to reach their own views prior to making any investment decision. The information given below is as at the date of this Prospectus.*

### H.1 Risk factors relating to the Issuer

#### **Market Conditions and Economic Factors**

*Risk Impact:* The Group is exposed to downside risks that may impede on performance of served markets such as (i) challenging market conditions, (ii) volatility of MUR against key currencies and (iii) risk of Mauritius not being perceived as a sufficiently attractive property investment destination to boost property development and (iv) lingering inflation, high interest rates environment and geopolitical risks, in the jurisdictions in which we operate impacting demand and hence profit margins.

*Risk Mitigation Management:* The Group is committed to staying informed of changes in the economic, competitors and customers' landscape to anticipate potential business risks. The Board takes investment and operational decisions based on its appreciation of these risks.

#### **Liquidity Risk**

*Risk Impact:* The Group may encounter difficulties in meeting obligations associated with financial commitments that are honoured by delivery of cash.

*Risk Mitigation Management:* The Group regularly monitors its cash flows to ensure that it is in a position to meet all its financial commitments as and when they come due. The Group undertakes prudent liquidity risk management whereby it maintains sufficient cash and marketable securities and has an adequate amount of committed credit facilities from financial institutions. The Group also monitors rolling forecasts of its liquidity reserve on the basis of expected future cash flows.

#### **Competitive Environment**

*Risk Impact:* The Group faces increasing competition in different served markets arising from existing players and new entrants reinventing or expanding their scale of activities. This may, in turn, result in erosion of the market share and declining performance. The growing presence of smaller size players as well as increasing use of technology and digitalisation could also result in fiercer competition.

*Risk Mitigation Management:* The Group stays abreast of changes in the competitor's landscape and undertakes regular benchmarking with competitors to ensure agility in its commercial and sales strategies. The Group also leverages on strategic partnerships and the scalability of its businesses to grow its activities and stay ahead of the increasing competition.

### **Customer Attractiveness and Retention**

*Risk Impact:* Customers are at the heart of the business and may be at risk with respect to: (i) pricing of products/services not being appropriate; and/or (ii) product/service quality not being at the desired level, thus affecting customer experience and hence, revenue streams.

Competitors may innovate in their business models to attract/retain customers, for example through aggressive pricing and low margins and by introducing new offerings.

*Risk Mitigation Management:* The Group seeks to maintain its profit margins by revisiting selling prices, broadening value-offerings, managing costs of operations and benchmarking against competitors to nurture customer appetite and satisfaction. In addition, the Group uses customer data in a secure and General Data Protection Regulation (GDPR) compliant ecosystem to gain insights regarding customer experience.

### **Financial Performance Sustainability**

*Risk Impact:* The Group's financial performance may be impacted by several factors, such as pressure on selling prices and declining margins due to fierce competition, thereby impacting on sustainability of profits and dividend pay-out.

*Risk Mitigation Management:* See Risk Mitigation Management measures in section "Competitive Environment" in Paragraph H.1 above.

### **Property Development and Land Bank Optimisation**

*Risk Impact:* The Group is exposed to the risk that potential projects contemplated by optimising the value of the land bank may not meet customer appeal and/or encounter significant delays/cost overruns. Competitors may outpace the Group with opportunities/ revenue streams being missed. Increase in local competition coupled with factors such as positioning of Mauritius as an attractive property investment destination are key determinants that will influence the risk level.

*Risk Mitigation Management:* The Group has a proven track record of creating value from property development activities. Ascencia Limited leads the retail property market with 7 shopping malls set strategically across Mauritius, including Bagatelle Mall of Mauritius, Phoenix Mall and Bo'Vallon Mall. ENL Property Limited is currently driving 2 urban developments under the Government's Smart City Scheme in the district of Moka and Savannah. Bel Ombre is also being developed into a benchmark for sustainable living in the tropics.

### **Investments in Associates, Jointly Controlled Entities and Financial Assets**

*Risk Impact:* The Group's interests within investees may not be adequately safeguarded thereby exposing to potential impairment and risk of sub-par returns of the investment portfolio.

*Risk Mitigation Management:* The Group maintains a philosophy of holding sizable stakes in its investee companies so that it is in position to exert influence in the decision making. It also values its investee companies on a conservative basis. As a diversified Group, the Group generates earnings from various activity sectors.

## **Innovation**

*Risk Impact:* The Group may not leverage innovation, in its business model, to sustain competitive advantage thus resulting in missed opportunities. Digital disruption is a growing threat especially as start-up companies or existing players innovate faster and increase their speed to market compared to others.

*Risk Mitigation Management:* The Group has a continuous focus on digital transformation, automation of processes and e-commerce to gain competitive advantage. The Group also sustains 'Digital Upskilling' programmes to ensure that teams gain agility and efficiency with regards to business tools and digitalisation trends.

## **Talent Attraction, Retention and Engagement**

*Risk Impact:* The Group may be exposed to the risk of being unable to: (i) attract, retain and facilitate growth of its talents to support its ambitions; (ii) ensure high level of engagement of employees to deliver higher performance

*Risk Mitigation Management:* The Group is committed to investing in its people to nurture its talent pool through trainings, performance and reward schemes, and reinforcement of the employer-value proposition while integrating diversity. The Group also conducts strategic human resource management which emphasises on talent and performance management, employee engagement, culture and national benchmarking for its remuneration policy.

## **Cyber threats and IT**

*Risk Impact:* Cyber threats, being rampant, expose businesses to (i) paralysis and downtime of operations, (ii) ransom ware threats, (iii) loss of confidential data and business intelligence.

The Group may face the risk of losing critical and confidential data in the event of IT system failure or theft of data/piracy of electronic devices.

*Risk Mitigation Management:* The Group is dedicated to employing robust cyber and IT risk mitigation, employing advanced cybersecurity measures to protect data and systems. Comprehensive employee training, regular audits, and an effective incident response plan further enhance the Group's resilience against threats. The Group's ongoing investments underscore its commitment to maintaining the security and integrity of its digital operations.

## **Sustainability footprint**

*Risk Impact:* The Group may be exposed to (i) changes in policies and regulations (as Mauritius aims to reduce its carbon footprint by 2030) due to the combined effect of transition and physical risks associated with climate change; and/or (ii) scrutiny of investors and other stakeholders to environmental, social and governance (ESG) considerations of the business.

*Risk Mitigation Management:* On the environmental front, several initiatives geared towards measuring and reducing the carbon footprint of the Group's entities such as the 'Now For Tomorrow' sustainability programme undertaken by Rogers Hospitality are implemented. On the governance side, management integrates sustainability plans in business models to cater for the needs of stakeholders and the environment. Concerning the social element, the Group maintains its strong footprint in helping communities to drive entrepreneurship and innovation culture.

## **H.2 Risks related to the Notes**

### **Credit Risk**

*Risk Impact:* The Notes bear the credit risk of the Issuer. Investors should be aware that they may incur losses should the Issuer fail to satisfy the terms of its obligations with respect to making timely principal and interest payments.

*Risk Mitigation Management:* The Issuer has provided certain covenants to regulate its obligations under the Notes, and shall grant, in respect of each Note, the security interests described in this Prospectus to lower the risks of losses incurring to Noteholders in an Event of Default.

### **Interest Rate Risk**

*Risk Impact:* The rate of interest applicable to the Notes will be based on the Key Rate and this will allow the Noteholder to benefit from any increase in the Reference Rate. Noteholders may likewise suffer unforeseen losses due to a reduction in interest rates.

*Risk Mitigation Management:* The Reference Rate on the Notes is communicated to Noteholders prior to their investing in the Notes. Accordingly, Noteholders should consider the impact of any adverse movements in interest rates prior to investing in the Notes.

### **Liquidity Risk**

*Risk Impact:* Notes issued under this Prospectus will be new securities which may not be widely distributed and for which there is currently no active trading market. After the Notes are traded following their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

*Risk Mitigation Management:* Noteholders should treat the Note as hold-to-maturity investments. In the event that the Notes need to be transferred before their maturity dates, Noteholders should be prepared to take a haircut on such notes.

### **Meeting of Noteholders and Modification**

*Risk impact:* The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. These would also apply to written resolutions of the Noteholders as per the terms of the Noteholders' Representative Agency Agreement. In addition, the Issuer may, in accordance with this Prospectus, make any modification to the Notes and to its Terms and Conditions.

*Risk Mitigation Management:* The parameters set out in this Prospectus control the Issuer's and/or the Noteholders' ability to arbitrarily effect changes. The defined decision-making thresholds and amendment-making powers in this Prospectus further limit the scope of modifications that could adversely affect the Notes as a whole. Noteholders benefit from the agency and representation of the Noteholders' Representative appointed to act in their best interests in relation to the Notes.

### **Amendment or Review to Prevailing Laws**

*Risk Impact:* This Prospectus, the Notes and the Terms and Conditions are governed by, and will be construed in accordance with, the laws of Mauritius. No assurance can be given as to the impact of any

possible judicial decision, amendment, review of the laws of Mauritius or administrative practice in Mauritius after the Issue.

*Risk Mitigation Management:* At the level of the Issuer, comprehensive compliance programmes (including regulatory monitoring, internal controls, audits) and reporting, have been implemented to encompass all relevant regulations and industry standards. These are regularly updated to reflect evolving requirements. The Issuer also regularly consults with legal advisers to ensure the accurate interpretation and implementation of applicable laws and regulations as they may be amended from time to time.

### **The Notes may not be a Suitable Investment for all Potential Investors**

*Risk Impact:* Each Prospective Investor in the Notes must determine the suitability of the investment in light of its own circumstances. In particular, each Prospective Investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio; <sup>[1]</sup><sub>[SEP]</sub>
- (c) have sufficient financial resources and liquidity to bear all the risks of an investment in the Notes, including where principal or interest payable is different from the currency in which the Prospective Investor's activities are principally denominated;
- (d) understand thoroughly the Terms and Conditions of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and <sup>[1]</sup><sub>[SEP]</sub>
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

*Risk Mitigation Management:* The Issuer endeavours to disclose, as comprehensively as possible, the Terms and Conditions and the related risk indicators to: (i) comply with the disclosure requirements of the applicable laws and regulations, (ii) comply with best practice, and (iii) provide the necessary information for the Investors' full assessment of the Issue.

### **H.3 Additional Risk factors**

#### **Changes in Laws or Regulations**

*Risk Impact:* Legal and regulatory changes could occur that may adversely affect, in quantum, value or otherwise, any pay out or such other amount that may be or become payable in respect of the Notes.

*Risk Mitigation Management:* See Risk Mitigation Management measures in section "Amendment or review to prevailing laws" in Paragraph H.2 above.

#### **Changes in Taxation Legislation**

*Risk Impact:* Any change in the tax status of the Issuer or in taxation legislation in Mauritius may affect, in quantum, value or otherwise, any pay out or such other amount that may be or become payable in respect of the Notes.

*Risk Mitigation Management:* See Risk Mitigation Management measures in section “Amendment or review to prevailing laws” in Paragraph H.2 above.

#### **H.4 General Considerations**

##### **Force Majeure**

An event of force majeure is an event which is not within the control of the party affected, which that party is unable to prevent, avoid or remove and shall include war and acts of terrorism, riot and disorders, natural catastrophes and others. An event of force majeure does not include economic downturn, non-availability or insufficient or lack of financing on the part of the Issuer. The occurrence of an event of force majeure may have a material impact on the Issuer’s business.

##### **Forward-Looking Statements**

Certain statements in this Prospectus are forward-looking in nature. These statements include, amongst other things, discussions of the Issuer’s business strategy and expectation concerning the Issuer’s position in the Mauritian economy, future operations, profitability, liquidity, capital resources and financial position. All forward-looking statements are based on estimates and assumptions made by the Issuer and third-party consultants that, although believed to be reasonable, are subject to risks and uncertainties that may cause actual events and the future results of the Issuer to be materially different from that expected or indicated by such statements and estimates and no assurance can be given that any of such statements or estimates will be realised. In light of these and other uncertainties, the inclusion of forward-looking statements in this Prospectus should not be regarded as a representation or warranty by the Issuer or any other person that the plans and objectives of the Issuer will be achieved.

## I. MAURITIUS TAXATION

Information on taxation given below is a summary of certain tax considerations under the laws of the Republic of Mauritius as at the date of this Prospectus. It is not intended to be a complete discussion of all tax considerations and Investors should consult their lawyer, accountant, or investment advisor with regard to legal, tax, and related matters concerning their investment.

- **Income Tax treatment of interest on Notes listed on the Official Market of the SEM**

Interest paid on the Notes by the Issuer to a Noteholder who is an individual is exempt from income tax under item 3(d) of Sub-Part B of Part II of the Second Schedule of the Income Tax Act 1995 (“ITA 95”).

Interest paid on the Notes by the Issuer to a succession is exempt from income tax under item 3(d) of Sub-Part B of Part II of the Second Schedule of the ITA 95.

Interest paid on the Notes by the Issuer to a Noteholder which is a resident company is generally subject to income tax at the current rate of fifteen percent (15%) per annum. The interest also forms part of the tax base for the purposes of Corporate Social Responsibility, currently computed at the rate of two percent (2%) of the taxable profits. Depending on the status of the company, the interest income may be wholly or partly exempt from tax for a resident company.

Interest paid on the Notes by the Issuer to a Noteholder which is a non-resident company is exempt from income tax under item 3(e) of Sub-Part B of Part II of the Second Schedule of the ITA 95.

Interest paid to other non-residents may be subject to a withholding tax at the current rate of fifteen percent (15%) per annum depending on the status of the recipient and the provisions of any double taxation agreement.

Interest paid on the Notes by the Issuer to a Noteholder which is a société is exempt from income tax under item 3(d) of Sub-Part B of Part II of the Second Schedule of the ITA 95.

- **Stamp and registration duty**

No stamp or registration duty is payable on the issue, redemption or transfer of Notes.

- **Capital gains tax**

Profits made by a Noteholder from the sale of Notes are not taxable on the basis that (a) Mauritius does not have any capital gains tax regime; and (b) any trading profits on the sale of debt obligations are exempt from tax pursuant to item 7 of Sub-Part C of Part II of the Second Schedule of the ITA 95.

## **J. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection by Prospective Investors (and the general public) at DTOS Registry Services Ltd, 19 Cybercity, Standard Chartered Tower, Ebène, Mauritius during normal business hours, i.e. 9am to 4pm on any weekday (excluding Saturdays, Sundays and public holidays) between the Offer Start Date and the Offer End Date:

- This Prospectus;
- The Constitution;
- The IPA Agreement;
- The draft version of the Pledge Agreement;
- The draft version of the 5Y Notes Mortgage Agreement and the 7Y Notes Mortgage Agreement;
- The Noteholders' Representative Agency Agreement;
- The Audited Financial Statements of the Issuer for financial years ended 30 June 2021, 30 June 2022 and 30 June 2023; and
- The consent letter of the auditor of the Issuer.

In addition, this Prospectus will be available for viewing on the website of the Issuer: <https://www.enl.mu> and at the office of the Sponsoring Broker.

All documents will be published in English.



## K. CORPORATE INFORMATION

|                                     |   |
|-------------------------------------|---|
| <b>Issuer</b>                       | ENL Limited   |
| <b>Business Registration number</b> | C06004687   |
| <b>Registered office</b>            | ENL House, Vivéa Business Park<br>Moka, Mauritius   |
| <b>Company Secretary</b>            | ENL Secretarial Services Limited<br>ENL House, Vivéa Business Park<br>Moka, Mauritius   |
| <b>Bankers</b>                      | The Mauritius Commercial Bank Limited<br>SBM Bank (Mauritius) Ltd<br>SBI (Mauritius) Ltd<br>Absa Bank (Mauritius) Limited<br>AfrAsia Bank Limited<br>Bank One Limited |
| <b>Auditor</b>                      | Ernst & Young (appointed since 21 May 2021)<br>Rue de L'Institut, Level 6, Icon Ebène<br>Ebène, Mauritius   |
| <b>Noteholders' Representative</b>  | MUA Life Ltd<br>2 <sup>nd</sup> Floor, Barkly Wharf,<br>Le Caudan Waterfront,<br>Port-Louis, Mauritius  |
| <b>Issuing and Paying Agent</b>     | DTOS Registry Services Ltd<br>19 Cybercity, Standard Chartered Tower<br>Ebène, Mauritius  |
| <b>Corporate Finance Adviser</b>    | MCB Financial Advisers<br>Sir William Newton Street<br>Port-Louis, Mauritius  |
| <b>Sponsoring Broker</b>            | M.C.B Stockbrokers Limited<br>Sir William Newton Street<br>Port-Louis, Mauritius  |
| <b>Legal Advisers to the Issue</b>  | Benoit Chambers<br>Level 9, Orange Tower,<br>Cybercity, Ebene, Mauritius  |

## Schedule 1: Comprehensive Indebtedness Statement

1. The indebtedness of the Issuer as at 30 June 2023 comprises:

1.1. The following term loans, monies borrowed, credit facilities:

| Nature of Loan | Outstanding Loan Amount (MUR '000) | Lender                           | Loan Due Date                  |
|----------------|------------------------------------|----------------------------------|--------------------------------|
| Term loans     | 1,993,842                          | The Mauritius Commercial Limited | Between February and June 2023 |
|                | 500,000                            | SBI (Mauritius) Ltd              | February 2029                  |
|                | 251,357                            | SBM Bank (Mauritius) Ltd         | September 2027                 |
|                | 31,802                             | Swan Life Ltd                    | March 2030                     |
| <b>Total</b>   | <b>2,777,001</b>                   | N/A                              |                                |

1.2. The debentures, as follows:

| Debenture in the form of corporate bonds designated as follows | Maturity Date  | Nominal Amount Outstanding (MUR '000) | Nominal Amount per Note (MUR) | Number of Bonds Outstanding |
|--|----------------|---------------------------------------|-------------------------------|-----------------------------|
| Secured fixed rate notes                                       | 11 Jan 2024    | 1,157,000                             | 1,000,000                     | 1,157                       |
| Secured fixed rate notes                                       | 11 Jan 2026    | 891,000                               | 1,000,000                     | 891                         |
| Secured fixed rate notes                                       | 11 Jan 2029    | 275,000                               | 1,000,000                     | 275                         |
| Secured floating rate notes                                    | 11 Jan 2024    | 200,000                               | 1,000,000                     | 200                         |
| Secured floating rate notes                                    | 11 Jan 2026    | 463,000                               | 1,000,000                     | 463                         |
| Secured floating rate notes                                    | 11 Jan 2029    | 14,000                                | 1,000,000                     | 14                          |
| Secured floating rate notes                                    | 29 Mar 2029    | 500,000                               | 1,000,000                     | 500                         |
| Secured fixed rate notes                                       | 10 Aug 2030    | 16,000                                | 100,000                       | 160                         |
| Secured fixed rate notes                                       | 10 August 2032 | 69,000                                | 100,000                       | 690                         |
| Secured fixed rate notes                                       | 10 August 2037 | 277,000                               | 100,000                       | 2,770                       |
| Secured floating rate notes                                    | 10 Aug 2030    | 300,000                               | 100,000                       | 3,000                       |
| Secured floating rate notes                                    | 10 August 2032 | 450,000                               | 100,000                       | 4,500                       |
| Secured floating rate notes                                    | 10 August 2037 | 302,000                               | 100,000                       | 3,020                       |
| Secured fixed rate notes                                       | 30 June 2038   | 250,000                               | 100,000                       | 2,500                       |
|  | <b>Total</b>   | <b>5,164,000</b>                      |                               | <b>20,140</b>               |

2. As at 30 June 2023, the Issuer has not:

2.1. issued any convertible debentures; and

2.2. granted any guarantee to any person in respect of the performance of any obligations of third-parties, in particular, but not restricted to any member of its group, its subsidiaries or affiliates.

3. As at 30 June 2023, the Issuer has incurred contingent liabilities of MUR 192m.
4. The Issuer has, as at the date of this Prospectus, not created any Security Interests over its assets other than those stated in the tables below.
- 4.1. The following fixed, and/or floating charges:

|     | Volume No       | Nature | Chargeholder                          | Amount secured (MUR) |
|-----|-----------------|--------|---------------------------------------|----------------------|
| 1.  | Vol. 2825 No 15 | Fixed  | Swan Life Ltd                         | 300,000,000          |
| 2.  | AA201406/001233 | Fixed  | SBI (Mauritius) Ltd                   | 100,000,000          |
| 3.  | CH201409/001014 | Fixed  | ABSA Bank (Mauritius) Limited         | 260,000,000          |
| 4.  | CH201710/000293 | Fixed  | SBM Bank (Mauritius) Ltd              | 504,000,000          |
| 5.  | CH202202/000275 | Fixed  | SBI (Mauritius) Ltd                   | 500,000,000          |
| 6.  | CH202010/000876 | Fixed  | The Mauritius Commercial Bank Limited | 7,000,000            |
| 7.  | CH 5628/26      | Fixed  | The Mauritius Commercial Bank Limited | 1,200,000            |
| 8.  | CH201902/000294 | Fixed  | ABSA Bank (Mauritius) Limited         | 2,150,000            |
| 9.  | CH202208/000487 | Fixed  | Fincorp Investment Limited            | 316,000,000          |
| 10. | CH202208/000486 | Fixed  | Fincorp Investment Limited            | 519,000,000          |
| 11. | CH202208/000485 | Fixed  | Fincorp Investment Limited            | 579,000,000          |
| 12. | CH202306/000055 | Fixed  | Fincorp Investment Limited            | 750,000,000          |
| 13. | CH202207/001148 | Fixed  | The Mauritius Commercial Bank Limited | 2,400,000,000        |
| 14. | IV201906/000263 | Fixed  | BLC Robert & Associates Ltd           | 1,300,000,000        |

- 4.2. The following pledges over the shares held by the Issuer and/or its subsidiaries (where applicable):

| Pledgee  | Pledgors                             | Number of Shares Pledged | Issuing Company of the Pledged Shares | Secured Obligation and Amount   |
|--|--------------------------------------|--------------------------|---------------------------------------|---|
| The Mauritius Commercial Bank Limited                      | ENL Limited                          | 2,474,400                | Rogers and Company Limited            | Security for issue of bank guarantee of MUR 51,137,358  |
| BLC Robert & Associates Ltd as bondholders' representative | ENL Limited                          | 28,305,000               | New Mauritius Hotels Ltd              | Security for the secured obligations under issue of notes for the amount of MUR 2,200,000,000 |
|  | Rogers Consolidated Shareholding Ltd | 63,355,135               | Rogers and Company Ltd                |   |
|  | ENL Limited                          | 492,494,250              | ENL Property Limited                  |   |

5. The Issuer's total indebtedness, after the Issuer shall have received the proceeds of the Notes, shall be approximately MUR 8bn (if the Maximum Aggregate Nominal Amount is raised).
6. As at 30 June 2023, the Group has incurred secured and unsecured borrowings for an aggregate amount of approximately MUR 31.8bn.
7. As at 30 June 2023, the Group had granted security interests (including mortgages and charges) in respect of its assets for an aggregate amount of approximately MUR 29.4bn as per table below:

| Group borrowings                     | MUR 000           |
|--------------------------------------|-------------------|
| <b>Secured borrowings</b>            |                   |
| Fixed and variable rate notes        | 4,822,715         |
| Debentures                           | 115,900           |
| Bond notes                           | 5,262,577         |
| Bank loans                           | 12,223,935        |
| Lease liabilities                    | 366,060           |
| Redeemable notes                     | 4,743,000         |
| Convertible bonds                    | 257,200           |
| Secured bank overdrafts              | 1,620,783         |
|                                      | 29,412,170        |
| <b>Unsecured borrowings</b>          |                   |
| Unsecured debentures                 | 946,905           |
| Unsecured bank loans                 | 69,506            |
| Unsecured lease liabilities          | 845,851           |
| Unsecured shareholders' loans        | 7,250             |
| Unsecured loans from other companies | 80,200            |
| Other unsecured liabilities          | 313,700           |
| Unsecured bank overdrafts            | 100,400           |
|                                      | 2,363,812         |
| <b>Total borrowings</b>              | <b>31,775,982</b> |

8. The Issuer does not have any borrowing limits.

## Schedule 2: Existing Notes

| Notes Issued Under Tranches | Issue Date | Maturity Date | Nominal Value (MUR)  |
|-----------------------------|------------|---------------|----------------------|
| FLN-01-MUR5Y                | Jan-19     | Jan-24        | 100,000,000          |
| FLN-01-MUR5Y                | Jan-19     | Jan-24        | 100,000,000          |
| FRN-02-MUR5Y                | Jan-19     | Jan-24        | 200,000,000          |
| FRN-02-MUR5Y                | Jan-19     | Jan-24        | 200,000,000          |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 55,000,000           |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 250,000,000          |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 312,000,000          |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 23,000,000           |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 11,000,000           |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 27,000,000           |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 27,000,000           |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 9,000,000            |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 6,000,000            |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 2,000,000            |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 3,000,000            |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 15,000,000           |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 1,000,000            |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 12,000,000           |
| FRN-01-MUR5Y                | Jan-19     | Jan-24        | 4,000,000            |
| FLN-02-MUR7Y                | Jan-19     | Jan-26        | 225,000,000          |
| FLN-02-MUR7Y                | Jan-19     | Jan-26        | 200,000,000          |
| FLN-02-MUR7Y                | Jan-19     | Jan-26        | 25,000,000           |
| FRN-02-MUR7Y                | Jan-19     | Jan-26        | 125,000,000          |
| FRN-02-MUR7Y                | Jan-19     | Jan-26        | 125,000,000          |
| <b>Total</b>                |            |               | <b>2,057,000,000</b> |

### Schedule 3: List of Subsidiaries

| Name of company                                  | Stated capital (MUR) | Effective holding (%) | Country of incorporation | Principal activities  |
|--|----------------------|-----------------------|--------------------------|---|
| <b>Commerce and manufacturing</b>                |                      |                       |                          |   |
| Axess Limited                                    | 277,072              | 100.0%                | Mauritius                | Sale and servicing of motor vehicles  |
| Commercial Investment Property Fund Limited      | 162,480              | 100.0%                | Mauritius                | Owner of properties   |
| ENL Commercial Limited                           | 1,271,340            | 100.0%                | Mauritius                | Investment holding  |
| Ensport Ltd                                      | 50,000               | 100.0%                | Mauritius                | Sale of sport related goods   |
| Grewals (Mauritius) Limited                      | 89,932               | 100.0%                | Mauritius                | Saw millers and timber merchants  |
| Nabridas International Ltd                       | 100                  | 100.0%                | Mauritius                | Dealer in swimming pools  |
| Nabridas Ltd                                     | 25                   | 100.0%                | Mauritius                | Producer and dealer in swimming pools   |
| Plastinax Austral Limitée                        | 13,679               | 99.4%                 | Mauritius                | Manufacture of sunglasses   |
| Joinery and Metal Distribution International Ltd | 10,500               | 75.8%                 | Mauritius                | Distributor of aluminium products   |
| Suntricity Company Limited                       | 12,000               | 75.0%                 | Mauritius                | Sale of equipment   |
| <b>Real estate</b>                               |                      |                       |                          |   |
| Ascencia Limited                                 | 4,460,068            | 46.5%                 | Mauritius                | Property Fund   |
| Enatt Ltd  | 74,790               | 56.8%                 | Mauritius                | Property and asset management   |
| ENL Property Limited                             | 5,258,007            | 100.0%                | Mauritius                | Property development services   |
| Foresite Property Holding Ltd                    | 1,028,269            | 59.7%                 | Mauritius                | Property  |
| Les Villas de Bel Ombre Amenities Ltd            | 35                   | 53.7%                 | Mauritius                | Construction of sports complex and beach club for IRS home owners association |
| Les Villas de Bel Ombre Ltée                     | 291,135              | 53.4%                 | Mauritius                | Construction and sale of villas   |
| Moka City Limited                                | 3,858,940            | 63.7%                 | Mauritius                | Land and property developer   |
| Moka Smart City Management Ltd                   | 1                    | 63.7%                 | Mauritius                | Land and property developer   |
| S&W Synergy Limited                              | 41,911               | 68.9%                 | Mauritius                | Management of sports complex  |
| Savannah Land Development Ltd                    | 1                    | 100.0%                | Mauritius                | Land and property developer   |
| Savannah Properties Ltd                          | 1                    | 100.0%                | Mauritius                | Land and property developer   |
| Savannah Smart City Limited                      | 1                    | 100.0%                | Mauritius                | Land and property developer   |
| La Place du Village Limited                      | 1                    | 100.0%                | Mauritius                | Restaurant operator   |
| South West Tourism Development Co. Ltd           | 4,950                | 41.1%                 | Mauritius                | Investment holding  |
| Oficea Company Limited                           | 1,583,371            | 79.5%                 | Mauritius                | Rental of offices   |
| Villas Valriche Resorts Ltd                      | 1                    | 32.2%                 | Mauritius                | Rental pool management company  |
| Courchamps Properties Limited                    | 810,008              | 100.0%                | Mauritius                | Property  |
| ENL Residentiel Limited                          | 40,000               | 100.0%                | Mauritius                | Property  |
| Telfair Apartments Limited                       | 1                    | 67.0%                 | Mauritius                | Property  |
| Ti Pouce Limited                                 | 151                  | 79.5%                 | Mauritius                | Child day-care activities/Kindergarten  |
| Sygeco Limited                                   | 801                  | 75.0%                 | Mauritius                | Provision of syndic services  |

| Name of company | Stated capital (MUR) | Effective holding (%) | Country of incorporation | Principal activities |
|-----------------|----------------------|-----------------------|--------------------------|----------------------|
|-----------------|----------------------|-----------------------|--------------------------|----------------------|

| Hospitality                                |           |       |                     |   |
|--|-----------|-------|---------------------|---|
| Adnarev Ltd                                | 76,464    | 41.0% | Mauritius           | Hotel                                       |
| Bel Ombre Seashells Co Ltd                 | 1         | 41.0% | Mauritius           | Seashell museum                             |
| Blue Sky Madagascar SARLU                  | 1,080     | 59.7% | Madagascar          | Travel agency                               |
| Blue Sky Réunion SAS                       | 5,513     | 59.7% | Reunion Island      | Travel agency                               |
| BookSimply Ltd                             | 1         | 41.0% | Mauritius           | Reservation of leisure activities           |
| BS Travel Management Limitada              | 216       | 59.7% | Mozambique          | Travel agency                               |
| BS Travel Management Ltd                   | 25,000    | 59.7% | Mauritius           | Travel agency                               |
| Croisières Australes Ltée                  | 3,225     | 41.0% | Mauritius           | Catamaran sightseeing tours                 |
| DOMC Ltd                                   | 120,300   | 20.2% | Mauritius           | Leisure                                     |
| Cap D'Abondance Ltd                        | 22,000    | 41.0% | Mauritius           | Leisure                                     |
| Heritage Events Company Limited            | 100       | 41.0% | Mauritius           | Investment holding                          |
| Heritage Golf Club Ltd                     | 310,350   | 59.7% | Mauritius           | Golf course                                 |
| Heritage Golf Management Ltd               | 500       | 29.6% | Mauritius           | Golf management                             |
| Hotels Operations Company Ltd              | 10        | 41.0% | Mauritius           | Hotels operations                           |
| Restaurants Operations Company Ltd         | 10        | 41.0% | Mauritius           | Restaurants operations                      |
| Plaisance Air Transport Services Ltd       | 1,500     | 59.7% | Mauritius           | Warehousing                                 |
| Rogers Aviation (Mauritius) Ltd            | 2,525     | 59.7% | Mauritius           | GSA of airlines                             |
| Rogers Aviation Comores S.A.R.L            | 824       | 59.7% | Republic of Comores |   |
| Rogers Aviation France S.A.R.L             | 20,760    | 59.7% | Reunion Island      | GSA of airlines                             |
| Rogers Aviation Holding Company Ltd        | 115,410   | 59.7% | Mauritius           | Investment holding                          |
| Rogers Aviation International Ltd          | 51,390    | 59.7% | Mauritius           | GSA of airlines                             |
| Rogers Aviation Madagascar S.A.R.L         | 1,910     | 59.7% | Madagascar          | GSA of airlines                             |
| Rogers Aviation Mayotte S.A.R.L            | 490       | 59.7% | Mayotte             | GSA of airlines                             |
| Rogers Aviation Mozambique Limitada        | 4,349     | 59.7% | Mozambique          | GSA of airlines                             |
| Case Noyale Ltée                           | 7         | 22.3% | Mauritius           | Agriculture and leisure                     |
| Rogers Aviation Reunion S.A.R.L            | 20,001    | 59.7% | Reunion Island      | GSA of airlines                             |
| Rogers Hospitality Management Co Ltd       | 1         | 41.0% | Mauritius           | Management company                          |
| Rogers Hospitality Property Fund Ltd       | 1         | 41.0% | Mauritius           | Seashell museum                             |
| Rogers Hospitality Training Ltd            | 1,015     | 41.0% | Mauritius           | Training                                    |
| Run Tourisme                               | 5,503     | 41.0% | Mauritius           | Travel Agency                               |
| Seven Colours Spa Ltd                      | 20,025    | 42.4% | Mauritius           | Management services                         |
| Sports-Event Management Operation Co Ltd   | 7,501     | 27.7% | Mauritius           | Leisure                                     |
| Sweetwater Ltd                             | 17,300    | 29.0% | Mauritius           | Leisure                                     |
| Transcontinent S.A.R.L                     | 617       | 42.3% | Madagascar          | Travel agency                               |
| Veranda Tamarin Ltd                        | 210,000   | 29.0% | Mauritius           | Hotel                                       |
| Rogers Hospitality Operations Ltd          | 1,501,304 | 41.3% | Mauritius           | Hotel                                       |
| VLH Training Ltd                           | 1,015     | 42.4% | Mauritius           | Management services                         |
| Bagatelle Hotel Operations Company Limited | 60,424    | 41.0% | Mauritius           | Provision of hotel and hospitality services |
| CCC LAH Limited                            | 14,500    | 41.0% | Mauritius           | Restaurant operator                         |
| Seafood Basket Limited                     | 25,107    | 41.0% | Mauritius           | Restaurant operator                         |

| Name of company | Stated capital (MUR) | Effective holding (%) | Country of incorporation | Principal activities |
|-----------------|----------------------|-----------------------|--------------------------|----------------------|
|-----------------|----------------------|-----------------------|--------------------------|----------------------|

| Logistics                                  |           |        |                |                           |
|--|-----------|--------|----------------|---------------------------|
| Associated Container Services Ltd          | 93,877    | 48.4%  | Mauritius      | Port related services     |
| Cargo Express Madagascar S.A.R.L           | 168       | 48.4%  | Madagascar     | Freight forwarding        |
| Express Logistics Solutions Ltd            | 1         | 48.4%  | Mauritius      | Dormant                   |
| FOM Warehouse Ltd                          | 100       | 48.4%  | Mauritius      | Port related services     |
| Freeport Operations (Mtius)Ltd             | 178,429   | 47.8%  | Mauritius      | Port related services     |
| General Cargo Services Limited             | 889       | 47.7%  | Kenya          | Port related services     |
| Gencargo (Transport) Limited               | 1,463     | 48.4%  | Kenya          | Transport services        |
| Global Air Cargo Services Ltd              | 433       | 24.2%  | Mauritius      | Freight forwarding        |
| Logistics Solution Ltd                     | 525,690   | 48.5%  | Mauritius      | Investment holding        |
| MTL Logistics & Distributions Ltd          | 1,688     | 39.2%  | Mauritius      | Transport company         |
| P.A.P.O.L.C.S. Ltd                         | 100       | 23.2%  | Mauritius      | Stevedoring               |
| Papol Holding Limited                      | 100       | 29.0%  | Mauritius      | Investment holding        |
| Rogers Logistics International Ltd         | 156,352   | 48.4%  | Mauritius      | Freight forwarding        |
| Rogers Logistics Investment Holding Ltd    | -         | 59.7%  | Mauritius      | Investment holding        |
| Rogers Logistics Services Company Ltd      | 100       | 48.4%  | Mauritius      | Freight forwarding        |
| Rogers Shipping Ltd                        | 721       | 33.2%  | Mauritius      | Freight forwarding        |
| Rogers Shipping Pte Ltd                    | 3         | 24.7%  | Singapore      | Shipping agency           |
| Rongai Workshop & Transport Limited        | 4         | 47.3%  | Kenya          | Transport services        |
| Southern Marine & Co Ltd                   | 500       | 33.2%  | Mauritius      | Shipping services         |
| Sukpak Ltd                                 | 1,200     | 33.9%  | Mauritius      | Packing of special sugars |
| Rennel Limited                             | 9,900     | 100.0% | Mauritius      | Courier service           |
| Transworld International Ltd               | 25        | 39.6%  | Mauritius      | Dormant                   |
| Velogic Express Reunion                    | 8,341     | 48.4%  | Reunion Island | Courier                   |
| Velogic Garage Services Ltd                | 10,999    | 48.4%  | Mauritius      | Transport company         |
| Velogic Haulage Services Ltd               | 31,514    | 48.4%  | Mauritius      | Transport services        |
| Velogic Holding Company Ltd <sup>(i)</sup> | 1,019,294 | 47.8%  | Mauritius      | Investment holding        |
| Velogic India Private Ltd                  | 11,156    | 48.4%  | India          | Freight forwarding        |
| Velogic Ltd                                | 83,985    | 48.4%  | Mauritius      | Freight forwarding        |
| Velogic Sea Frigo R'Frigo S.A              | 4,085     | 48.4%  | Reunion Island | Freight forwarding        |
| VK Logistics Ltd                           | 163,814   | 48.4%  | Mauritius      | Investment holding        |



#### Schedule 4: Directors' Statement

This statement is signed by each director of ENL Limited (the “**Issuer**”) in accordance with the Securities Act 2005 pertaining to the issue and listing by way of offer for subscription of secured fixed rate notes and secured floating rate notes for an aggregate nominal amount of up to MUR 2,500,000,000 under a prospectus to be issued by the Issuer (the “**Prospectus**”).

The present statement may be signed in multiple counterparts and each of which will be deemed an original, but all of which together will constitute one and the same document.

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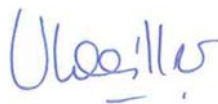
The directors of the Issuer accept responsibility for the contents of the Prospectus, and that, to the best of their knowledge and belief, after making reasonable inquiries, the Prospectus complies with the Securities Act 2005, any regulations made under the Securities Act 2005 or any FSC rules.

Dated: 11 October 2023



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Eric Marie Andre Espitalier-Noël



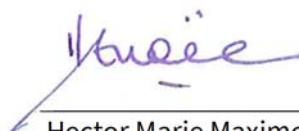
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Virginie Anne Corneillet



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Gilbert Marie Edouard Espitalier-Noël



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Hector Marie Maxime Espitalier-Noël



---

Olivier Brousse de Laborde



---

Jean Pierre Marie Joseph Montocchio



---

Keshwaree Zindel



---

Johan Joseph Marie Pilot



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Pauline Sybille Cheh Seeyave



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Marie Hector Philippe Espitalier-Noël



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Mushtaq Mohamed Oomar  
Noormohamed Oosman



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Roger Marie Patrick Espitalier Noël

## Schedule 5: List of Directorships

| No  | Name Of Entity  | Country Of Incorporation | Type Of Company | Type Of Directorship <sup>1</sup> |
|---|---|--------------------------|-----------------|-----------------------------------|
| <b>Virginie Anne Corneillet at 30 June 2023</b>         |   |                          |                 |                                   |
| 1   | Commercial Investment Property Fund Limited           | Mauritius                | Private         | NED                               |
| 2   | ENL Limited   | Mauritius                | Listed          | EXE                               |
| 3   | Mauritius Institute of Directors                      | Mauritius                | Public          | INED                              |
| 4   | Mon Desert Alma Sugar Milling Company Limited         | Mauritius                | Private         | NED                               |
| 5   | Rogers Capital Corporate Services Limited             | Mauritius                | Private         | NED                               |
| 6   | Rogers Capital Ltd                                    | Mauritius                | Private         | NED                               |
| 7   | Rogers Capital Technology Services Ltd                | Mauritius                | Private         | NED                               |
| 8   | Savannah Properties Limited                           | Mauritius                | Private         | NED                               |
| 9   | Sygeco Limited  | Mauritius                | Private         | NED                               |
| 10  | Tagada Limited  | Mauritius                | Private         | NED                               |
| 11  | The Enabling Academy Limited                          | Mauritius                | Private         | NED                               |
| <b>Marie Andre Eric Espitalier-Noël at 30 June 2023</b> |   |                          |                 |                                   |
| 1   | Adnarev Ltd   | Mauritius                | Private         | NED                               |
| 2   | Agrex Limited   | Mauritius                | Private         | NED                               |
| 3   | Agria Limited   | Mauritius                | Public          | NED                               |
| 4   | As De Coeur   | Mauritius                | Private         | EXE                               |
| 5   | Automatic System Ltd                                  | Mauritius                | Listed          | NED                               |
| 6   | Avipro Co Ltd   | Mauritius                | Private         | NED                               |
| 7   | Axess Limited   | Mauritius                | Private         | EXE                               |
| 8   | Case Noyale Limitée                                   | Mauritius                | Public          | NED                               |
| 9   | Cashverdure Limitée                                   | Mauritius                | Private         | EXE                               |
| 10  | Commercial Investment Property Fund Limited           | Mauritius                | Private         | EXE                               |
| 11  | Emblem Paints Limited                                 | Mauritius                | Private         | EXE                               |
| 12  | Emerald (Mauritius) Limited                           | Mauritius                | Private         | NED                               |
| 13  | ENL Agri Limited                                      | Mauritius                | Private         | NED                               |
| 14  | ENL Commercial Limited                                | Mauritius                | Private         | EXE                               |
| 15  | ENL Corporate Services Limited                        | Mauritius                | Private         | EXE                               |
| 16  | ENL Foundation  | Mauritius                | Private         | NED                               |
| 17  | ENL Limited   | Mauritius                | Listed          | EXE                               |
| 18  | ENL Property Limited                                  | Mauritius                | Private         | NED                               |
| 19  | ENL Secretarial Services Limited                      | Mauritius                | Private         | EXE                               |
| 20  | Ensport Limited                                       | Mauritius                | Private         | EXE                               |
| 21  | Esp Cleaning Limited                                  | Mauritius                | Private         | NED                               |
| 22  | Esp Landscapers Ltd                                   | Mauritius                | Private         | NED                               |
| 23  | Field Good Fresh Foods Limited                        | Mauritius                | Private         | NED                               |
| 24  | Floreal Limited                                       | Mauritius                | Private         | EXE                               |
| 25  | Formation Recrutement Et Conseil Informatique Limitée | Mauritius                | Private         | NED                               |
| 26  | Grewals (Mauritius) Limited                           | Mauritius                | Private         | EXE                               |
| 27  | Hyperdist Io (Mauritius) Limited                      | Mauritius                | Private         | NED                               |
| 28  | Inter-Ex Sa   | Madagascar               | Private         | NED                               |
| 29  | Island Living Ltd                                     | Mauritius                | Private         | NED                               |
| 30  | Joinery And Metal Distribution International Limited  | Mauritius                | Private         | NED                               |
| 31  | La Sablonniere Holding Limited                        | Mauritius                | Public          | NED                               |
| 32  | L'Accord Limited                                      | Mauritius                | Public          | NED                               |
| 33  | Les Moulins De La Concorde Ltée                       | Mauritius                | Listed          | NED                               |

| No   | Name Of Entity                                | Country Of Incorporation | Type Of Company | Type Of Directorship <sup>1</sup> |
|--|---|--------------------------|-----------------|-----------------------------------|
| 34   | Les Villas De Bel Ombre Amenties Ltd          | Mauritius                | Private         | NED                               |
| 35   | Les Villas De Bel Ombre Ltée                  | Mauritius                | Private         | NED                               |
| 36   | Livestock Feed Limited                        | Mauritius                | Listed          | NED                               |
| 37   | Management & Development Co Ltd               | Mauritius                | Private         | NED                               |
| 38   | Moka City Limited                             | Mauritius                | Private         | NED                               |
| 39   | Mon Desert Alma Sugar Milling Company Limited | Mauritius                | Public          | NED                               |
| 40   | Nabridas International Limited                | Mauritius                | Private         | EXE                               |
| 41   | Nabridas Ltd                                  | Mauritius                | Private         | EXE                               |
| 42   | Officea Company Limited                       | Mauritius                | Private         | NED                               |
| 43   | Plaine Des Papayes Properties Limited         | Mauritius                | Private         | EXE                               |
| 44   | Plastinax Austral Limited                     | Mauritius                | Private         | EXE                               |
| 45   | Rennel Limited                                | Mauritius                | Private         | EXE                               |
| 46   | Rogers & Company Limited                      | Mauritius                | Listed          | NED                               |
| 47   | Rogers Consolidated Shareholding Limited      | Mauritius                | Private         | NED                               |
| 48   | Rogers Hospitality Operations Ltd             | Mauritius                | Public          | NED                               |
| 49   | Rogers Hospitality Training Ltd               | Mauritius                | Private         | NED                               |
| 50   | Seven Colors Spa Ltd                          | Mauritius                | Private         | NED                               |
| 51   | South West Tourism Development Company Ltd    | Mauritius                | Private         | NED                               |
| 52   | St. Pierre Properties Limited                 | Mauritius                | Private         | EXE                               |
| 53   | Suntricity Limited                            | Mauritius                | Private         | EXE                               |
| 54   | Superdist Limited                             | Mauritius                | Private         | EXE                               |
| 55   | Swan General Ltd                              | Mauritius                | Listed          | NED                               |
| 56   | Swan Life Ltd                                 | Mauritius                | Listed          | NED                               |
| 57   | Tambourissa Limited                           | Mauritius                | Private         | NED                               |
| <b>Marie Edouard Gilbert Espitalier-Noël at 15 August 2023</b> |   |                          |                 |                                   |
| 1  | Agrex Limited                                 | Mauritius                | Private         | EXE                               |
| 2  | Axess Limited                                 | Mauritius                | Private         | EXE                               |
| 3  | Beachcomber Hospitality Investments Ltd       | Mauritius                | Listed          | NED                               |
| 4  | Beachcomber Hotel Sa                          | Morocco                  | N/A             | NED                               |
| 5  | Beachcomber Hotel Marrakech S.A               | Morocco                  | N/A             | NED                               |
| 6  | Bocheco Ltd                                   | Mauritius                | Private         | EXE                               |
| 7  | Cashverdure Limitee                           | Mauritius                | Private         | EXE                               |
| 8  | Charles Telfair Co Ltd                        | Mauritius                | Private         | NED                               |
| 9  | Courchamps Properties Limited                 | Mauritius                | Private         | EXE                               |
| 10   | Dolphin Coast Marina Estates Ltd              | Mauritius                | Private         | NED                               |
| 11   | Domaine Palm De Marrakech L Sa                | Morocco                  | N/A             | NED                               |
| 12   | Ecoasis Energy Solutions Ltd                  | Mauritius                | Private         | EXE                               |
| 13   | Enatt Ltd                                     | Mauritius                | Private         | EXE                               |
| 14   | ENL Agri Limited                              | Mauritius                | Private         | EXE                               |
| 15   | ENL Commercial Limited                        | Mauritius                | Private         | EXE                               |
| 16   | ENL Corporate Services Limited                | Mauritius                | Private         | EXE                               |
| 17   | ENL Corporate Ventures Limited                | Mauritius                | Private         | EXE                               |
| 18   | ENL Foundation                                | Mauritius                | Private         | EXE                               |
| 19   | ENL Limited                                   | Mauritius                | Listed          | EXE                               |
| 20   | ENL Re Limited                                | Mauritius                | Private         | EXE                               |
| 21   | ENL Residential Development Limited           | Mauritius                | Private         | EXE                               |
| 22   | ENL Property Limited                          | Mauritius                | Private         | EXE                               |
| 23   | Ensport Limited                               | Mauritius                | Private         | EXE                               |
| 24   | Envolt Limited                                | Mauritius                | Private         | EXE                               |
| 25   | Esp Cleaning Limited                          | Mauritius                | Private         | EXE                               |

| No   | Name Of Entity                                | Country Of Incorporation | Type Of Company | Type Of Directorship <sup>1</sup> |
|--|---|--------------------------|-----------------|-----------------------------------|
| 26   | Esp Landscapers Ltd                           | Mauritius                | Private         | EXE                               |
| 27   | Field Good Fresh Foods Limited                | Mauritius                | Private         | EXE                               |
| 28   | Floreal Limited                               | Mauritius                | Private         | EXE                               |
| 29   | L'Accord Limited                              | Mauritius                | Public          | EXE                               |
| 30   | La Sablonniere Holding Limited                | Mauritius                | Public          | EXE                               |
| 31   | Les Lycees Associes Ltée                      | Mauritius                | Public          | NED                               |
| 32   | Les Salines Golf & Resort Limited             | Mauritius                | Private         | NED                               |
| 33   | Les Salines Pds Ltd                           | Mauritius                | Private         | NED                               |
| 34   | Livestock Feed Limited                        | Mauritius                | Listed          | NED                               |
| 35   | Logistics Solutions Ltd                       | Mauritius                | Private         | NED                               |
| 36   | Maurilait Production Ltée                     | Mauritius                | Public          | NED                               |
| 37   | Mautourco Holdings Ltd                        | Mauritius                | Private         | NED                               |
| 38   | Mautourco Ltd                                 | Mauritius                | Private         | NED                               |
| 39   | Moka Smart City Management Limited            | Mauritius                | Private         | EXE                               |
| 40   | Mon Desert Alma Sugar Milling Company Limited | Mauritius                | Private         | EXE                               |
| 41   | New Mauritius Hotels Limited                  | Mauritius                | Listed          | NED                               |
| 42   | Omnova Holding Ltd (Ex Eliokem) Offshore      | Mauritius                | Private         | NED                               |
| 43   | Panagora Marketing Co Ltd                     | Mauritius                | Public          | NED                               |
| 44   | Plastinax Austral Limited                     | Mauritius                | Private         | EXE                               |
| 45   | Rogers Consolidated Shareholding Limited      | Mauritius                | Private         | EXE                               |
| 46   | Rogers And Company Limited                    | Mauritius                | Listed          | NED                               |
| 47   | S & W Synergy Ltd                             | Mauritius                | Private         | EXE                               |
| 48   | Savannah Land Development Company Limited     | Mauritius                | Private         | EXE                               |
| 49   | Savannah Properties Limited                   | Mauritius                | Private         | EXE                               |
| 50   | Savannah Smart City Limited                   | Mauritius                | Private         | EXE                               |
| 51   | Semaris Ltd                                   | Mauritius                | Listed          | NED                               |
| 52   | Tagada Limited                                | Mauritius                | Private         | EXE                               |
| 53   | Tambourissa Limited                           | Mauritius                | Private         | EXE                               |
| 54   | The Enabling Academy Limited                  | Mauritius                | Private         | EXE                               |
| 55   | Turbine Incubator Limited                     | Mauritius                | Private         | EXE                               |
| 56   | Trans-Maurice Car Rental Ltd                  | Mauritius                | Private         | NED                               |
| 57   | The La Balise Gym And Spa Ltd                 | Mauritius                | Private         | NED                               |
| 58   | Velogic Holding Company Ltd                   | Mauritius                | Listed          | NED                               |
| 59   | Vignol Limitee                                | Mauritius                | Private         | EXE                               |
| <b>Marie Maxime Hector Espitalier-Noël at 15 August 2023</b> |   |                          |                 |                                   |
| 1  | Agria Limited                                 | Mauritius                | Public          | NED                               |
| 2  | Ascencia Limited                              | Mauritius                | Listed          | NED                               |
| 3  | Beachcomber Hospitality Investments Ltd       | Mauritius                | Listed          | NED                               |
| 4  | Case Noyal Limitee                            | Mauritius                | Public          | NED                               |
| 5  | Cashverdure Limitee                           | Mauritius                | Private         | EXE                               |
| 6  | Eliheda Ltd                                   | Mauritius                | Private         | EXE                               |
| 7  | Emerald (Mauritius) Limited                   | Mauritius                | Private         | EXE                               |
| 8  | ENL Agri Limited                              | Mauritius                | Private         | NED                               |
| 9  | ENL Commercial Limited                        | Mauritius                | Private         | NED                               |
| 10   | ENL Limited                                   | Mauritius                | Listed          | NED                               |
| 11   | ENL Property Limited                          | Mauritius                | Private         | NED                               |
| 12   | Keduver Limitee                               | Mauritius                | Private         | EXE                               |
| 13   | Helida Ltd                                    | Mauritius                | Private         | EXE                               |
| 14   | La Sablonnière Holding Limited                | Mauritius                | Public          | NED                               |
| 15   | L'Accord Limited                              | Mauritius                | Public          | NED                               |

| No   | Name Of Entity                            | Country Of Incorporation | Type Of Company | Type Of Directorship <sup>1</sup> |
|--|---|--------------------------|-----------------|-----------------------------------|
| 16   | New Mauritius Hotels Limited              | Mauritius                | Listed          | NED                               |
| 17   | Rogers And Company Limited                | Mauritius                | Listed          | NED                               |
| 18   | Rogers Consolidated Shareholding Limited  | Mauritius                | Private         | NED                               |
| <b>Marie Patrick Roger Espitalier Noël at 30 June 2023</b>     |   |                          |                 |                                   |
| 1  | Camp Investment Company Limited           | Mauritius                | Public          |                                   |
| 2  | Ciel Foundation                           | Mauritius                | Private         |                                   |
| 3  | Ciel Limited                              | Mauritius                | Listed          | NED                               |
| 4  | Ciel Properties Limited                   | Mauritius                | Private         |                                   |
| 5  | Ciel Textile Limited                      | Mauritius                | Private         | NED                               |
| 6  | Deep River Holding Ltd                    | Mauritius                | Private         |                                   |
| 7  | Deep River Ltd                            | Mauritius                | Public          |                                   |
| 8  | ENL Commercial Limited                    | Mauritius                | Private         | NED                               |
| 9  | ENL Limited                               | Mauritius                | Listed          | NED                               |
| 10   | ENL Property Limited                      | Mauritius                | Private         | NED                               |
| 11   | Ferney Limited                            | Mauritius                | Private         | NED                               |
| 12   | Grewals (Mauritius) Limited               | Mauritius                | Private         | NED                               |
| 13   | Hugnin Frères Ltd                         | Mauritius                | Private         |                                   |
| 14   | La Sablonnière Holding Limited            | Mauritius                | Public          | NED                               |
| 15   | L'Accord Limited                          | Mauritius                | Public          | NED                               |
| 16   | Phoenix Investment Company Limited        | Mauritius                | Listed          | ALT                               |
| 17   | Plastinax Austral Limited                 | Mauritius                | Private         | NED                               |
| <b>Gerard Jean-Raymond Hardy at 30 June 2023</b>               |   |                          |                 |                                   |
| 1  | Agrex Limited                             | Mauritius                | Private         | NED                               |
| 2  | ENL Agri Limited                          | Mauritius                | Private         | NED                               |
| 3  | ENL Corporate Services Limited            | Mauritius                | Private         | NED                               |
| 4  | ENL Foundation                            | Mauritius                | Private         | NED                               |
| 5  | ENL Limited                               | Mauritius                | Listed          | NED                               |
| 6  | ENL Property Limited                      | Mauritius                | Private         | NED                               |
| 7  | Enquickfix Limited                        | Mauritius                | Private         | NED                               |
| 8  | Esp Landscapers Ltd                       | Mauritius                | Private         | NED                               |
| 9  | Field Good Fresh Foods Limited            | Mauritius                | Private         | NED                               |
| 10   | Mon Desert Alma Sugar Milling Company Ltd | Mauritius                | Public          | NED                               |
| 11   | Sb Cattle Ltd                             | Mauritius                | Private         | NED                               |
| 12   | Smartvertising Ltd                        | Mauritius                | Private         | NED                               |
| 13   | Sygeco Limited                            | Mauritius                | Private         | EXE                               |
| <b>Noel Jean Humbert at 30 June 2023</b>                       |   |                          |                 |                                   |
| 1  | Eclosia Corporate Services Ltd            | Mauritius                | Private         | NED                               |
| 2  | Eclosia Secretarial Services Ltd          | Mauritius                | Private         | NED                               |
| 3  | ENL Limited                               | Mauritius                | Listed          | INED                              |
| 4  | La Sentinelle Ltée                        | Mauritius                | Private         | NED                               |
| 5  | Livestock Feed Ltd                        | Mauritius                | Listed          | NED                               |
| 6  | Maurilait Production Ltée                 | Mauritius                | Public          | NED                               |
| 7  | New Maurifoods Ltd                        | Mauritius                | Private         | NED                               |
| 8  | Oceanarium (Mauritius) Ltd                | Mauritius                | Listed          | NED                               |
| <b>Mushtaq Mohamed Omar Noormohamed Oosman at 30 June 2023</b> |   |                          |                 |                                   |
| 1  | Automatic Systems Ltd                     | Mauritius                | Listed          | INED                              |
| 2  | Eight Africa Fund Ltd                     | Mauritius                | Private         | INED                              |
| 3  | ENL Limited                               | Mauritius                | Listed          | INED                              |
| 4  | Forges Tardieu Ltd                        | Mauritius                | Public          | INED                              |
| 5  | La Prudence Leasing                       | Mauritius                | Private         | INED                              |

| No   | Name Of Entity                             | Country Of Incorporation | Type Of Company | Type Of Directorship <sup>1</sup> |
|--|--|--------------------------|-----------------|-----------------------------------|
| 6  | Les Moulins De La Concorde                 | Mauritius                | Listed          | INED                              |
| 7  | Mauritius Union Assurance Company Limited  | Mauritius                | Listed          | INED                              |
| 8  | MUA Ltd                                    | Mauritius                | Public          | INED                              |
| 9  | PIM Ltd                                    | Mauritius                | Listed          | INED                              |
| 10   | Rey Lenferna Ltd                           | Mauritius                | Public          | INED                              |
| 11   | SUN Limited                                | Mauritius                | Listed          | INED                              |
| 12   | United Docks Ltd                           | Mauritius                | Listed          | INED                              |
| 13   | Watertech Co Ltd                           | Mauritius                | Private         | INED                              |
| <b>Joseph Marie Johan Pilot at 30 June 2023</b>              |  |                          |                 |                                   |
| 1  | Building & Civil Engineering Co Ltd        | Mauritius                | Private         | NED                               |
| 2  | Courchamps Properties Limited              | Mauritius                | Private         | EXE                               |
| 3  | ENL Corporate Services Limited             | Mauritius                | Private         | NED                               |
| 4  | ENL Foundation                             | Mauritius                | Private         | NED                               |
| 5  | ENL Limited                                | Mauritius                | Listed          | EXE                               |
| 6  | ENL Property Limited                       | Mauritius                | Private         | EXE                               |
| 7  | Envolt Limited                             | Mauritius                | Private         | NED                               |
| 8  | Esp Cleaning Limited                       | Mauritius                | Private         | NED                               |
| 9  | Esp Landscapers Limited                    | Mauritius                | Private         | NED                               |
| 10   | La Place Du Village Limited                | Mauritius                | Private         | EXE                               |
| 11   | Moka City Limited                          | Mauritius                | Private         | EXE                               |
| 12   | ENL Residential Development Limited        | Mauritius                | Private         | EXE                               |
| 13   | Moka Smart City Management Limited         | Mauritius                | Private         | EXE                               |
| 14   | Officea Company Limited                    | Mauritius                | Private         | EXE                               |
| 15   | Savannah Smart City Limited                | Mauritius                | Private         | EXE                               |
| 16   | Telfair Apartments Limited                 | Mauritius                | Private         | EXE                               |
| <b>Marie Joseph Jean Pierre Montocchio at 30 June 2023</b>   |  |                          |                 |                                   |
| 1  | B.R.E Ltd                                  | Mauritius                | Private         | INED                              |
| 2  | Cie De Ces Bois Ltée                       | Mauritius                | Private         | INED                              |
| 3  | Dolphin Coast Marina Ltd                   | Mauritius                | Private         | INED                              |
| 4  | ENL Limited                                | Mauritius                | Listed          | NED                               |
| 5  | Fincorp Investment Ltd                     | Mauritius                | Listed          | NED                               |
| 6  | Les Moulins De La Concorde Ltée            | Mauritius                | Listed          | INED                              |
| 7  | New Mauritius Hotels Limited               | Mauritius                | Listed          | NED                               |
| 8  | Rogers And Company Limited                 | Mauritius                | Listed          | NED                               |
| 9  | Happy World Property Ltd                   | Mauritius                | Listed          | INED                              |
| 10   | The General Construction Co Ltd            | Mauritius                | Public          |                                   |
| 11   | Swan Forex Ltd                             | Mauritius                | Public          |                                   |
| <b>Olivier Brousse De Laborde at 30 June 2023</b>            |  |                          |                 |                                   |
| 1  | Indian Ocean Islands Foundation            | Mauritius                | Public          | INED                              |
| <b>Marie Hector Philippe Espitalier-Noël at 30 June 2023</b> |  |                          |                 |                                   |
| 1  | Agria Limited                              | Mauritius                | Public          | NED                               |
| 2  | Ascencia Limited                           | Mauritius                | Listed          | NED                               |
| 3  | Bagatelle Hotel Operations Company Limited | Mauritius                | Private         | NED                               |
| 4  | Bebezors Ltd                               | Mauritius                | Private         | NED                               |
| 5  | Bioculture (Mauritius) Ltd                 | Mauritius                | Private         | NED                               |
| 6  | Biofarms Limited                           | Mauritius                | Private         | NED                               |
| 7  | Bluealize Ltd                              | Mauritius                | Private         | NED                               |
| 8  | Case Noyale Limitee                        | Mauritius                | Public          | NED                               |
| 9  | Cashverdure Limitée                        | Mauritius                | Private         | EXE                               |
| 10   | Croisieres Australes Ltee                  | Mauritius                | Private         | NED                               |

| No  | Name Of Entity                                 | Country Of Incorporation | Type Of Company | Type Of Directorship <sup>1</sup> |
|---|--|--------------------------|-----------------|-----------------------------------|
| 11  | Edgbnk Ltd                                     | Mauritius                | Private         | NED                               |
| 12  | Foresite Property Holding Ltd                  | Mauritius                | Private         | NED                               |
| 13  | Le Morne Development Corporation Limited       | Mauritius                | Private         | NED                               |
| 14  | Les Villas De Bel Ombre Amenities Ltd          | Mauritius                | Private         | NED                               |
| 15  | Les Villas De Bel Ombre Ltée                   | Mauritius                | Private         | NED                               |
| 16  | Logistics Solutions Ltd                        | Mauritius                | Private         | NED                               |
| 17  | Reliance Facilities Ltd                        | Mauritius                | Private         | NED                               |
| 18  | Reliance Security Services Ltd                 | Mauritius                | Private         | NED                               |
| 19  | Rogers And Company Limited                     | Mauritius                | Listed          | EXE                               |
| 20  | Rogers Aviation Holding Company Limited        | Mauritius                | Private         | NED                               |
| 21  | Rogers Capital Corporate Services Limited      | Mauritius                | Private - GBL 1 | NED                               |
| 22  | Rogers Capital Finance Ltd                     | Mauritius                | Private         | NED                               |
| 23  | Rogers Capital Ltd                             | Mauritius                | Private         | NED                               |
| 24  | Rogers Capital Management Services Ltd         | Mauritius                | Private         | NED                               |
| 25  | Rogers Capital Outsourcing Ltd                 | Mauritius                | Private         | NED                               |
| 26  | Rogers Capital Technology Services Ltd         | Mauritius                | Private         | NED                               |
| 27  | Rogers Consolidated Shareholding Limited       | Mauritius                | Private         | NED                               |
| 28  | Rogers Corporate Services Ltd                  | Mauritius                | Private         | NED                               |
| 29  | Rogers Foundation Ltd                          | Mauritius                | Private         | NED                               |
| 30  | Rogers Hospitality Group Ltd                   | Mauritius                | Private         | NED                               |
| 31  | Rogers Hospitality Management Company Ltd      | Mauritius                | Private         | NED                               |
| 32  | Rogers Hospitality Property Fund Ltd           | Mauritius                | Private         | NED                               |
| 33  | Rogers Hospitality Operations Ltd              | Mauritius                | Public          | NED                               |
| 34  | Rogers Logistics International Ltd             | Mauritius                | Private - GBL 1 | NED                               |
| 35  | Rogers Shipping Pte Ltd                        | Singapore                | Private         | NED                               |
| 36  | Société Helicophanta                           | Mauritius                | Société         | NED                               |
| 37  | South West Tourism Development Company Limited | Mauritius                | Private         | NED                               |
| 38  | Sports-Event Management Operation Co Ltd       | Mauritius                | Private         | NED                               |
| 39  | Sukpak Ltd                                     | Mauritius                | Private         | NED                               |
| 40  | Swan General Ltd                               | Mauritius                | Listed          | NED                               |
| 41  | Swan Life Ltd                                  | Mauritius                | Listed          | NED                               |
| 42  | Velogic Holding Company Limited                | Mauritius                | Listed          | NED                               |
| <b>Pauline Sybille Cheh Seeyave at 30 June 2023</b> |  |                          |                 |                                   |
| 1   | Agria Limited                                  | Mauritius                | Public          | NED                               |
| 2   | Albor Ltd                                      | Mauritius                | Private         | NED                               |
| 3   | Beachcomber Hospitality Investments Ltd        | Mauritius                | Listed          | EXE                               |
| 4   | Beachcomber Limited                            | Mauritius                | Private         | EXE                               |
| 5   | Beachcomber Marketing (Pty) Ltd                | South Africa             | N/A             | NED                               |
| 6   | Beachcomber Tours Limited                      | England                  | N/A             | NED                               |
| 7   | Case Noyale Limitée                            | Mauritius                | Public          | NED                               |
| 8   | Cheh Seeyave Limited                           | Mauritius                | Private         | NED                               |
| 9   | Domaine De L'Harmonie Ltée                     | Mauritius                | Private         | NED                               |
| 10  | Domaine Palm Marrakech S.A                     | Morocco                  | N/A             | NED                               |
| 11  | Foods Div Ltd                                  | Mauritius                | Private         | NED                               |
| 12  | Gold Coast Resort Limited                      | Seychelles               | N/A             | NED                               |
| 13  | Innodis Ltd                                    | Mauritius                | Listed          | NED                               |
| 14  | Les Jardins Des Salines Ltd                    | Mauritius                | Private         | EXE                               |
| 15  | Les Salines Development Ltd                    | Mauritius                | Private         | EXE                               |

| <b>No</b> | <b>Name Of Entity</b>             | <b>Country Of Incorporation</b> | <b>Type Of Company</b> | <b>Type Of Directorship<sup>1</sup></b> |
|-----------|-----------------------------------|---------------------------------|------------------------|---|
| 16        | Les Salines Ihs Limited           | Mauritius                       | Private                | NED                                     |
| 17        | Les Salines Golf & Resort Limited | Mauritius                       | Private                | EXE                                     |
| 18        | Les Salines Pds Ltd               | Mauritius                       | Private                | NED                                     |
| 19        | Kenville Investment Limited       | Mauritius                       | Private                | NED                                     |
| 20        | Kingfisher Ltd                    | Mauritius                       | Public                 | EXE                                     |
| 21        | Kingfisher 3 Limited              | Mauritius                       | Private                | NED                                     |
| 22        | Mautourco Ltd                     | Mauritius                       | Private                | NED                                     |
| 23        | New Mauritius Hotels Limited      | Mauritius                       | Listed                 | EXE                                     |
| 24        | Plaisance Catering Ltd            | Mauritius                       | Private                | EXE                                     |
| 25        | Praslin Resort Limited            | Seychelles                      | N/A                    | NED                                     |
| 26        | Royal Gardens Ltd                 | Mauritius                       | Private                | NED                                     |
| 27        | Ste Anne Resorts Limited          | Seychelles                      | N/A                    | EXE                                     |

- <sup>1</sup> *NED means Non-Executive Director*  
*EXE means Executive Director*  
*INED means Independent Non-Executive Director*  
*ALT means Alternate Director*



**Schedule 6: Application Form**

FOR OFFICE USE

|                     |  |
|---------------------|--|
| Application Number  |  |
| Accepted / Rejected |  |



Application Form (the “**Application Form**”) in relation to the issue of Secured Fixed Rate Notes and Secured Floating Rate Notes by ENL Limited

Please use BLOCK LETTERS to complete this Application Form

**L. SECTION 1A - INVESTOR DETAILS (INDIVIDUAL)**

|                                | <b>PRIMARY INVESTOR</b> | <b>JOINT INVESTOR</b> |
|--------------------------------|-------------------------|-----------------------|
| Title:                         | _____                   | _____                 |
| Surname:                       | _____                   | _____                 |
| First name(s):                 | _____                   | _____                 |
| Maiden name:                   | _____                   | _____                 |
| Marital status:                | _____                   | _____                 |
| Date of birth:                 | _____                   | _____                 |
| Birth certificate no.:         | _____                   | _____                 |
| NIC:                           | _____                   | _____                 |
| Nationality:                   | _____                   | _____                 |
| Place of birth:                | _____                   | _____                 |
| Country of birth:              | _____                   | _____                 |
| Passport number:               | _____                   | _____                 |
| Passport expiry date:          | _____                   | _____                 |
| Passport country:              | _____                   | _____                 |
| Permanent residential address: | _____                   | _____                 |
| Mailing address (if different) | _____                   | _____                 |
| Telephone (home)               | _____                   | _____                 |
| (office)                       | _____                   | _____                 |
| (mobile)                       | _____                   | _____                 |
| Email address:                 | _____                   | _____                 |
| Occupation:                    | _____                   | _____                 |
| Employers name:                | _____                   | _____                 |
| Employer’s address:            | _____                   | _____                 |

**SECTION 1B - INVESTOR DETAILS (NON-INDIVIDUAL)**

Name of entity: \_\_\_\_\_

Type: \_\_\_\_\_

BRN: \_\_\_\_\_

Company No: \_\_\_\_\_

TAN: \_\_\_\_\_

Registered office: \_\_\_\_\_

\_\_\_\_\_

Mailing address: \_\_\_\_\_  
(if different) \_\_\_\_\_

E-mail address: \_\_\_\_\_

\_\_\_\_\_

Telephone number: \_\_\_\_\_

Fax: \_\_\_\_\_

**SECTION 2 – SOURCE OF FUNDS** (Please select/tick the appropriate box(es))

| <b>PRIMARY INVESTOR</b>  | <b>JOINT INVESTOR</b>  |
|--|--|
| <input type="checkbox"/> Savings from salary or bonus payment            | <input type="checkbox"/> Savings from salary or bonus payment            |
| <input type="checkbox"/> Sale of assets, property or shares of a company | <input type="checkbox"/> Sale of assets, property or shares of a company |
| <input type="checkbox"/> Inheritance                                     | <input type="checkbox"/> Inheritance                                     |
| <input type="checkbox"/> Company profits or dividends                    | <input type="checkbox"/> Company profits or dividends                    |
| <input type="checkbox"/> Maturity or surrender of life policy            | <input type="checkbox"/> Maturity or surrender of life policy            |
| <input type="checkbox"/> Gifts   | <input type="checkbox"/> Gifts   |
| <input type="checkbox"/> National lotteries                              | <input type="checkbox"/> National lotteries                              |
| <input type="checkbox"/> Loan  | <input type="checkbox"/> Loan  |
| <input type="checkbox"/> Trade/business                                  | <input type="checkbox"/> Trade/business                                  |
| <input type="checkbox"/> Other<br>Please specify: _____                  | <input type="checkbox"/> Other<br>Please specify: _____                  |

## M. SECTION 3 - INVESTMENT DETAILS

Issuer: ENL Limited

Instrument Name: Secured Fixed Rate Notes and Secured Floating Rate Notes

| <b>Type of Notes</b>        | <b>Tranche Reference</b> | <b>Selected Tranches</b><br><i>(please indicate your Tranches selection by ticking the box(es) in the corresponding row(s) below)</i> | <b>Number of Notes Applied for in the Selected Tranches</b><br><i>(please insert the number(s) in the box(es) below corresponding to your selected Tranche(s))</i> | <b>Issue Price Per Note</b> | <b>Nominal Amount of Notes Applied For</b><br><i>(please insert the amount(s) in the box(es) below corresponding to your selected Tranche(s))</i> |
|-----------------------------|--------------------------|---|--|-----------------------------|---|
| Secured Fixed Rate Notes    | ENL-01-FRN-122028        |   |  | MUR 1,000                   |   |
| Secured Floating Rate Notes | ENL-01-FLN-122030        |   |  | MUR 1,000                   |   |
| Secured Floating Rate Notes | ENL-01-FLN-122038        |   |  | MUR 1,000                   |   |
| <b>Total</b>                |                          |   |  |                             |   |

### Settlement Mode: Bank Transfer (Please complete Bank Transfer Instruction Form)

Account Holder: \_\_\_\_\_

Settlement Date: 11 December 2023

CDS Account Number (See Section 7.8): \_\_\_\_\_

A copy of the "CDS Statement" showing the specified CDS account number should be attached to this Application Form.

## N. SECTION 4 - APPLICATION INSTRUCTIONS

- 4.1 For the purposes of this Application Form and its Annex, the term “**Relevant Functionary**” shall include:
- (a) M.C.B Stockbrokers Limited;
  - (b) agents formally appointed by M.C.B Stockbrokers Limited; and
  - (c) officers and employees of any of the above.
- 4.2 Failure to adhere to these application instructions may result in your application not being processed.
- 4.3 Only persons aged at least 18 years may apply for the investments herein. Subject to the Offering Document (as defined below), a parent or guardian of a minor may however apply on behalf of the minor upon presentation of such supporting documents as may be requested by the Relevant Functionary and DTOS Registry Services Ltd (the ‘IPA Agent’).
- 4.4 As part of the Issuer’s AML/CFT procedures and in line with: (i) the Financial Intelligence and Anti-Money Laundering Act 2022, (ii) the Financial Intelligence and Anti-Money Laundering Regulations 2018, and (iii) the Anti-Money Laundering and Countering the Financing of Terrorism Handbook issued by the FSC, Prospective Investors must submit the relevant ‘Know Your Client’ documents as set out in Annex 1 together with their Application Forms.
- 4.5 Prospective Investors that do not fall within any of the categories listed in Annex 1 are requested to contact the Sponsoring Broker to obtain the list of ‘Know Your Client’ documents applicable to them.
- 4.6 Prospective Investors may call at the office of the Sponsoring Broker with the relevant **original** documents and the Sponsoring Broker will cause copies of the documents to be certified.
- 4.7 Alternatively, the relevant documents can be certified as true copies by any one of the following persons: a law practitioner, an actuary, a professional accountant, a commissioner of oath, a director or secretary of an organization regulated by the Bank of Mauritius or the Financial Services Commission or a serving police officer not below the rank of assistant superintendent, with their designation or registration to a professional institution and contact details clearly stated on the certified document.
- 4.8 Your Application Form may not be processed if you do not submit at the same time the applicable ‘Know Your Client’ documents. The Issuer reserves the right to request any additional documents and/or information (other than those mentioned in Annex 1) that it may determine necessary as part of its AML/CFT procedures depending on the risk category of the Prospective Investors.
- 4.9 Your Application Form together with the applicable ‘Know Your Client’ documents must reach **M.C.B Stockbrokers Limited**, Sir William Newton Street, Port Louis, Mauritius by 6 December 2023, by 3.00 p.m. latest. Applicants must also fill the Bank Transfer Instruction Form appended to this Application Form.

## SECTION 5 - GENERAL TERMS AND CONDITIONS

- 5.1 The Investor confirms having read and understood the terms and conditions pursuant to which the Notes are being offered for subscription as set out in the Prospectus (also deemed to be the Listing Particulars) dated 20 October 2023 (the “**Offering Document**”).
- 5.2 Capitalised terms used herein and not otherwise defined shall have the same meaning as ascribed to them in the Offering Document.
- 5.3 In the event of any conflict between the contents of this Application Form and the Offering Document, the Offering Document shall prevail.
- 5.4 The Investor confirms that it has such knowledge, expertise and experience in financial investment and business matters that it is capable of evaluating the risks of its acquisition of the Notes, especially the risks expressly specified in Section H – ‘Risk Factors’ of the Offering Document.

- 5.5 If you are in any doubt before making any decision to subscribe to the Notes, you are strongly advised to take appropriate advice from a suitably qualified professional or financial adviser.

## SECTION 6 - DATA COLLECTION AND PROTECTION

- 6.1 The Investor acknowledges, understands and agrees that each of the Relevant Functionary and the IPA Agent (each a “**Data Controller**”) shall, in the performance of its obligations as described in the Offering Document, collect and, where necessary or required, process, personal information which the Investor hereby voluntarily discloses to it only for the purposes of subscribing to the Notes (the “**Personal Data**”). The Data Controller undertakes to treat the Personal Data confidentially and securely in line with the applicable data protection laws.
- 6.2 The Investor acknowledges that he has the right to request a list of the names and addresses of any potential recipients of the Personal Data and to review and correct the Personal Data by contacting the Data Controller.
- 6.3 The Data Controller will only retain the Personal Data as long as necessary to fulfil the purposes if has been collected for, including for the purposes of satisfying any legal, accounting or reporting requirements. To determine the appropriate retention period for the Personal Data, the Data Controller will consider the amount, nature and sensitivity of the Personal Date, the purposes for which the Personal Data is being processed and whether such purposes may be achieved through other means, and the applicable legal requirements.
- 6.4 There may be circumstances where the Data Controller will not be able to comply with a request, typically in relation to a request to erase Personal Data or an objection or restriction to the processing of its Personal Data where the Data Controller needs to keep the Personal Data to comply with its legal obligations or where the Data Controller needs to use such information to establish, exercise or defend a legal claim.
- 6.5 Save as otherwise herein provided, the Data Controller undertakes not to reveal or otherwise disclose the Personal Data to any external body (other than the Issuer and the Corporate Finance Adviser), unless (i) it has obtained the express consent of the Investor, or (ii) it is under either a legal obligation or any other duty to do so, or (iii) the Personal Data is disclosed to any agent, third party service provider, professional adviser or any other person under a duty of confidentiality to the Data Controller. The Investor expressly acknowledges and agrees that the foregoing disclosures may require that the Personal Data be transferred to parties located in countries which do not offer the same level of data protection as the Investor’s home country.
- 6.6 The following paragraph shall apply to non-individual applicants only:

Where Personal Data relating to the officers, employees and directors of the Investor is, or is required to be, collected by the Data Controller, the Investor expressly agrees and procures to do all such things that may be required by the Data Controller to ensure that its officers, employees and directors are made aware of the data protection provisions herein and that such officers, employees and directors give their consent with regards to the collection, processing and transfer of such Personal Data by the Data Controller in accordance with this section.

## SECTION 7 - DECLARATIONS

- 7.1 The Investor agrees to purchase the abovementioned Notes and agrees to accept the same or lesser number of Notes that may be allocated to it/he upon the terms and conditions of the Offering Document and this Application Form.
- 7.2 In accordance with anti-money laundering requirements, the Investor hereby consents that the Relevant Functionary and the IPA Agent may record, exchange, analyse and use relevant information about the Investor and its relationships with any affiliate in its group for the purposes of making reasonable and legal verifications on the information disclosed herein. The Investor further certifies that the monies being invested are not derived from any illegal or criminal activity and that the investments herein are not designed to conceal such proceeds so as to avoid prosecution for any offence.

- 7.3 The Investor represents and warrants that it/he has the necessary authority and power to purchase and hold the Notes in accordance with this Application Form and the Offering Document, and in the case of a non-individual Investor, has taken all necessary corporate action to approve such purchase and to authorise the person(s) signing this Application Form to bind it in accordance with the terms hereof.
- 7.4 The Investor hereby acknowledges having read, understood and agreed to the terms and conditions contained in this Application Form, the Offering Document and the FIAMLA, and invests in the Notes in accordance with the same. The Investor acknowledges that the Relevant Functionary, the Issuer's appointed corporate finance adviser or the IPA Agent may request further information in order to comply with their respective obligations under FIAMLA and the Issuer undertakes to promptly provide them with the required information.
- 7.5 The Investor declares that all the information supplied in this Application Form and all relevant and requested documents are true, correct and complete and undertakes to indemnify the Relevant Functionary and the IPA Agent in the event of any misstatement in this form. The Investor further undertakes to promptly notify the Relevant Functionary and the IPA Agent, in a form acceptable to it, of any change in the same. The Investor irrevocably and unconditionally authorises the Relevant Functionary and the IPA Agent to update its existing records accordingly.
- 7.6 The Investor hereby accepts to receive any allotment letter and/or such other related documents relating to the Notes by email.
- 7.7 The Investor understands and agrees that interest payments and/or redemption proceeds shall be credited by electronic transfer to its/his bank account as described in its/his CDS account. The Investor further understands and agrees to provide its/his bank details to its/his investment dealer to update its/his CDS account where its/his CDS account does not contain a bank account number accordingly. No cheques will be issued to holders of the Notes. If the interest payments and/or redemption proceeds disposal mode on the Investor's CDS account is "By cheque" at the time interest payments and/or redemption proceeds are being paid or where an invalid bank account has been provided, the Investor will be promptly notified that its/his share of the interest payments and/or redemption proceeds are being held with the IPA Agent until the IPA Agent is in a position to credit the bank account of the Investor or the latter provides a valid bank account to which the interest payments and/or redemption proceeds can be credited. No interest will be payable on such monies held with the IPA Agent.
- 7.8 The Investor understands that if a CDS account number is not specified in section 3 above or if the corresponding CDS statement is not attached to this application, by signing this Application Form, the Investor is expressly authorising the Relevant Functionary to open a CDS account as per the information set out in section 1 above. The Investor undertakes to provide any other information and documentation as may be requested by the Relevant Functionary in that respect.
- 7.9 The Investor agrees that in the event subscriptions received are not processed (as disclosed in the Offering Document), all monies already paid by it/him will be returned without interest in accordance with the Offering Document. Refunds will be made within three (3) Business Days after the Issue Date by bank transfer to the account specified in this Application Form.
- 7.10 The Investor acknowledges and agrees that all notices to be sent by the Issuer to holders of the Notes will be sent to the email address provided herein. The email and mailing address provided herein shall supersede all previous addresses provided by it/him in respect of any securities issued on or before the date hereof. This will be superseded by the information already at the CDS where applicable.
- 7.11 The Investor hereby agrees to, and ratifies, the appointment of MUA Life Ltd as noteholders' representative to act in the Investor's name and on it/his behalf in accordance with the terms of the Offering Document and the Noteholders' Representative Agency Agreement.



## BANK TRANSFER INSTRUCTION

Please use BLOCK LETTERS to complete this form

The Manager \_\_\_\_\_ Date: \_\_\_\_\_  
Bank Name: \_\_\_\_\_ Branch: \_\_\_\_\_  
Address: \_\_\_\_\_

Dear Sir/Madam,

We should be grateful if you could act upon instruction as per details below:

### DEBIT ACCOUNT

| MUR Account             |  |
|-------------------------|--|
| Account number:         |  |
| Bank:                   |  |
| Amount in figures:      |  |
| Amount in words:        |  |
| Account in the name of: |  |

### CREDIT ACCOUNT

| MUR Account             |                                       |
|-------------------------|---------------------------------------|
| Account in the name of: | MCB Stockbrokers Limited              |
| Beneficiary Bank:       | The Mauritius Commercial Bank Limited |
| Currency:               | MUR                                   |
| Account number:         | 000010257012                          |
| IBAN number:            | MU74MCBL090100000257012000MUR         |

I/We hereby authorise my/our bank to process this bank transfer instruction on the date hereof with value date as of the date stated in the transaction details section below. Bank charges to debited from payer's account.

### TRANSACTION DETAILS

Value Date: 11 December 2023  
Description: Subscription to ENL Notes 2023  
  
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Capacity: \_\_\_\_\_  
Date: \_\_\_\_\_



## Annex 1

List of 'Know-Your-Client' documents for prospective investors falling within any of the four categories set out below

| <b>Individuals / Joint holders</b> (applicable to directors, shareholders, ultimate beneficial owners, authorised signatories, and other individuals) |   |
|---|---|
| 1   | <p>A clear and legible certified true copy of the National Identity Card (both front and back required) of the subscriber, bearing the subscriber's signature; or</p> <p>A clear and legible certified true copy of the valid passport of the subscriber bearing the individual's signature.</p>  |
| 2   | <p>A certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the subscriber.</p> <p>If the proof of address is not in the name of the subscriber, a certified copy of the relevant proof of relationship between the subscriber and the person whose name appears on the utility bill, bank statement or lease agreement. (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |
| 3   | <p>For minor(s):</p> <p>(d) a certified true copy of the birth certificate of the minor;</p> <p>(e) a clear and legible certified true copy of the valid passport of the guardian(s) bearing the signature of the guardian(s) (National Identity Card is acceptable for Mauritian residents); and</p> <p>(f) a proof of address of the guardian(s) (for example, a certified true copy of a utility bill, bank statement or lease agreement in the name of the guardian(s) and dated less than three months).</p> <p>If the proof of address is not in the name of the guardian(s), a certified true copy of the relevant proof of relationship between the guardian(s) and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>   |
| <b>Domestic Companies</b>   |   |
| 1   | A certified true copy of the board resolution or a certified true copy of the extract of the minutes of meeting of the board of the company approving the subscription of the Notes by the company and the list of authorised signatories (the 'Authorised Signatories') of the company who can execute the application form on behalf of the company.  |
| 2   | A certified true copy of the certificate of incorporation of the company.   |
| 3   | A certified true copy of the business licence of the company (for example the business registration card of the company).   |
| 4   | A letter issued by the Authorised Signatories providing the details on the business activity of the company.  |
| 5   | A certified true copy of the register of members of the company dated not more than three months.   |
| 6   | A certified true copy of the register of directors of the company dated not more than three months.   |
| 7   | A certified true copy of the register of ultimate beneficial owners (the 'UBOs') of the company dated not more than three months.   |
| 8   | A certified true copy of the structure chart of the company.  |
| 9   | <p>For direct shareholders of the company who hold 20% or more of the shares of the company:</p> <ul style="list-style-type: none"> <li>• <u>Corporate shareholder of the company</u> <ul style="list-style-type: none"> <li>(d) a certified true copy of the certificate of incorporation of the shareholder;</li> <li>(e) a certified true copy of the register of members of the shareholder dated not more than three months; and</li> <li>(f) a certified true copy of the register of directors of the shareholder dated not more than three months.</li> </ul> </li> <li>• <u>Individual shareholder of the company</u> <ul style="list-style-type: none"> <li>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the shareholder, bearing the individual shareholder's signature; or</li> <li>(e) a clear and legible certified true copy of the valid passport of the shareholder, bearing the shareholder's signature; <u>and</u></li> </ul> </li> </ul> |

|                         |   |
|-------------------------|---|
|                         | <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the shareholder.</p> <p>If the proof of address is not in the name of the individual shareholder, a certified true copy of the relevant proof of relationship between the shareholder and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |
| 10                      | <p>For each UBO:</p> <p>(d) a clear and legible certified true copy of the National Identity Card of the UBO (both front and back required), bearing the UBO's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the UBO bearing the UBO's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the UBO.</p> <p>If the proof of address is not in the name of the UBO, a certified true copy of the relevant proof of relationship between the UBO and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |
| 11                      | <p><u>For each director of the company</u></p> <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the director, bearing the director's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the director bearing the director's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the director.</p> <p>If the proof of address is not in the name of the individual director, a certified copy of the relevant proof of relationship between the director and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>   |
| 12                      | <p>For each Authorised Signatory:</p> <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the Authorised Signatory, bearing the Authorised Signatory's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the Authorised Signatory bearing the Authorised Signatory's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the Authorised Signatory.</p> <p>If the proof of address is not in the name of the Authorised Signatory, a certified copy of the relevant proof of relationship between the Authorised Signatory and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |
| <b>Investment funds</b> |   |
| 1                       | A certified true copy of the extract of the minutes of the board or certified true copy of board resolution approving the subscription of the Notes by the fund and the list of authorised signatories (the 'Authorised Fund Signatories') who can execute the application form on behalf of the fund, or equivalent.   |
| 2                       | A certified true copy of the certificate of incorporation, certificate of registration or any equivalent documentation.   |
| 3                       | A letter issued by the Authorised Fund Signatories providing the details on the purpose of the investment fund and on the business activity of the fund.  |
| 4                       | A list of all the promoters of the fund.  |
| 5                       | <p><u>For each corporate promoter</u></p> <p>(d) a certified true copy of the certificate of incorporation of the promoter;</p> <p>(e) a certified true copy of the register of members of the promoter dated not more than three months; and</p> <p>(f) a certified true copy of the register of directors of the promoter dated not more than three months.</p> <p><u>For each individual promoter</u></p>  |

|                                |  |
|--------------------------------|--|
|                                | <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the promoter, bearing the promoter's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the promoter bearing the promoter's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the promoter.</p> <p>If the proof of address is not in the name of the individual promoter, a certified copy of the relevant proof of relationship between the promoter and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>   |
| 6                              | A list of all the directors of the fund.   |
| 7                              | <p><u>For each individual director of the fund</u></p> <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the director, bearing the director's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the director bearing the director's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the director.</p> <p>If the proof of address is not in the name of the individual director, a certified copy of the relevant proof of relationship between the director and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |
| 8                              | <p>For each Authorised Signatory:</p> <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the Authorised Fund Signatory, bearing the Authorised Fund Signatory's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the Authorised Fund Signatory bearing the Authorised Fund Signatory's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the Authorised Fund Signatory.</p> <p>If the proof of address is not in the name of the Authorised Fund Signatory, a certified copy of the relevant proof of relationship between the Authorised Fund Signatory and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |
| <b>Partnerships / Sociétés</b> |  |
| 1                              | A certified true copy of the written resolutions or relevant extract of minutes or letter from Partners/Principles/Gérants, or equivalent document, approving the subscription of the Notes by the partnership/ société and the list of authorised signatories (the 'Authorised Officers') who can execute the application form in relation to the subscription of the Notes on behalf of the partnership/ société.  |
| 2                              | A certified true copy of the partnership deed or acte de société.  |
| 3                              | A certified true copy of the certificate of registration of the partnership/société or equivalent (if applicable).   |
| 4                              | A letter issued by the Authorised Officers providing the details on the business activity of the partnership/ société.   |
| 5                              | A list of all the 'associé' holding above 20% of 'parts sociales' or 'parts d'intérêts' in the partnership/société.  |
| 6                              | <p><u>For each corporate associé referred to in SN 5 above</u></p> <p>(d) a certified true copy of the certificate of incorporation of the associé;</p> <p>(e) a certified true copy of the register of members of the associé dated not more than three months; and</p> <p>(f) a certified true copy of the register of directors of the associé dated not more than three months.</p> <p><u>For each société referred to in SN 5 above</u></p> <p>(b) a certified true copy of the acte de société of such société.</p> <p><u>For each individual associé of the partnership/société referred to in SN 5 above</u></p>   |

|   |  |
|---|--|
|   | <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the associé, bearing the associé's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the associé bearing the associé's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the associé.</p> <p>If the proof of address is not in the name of the individual associé, a certified copy of the relevant proof of relationship between the associé and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>  |
| 7 | A list of all the administrators or gérants of the partnership/société.  |
| 8 | <p><u>For each individual manager of the partnership/ société</u></p> <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the manager, bearing the manager's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the manager bearing the manager's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the manager.</p> <p>If the proof of address is not in the name of the individual manager, a certified copy of the relevant proof of relationship between the manager and the person whose name appears on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p>                                |
| 9 | <p>For each Authorised Officer:</p> <p>(d) a clear and legible certified true copy of the National Identity Card (both front and back required) of the Authorised Officer, bearing the Authorised Officer's signature; or</p> <p>(e) a clear and legible certified true copy of the valid passport of the Authorised Officer bearing the Authorised Officer's signature; <u>and</u></p> <p>(f) a certified true copy of the utility bill, bank statement or lease agreement dated less than three months evidencing the current permanent residential address of the Authorised Officer.</p> <p>If the proof of address is not in the name of the Authorised Officer, a certified copy of the relevant proof of relationship between the Authorised Officer and the person whose name appear on the utility bill, bank statement or lease agreement (for example, marriage certificate, birth certificate or any other document evidencing such relationship).</p> |

## O.

Prospective Investors that do not fall within any of the categories listed above are requested to contact the Sponsoring Broker to obtain the list of 'Know Your Client' documents applicable to them.

**Schedule 7: ENL Limited Annual Report – Year ended 30 June 2023**

**ENL LIMITED**

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**ENL LIMITED**  
ANNUAL REPORT – YEAR ENDED  
JUNE 30, 2023

#### CORPORATE INFORMATION

##### Registered Office

ENL House  
Vivéa Business Park  
Moka  
Telephone: (230) 404 9500  
Fax: (230) 404 9565  
E-mail: [info@enl.mu](mailto:info@enl.mu)

##### Investor Relations

ENL House  
Vivéa Business Park  
Moka  
Telephone: (230) 404 9500  
Fax: (230) 404 9565  
E-mail: [investors@enl.mu](mailto:investors@enl.mu)

##### Secretary

ENL Secretarial Services Limited  
ENL House  
Vivéa Business Park  
Moka  
Telephone: (230) 404 9500

##### Notaries

Me Bernard d'Hotman de Villiers  
Me Jean Pierre Montocchio

##### Share Registry

DTOS Registry Services Ltd  
19, Cybercity, 10th Floor  
Standard Chartered Tower  
Ebene  
Tel: (230) 404 6000  
Email: [Dtos-Registry@dtos-mu.com](mailto:Dtos-Registry@dtos-mu.com)  
Fax: (230) 404 9565

##### Auditors

Ernst & Young

##### Bankers

AfrAsia Bank Limited  
Absa Bank (Mauritius) Limited  
Bank One Ltd  
SBI (Mauritius) Ltd  
SBM Bank (Mauritius) Ltd  
The Mauritius Commercial Bank Limited

##### Legal Advisors

ENSafrica (Mauritius)  
Benoit Chambers  
De Speville-Desvaux

#### BOARD OF DIRECTORS

##### 1. Jean Noël Humbert

(Born in 1949)

**Chairman of the Board of Directors, Independent Non-Executive Director**

• **Appointed as Director (amalgamated Company):** January 2019

• **Resigned:** September 2023

• **Qualifications:** Honours Degree in Agriculture

• **Committee:** Chairman of the Corporate Governance Committee

• **Professional Journey:**

- Retired from Ecolisia Group in September 2021 where he has previously served for more than 20 years in different managerial and executive positions
- Past Chief Executive Officer of the Mauritius Sugar Syndicate, past Secretary General of the Mauritius Chamber of Agriculture, and past President of the National Productivity & Competitiveness Council

• **Skills and experience:**

- Extensive knowledge and hands-on experience in the development of a sustainable agro-industry in Mauritius
- Vast experience in institutional affairs at high level, more particularly in the fields of agriculture, international trade and in the marketing of sugar
- Closely involved in the sugar sector reform strategy and process
- Fervent advocate of a strong public-private partnership for sustainable national growth
- Strong proponent of good governance, ethics, and good practice in business

##### 2. Gilbert Espitalier-Noël

(Born in 1964)

**Executive Director<sup>1</sup>, and CEO of ENL Group**

• **Appointed as Director (amalgamated Company):** January 2019

• **Qualifications:** BSc University of Cape Town, BSc (Hons) Louisiana State University,

MBA, INSEAD

• **Committees:** Member of Corporate Governance and Risk Committees<sup>2</sup>

• **Professional Journey:**

- CEO of ENL Limited and of ENL Group
- CEO until June 2023 and Chairman as from 5 July 2023 of New Mauritius Hotels Limited
- Past CEO of ENL Property Limited
- Past Operations Director of Ecolisia Group
- Past President of the Mauritius Chamber of Commerce and Industry, the Mauritius Chamber of Agriculture, the Joint Economic Council and the Mauritius Sugar Producers Association; past Vice-President of the Mauritius Export Association

• **Skills and experience:**

- In-depth knowledge and extensive experience of operations in ENL's key sectors of activity
- Skilled at creating high-performing teams
- Strong proponent of entrepreneurship, innovation, and initiative
- Staunch advocate of, and extensive experience in, public-private partnerships for economic stewardship

◦ Sound understanding of the business dynamics in Mauritius

<sup>2</sup> Gilbert Espitalier-Noël has been appointed as Member of the Corporate Governance and Risk Committees effective 29 September 2023.

<sup>1</sup> **Status Change:**  
Following his appointment as CEO of ENL Group effective 1 July 2023, the Board status of Mr Gilbert Espitalier-Noël changed from Non-Executive Director to Executive

**3. Hector Espitalier-Noël**

(Born in 1958)

**Non-Executive Director<sup>3</sup>**

- **Appointed as Director (amalgamated Company):** January 2019
- **Qualifications:** Member of the Institute of Chartered Accountants in England and Wales

- **Committee:** Member of the Corporate Governance Committee

• **Professional journey:**

- CEO of ENL Limited and of ENL Group until 30 June 2023
- Worked for Coopers and Lybrand in London
- Worked for De Chazal du Mée in Mauritius
- Past Chairman of the Boards of Rogers and Company Limited, New Mauritius Hotels Limited and Semaris Ltd
- Past chairman of the Mauritius Chamber of Agriculture, the Mauritius Sugar Producers Association, and the Mauritius Sugar Syndicate

• **Skills and experience:**

- Extensive CEO and leadership experience and skills
- Strong financial management and strategic business planning skills
- Significant experience in alliances, ventures, and partnerships
- Staunch advocate for a more open national economy
- Advocate for a strong public-private sector partnership for sustainable growth
- Strong proponent of private enterprise and entrepreneurship
- Strongly convinced of the multidimensional role of business

**4. Virginie Cornillet**

(Born in 1972)

**Executive Director**

- **Appointed as Director (amalgamated Company):** January 2019

- **Qualifications:** "Maîtrise en Droit des Affaires"<sup>4</sup> from the University of Paris V (France)

- **Committee:** Member of the Risk Committee<sup>4</sup>

• **Professional journey:**

- Joined ENL in 2010 as Head of Legal and Corporate Affairs and is now Group Head of Governance and Legal Affairs
- Previously worked at Groupe Mon Loisir (now IBL)
- Started her career at Soulier & Associés, a French law firm based in Paris and Lyons, France.
- Board member of the Mauritius Institute of Directors

• **Skills and experience:**

- Extensive experience in mergers and acquisitions, corporate transactions, and corporate governance matters
- Leadership skills with a track record in human resource, legal and communications management
- Strong proponent of future-fitting the group through investments in human capital, technology, and sustainable business initiatives.
- Staunch advocate of good governance and diversity at board level.

<sup>4</sup>Virginie Cornillet was Member of the Corporate Governance Committee up to 29 September 2023. Effective 29 September 2023, she has been appointed as Member of the Risk Committee.

<sup>3</sup>Status Change:  
Following his retirement as CEO of ENL Group effective 30 June 2023, the Board status of Mr. Hector Espitalier-Noël changed from Executive Director to Non-Executive Director.

**5. Eric Espitalier-Noël**

(Born in 1959)

**Executive Director**

- **Appointed as Director (amalgamated Company):** January 2019
- **Qualifications:** Bachelor of Social Science, Master of Business Administration

• **Professional journey:**

- CEO of ENL Commercial Limited
  - Executive Director of ENL Limited
  - Worked for De Chazal du Mée & Co, Chartered Accountants
- **Skills and experience:**
- Extensive experience in the commercial and hospitality sectors

**6. Late Gérard Espitalier-Noël, C.S.K., C.O.N.M.**

(Born in 1946)

**Non-Executive Director**

- **Appointed as Director (amalgamated Company):** January 2019

- **Deceased:** September 2023

- **Qualifications:** Diplôme de Perfectionnement en Administration des Entreprises (IAE, AIX-MARSEILLE)

• **Professional journey:**

- Air transportation and tourism professional for 42 years, including 30 years at Air Mauritius in Europe - culminating in 10 years' standing as Regional Director for Europe, UK & Ireland
- Took an active part in the materialization of the Code-Share Agreement between Air Mauritius and Air France

- Appointed in April 2007 as Technical Adviser to the "Conseil National du Tourisme (CNT)" in France
- Worked as Hotels & Leisure Director of Indigo Hotels & Resorts Ltd in Mauritius

• **Skills and experience:**

- Strong knowledge and experience in positioning Mauritius as a destination of choice to live, work and play
- Proven skills at networking and building winning relationships at industry and national levels
- Ability to build and lead winning teams across trade and industry
- Experienced at crisis management
- Strong proponent of ethics and rigour in business

**7. Roger Espitalier-Noël**

(Born in 1954)

**Non-Executive Director**

- **Appointed as Director (amalgamated Company):** January 2019

- **Qualifications:** Certificate in Textile and Knitwear Technology

- **Committees:** Member of Corporate Governance, Audit and Risk Committees<sup>5</sup>

• **Professional journey:**

- Former Corporate Sustainability Advisor of CIEL Textile where his activities were focused on the environmental, logistics, utilities as well as the retail aspects of the knits division
- Retired from Floreal Knitwear after serving for more than 36 years in different managerial/executive positions in Mauritius and Madagascar



- **Skills and experience:**
  - Extensive experience in the textile industry (manufacturing & operations, environment) and in sustainability management
- <sup>5</sup> Roger Espitalier-Noël was Member of the Audit & Risk Management Committee up to 29 September 2023. He has been appointed as Member of the Risk Committee and Audit Committee effective 29 September 2023.
- 8. **Jean Raymond Hardy**  
(Born in 1957)  
**Non-Executive Director**
  - **Appointed as Director (amalgamated Company):** January 2019
  - **Resigned:** September 2023
  - **Qualifications:** Master in Business Administration
  - **Professional Journey:**
    - Chief Executive Officer until 30 June 2021 and Advisor until 30 June 2022 of ENL Agri Limited.
    - Worked at management level for Britannia Sugar Estate, Deep River/Beau Champ Sugar Estate and Société de Gérance Mon Loisir
    - Former President of the Mauritius Chamber of Agriculture and former Board Member of the Sugar Industry Pension Fund Board
  - **Skills and experience:**
    - More than 35 years' experience in the sugarcane industry
    - Actively involved in the centralisation process of sugar factories in the Centre and the South of Mauritius
    - Skilled in negotiating difficult market conditions
- 9. **Jean-Pierre Montocchio**  
(Born in 1963)  
**Non-Executive Director**
  - **Appointed as Director (amalgamated Company):** January 2019 - up for re-election at the next annual meeting
  - **Qualifications:** Notary
  - **Committee:** Member of the Corporate Governance Committee
  - **Professional Journey:**
    - Appointed Notary Public in Mauritius in 1990
    - Contributed to the workings of the National Committee on Corporate Governance as a member of the Board of Directors' Sub-Committee
  - **Skills and experience:**
    - Well-versed in corporate governance matters and NED experience across the private and public sectors
    - Extensive experience in alliances, ventures, and partnerships
    - Strong proponent of fairness in business
    - Staunch defendant of shareholder's interests
- 10. **Mushtaq Oosman**  
(Born in 1954)  
**Independent Non-Executive Director**
  - **Appointed as Director (amalgamated Company):** January 2019
  - **Qualifications:** Fellow of the Institute of Chartered Accountants in England and Wales
  - **Committee:** Chairman of the Audit and Risk Committees<sup>6</sup>

- **Professional journey:**
  - Heads OIP Ltd, an insolvency practice he founded in January 2016 after retiring from PwC
  - Retired from PwC in November 2015 after 30 years in service
  - Former Assurance Partner at PwC and responsible for Business Recovery Services as well as the Chief Operating Partner for Mauritius
  - Past Member of the Africa Central Governance Board
  - Trained and qualified as a Chartered Accountant with Sinclairs in the UK
- **Skills and experience:**
  - Well-versed in the workings and responsibilities of a Governance Board
  - Professional experience in audit and financial advice, with a diversified portfolio of clients in sectors such as banking, insurance, manufacturing, sugar companies, the hospitality industry, betting operator, textiles, and trading
  - Outspoken professional, challenging set business lines and practices with a view to spur improvement
- <sup>6</sup> Mushtaq Oosman was Chairman of the Audit & Risk Management Committee up to 29 September 2023. He has been appointed as Chairman of the Audit Committee and Risk Committee effective 29 September 2023.
- 11. **Johan Pilot**  
(Born in 1982)  
**Executive Director**
  - **Appointed as Director (amalgamated Company):** January 2019
  - **Qualifications:** Chartered Accountant from the Institute of Chartered Accountants in England & Wales
  - **Professional Journey:**
    - Joined ENL in August 2007 and presently the Chief Executive Officer of ENL Property Limited
    - Previously worked at PwC Mauritius
  - **Skills and experience:**
    - More than 15 years of experience in the property developments of ENL group
    - Modern leadership skills
    - Driven by his vision to be a trend-setter in terms of sustainable urban development
    - Strong proponent of the pluri-dimensional role of business
- 12. **Simon-Pierre Rey**  
(Born in 1952)  
**Independent Non-Executive Director**
  - **Appointed as Director (amalgamated Company):** January 2019
  - **Resigned:** September 2023
  - **Qualifications:** BA (Honours) in Economics and Chartered Accountant (UK)
  - **Committee:** Member of the Audit and Risk Management Committee
  - **Professional Journey:**
    - Retired from IBL Group after 27 years of service
    - Occupied the post of Group Finance Director/Controller, Company Secretary and Chief Operating Officer at Ireland Blyth Limited (now IBL Limited)
    - Past Board Member, and Board Committee member, of various IBL companies, namely the Audit and the Corporate Governance Committees
    - For period 2014-2019, was a Non-Executive Director, Chairperson of the Conduct Review Committee, member of the Audit Committee and of the Nomination and Remuneration Committee of MCB Ltd

- **Skills and experience:**
    - Significant financial management expertise with a commercial track record
    - Good governance knowledge with an independent mindset and commitment
    - Strong advocate of relationships building
    - Proponent of the social role of business
- 13. Philippe Espitalier-Noël**  
(Born in 1965)  
**Executive Director**
- **Appointed as Director:** 29 September 2023 – up for re-election at the next annual meeting
  - **Qualifications:** BSc in Agricultural Economics (University of Natal, South Africa), Master of Business Administration (London Business School)
  - **Committee:** Member of the Risk Committee<sup>7</sup>
  - **Professional journey:**
    - Chief Executive Officer of Rogers Group
    - Honorary Consul of the Kingdom of Denmark
    - Chairman of Business Mauritius Sustainability and Inclusive Growth Commission since March 2017
    - Previously worked as management consultant for CSC Index in London
  - **Skills and experience:**
    - Proficient in mergers and acquisitions, business turnaround and transformation
    - Extensive knowledge in formulating and implementing strategic initiatives, coupled with a talent for inspirational leadership and a deep understanding of people development strategy

<sup>7</sup>Philippe Espitalier-Noël has been appointed as Member of the Risk Committee effective 29 September 2023.

**14. Olivier Brousse de Laborde**

(Born in 1976)

**Non-Executive Director**

- **Appointed as Director:** September 2023 – up for re-election at the next annual meeting
- **Qualifications:** Maîtrise de philosophie à Paris 1 Panthéon-Sorbonne, 3ème cycle à l'ESSEC en Management et Gestion des Ressources Humaines, Expert APM (Association Progrès du Management)
- **Committee:** Member of the Corporate Governance Committee<sup>8</sup>
- **Professional journey:**
  - Independent Consultant, focusing on catalyzing authentic leadership for executives and their teams to generate high-performance and sustainable ecosystems in Mauritius and Europe.
  - Was Chief Transformation Officer at the Medine group
  - Former Senior Consultant at Thomas More Partners, a world-class consulting firm specializing in Leadership Transformation, where he served leaders and management teams of key players in Europe and Africa, including a Consumer goods multinational, Automotive equipment manufacturer, and French aeronautical group.
  - Started his career as Distribution Manager at a Parisian Management Company
- **Skills and experience:**
  - Over 15 years' experience in Executive Leadership Counselling
  - A conviction: the human person is the cornerstone of any transformation / the responsible and engaged acting body of any transformation.

<sup>8</sup> Olivier Brousse de Laborde has been appointed as Member of the Corporate Governance Committee effective 29 September 2023.

**15. Keshwaree (Nashenta) Zindel**

(Born in 1986)

**Independent Non-Executive Director**

- **Appointed as Director:** 29 September 2023 – up for re-election at the next annual meeting
- **Qualifications:** Master 2 – Droit Bancaire et Financier (Université Paris I Panthéon-Sorbonne), LL.M in European Legal Studies and Business Law (Cardiff Law School), Master 1 – Droit des Affaires (Université de Droit et des Sciences Politiques de Nantes), Licence de Droit (Université de Droit et des Sciences Politiques de Nantes)
- **Committee:** Member of the Audit Committee<sup>9</sup>
- **Professional journey:**
  - Presently, Executive/Deputy Head of the Transactional Department at ENSafrica (Mauritius)
  - Previously worked as 'Chargée d'affaires Juridiques' at NYSE Euronext/BlueNext SA (Paris)
- **Skills and experience:**
  - Extensive legal expertise in banking and finance, distribution of financial products and general corporate law
  - Proven ability to provide legal advice/solutions to leading financial institutions on high-profile and complex financing and capital market transactions

<sup>9</sup>Nashenta Zindel has been appointed as Member of the Audit Committee effective 29 September 2023.

**16. Pauline Seeyave**

(Born in 1974)

**Non-Executive Director**

- **Appointed as Director:** 29 September 2023 – up for re-election at the next annual meeting
- **Qualifications:** Master of Arts, St.Catharine's College, University of Cambridge and Associate of the Institute of Chartered Accountants in England and Wales
- **Committee:** Member of the Audit Committee<sup>10</sup>
- **Professional journey:**
  - Group Chief Financial Officer of New Mauritius Hotels Limited since 2016
  - Occupied senior executive roles in banking, including finance, risk management, credit, project finance and corporate banking
  - Managed a wide portfolio of clients and across various sectors in Audit and Business Assurance in UK
  - Current Non-Executive Director of Innodis Ltd
  - Member of the Listing Executive Committee of the Stock Exchange of Mauritius Ltd
  - Past Director of SBM Bank (Mauritius) Ltd, State Insurance Company of Mauritius Ltd and Club Méditerranée Albion Resorts Ltd
- **Skills and experience:**
  - Over 20 years in leadership roles
  - Extensive experience in risk management, finance and corporate governance

<sup>10</sup>Pauline Seeyave has been appointed as Member of the Audit Committee effective 29 September 2023.

**Directorship Lists:**

For full directorship list of the Directors please refer to the Company's website: [www.enl.mu/en/investors/information/policies](http://www.enl.mu/en/investors/information/policies)

**Group Leadership**

1. Gilbert Espitalier-Noël  
Chief Executive Officer of ENL Group
2. Philippe Espitalier-Noël  
Chief Executive Officer of Rogers and Company Limited
3. Eric Espitalier-Noël  
Chief Executive Officer of ENL Commercial Limited
4. Olivier Baissac  
Chief Executive Officer of ENL Agri Limited
5. Johan Pilot  
Chief Executive Officer of ENL Property Limited
6. Virginie Corneillet  
Group Head of Governance and Legal Affairs
7. Paul Tsang  
Group Head of Finance
8. Frederic Tyack  
Chief Executive Officer of Ascencia Limited
9. Doriane Denise-Rama  
Group Head of Talent and Culture
10. Jacques Brousse de Gersigny  
Group Head of Technology and Operational Excellence
11. Sandra Fayolle  
Head of Business Strategy and Investor Relations
12. Shyama Soondur  
Head of Communications
13. Yesha Kasory  
Group Head of Customer Experience and Loyalty
14. Sophie Desvaux de Marigny  
Head of Sustainability

**Corporate Governance Report**

ENL Limited ('ENL' or the 'Company') is a public interest entity under the provisions of the Financial Reporting Act.

For ENL, good Corporate Governance is a synonym for sound management, transparency and disclosure. It encompasses good corporate practices, procedures, standards and implicit rules which lead us to take sound decisions that maximise long-term shareholder value without compromising on integrity, social obligations and regulatory compliances.

As a company with a strong sense of values and commitment, ENL believes that profitability goes hand in hand with responsibility towards all stakeholders. As such, we remain committed to creating and positively leveraging shareholders' wealth, and at the same time, to safeguarding the interests of all stakeholders. It is our path to sustainable and profitable existence and growth. This is an integral part of our business philosophy, and it is reflected in our business plan which guides us to conduct business in such a way as to create a positive net impact on society, the natural environment and on the national economy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure govern our actions at all levels.

The improved reporting processes implemented at ENL several years ago have bolstered the Board's capacity to make well-informed decisions and monitor progress thus highlighting ENL's unwavering dedication to governance excellence.

The year 2023 has been marked with many changes in governance at ENL from a change in its share registrar to a change in headship, chairmanship and board composition.

In April 2023, the Board has appointed DTOS Registry Services Ltd to act as the Share Registrar of ENL. Shareholders are invited to contact DTOS Registry Services Ltd for any assistance they may require pertaining to an account, change in name or address, queries relating to lost share certificates, share transfers, dividends and so forth.

In June 2023, Mr Hector Espitalier-Noël retired from his office as Group CEO after some 40 years at ENL. Mr Hector Espitalier-Noël has been succeeded by Mr Gilbert Espitalier-Noël as the new Group CEO of ENL.

The periodic review of the composition of the Board of Directors is a proactive and highly strategic practice. It not only empowers organizations to adeptly navigate change, but it also serves as a cornerstone for sustaining effective governance. By continuously aligning board leadership with evolving goals and societal expectations, ENL ensures that its board remains an invaluable asset in steadfastly guiding the organisation towards enduring and prosperous success.

In September 2023, a comprehensive review of the composition of the Board of Directors of ENL was conducted with the appointment of Mmes Keshwaree (Nashenta) Zindel and Pauline Seevave and Messrs. Philippe Espitalier-Noël and Olivier Brousse de La Borde in replacement of Messrs. Jean-Raymond Hardy, Jean-Noël Humbert, Simon-Pierre Rey and late Gérard Espitalier-Noël. With this new board composition, the Board of Directors of ENL is henceforth composed of 25% of women Directors, in line with the requirements of the Companies Act 2001.

This report spells out how we have upheld our guiding philosophy and complied with the Code of Corporate Governance for Mauritius (the 'Code').

The Annual Report 2023 is published in its entirety on the Company's website: [www.enl.mu](http://www.enl.mu)

**In Memoriam: Remembering Mr Gérard Espitalier Noël**

In this year's annual report, we fondly remember Mr Gérard Espitalier Noël, a dedicated director of ENL for over a decade. Mr Gérard Espitalier Noël brought a lively spirit and a commitment to constructive dialogue to our boardroom, leaving an enduring impact on our organization's direction. His legacy serves as a reminder of the profound influence one individual can have, and we honour his memory as we continue our journey, steadfast in our pursuit of growth and a culture of belonging. We extend our deepest condolences to his family, and his memory will inspire us on our path forward.

**Mr Jean Noël Humbert**

We extend our heartfelt gratitude to Mr. Jean Noël Humbert who has gracefully led the Board as Chairman for some nine years. His tenure has been marked by an abundance of wisdom and a wealth of experience, which have been invaluable assets to ENL. As we bid farewell, we express our deepest appreciation for his contributions and wish him continued success in his future endeavors.

**Jean-Raymond Hardy**

We also extend our sincere appreciation to Mr. Jean Raymond Hardy's for his dedicated 17-year service as director on ENL Boards. Mr. Jean Raymond Hardy's disciplined approach, unwavering commitment to excellence, and rigorous work ethic have contributed immensely to the growth of ENL's agribusiness segment. We express our gratitude for his dedication and wish him the very best in his future endeavours.

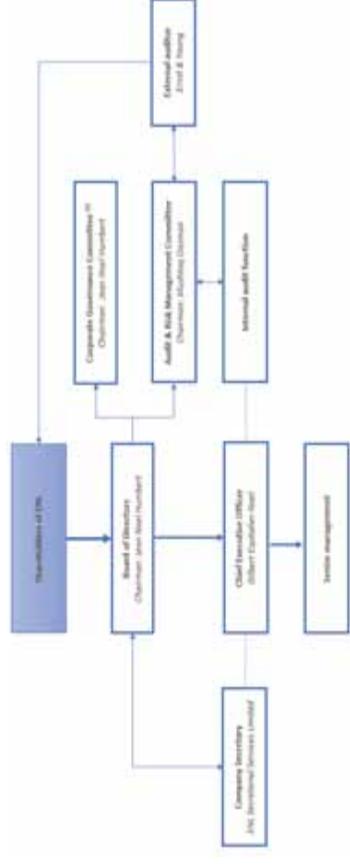
**Simon-Pierre Rey**

We are also bidding farewell to Mr Simon Pierre Rey who has been a director at ENL Commercial and ENL since 2016 and 2019 respectively. Mr Simon Pierre Rey's contributions and insights as also member of the Audit & Risk Management Committee of ENL are valued and cherished. The Board expresses his warmest thanks to Mr Simon Pierre Rey for his commitment and dedication to ENL.

**1. GOVERNANCE STRUCTURE**

The Board of ENL is collectively accountable and responsible for the long-term success of the Company, its reputation and governance. The Board also assumes the responsibility for leading and controlling the Company and meeting all legal and regulatory requirements. In line with the Code, the Board has:

- adopted a Board Charter which sets out the objectives, roles and responsibilities and composition of the Board of Directors.
- identified its key Senior Governance positions and the position statements are detailed in ENL's Board Charter.
- adopted a Code of Ethics which includes a whistle-blowing policy.
- approved an Organisational and Governance structure as illustrated below.



(1) As per its Terms of Reference, in its capacity, the Corporate Governance Committee also acts as Remuneration and Nominations Committee.

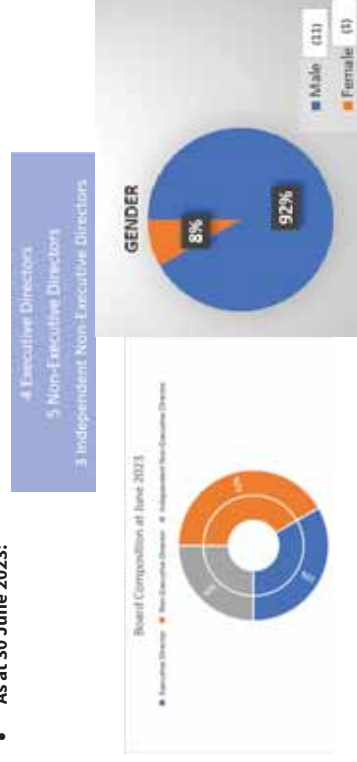
ENL's constitution, the Board Charter and Code of Ethics are available for consultation on ENL's website: [www.enl.mu](http://www.enl.mu)

**2. THE BOARD**

**2.1. Board Composition**

|  |  |
|--|--|
| <b>Unitary Board of Directors</b>                          | <b>12 Directors with diverse mix of skills and experience</b>  |
| <b>All Directors of ENL ordinarily reside in Mauritius</b> | <b>Board's size determined by ENL's Constitution, i.e., not less than 6 and more than 12 Directors</b> |

- **As at 30 June 2023:**



| Directors                   | Gender | Category                     | Attendance                                |
|-----------------------------|--------|------------------------------|---|
| Jean Noel Humbert           | M      | INED, Chairman               | 8/8                                       |
| Virginie Corneillet         | F      | ED                           | 8/8                                       |
| Eric Espitalier-Noël        | M      | ED                           | 6/8                                       |
| Late Gérard Espitalier-Noël | M      | NED                          | 8/8                                       |
| Gilbert Espitalier-Noël*    | M      | NED                          | 8/8                                       |
| Hector Espitalier-Noël**    | M      | ED                           | 8/8                                       |
| Roger Espitalier-Noël       | M      | NED                          | 8/8                                       |
| Jean-Raymond Hardy          | M      | NED                          | 6/8                                       |
| Jean-Pierre Montocchio      | M      | NED                          | 7/8                                       |
| Mushtaq Oosman              | M      | INED                         | 8/8                                       |
| Johan Pilot                 | M      | ED                           | 7/8                                       |
| Simon-Pierre Rey            | M      | ED                           | 8/8                                       |
| ED - Executive Director     |        | NED - Non-Executive Director | INED - Independent Non-Executive Director |

Effective 1 July 2023.

\*Gilbert Espitalier-Noël is an Executive Director.

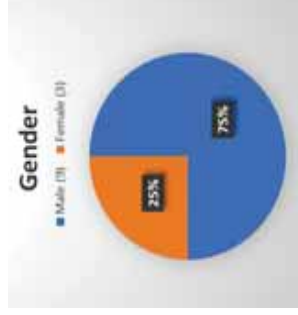
\*\* Hector Espitalier-Noël is a Non-Executive Director

As at 29 September 2023:

5 Executive Directors  
5 Non-Executive Directors  
2 Independent Non-Executive Directors

Board Composition at September 2023

Executive Director Non-Executive Director Independent Non-Executive Director



| Directors                  | Gender | Category |
|----------------------------|--------|----------|
| Olivier Brousse de Laborde | M      | NED      |
| Virginie Corneillet        | F      | ED       |
| Eric Espitalier-Noël       | M      | ED       |
| Gilbert Espitalier-Noël    | M      | ED       |
| Hector Espitalier-Noël     | M      | NED      |
| Philippe Espitalier-Noël   | M      | ED       |
| Roger Espitalier-Noël      | M      | NED      |
| Jean-Pierre Montocchio     | M      | NED      |

|                 |   |      |
|-----------------|---|------|
| Mushtaq Oosman  | M | INED |
| Johan Pilot     | M | ED   |
| Pauline Seeyave | F | NED  |
| Nashenta Zindel | F | INED |

The names and profiles of ENL's Directors are disclosed on pages xx to xx of the Integrated Annual Report.

2.2. Board Meeting Process



In the course of a financial year, 5 board meetings are planned to discuss both statutory obligations and strategic initiatives that contribute to the company's overall direction. In addition to the regular schedule, ENL also recognizes the need for agility in decision-making. Ad hoc board meetings are thus flexibly scheduled whenever there are corporate transactions which require prompt attention, or when matters of a strategic nature necessitate immediate discussion and resolution. This integrated approach of both scheduled and ad hoc meetings ensures that the board can effectively navigate both planned obligations and unforeseen challenges while upholding the company's strategic vision.

2.3. Focus areas of the Board FY 2022/23

The work of the Board is structured into an annual cycle so that a systematic reporting process is in place. During the year under review, the areas of focus of the Board were as follows:

Financials

- ✓ Approved the audited financial statements/Annual Report of ENL for the year ended 30 June 2022.
- ✓ Approved the unaudited quarterly consolidated results of ENL for publication purposes.

Strategy & Finance

- ✓ Reviewed the performance of the group against business plans as reported by the CEO.
- ✓ Reviewed the 3-year strategic plan (CAP26) for the Group.
- ✓ Reviewed and approved financing facilities and assets given as security/guarantee to financial institutions.
- ✓ Approved investments/expenditures on information technology for year 2022/23.
- ✓ Approved investments in subsidiaries.
- ✓ Approved various sale of land.
- ✓ Approved the issue of secured floating rate notes and secured fixed rate notes under the MUR

- ✓ 6,000,000,000 Multi-currency Note Programme.
- ✓ Declared a total dividend of Rs 1.00 per Ordinary A share for the year ended 30 June 2023.

**Governance, Compliance and Risk**

- ✓ Prepared and convened the meetings of shareholders.
- ✓ Recommended to the shareholders the appointment of Ernst & Young as auditors of the Company for the year ended 30 June 2023.
- ✓ Took cognizance of the retirement of Mr Hector Espitalier-Noël as Group CEO of ENL and approved the appointment of Mr Gilbert Espitalier-Noël as the new Group CEO in his stead.
- ✓ Took cognizance of the eventual retirement of Mr Paul Tsang as Chief Financial Officer of ENL and approved the appointment of Mr Amaury Koenig in his stead.
- ✓ Adopted:
  - a Policy on the Prevention of Violence at Work
  - an Equal Opportunity Policy
  - a Policy on the Prevention of Child Labour and Forced Labour
  - an Amended AML-CFT Policy Manual
- ✓ Received and reviewed Information Systems, Cyber Security and AML-CFT Compliance reports.
- ✓ Appointed new Data Protection Officer and Ethics Officers.
- ✓ Approved the change in Registrar and Transfer Office from MCB Registry & Securities Limited to DTOS Registry Services Ltd.
- ✓ Received the confirmation of the ARMC and CGC that their Charters were still aligned with the present requisites of ENL Group.

**Standing Agenda items**

- ✓ Approved minutes of proceedings of previous meetings.
- ✓ Received reports on follow up matters from previous minutes.
- ✓ Received disclosures of interests from Directors as and when applicable.
- ✓ Received reports from the Chief Executive Officer.
- ✓ Received the reports/recommendations of the ARMC and CGC.

**2.4. Board Committees**

- The Board has delegated some of its powers and responsibilities to two Committees, namely:
  - o Corporate Governance Committee ("CGC") which also acts as a Remuneration and Nomination Committee; and
  - o Audit and Risk Management Committee ("ARMC").
- Effective September 2023, ENL has set up a Risk Committee and renamed the ARMC as the Audit Committee.
- The Chairman of each committee regularly reports proceedings of the Committees to the Board. The Board of Directors has access to all Committee meetings and records.
- Each committee has its own charter which sets out, inter alia, its membership requirements, meeting proceedings, roles and responsibilities.
- The charters of the CGC and ARMC are reviewed annually by the Committees and any proposed amendments are recommended to the Board for approval. In FY 2022/23, the ARMC and CGC have reviewed their charters and confirmed to the Board of Directors the ongoing alignment of their charters with the present requisites of ENL Group. The charters are available for consultation on ENL's website: [www.enl.tml](http://www.enl.tml)

**2.4.1. Audit and Risk Management Committee (Now Audit Committee)**

| ARMC Members as at 30 June 2023 | Category                                     | Attendance |
|---------------------------------|--|------------|
| Mushtaq Oosman                  | Independent Non-Executive Director, Chairman | 8/9        |
| Simon-Pierre Rey                | Independent Non-Executive Director           | 9/9        |
| Roger Espitalier Noël           | Non-Executive Director                       | 8/9        |

The ARMC is constituted in an independent manner and its systematic reporting process is in place.

Outside of formal meetings, the Chairman of the ARMC maintains dialogue with key individuals involved in the Company's governance, including the members of the Board, the Chief Executive Officer and the external audit firm.

The work of the ARMC is structured in an independent manner and its systematic reporting process is in place.

The Chief Financial Officer, Head of Internal Audit, the external auditors and executives having to report on specific agenda items are invited to meetings on an ad hoc basis.

The effectiveness of the external ARMC on an ongoing basis through the review and discussion of reports presented to it. The ARMC meets with the external auditors without management presence, instils the independence of the external audit function and is satisfied of its independence.

**Focus areas of the ARMC during FY 2022/23**

**Financial Statements & Reporting Responsibilities**

- ✓ Reviewed and recommended to the Board the approval of:
  - the audited financial statements, risk management disclosures of the Annual Report and publication of the audited abridged financial statements for the year ended 30 June 2022;
  - the publication of the unaudited quarterly consolidated results of the Company.
- ✓ Received the external auditors' report of the audited financial statements of ENL for the year ended 30 June 2022.

**Internal & External Audit Matters**

- ✓ Recommended the appointment of Ernst & Young as auditors and audit fee proposal for the year ended 30 June 2023.
- ✓ Received the external audit plan of Ernst & Young for the financial year ending 30 June 2023.
- ✓ Reviewed and approved the external audit fees payable to Ernst & Young for the financial year ending 30 June 2023.
- ✓ Examined reports issued by the internal audit function following assignments conducted in accordance with the internal audit plan and monitored the implementation of proposed corrective action plans relating to subsidiaries.
- ✓ Approved the provision of non-audit services by Ernst & Young.

**Internal Controls & Risk Management**

- ✓ Reviewed the effectiveness of the internal control and risk management systems.
- ✓ Examined reports issued by the Risk Management function.
- ✓ Considered ENL Group's top risks and their trends.
- ✓ Analysed reports issued by the Health & Safety Manager in respect of compliance of ENL group to the Occupational Safety & Health Act 2005.
- ✓ Reviewed the insurance portfolio of ENL.

**Governance & Compliance**

- ✓ Examined reports issued by the ICT & Cyber Security functions
- ✓ Reviewed the ARMC charter and confirmed to the Board of Directors the ongoing alignment of the

- said Charter with the present requisites of ENL Group.
- ✓ Received the report of the Data Protection Officer.
- ✓ Monitored transactions in accordance with the Related Party Transaction policy of ENL.
- ✓ Received the report of the Money Laundering Reporting Officer/Compliance Officer and recommended the adoption of AML-CFT policy manuals of reporting persons.

**Audit Committee Members as at 29 September 2023**

|                       | Category                                     |
|-----------------------|--|
| Mushtaq Oosman        | Independent Non-Executive Director, Chairman |
| Roger Espitalier-Noël | Non-Executive Director                       |
| Pauline Seeeyave      | Non-Executive Director                       |
| Nashenta Zindel       | Independent Non-Executive Director           |

**2.4.2. Risk Committee**

**Risk Committee Members as at 29 September 2023**

|                          | Category                                     |
|--------------------------|--|
| Mushtaq Oosman           | Independent Non-Executive Director, Chairman |
| Virginie Cornillet       | Executive Director                           |
| Gilbert Espitalier-Noël  | Executive Director                           |
| Philippe Espitalier-Noël | Executive Director                           |
| Roger Espitalier-Noël    | Non-Executive Director                       |

**2.4.3. Corporate Governance Committee**

**CGC Members as at 30 June 2023**

|                        | Category                                     | Attendance |
|------------------------|--|------------|
| Jean Noël Humbert      | Independent Non-Executive Director, Chairman | 5/5        |
| Virginie Cornillet     | Executive Director                           | 5/5        |
| Hector Espitalier-Noël | Executive Director                           | 4/5        |
| Roger Espitalier-Noël  | Non-Executive Director                       | 5/5        |
| Jean-Pierre Montocchio | Non-Executive Director                       | 5/5        |

**Focus areas of the CGC during FY 2022/23**

**Nomination & Remuneration**

- ✓ Reviewed succession planning within Board and senior management for strategic enhancement.
- ✓ Took cognizance of the retirement of Mr Hector Espitalier-Noël as Group CEO of ENL and recommended the appointment of Mr Gilbert Espitalier-Noël as the new Group CEO in his stead.
- ✓ Took cognizance of the eventual retirement of Mr Paul Tsang as Chief Financial Officer of ENL and recommended the appointment of Mr Amaury Koenig in his stead.
- ✓ Reviewed the remuneration package of Senior Executives of ENL and approved the retirement packages of the departing Senior Executives.

**Corporate Governance**

- ✓ Reviewed the Corporate Governance Report of ENL for the year ended 30 June 2022.
- ✓ Recommended the re-election/re-appointment of Messrs Late Gérard Espitalier-Noël, Jean Noël Humbert, Simon-Pierre Rey, Mushtaq Oosman and Roger Espitalier-Noël as Directors of the Company.

- ✓ Reviewed the Directors' professional development plan and earmarked an annual budget for continual growth and excellence.
- ✓ Reviewed the CGC charter and confirmed to the Board of Directors the ongoing alignment of the said Charter with the present requisites of ENL Group.
- ✓ Monitored ENL's compliance with its Code of Ethics.
- ✓ Received the results of the board evaluation exercise and devised an action plan.
- ✓ Recommended the appointment of Ethic Officers of ENL.
- ✓ Recommended policies (Prevention of violence at work and Equal Opportunity policies) to the Board.

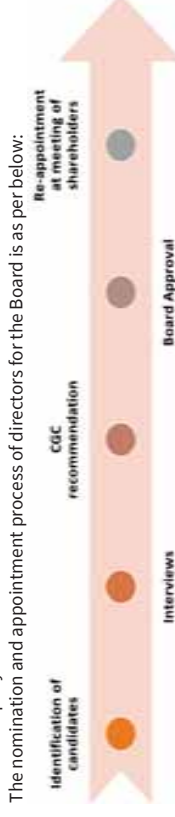
**CGC Members as at 29 September 2023**

|                            | Category                         |
|----------------------------|----------------------------------|
| Hector Espitalier-Noël     | Non-Executive Director, Chairman |
| Virginie Cornillet         | Executive Director               |
| Olivier Brousse de Laborde | Non-Executive Director           |
| Roger Espitalier-Noël      | Non-Executive Director           |
| Jean-Pierre Montocchio     | Non-Executive Director           |

**2.5. Directors Appointment Procedures**

**2.5.1. Appointment and re-election**

- The Board may appoint any person to be a Director, either to fill a casual vacancy or as an additional Director. The Director so appointed by the Board will hold office only until the next following Annual Meeting and will then be eligible for reappointment.
- The appointment process is delegated to the CGC which recommends to the Board the Directors to be appointed and/or re-elected as morefully detailed in ENL's Board Charter.
- The candidate assessment criteria encompass diverse facets: background, specialized skills, expertise, knowledge, and the contribution potential to enhance overall board effectiveness. The CGC also considers gender diversity, time dedication, and independence during evaluations.
- The Board hereby affirms the following:
  - The Board has revised its board profile in accordance with its Charter, thoroughly considering all characteristics of the Company.
  - The profiles of the recently appointed directors, for whom re-election shall be recommended at the forthcoming Annual Meeting, are in congruence with the strategic needs and objectives of the Company.
- The nomination and appointment process of directors for the Board is as per below:



- As of September 2023, ENL's Board composition has undergone the following changes:

| Appointments               | Resignation        | Deceased                    |
|----------------------------|--------------------|-----------------------------|
| Olivier Brousse de Laborde | Jean-Raymond Hardy | Late Gérard Espitalier-Noël |
| Philippe Espitalier-Noël   | Jean Noël Humbert  |                             |
| Pauline Seeeyave           | Simon-Pierre Rey   |                             |
| Nashenta Zindel            |                    |                             |

- In accordance with the Company's Constitution, at each Annual Meeting of the Company, one-third of the independent and non-executive Directors for the time being, or, if their number is not a multiple of three, then the number nearest to, but not exceeding one third, shall retire from office and shall be eligible for re-election. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- Re-election of Directors over the age of 70 years is made in compliance with section 138(6) of the Companies Act 2001.
- Upon recommendation of the CGC the following will be proposed to the shareholders for approval at the forthcoming annual meeting:
  - (i) the re-election of Mr Jean-Pierre Montocchio, in accordance with Section 21.6 of the Company's constitution;
  - (ii) The re-election of Messrs. Olivier Brousse de Laborde, Philippe Espitalier-Noël, Mmes Pauline Seeyave and Nashenta Zindel, in accordance with Section 21.3 of the Company's constitution.
- The Chairman confirms that Messrs. Olivier Brousse de Laborde, Philippe Espitalier-Noël, Jean-Pierre Montocchio, Mmes Pauline Seeyave and Nashenta Zindel continue to be performing and remain committed to their role as Directors of the Company.

## 2.5.2. Board Induction



## 2.5.3. Professional Development and Training

- Directors are encouraged to keep themselves abreast of changes and trends in the Company's businesses, environment and markets.
- The Board regularly assesses the development needs of its Directors and the Board as a whole.
- It facilitates attendance to appropriate training programs so that Directors can continuously update their skills and knowledge.
- A training log is maintained for each Director by the Company Secretary.

- In August 2023, Directors of ENL Group participated in a workshop titled 'Futureproofing Corporate Governance for ENL Group Boards' in collaboration with the Mauritius Institute of Directors. The workshop is specially designed for first-time, newly appointed directors, managers earmarked to take directorships or those looking for a refresher. It aims to equip first-time / newly appointed / to be directors with governance, financial, strategic, and ethical knowledge, fostering effective and responsible board leadership.
- During the year under review, Directors attended trainings on 'Duties and responsibilities of Directors of Public Interest Entities ("PIEs")', AML-CFT and Cyber Security matters.

## 2.5.4. Succession Planning

- Succession planning is a standing item on the CGC's agenda.
- The CGC recommends plans for succession of Directors and senior management.
- The Board regularly reviews its composition, structure and succession plans.

## 2.6. Directors' Duties, Remuneration and Performance

### 2.6.1. Directors' Interests, Dealings in Securities and Related Party Transactions

- The Board, in relation to dealing in the Company's listed securities, comply with the provisions of the Model Code for Securities Transactions ("Model code") by directors of listed companies as detailed in Appendix 6 of the Listing Rules of the SEM and the Companies Act 2001.
- The Company Secretary keeps the Directors apprised of closed periods and of their responsibilities in respect to the Model code.
- ENL's Board Charter also contains policies on Related Party Transactions and Conflicts of Interests.
- Directors who are interested in a transaction or proposed transaction with the Company, disclose their interests to the Board and cause same to be entered in the Interests Register.
- As a measure of good practice, the disclosure of any conflict of interests is a standing item on the Board's agenda such that at the beginning of each meeting, the Chairman invites the Directors to declare their interests, if any.
- The Company Secretary keeps the Interests Register and ensures that the latter is updated regularly.
- The register is available for consultation by shareholders upon written request to the Company Secretary.
- All new Directors are required to notify in writing to the Company Secretary their direct and indirect interests in ENL including those of their associates.
- As at 30 June 2023, Directors' interests in shares of ENL carrying voting rights were as follows:

|                             | DIRECT        |       | INDIRECT      |       |
|-----------------------------|---------------|-------|---------------|-------|
|                             | No. of shares | %     | No. of shares | %     |
| Virginie Cornillet          | 27,058        | 0.003 | -             | -     |
| Eric Espitalier-Noël        | 1,419,047     | 0.133 | 97,858,352    | 9.168 |
| Late Gérard Espitalier-Noël | 1,855,245     | 0.174 | -             | -     |
| Gilbert Espitalier-Noël     | 520,011       | 0.049 | 55,331,536    | 5.184 |
| Hector Espitalier-Noël      | 1,548,566     | 0.145 | 98,312,641    | 9.210 |
| Roger Espitalier-Noël       | -             | -     | 1,940,237     | 0.182 |
| Jean-Raymond Hardy          | 28,133        | 0.003 | 70,676        | 0.007 |
| Jean-Noël Humbert           | -             | -     | -             | -     |



|                        |         |       |           |       |
|------------------------|---------|-------|-----------|-------|
| Jean-Pierre Montocchio | 465,598 | 0.044 | 1,184,793 | 0.111 |
| Mushtaq Oosman         | -       | -     | -         | -     |
| Johan Pilot            | 180,300 | 0.017 | -         | -     |
| Simon Pierre Rey       | -       | -     | -         | -     |

- During the financial year under review, the following Directors have traded in the Ordinary A shares of ENL:

| Directors                   | No. of Shares Acquired | No. of Shares Disposed |
|-----------------------------|------------------------|------------------------|
| Virginie Cornillet          | 5,000                  | -                      |
| Hector Espitalier-Noël      | 1,763                  | -                      |
| Eric Espitalier-Noël        | 348,429                | -                      |
| Late Gérard Espitalier-Noël | 947,717                | -                      |
| Gilbert Espitalier-Noël     | 540,962 <sup>(1)</sup> | -                      |
| Jean-Pierre Montocchio      | 812,500 <sup>(2)</sup> | -                      |

<sup>(1)</sup> Include 367,000 Ordinary A shares acquired indirectly through associates.

<sup>(2)</sup> Include 398,500 Ordinary A shares acquired indirectly through associates.

- Note 43 of the financial statements for the year ended 30 June 2023, set out on pages xx to xx of the Annual Report 2023, details all the related party transactions between the Company or any of its subsidiaries or associates and a director, chief executive, controlling shareholder or companies owned or controlled by a director, chief executive or controlling shareholder.
- Shareholders are apprised of related party transactions through the issue of circulars and press releases by the Company in compliance with the Listing Rules of the SEM.

## 2.6.2. Information, Information Technology and Information Security Governance

ENL has an information, information technology and information security policy and framework. The ARMC and ultimately, the Board have oversight over the objectives and strategy deployment in terms of information technology and security governance.

The information technology and security policy, as well as the cybersecurity framework, are available for consultation on ENL's website: [www.enl.mu](http://www.enl.mu)

For more information on the group's response to technology risks, please refer to pages xx to xx of the Annual Report.

## 2.6.3. Legal Duties & Access to information

- The Directors are aware of their legal duties.
- During the discharge of their duties, they are entitled to seek independent professional advice at the Company's expense and have access to the records of the Company.
- Directors are also entitled to have access, at all reasonable times, to all relevant company information and to the Management, if useful, to perform their duties.

- A Directors' and Officers' Liability Insurance policy has been subscribed to by ENL. The said policy provides cover for the risks arising out of acts or omissions of the Directors and Officers of the Company. The cover does not provide insurance against fraudulent, malicious or willful acts or omissions.
- The Board has delegated to the CGC its duty to regularly monitor and ensure compliance with the Code of Ethics.

## 2.6.4. Remuneration Policy

- In accordance with ENL's constitution, fees are paid to the Directors for holding office.
- The underlying philosophy is to set remuneration at appropriate level to attract, retain and motivate high calibre persons and reward in alignment with their individual as well as joint contribution towards the achievement of the company's objective and performance, whilst taking into account the current market conditions and Company's financial position. The Directors are remunerated for their knowledge, experience, and insight given to the Board and Committees.
- The Board of Directors has approved an annual fee for the Directors. They are paid an extra fee as members of Board Committees and as Chair of Board Committees. The Chairperson of the Board is paid a special level of fees appropriate to his office. Particulars of Directors' remuneration are entered into the interests register of the Company.
- Any Director who is in full-time employment of ENL Group does not receive any additional remuneration for sitting on the Board of Directors. Any remuneration perceived by an employee of ENL group in respect of his sitting on the Board of Directors of any company is deducted from his yearly remuneration.
- None of the non-executive directors are entitled to remuneration in the form of share options or bonuses associated with the Company's performance.

• The table hereunder lays out the fee structure of the Company for the year ended 30 June 2023:

| Category of Member | Board      | ARMC       | CGC        |
|--------------------|------------|------------|------------|
| Company Chairman   | Rs 750,000 | Rs 350,000 | Rs 150,000 |
| Board member       | Rs 350,000 | Rs 200,000 | Rs 100,000 |

## 2.6.5. Remuneration and Benefits

For the year under review, the actual remuneration and benefits perceived by the Directors are as per below:

| Category      | Directors                   | Company    |            | Subsidiary companies |            | Companies on which Director serves as, representative of the Company |           |
|---------------|-----------------------------|------------|------------|----------------------|------------|--|-----------|
|               |                             | Rs         | Rs         | Rs                   | Rs         | Rs   | Rs        |
| Executive     | Virginie Cornillet          | 450,000    | 9,995,124  | -                    | -          | -  | -         |
|               | Eric Espitalier-Noël        | 350,000    | 14,593,868 | 1,346,258            | 1,115,000  | 1,346,258  | 1,115,000 |
|               | Hector Espitalier-Noël*     | 54,426,668 | 820,250    | 820,250              | 18,879,535 | -  | -         |
| Non-Executive | Johan Pilot                 | 350,000    | -          | -                    | -          | -  | -         |
|               | Late Gérard Espitalier Noël | 350,000    | -          | -                    | -          | -  | -         |
|               | Gilbert Espitalier-Noël**   | 350,000    | 483,182    | -                    | -          | -  | -         |
|               | Roger Espitalier Noël       | 650,000    | 150,000    | -                    | -          | -  | -         |

|                           |                        |         |         |   |
|---------------------------|------------------------|---------|---------|---|
|                           | Jean Raymond Hardy     | 350,000 | 994,000 | - |
| Independent Non-Executive | Jean-Pierre Montocchio | 450,000 | 810,000 | - |
|                           | Jean Noël Humbert      | 900,000 | -       | - |
|                           | Mushtaq Oosman         | 700,000 | -       | - |
|                           | Simon-Pierre Rey       | 550,000 | 75,000  | - |

\*Non-Executive Director as from 1 July 2023

\*\*Executive Director as from 1 July 2023

### 2.6.6. Board Evaluation

- In line with its Charter, every two years, the Directors critically evaluate the performance of the Board and of the Committees, as well as their respective processes and procedures to ensure that they are designed to assist the Board in effectively fulfilling its role. The Board carried out its last evaluation in 2022.

### 3. RISK GOVERNANCE

The activities of the risk management processes of ENL are explained on pages xx to xx of the Annual Report.

### 4. INTERNAL CONTROL

The Board is responsible for the system of internal control and risk management of ENL and its subsidiaries. The Board is committed to continuously maintain adequate control procedures with a view to safeguard the assets and reputation of ENL. Areas with high residual risks are continuously assessed and reviewed with the assistance of the internal audit department.

Management is accountable to the Board for the design, implementation and enforcement of internal controls, ensuring that the associated processes and systems are operating satisfactorily. The Board derives assurance that the internal control systems are effective through the lines of defence: (i) The management of performance of each subsidiary, (ii) the processes and framework for risk management and (iii) the internal audit function in accordance with their risk-based internal audit plan.

The Audit and Risk Management Committee monitors the effectiveness of our risk management and internal control systems, and reports back to the Board. This includes:

- Keeping under review the adequacy and effectiveness of the Group's systems of internal control, including financial controls and business risk management systems;
- Reviewing and approving the statements to be included in the annual report concerning internal controls and risk management;
- Reviewing executive management reports detailing the adequacy and overall effectiveness of the Group's risk management function and its implementation by management;
- Reviewing, together with the Group's legal advisor, any legal matters that could have a significant impact on the Group's business, reviewing the risk philosophy, strategy and policies recommended by the executive management and considering reports by the executive management, ensuring compliance with such policies, and with the overall risk profile of the company;
- Reviewing the adequacy of insurance coverage;
- Reviewing risk identification and measurement methodologies;
- Monitoring procedures to deal with and reviewing the disclosure of information to clients; and

- Reporting, considering and taking appropriate action of the risk exposure of the organisation in at least the following areas of risk: Strategic, Financial, Operational, Compliance.

In the design of the internal control system, entities are encouraged to have the right level of internal controls whereby the costs and time involved in operating these controls is balanced against the nature and significance of the risks they mitigate.

The Board also recognises that any system of internal control is designed to understand and manage rather than eliminate the risk and can only provide reasonable and not absolute assurance against material misstatement or loss.

### 5. INTERNAL AUDIT

#### 5.1. Internal Audit function

The Internal Audit function provides independence and objective assurance, and consulting activity designed to add value and improve ENL Group's operations. Internal audit helps the Board and management to maintain and improve the process by which risks are identified and managed and helps the Board discharge its responsibilities for maintaining and strengthening the internal control framework.

The internal audit team, through its charter, reports to the Audit and Risk Management Committee and administratively to the Head of Internal Audit, through a co-sourcing agreement with PricewaterhouseCoopers Ltd (PwC). The Audit Committee, governed by its charter, ensures the independence and competence of the Internal Audit function.

The Head of Internal Audit has over 25 years of experience in internal audit, is a Certified Internal Auditor and holds a certificate in International Risk Management. The ENL Internal Audit team consists of the Internal Audit Manager, two Senior Internal Auditors and one Internal Auditor. The Internal Audit Manager has over eight years of experience and is a member of the Association of Chartered Certified Accountants. Members of the internal audit team are, or are in the process of becoming, qualified accountants, and Certified Internal Auditors.

The ARMC approves and monitors the internal audit plan each year, which focuses on the high risks of the Group. The plan is determined by a risk-based approach in close collaboration with the group's risk management function and business leaders. The internal audit function prepares audit reports and recommendations after which follow-ups are performed to ensure that recommendations are implemented. These reports are presented to the ARMC each quarter including the status of management's implementation of recommendations. For any significant issues that cannot wait till the next ARMC, the Head of Internal Audit contacts the Chairman of the ARMC immediately.

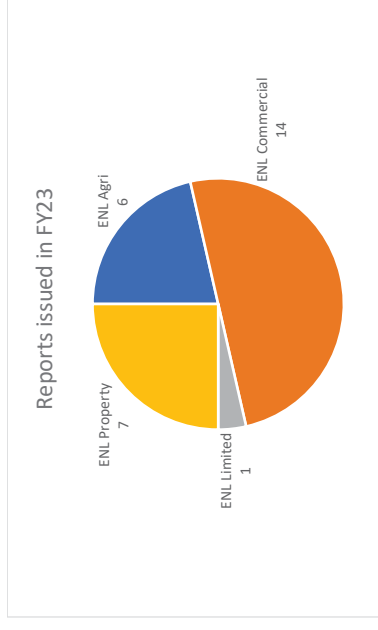
ENL's internal audit approach and methodology align with that of PwC, guided by the Institute of Internal Auditors. Through the co-sourcing model, PwC provides specialist skills required to perform specific assignments including IT General Controls and Cybersecurity audits. The internal audit team keeps up to date with industry and regulatory changes and professional standards via Continuous Professional Development (CPDs). The function is also looking to digitalise the audit process and enhance the use of data analytics for more efficiency and insight to the Group.

**5.2. Internal Audit Areas**

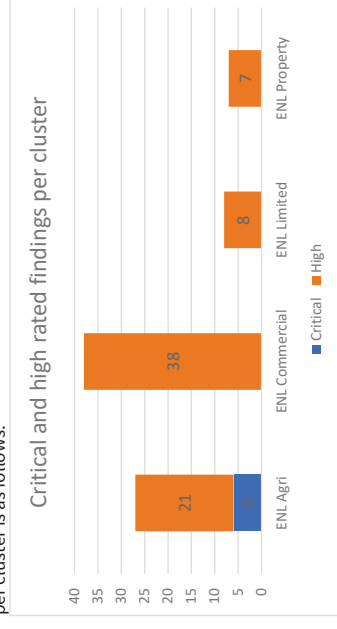
The audits covered in the internal audit plan are as follows:

| Company                    | Projects                                     |
|----------------------------|--|
| ENL Agri                   | Hydroponic (production to sales)             |
|                            | Compliance to Bon Sucro Production Standards |
|                            | Nursery review                               |
| ESP Landscapers            | Payroll                                      |
|                            | Revenue                                      |
| Agrex                      | New vehicles management                      |
|                            | Aftersales - Servicing                       |
| Axess                      | WIP management and grounded vehicles         |
|                            | Body and paint                               |
|                            | Spare parts procurement                      |
| Ensport (Decathlon)        | Stock and cash management                    |
|                            | Human resource                               |
|                            | Fixed assets and maintenance                 |
| Grewals                    | Stock management of Balau                    |
|                            | Stock management                             |
| JMD                        | Poolshops                                    |
| Nabridas                   | Sales and shipping                           |
| Plastinax                  | Aftersales                                   |
| Superdist                  | ITGC   |
| Rennel                     | Debtors' management of association foncieres |
| Sygeco                     | Process review                               |
| Ecoasis                    | Debtors' management of association foncieres |
| Moka Smart City Management | Sales  |
| Moka City                  | Human Resource                               |
| ENL Property               | Compliance to AML/CFT                        |
| Officea                    | Workspitality                                |
| EnAtt                      | Procurement                                  |
|                            | Data management                              |

During the financial year, 28 reports were issued, presented and discussed with the Audit and Risk Management Committee, as well as the Boards. The split per cluster is as follows, which is in line with the group's significant risks and strategic objectives:



Out of the 28 audits performed, 6 critical and 74 high findings were raised for which management has accepted internal audit's recommendations and rolled out action plans. The split of the significant findings per cluster is as follows:



Follow up has been performed quarterly prior to each audit committee. 47% of significant findings were closed over the year, and for the remaining, management has agreed to implement the necessary measures, with specific target dates to be achieved.

**5.3. Internal auditor effectiveness and independence**

The effectiveness of the internal and external audit functions is reviewed by the ARMC on an ongoing basis through the review and discussion of reports presented to it. The ARMC assesses the independence of the audit function and is satisfied of its independence. There have been no restrictions placed over the right of access by internal audit to relevant records, management, or employees.

The internal audit function maintains its independence and objectivity through a combination of organizational structure, reporting relationships, professional standards, and ethical principles such as:

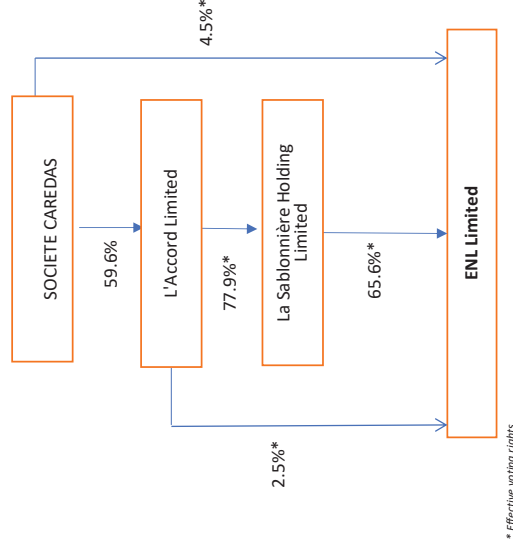
- (i) Direct reporting to an independent oversight body, the ARMC.

- (ii) Through the co-sourcing, and adherence to the PwC methodology, the internal audit team has authority to determine their audit scope and work plan.
- (iii) Adherence to global IIA standards.
- (iv) Ongoing training and professional development programs.

## 6. SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

### 6.1. Holding Structure

- The holding company of ENL is L'Accord Limited, a limited-liability public company while the ultimate control of the Company remains with Société Careadas, a société civile. The Company's holding structure as at 30 June 2023 was as follows: (The % disclosed relates to voting rights)



\* Effective voting rights

### 6.2. Shareholding profile

- ENL Limited's Ordinary A Shares are listed on the Official List of the Stock Exchange of Mauritius Limited ("SEM") and the Company is governed by the Listing Rules of the SEM.
- As at 30 June 2023, the share capital of ENL Limited is composed of 374,996,326 Ordinary A Shares and 700,000,000 Restricted Redeemable Shares ("RRS") of no par value.
- As at 30 June 2023, the shareholder holding more than 5% of the voting rights in the shares of the Company and qualifying as a substantial shareholder was as follows:

|                                |      |
|--------------------------------|------|
| La Sablonnière Holding Limited | 65.6 |
|                                | %    |

### 6.2.1. Distribution of shareholders at 30 June 2023

- La Sablonnière Holding Limited holds 100% of the RRS.
- Ordinary A Shares:

| By size of shareholding  | Number of Shareholders | Number of Shares held | %          |
|--------------------------|------------------------|-----------------------|------------|
| 1 - 1,000 shares         | 1,530                  | 480,331               | 0.128      |
| 1,001 - 5,000 shares     | 914                    | 2,285,899             | 0.610      |
| 5,001 - 10,000 shares    | 352                    | 2,549,648             | 0.680      |
| 10,001 - 25,000 shares   | 512                    | 8,239,049             | 2.197      |
| 25,001 - 50,000 shares   | 309                    | 10,890,726            | 2.904      |
| 50,001 - 75,000 shares   | 122                    | 7,648,999             | 2.040      |
| 75,001 - 100,000 shares  | 84                     | 7,402,154             | 1.974      |
| 100,001 - 250,000 shares | 219                    | 34,044,719            | 9.079      |
| 250,001 - 500,000 shares | 83                     | 28,781,141            | 7.675      |
| >= 500,001 shares        | 126                    | 272,673,660           | 72.713     |
| <b>Total</b>             | <b>4,251</b>           | <b>374,996,326</b>    | <b>100</b> |

### 6.2.2. Spread of shareholders

To the best knowledge of the Directors, the spread of Ordinary A Shareholders at 30 June 2023 was as follows:

|                                 | Number of Shareholders | Number of Shares held | %          |
|---------------------------------|------------------------|-----------------------|------------|
| Individuals                     | 3,886                  | 171,319,842           | 45.685     |
| Insurance & assurance companies | 10                     | 7,445,715             | 1.986      |
| Investment & trust companies    | 32                     | 25,389,993            | 6.771      |
| Pension & providence funds      | 231                    | 128,688,034           | 34.317     |
| Other corporate bodies          | 92                     | 42,152,742            | 11.241     |
| <b>Total</b>                    | <b>4,251</b>           | <b>374,996,326</b>    | <b>100</b> |

### 6.3. Contract between the Company and its substantial shareholder

- The Directors confirm that, to the best of their knowledge, they are not aware of the existence of any such contract for the year under review.

### 6.4. Third Party Agreements

The group has the following management agreements with third parties:

- ENL Commercial has a management contract with Superdist Limited for the provision of management services.
- A development management agreement with Dolphin Coast Marina Estate Ltd for managing the development of an IRS at La Balise. The contract is discharged by ENL Property.
- A contract with FRCI group for the provision of secretarial services.
- A contract with New Mauritius Hotels Limited for the provision of insurance consultancy services.
- ENL Agri Limited has a management agreement with Circonstance Estate Ltd for the management of the agricultural operations, buildings, and land assets of Circonstance Estate Ltd.

- A contract with Mautourco Holdings Ltd for the provision of insurance consultancy services.
- A contract with Semaris Ltd for the provision of secretarial services.
- ENL Property Limited has a management contract with Workshop17 Workspace Solutions (Mauritius) Ltd for the provision of management services.

## 6.5. Relations with shareholders and other key stakeholders

### 6.5.1. Key stakeholders

- The company is committed to engage actively with its stakeholders to meet their expectations and interests in an effective and efficient manner.
- ENL's engagement with key stakeholders and the way it has responded to their expectations are described in the Driving Impact section from page xx to page xx of the Annual Report.

### 6.5.2. Shareholders' relations and communications

- The Board of Directors places great importance on open and transparent communication with its shareholders. The company communicates to its shareholders through its Annual Report, circulars issued in compliance with the Listing Rules of the SEM, press announcements, publication of unaudited quarterly and audited abridged financial statements of the Company, dividend declarations and the Annual Meeting of shareholders.
- In compliance with the Companies Act 2001, shareholders are invited to ENL's shareholders' meetings where they can raise and discuss matters relating to the Company with the Board.
- The Company also communicates via social media platforms and its company website, where shareholders and potential investors have specific interfaces. Visit the company's website on [www.enl.mu](http://www.enl.mu)
- The Company aims to foster conversations and feedback with the financial community via investor meetings which are conducted biannually with a presentation of the Group's financial performance, updates on developments and Q&A sessions.

### 6.5.3. Shareholders' calendar

|               |  |
|---------------|--|
| October 2023  | Publication of abridged audited financial statements for the year ended 30 June 2023 |
| November 2023 | Issue of Annual Report 2023  |
|               | Publication of first quarter results to 30 September 2023                            |
|               | Eventual declaration of interim dividend   |
| December 2023 | Annual Meeting of Shareholders   |
| February 2024 | Publication of half-year results to 31 December 2023                                 |
| May 2024      | Publication of nine months results to 31 March 2024                                  |
|               | Eventual declaration of final dividend   |

### 6.5.4. Shareholders' agreement affecting the governance of the Company by the Board

The Directors confirm that, to the best of their knowledge, they are not aware of the existence of any such agreement for the year under review.

### 6.5.5. Dividend

The Company has no formal dividend policy. Payment of dividends is subject to the profitability of the Company, cash flow, working capital and capital-expenditure requirements.

## 7. COMPANY SECRETARY

- ENL Secretarial Services Limited provides corporate secretarial services to ENL Limited.
  - All Directors, particularly the Chairman, have access to the advice and services of the Company Secretary, delegated by ENL Secretarial Services Limited, for the purposes of the Board's affairs and the business.
  - The Company Secretary is responsible for ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation.
- ## 8. EXTERNAL AUDIT
- Messrs. Ernst & Young have been re-appointed as external auditors of ENL for the financial year ended 30 June 2023 at the shareholders' meeting held in December 2022.
  - During the year under review, Ernst & Young also provided tax services to ENL Group.



**Preeti Gopaul, ACG**  
For ENL Secretarial Services Limited  
Company Secretary

Date: **11 October 2023**

**BOARD OF DIRECTORS' STATEMENTS**

**I. OTHER STATUTORY DISCLOSURES**

(Pursuant to Section 221 of The Companies Act 2001 and Section 88 of The Securities Act 2005)  
30 June 2023

**Activities**

The activities of ENL group are disclosed on pages xx to xx of the Integrated Annual Report 2023.

**Directors**

A list of the Directors of the Company and its subsidiaries is given on pages xx to xx of the Integrated Annual Report 2023.

**Directors' Service Contracts**

None of the Directors of the Company and of the subsidiaries have service contracts that need to be disclosed under Section 221 of the Companies Act 2001.

**Contracts of Significance**

During the year under review, there was no contract of significance to which ENL Limited, or one of its subsidiaries, was a party and in which a Director of ENL Limited was materially interested either directly or indirectly.

**Directors' remuneration and benefits**

Total remuneration and benefits received, or due and receivable, by the Directors from the Company and its subsidiaries were as follows:

|  | From the Company |               | From the Subsidiaries |               |
|--|------------------|---------------|-----------------------|---------------|
|  | 2023             | 2022          | 2023                  | 2022          |
|  | Rs'000           | Rs'000        | Rs'000                | Rs'000        |
| <b>Executive</b>                               |                  |               |                       |               |
| Full-time                                      | 54,427           | 21,169        | 820                   | 780           |
| Part-time                                      | 1,150            | 950           | 41,041                | 35,194        |
| <b>Non-executive</b>                           | 4,300            | 3,200         | 2,512                 | 11,038        |
| Post-employment benefits – Executive Directors | -                | -             | 2,427                 | 1,678         |
|  | <b>59,877</b>    | <b>25,319</b> | <b>46,800</b>         | <b>48,690</b> |

**Directors' Interests in Shares**

- (i) The interests of the Directors in the shares of ENL Limited as at 30 June 2023 are found on page xx of the Integrated Annual Report.  
(ii) As at 30 June 2023, none of the Directors, except for those detailed below, held any direct interests in the equity of the subsidiaries of the Company:

|                         | Ascencia Ltd  |        | Rogers and Company Limited |        |
|-------------------------|---------------|--------|----------------------------|--------|
|                         | No. of shares | %      | No. of shares              | %      |
| Virginie Corneillet     | 4,000         | 0.0008 | 1,900                      | 0.0008 |
| Eric Espitalier-Noël    | -             | -      | 42,249                     | 0.0168 |
| Gilbert Espitalier-Noël | -             | -      | 86,871                     | 0.0345 |
| Hector Espitalier-Noël  | -             | -      | 44,948                     | 0.0178 |
| Jean-Raymond Hardy      | 2,000         | 0.0004 | -                          | -      |
| Jean-Pierre Montocchio  | -             | -      | 49,833                     | 0.0198 |

**Interests of senior officers (excluding directors) in the shares of ENL Limited carrying voting rights**

As at 30 June 2023, none of the senior officers (excluding directors), except for those detailed below, held any direct or indirect interests in the shares of the Company carrying voting rights:

|                          | Direct        |       | Indirect      |       |
|--------------------------|---------------|-------|---------------|-------|
|                          | No. of shares | %     | No. of shares | %     |
| Philippe Espitalier-Noël | 898,827       | 0.084 | 80,471,326    | 7.539 |
| Doriane Denise-Rama      | 710           | 0.000 | -             | -     |

**Shareholders**

At 29 August 2023, the following shareholders were directly or indirectly interested in more than 5% in the shares of the Company carrying voting rights:

| Name of shareholders           | Interest (%) |
|--------------------------------|--------------|
| La Sablonnière Holding Limited | 65.6         |

**Donations**

Donations made during the year:

- **Political (Rs'000)**
  - ENL Limited
- **Others (Rs'000)**
  - ENL Limited
  - ENL Commercial Limited

|                           | 2023         | 2022       |
|---------------------------|--------------|------------|
| <b>Political (Rs'000)</b> | <b>1,000</b> | -          |
| <b>Others (Rs'000)</b>    | <b>682</b>   | <b>772</b> |
|                           | <b>75</b>    | <b>7</b>   |

• **Corporate Social Responsibility (Rs'000)**

- Statutory
- Voluntary

|           | Group  |        | Company |       |
|-----------|--------|--------|---------|-------|
|           | 2023   | 2022   | 2023    | 2022  |
| Statutory | 10,012 | 10,532 | -       | -     |
| Voluntary | 10,816 | 11,058 | 4,974   | 4,679 |

**Auditors' Remuneration**

|  | 30 June 2023        |             |   |             | 30 June 2022        |             |   |             |
|--|---------------------|-------------|---|-------------|---------------------|-------------|---|-------------|
|  | Audit fees paid to: |             | Fees paid for the other services provided by: |             | Audit fees paid to: |             | Fees paid for the other services provided by: |             |
|  | Ernst & Young       | other firms | Ernst & Young                                 | other firms | Ernst & Young       | other firms | Ernst & Young                                 | other firms |
|  | Rs'000              | Rs'000      | Rs'000  | Rs'000      | Rs'000              | Rs'000      | Rs'000  | Rs'000      |
| ENL Limited                                      | 6,350               | -           | 74  | -           | 5,500               | -           | 70  | -           |
| ENL Commercial Limited                           | 825                 | -           | -   | -           | 660                 | -           | -   | -           |
| ESP Landscapers Ltd                              | -                   | 258         | -   | -           | -                   | 185         | -   | -           |
| Officea Company Limited                          | 860                 | -           | 77  | -           | 800                 | -           | 42  | -           |
| ENL Residential Limited                          | 364                 | -           | 13  | -           | 350                 | -           | 11  | -           |
| Nabridas Ltd                                     | -                   | 460         | -   | 30          | -                   | 390         | -   | -           |
| Nabridas International Ltd                       | -                   | -           | -   | 10          | -                   | -           | -   | 17          |
| Courchamps Development Limited                   | -                   | -           | -   | -           | 259                 | -           | 11  | -           |
| ENL Secretarial Services Limited                 | -                   | -           | -   | 9           | -                   | -           | -   | 8           |
| SB Cattle Ltd                                    | -                   | -           | -   | 15          | -                   | -           | -   | 14          |
| Field Good Fresh Foods Limited                   | -                   | 165         | -   | -           | -                   | 72          | -   | 12          |
| Grewals (Mauritius) Limited                      | -                   | 500         | -   | 34          | -                   | 425         | -   | 32          |
| ENL Corporate Services Limited                   | 363                 | -           | 26  | -           | 330                 | -           | 25  | -           |
| Joinery and Metal Distribution International Ltd | -                   | 255         | -   | 16          | -                   | 238         | -   | 26          |
| Rennel Limited                                   | -                   | 365         | -   | 41          | -                   | 267         | -   | 50          |
| Axess Limited                                    | 1,500               | -           | 390   | -           | 1,200               | -           | 365   | -           |
| Agrex Limited                                    | -                   | 174         | -   | -           | -                   | 125         | -   | 22          |
| Société Reunion                                  | -                   | -           | -   | 8           | -                   | -           | -   | 7           |
| Plastinax Austral Limited                        | -                   | 648         | -   | 36          | -                   | 541         | -   | 38          |
| Commercial Investment Property Fund Limited      | -                   | 210         | -   | 32          | -                   | 210         | -   | 10          |
| Ensport Limited                                  | 1,098               | -           | 53  | -           | 575                 | -           | 10  | -           |
| ESP Cleaning Limited                             | -                   | 133         | -   | -           | -                   | 100         | -   | 10          |
| ENL Corporate Ventures Limited                   | 385                 | -           | 16  | -           | 350                 | -           | 15  | -           |
| EnVolt Limited                                   | 182                 | -           | 17  | -           | 165                 | -           | 16  | -           |
| Société Du Courlis                               | -                   | -           | -   | 9           | -                   | -           | -   | 8           |
| Mon Desert Alma Sugar Milling Company Limited    | -                   | 212         | -   | -           | -                   | 80          | -   | 16          |
| Tagada Limited                                   | 250                 | -           | -   | 13          | -                   | -           | -   | 13          |
| Savannah Properties Limited                      | 167                 | -           | 19  | -           | 159                 | -           | 13  | -           |
| EnAft Ltd  | 394                 | -           | 42  | -           | 350                 | -           | 37  | -           |
| ENL Property Limited                             | 990                 | -           | 32  | -           | 900                 | -           | 30  | -           |
| S&W Synergy Limited                              | 221                 | -           | 33  | -           | 217                 | -           | 23  | -           |
| Moka City Limited                                | 544                 | -           | 38  | -           | 500                 | -           | 32  | -           |
| ENL Agri Limited                                 | -                   | 1,549       | -   | -           | -                   | 1,225       | -   | 74          |
| Enquickfix Limited                               | -                   | 51          | -   | 8           | -                   | -           | -   | 8           |
| Sygeco Limited                                   | -                   | 219         | -   | 12          | -                   | 42          | -   | 17          |
| Courchamps Properties Limited                    | -                   | 176         | -   | 13          | -                   | 165         | -   | 10          |
| Telfair Square Limited                           | -                   | 176         | -   | 13          | -                   | 160         | -   | 12          |
| Tambourissa Limited                              | -                   | -           | -   | -           | -                   | 165         | -   | 10          |
| Gros Bois Development Limited                    | -                   | -           | -   | -           | -                   | 100         | -   | 10          |
| Officea Workspatiality Ltd                       | -                   | -           | -   | 6           | -                   | -           | -   | 9           |
| The Enabling Academy Limited                     | -                   | 330         | -   | 23          | -                   | 375         | -   | 20          |
| Ecoasis Energy Solutions Ltd                     | -                   | -           | -   | 10          | -                   | 150         | -   | 10          |

|                                |               |               |            |               |               |               |            |               |
|--------------------------------|---------------|---------------|------------|---------------|---------------|---------------|------------|---------------|
| Ecoasis Technical Services Ltd | -             | 75            | -          | 11            | -             | 150           | -          | 10            |
| Suntricity Company Limited     | -             | -             | -          | 13            | -             | 50            | -          | -             |
| Savannah Smart City Limited    | 183           | -             | 12         | -             | -             | -             | -          | 5             |
| La Place du Village Limited    | 175           | -             | 11         | -             | -             | -             | -          | 10            |
| Savannah Land Development Ltd  | 46            | -             | 6          | -             | -             | -             | -          | -             |
| Telfair Apartments Limited     | 17            | -             | 6          | -             | -             | -             | -          | -             |
| Rogers & Co Group              | 24,600        | 20,800        | -          | 15,400        | 22,786        | 19,349        | -          | 18,922        |
|                                | <b>39,908</b> | <b>26,270</b> | <b>890</b> | <b>15,738</b> | <b>35,872</b> | <b>23,974</b> | <b>772</b> | <b>19,352</b> |

**II. STATEMENT OF DIRECTORS' RESPONSIBILITIES  
In Respect of Financial Statements**

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether international financial reporting standards have been followed and complied with; prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business; and
- ensure that the Code of Corporate Governance (the "Code") has been adhered to and where any material deviation from any guidance contained within the Code has occurred, explanations have been provided accordingly.

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

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

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

The Board is responsible for the system of internal control and risk management for the Company and its subsidiaries. The Board is committed to continuously maintain a sound system of risk management and adequate control procedures with a view to safeguarding the assets of the group. The Board, through the Audit and Risk Management Committee, affirms that it has monitored the key strategic, financial, operational, people, systems risks and control in line with the current business environment.

The Board believes that the group's systems of internal control and risk management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

Nothing has come to the Board's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business. The financial statements are prepared from the accounting records on the basis of consistent use of appropriate accounting policies supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the group and the Company.

**III. STATEMENT OF COMPLIANCE TO CODE**  
(Section 75 (3) of the Financial Reporting Act)

**Name of Public Interest Entity ('PIE'):** ENL Limited  
**Reporting Period:** 1 July 2022 to 30 June 2023

We, the Directors of ENL Limited, confirm to the best of our knowledge that the PIE has fully complied with the principles of the Code of Corporate Governance.



.....  
Name: **Hector Espitalier-Noël**  
Director



.....  
Name: **Virginie Cornillet**  
Director

Date: **11 October 2023**

**Company Secretary's Certificate**  
(Pursuant to Section 166(d) of The Companies Act 2001)

We certify that, to the best of our 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.



**Preeti Gopaul, ACG**  
For ENL Secretarial Services Limited  
Company Secretary

Date: **11 October 2023**



INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENL LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of ENL Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 3 to 171 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 significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Group and Company as at 30 June 2023, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the 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 the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Group and Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENL LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

| Key Audit Matter  | How the matter was addressed in the audit   |
|---|---|
| Valuation of land and buildings classified under Property, Plant and Equipment and Investment Properties  | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained, read, and understood the reports from the independent valuation specialists. Tested the mathematical accuracy of the reports and evaluated the valuation methodologies used by the external independent valuation specialists;</li> <li>Involved our internal valuation specialist in validating the appropriateness of the methodologies and assumptions used;</li> <li>Assessed the competence, qualifications, experience, and independence of the external independent valuation specialists;</li> <li>Held discussions with management, challenging key assumptions adopted in the valuations, including discount rates and reversionary rates, and comparing them with historical rates and other available market data;</li> <li>Reviewed forecasted data used in the valuations and corroborated the major inputs used in the forecasts such as rental income and operating costs by comparing the actual tenancy information in the underlying contracts and by comparing actual and historical operating costs;</li> <li>Reviewed the disclosures about significant estimates, critical judgements made by management and sensitivity analysis in the financial statements in respect of valuation of properties and ensured that all the relevant disclosures are in accordance with IAS 16 Property, Plant and Equipment, IAS 40 Investment Property and IFRS 13 Fair Value Measurements.</li> </ul> |
| As at 30 June 2023, included in Property, Plant and Equipment, the Group and the Company held land and buildings amounting to Rs32.2 billion and Rs635.8 million respectively (see Note 5 to the financial statements). The Group has a policy of recording land and buildings at revalued amount and in the case of buildings, less accumulated depreciation and impairment. Valuations are undertaken with sufficient regularity (between one to three years) by external independent valuation specialists. For the year ended 30 June 2023 the corresponding gains on revaluation reported in Other Comprehensive Income for the Group and Company amounted to Rs 3.9 billion and Rs 26.5 million respectively. | <p>The Group and the Company have Investment Properties amounting to Rs25.6 billion and Rs13.7 billion respectively, which are carried at fair value with the gains and losses recognised in profit or loss. Disclosures around the fair valuation of Investment Properties are set out in Note 6 to the financial statements.</p> <p>The fair value of land and buildings classified as Property, Plant and Equipment or Investment Properties are determined by an external independent valuation specialist, using valuation techniques which involve significant judgements and assumptions.</p> <p>Inappropriate estimates made in the valuation of the land and buildings and investment properties may result in a material misstatement:</p> <ol style="list-style-type: none"> <li>in the carrying amount of the properties and;</li> <li>in profit or loss for the year in the case of Investment Properties and in Other Comprehensive Income in the case of Property, Plant and Equipment.</li> </ol> <p>Consequently, the valuation of land and buildings classified under Property, Plant and Equipment and Investment Properties has been identified to be a key audit matter.</p>   |

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENL LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

| Key Audit Matter   | How the matter was addressed in the audit   |
|--|---|
| <p>Valuation of investment in subsidiaries and associated companies (Company level only)</p> <p>As at 30 June 2023, the Company held unquoted investments comprising of investments in subsidiaries amounting to Rs24.0 billion and investments in associated companies amounting to Rs1.2 billion which are both carried at fair value.</p> <p>These investments are valued using different methods ranging from discounted cash flow techniques, EBITDA multiples and revalued net asset valuation. Valuation techniques for these underlying investments can be subjective in nature and require significant management estimates including financial forecasts, discount factors, growth rates and market multiples amongst others. The actual results could differ from the estimates.</p> <p>Management has disclosed the estimates and judgments made for the fair valuation of investments in notes 9 and 10 to the financial statements.</p> <p>Due to the significance of these balances in the financial statements, and the management in the fair value assessment, the valuation of investment in subsidiaries and investment in associated companies has been considered as a key audit matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the process and controls in place in the fair valuation of the investment in subsidiaries and associated companies.</li> <li>Engaged with our internal valuation specialist to review the appropriateness of the valuation methodologies (ensuring whether they are in line with generally acceptable valuation guidelines and principles) and to validate the key assumptions such as WACC or other key inputs.</li> <li>Evaluated the assessment made by management with respect to the selection of appropriate comparable listed companies and adjustments to the valuation multiples, such as illiquidity and size of holdings, where comparable market multiples were used.</li> <li>The following procedures were performed where cash flow techniques were used: <ul style="list-style-type: none"> <li>verified the mathematical accuracy of the cash flow models used and checked for internal inconsistency of the models;</li> <li>assessed management's ability to prepare forecasts by comparing historical forecasts prepared by management against actual realised results;</li> <li>assessed the reasonableness of the significant inputs and assumptions used in the cash flow forecasts such as growth rates and discount rates; and</li> <li>challenged the key judgements made by management with reference to historical trends, our own expectations based on our own industry knowledge and management's strategic plans.</li> </ul> </li> <li>Reviewed the disclosures about significant estimates and critical judgements made by management in the financial statements in respect of valuation of investment in subsidiaries and investment in associated companies to ensure that the disclosures are in accordance with IFRS 9 Financial Instruments and IFRS 1.3 Fair Value Measurements.</li> </ul> |

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENL LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

| Key Audit Matter   | How the matter was addressed in the audit  |
|--|--|
| <p>Assessment of impairment of goodwill (Group level only)</p> <p>The carrying amount of goodwill recognised at Group level amounted to Rs929.0 million as at 30 June 2023 and no impairment was recognised in the statements of profit or loss during the year under review.</p> <p>A cash generating unit ("CGU") to which goodwill has been allocated must be tested for impairment at least annually in accordance with IAS 36 Impairment of Assets, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the unit. The determination of recoverable amount, being the higher of value-in-use and fair value less costs to sell, requires judgement on the part of management in both identifying and then valuing the relevant CGUs.</p> <p>The value-in-use calculations use discounted cash flow (DCF) projections based on financial budgets which involve judgement by management, such as determining the appropriate weighted average cost of capital (WACC), revenue growth rates, gross margins, and operating margins.</p> <p>These factors have made the timing and amount of future cash flows more uncertain, when they were already inherently uncertain.</p> <p>Management has disclosed the accounting judgements and estimates relating to goodwill impairment review in note B to the financial statements.</p> <p>These assumptions and estimates can have a material impact on the impairment figure reflected in the consolidated financial statements of the Group. Accordingly, the impairment assessment of goodwill has been considered as a key audit matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding, evaluated the design and the operating effectiveness of selected key controls over projections of future income, terminal growth rate assumptions, and discount rates related to the impairment of goodwill.</li> <li>Involved our internal valuation specialist in validating the appropriateness of the methodology and assumptions used; in relation to the above, our substantive testing procedures included the following: <ul style="list-style-type: none"> <li>Corroborated the justification of the CGUs defined by management for goodwill allocation.</li> </ul> </li> <li>Obtained the Group's discounted cash flow models that support the value-in-use calculations and assessed the following: <ul style="list-style-type: none"> <li>the appropriateness of the methodology applied in the Group's annual impairment assessment;</li> <li>the reasonableness of the significant inputs and the assumptions used including projections on future income, terminal growth rates, discount rates and sensitivity analysis to determine the impact of those assumptions;</li> <li>management's ability to prepare forecasts by comparing historical forecasts prepared by management against actual realised results;</li> <li>challenged the key judgements made by management with reference to historical trends, our own expectations based on our own industry knowledge and management's strategic plans;</li> <li>verified the mathematical accuracy of the cash flow models used and checked for internal inconsistency of the models; and</li> </ul> </li> <li>Assessed the appropriateness and completeness of the disclosures in note B to the financial statements about significant estimates, critical judgements made by management and sensitivity analysis in respect of the assessment of impairment of goodwill and ensured that all the relevant disclosures are in accordance with IAS 36 Impairment of Assets.</li> </ul> |

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENL LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

*Other information*

The directors are responsible for the other information. The other information comprises the Integrated Report other than 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 an audit opinion or 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 the Directors for the Consolidated and Separate Financial Statements*

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENL LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

*Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)*

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

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

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

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

*Use of our report*

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



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF ENL LIMITED**

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

**Companies Act 2001**

We have no relationship with or interests in the Company other than in our capacities as auditor, tax advisors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

**Financial Services Commission Circular Letter CL281021**

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

  
**ERNST & YOUNG**  
 Ebène, Mauritius

  
**ANDRE LAI WAN LOONG, F.C.A.**  
 Licensed by FRC

Date: **11 OCT 2023**

**ENL LIMITED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

| Notes   | THE GROUP         |                   | THE COMPANY       |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | 2023              | 2022              | 2023              | 2022              |
|   | Rs'000            | Rs'000            | Rs'000            | Rs'000            |
| <b>ASSETS</b>   |                   |                   |                   |                   |
| <b>Non-current assets</b>   |                   |                   |                   |                   |
| Property, plant and equipment                                     | 36,397,391        | 32,774,763        | 689,235           | 667,178           |
| Investment properties   | 25,634,419        | 22,032,643        | 13,714,086        | 12,984,739        |
| Intangible assets   | 1,813,813         | 1,577,127         | 430,062           | 311,528           |
| Investments in subsidiary companies                               |                   |                   | 23,966,910        | 19,326,710        |
| Investments in associated companies                               | 11,016,067        | 10,197,339        | 1,205,400         | 1,217,800         |
| Investments in jointly controlled entities                        | 37,583            | 40,783            | -                 | -                 |
| Financial assets at fair value through other comprehensive income |                   |                   |                   |                   |
| 12(b)   | 615,721           | 578,211           | 90,613            | 106,475           |
| 13  | 74,749            | 82,148            | 1,837,818         | 1,837,818         |
| 14  | 333,100           | 1,451,500         | -                 | -                 |
| 13  | 333,100           | 1,451,500         | -                 | -                 |
| 23(b)   | 217,300           | 239,838           | 69,002            | 73,749            |
| 24(b)   | 6,382             | 4,183             | 6,382             | 4,183             |
| 26  | 25,000            | 36,200            | -                 | -                 |
|   | <b>76,171,525</b> | <b>69,014,735</b> | <b>42,009,508</b> | <b>36,530,180</b> |
| <b>Current assets</b>   |                   |                   |                   |                   |
| Inventories   | 4,305,488         | 3,530,573         | -                 | -                 |
| 15  | 4,305,488         | 3,530,573         | -                 | -                 |
| 16  | 429,729           | 362,625           | -                 | -                 |
| 14  | 300,300           | 752,800           | -                 | -                 |
| 17  | 2,228,035         | 2,294,353         | 4,363             | 3,899             |
| 18  | 137,719           | 124,119           | -                 | -                 |
| 19  | -                 | -                 | 313,770           | 264,249           |
| 13  | 1,791,209         | 1,457,903         | 56,266            | 70,369            |
| 12(c)   | 41,032            | 61,770            | 41,032            | 61,770            |
| 40(c)   | 5,725,091         | 5,245,016         | 637,353           | 452,566           |
|   | 14,958,603        | 13,829,159        | 1,052,784         | 852,853           |
|   | 154,730           | -                 | -                 | -                 |
| 20(b)   | 91,284,858        | 82,843,894        | 43,062,292        | 37,383,033        |
|   | <b>91,284,858</b> | <b>82,843,894</b> | <b>43,062,292</b> | <b>37,383,033</b> |
| <b>EQUITY AND LIABILITIES</b>                                     |                   |                   |                   |                   |
| <b>EQUITY</b>   |                   |                   |                   |                   |
| 21(b)   | 3,607,987         | 3,607,987         | 3,607,987         | 3,607,987         |
| 21(c)   | (250,000)         | (250,000)         | (250,000)         | (250,000)         |
| 37  | 19,114,975        | 16,771,936        | 14,096,797        | 10,120,561        |
|   | 9,549,557         | 8,483,831         | 16,757,142        | 16,282,772        |
| 9(b)  | 32,022,519        | 28,613,754        | 34,211,936        | 29,761,320        |
|   | 17,545,828        | 14,990,877        | -                 | -                 |
|   | 49,568,347        | 43,604,631        | 34,211,936        | 29,761,320        |
| <b>LIABILITIES</b>  |                   |                   |                   |                   |
| <b>Non-current liabilities</b>                                    |                   |                   |                   |                   |
| 22  | 26,746,350        | 24,293,704        | 6,296,967         | 6,278,562         |
| 23  | 1,512,524         | 1,026,075         | -                 | -                 |
| 26  | 1,109,907         | 1,061,646         | 348,216           | 358,336           |
| 25  | 10,903            | 11,569            | -                 | -                 |
| 27  | 76,780            | -                 | 17,046            | -                 |
|   | 29,729,364        | 26,619,694        | 6,662,229         | 6,636,898         |
| <b>Current liabilities</b>  |                   |                   |                   |                   |
| 28(b)   | 5,574,396         | 4,655,769         | 94,190            | 56,935            |
| 28(c)   | 333,600           | 248,200           | -                 | -                 |
| 29  | 766,617           | 773,714           | 10,921            | 33,980            |
| 30  | -                 | -                 | 143,757           | 34,942            |
| 30(b)   | 95,404            | 129,044           | -                 | -                 |
| 22  | 5,029,632         | 6,644,094         | 1,751,771         | 690,210           |
| 38  | 187,498           | 168,748           | 187,498           | 168,748           |
|   | 11,987,147        | 12,619,569        | 2,188,137         | 984,815           |
| <b>Total liabilities</b>  | <b>41,716,511</b> | <b>39,239,263</b> | <b>8,850,366</b>  | <b>7,621,713</b>  |
| <b>Total equity and liabilities</b>                               | <b>91,284,858</b> | <b>82,843,894</b> | <b>43,062,292</b> | <b>37,383,033</b> |

These financial statements were approved and authorised for issue by the Board of Directors on 11 October 2023.

 ) DIRECTORS

The notes on pages 9 to 171 form an integral part of these financial statements. Independent auditors' report on pages 2(a) to 2(g).

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**YEAR ENDED JUNE 30, 2023**

|  | Notes              | THE GROUP    |              | THE COMPANY |           |
|--|--------------------|--------------|--------------|-------------|-----------|
|  |                    | 2023         | 2022         | 2023        | 2022      |
|  |                    | Rs'000       | Rs'000       | Rs'000      | Rs'000    |
| <b>Continuing operations</b>   |                    |              |              |             |           |
| <b>Revenue:</b>  |                    |              |              |             |           |
| Revenue from contracts with customers  | 31(b)              | 19,170,651   | 15,332,788   | 722,69      | 69,255    |
| Rental income  | 31(b)              | 1,056,972    | 1,695,508    | 73,382      | 47,846    |
| Commission   | 31(b)              | 469,735      | 407,699      | -           | -         |
| Interest income calculated using the effective interest rate (EIR) method                      | 31(b)              | 136,900      | 214,478      | -           | -         |
| Interest and dividend income   | 31(b)              | 17,548       | 17,416       | 307,246     | 252,818   |
|  |                    | 20,851,806   | 17,667,889   | 452,897     | 349,919   |
| <b>Expenses:</b>   |                    |              |              |             |           |
| Cost of sales  | 33(a)              | (11,429,207) | (10,594,825) | -           | -         |
| Other operating expenses   | 32(a)              | (1,712,278)  | (1,517,758)  | (94,848)    | (85,586)  |
| Interest expense - consumer finance business   | 34                 | (26,000)     | (19,100)     | -           | -         |
| Administrative expenses  | 32(b)              | (5,166,911)  | (3,905,826)  | (330,822)   | (268,730) |
| (Increase)/reversal of loss allowance on financial assets                                      |                    | (64,700)     | 54,700       | (768)       | (228)     |
| Fair value gain on investment properties   | 6                  | 949,471      | 657,082      | 1,119,186   | 298,152   |
| Fair value movement in consumable biological assets  | 16                 | 68,046       | (8,590)      | -           | -         |
| Operating profit   |                    | 3,470,227    | 2,333,572    | 1,145,645   | 293,527   |
| Fair value (loss)/gain on financial assets at fair value through profit or loss                | 12(c)              | (20,970)     | 6,684        | (20,970)    | 6,684     |
| Profit on disposal of land, investment properties and investments                              | 33(b)              | 19,222       | 19,722       | 168,454     | 364,487   |
| Bargain purchase   | 33(f)              | 53,000       | -            | -           | -         |
| Profit on capital reduction of investment in subsidiaries                                      | 33(d)              | -            | -            | -           | 6,759     |
| Compensation for excess contribution to interchange  | 33(c)              | -            | (200)        | -           | 33,000    |
| Loss realised on the fair value of contingent consideration                                    | 33(e)              | -            | (41,308)     | -           | -         |
| Settlement of pre-existing obligations   | 33(e)              | -            | -            | -           | -         |
| Share of profit recognised of associated companies and jointly controlled entities, net of tax | 10(b), 11(b)       | -            | -            | -           | -         |
| Finance costs  | 34                 | 1,564,922    | 554,435      | (439,555)   | (320,837) |
| Profit before taxation   | 35                 | (3,445,245)  | (1,154,219)  | 853,574     | 383,620   |
| Taxation   | 36(a)              | (453,759)    | (126,572)    | (5,060)     | (2,523)   |
| Profit for the year from continuing operations   |                    | 2,991,486    | 1,592,114    | 848,514     | 381,097   |
| <b>Discontinued operations</b>   |                    |              |              |             |           |
| Profit for the year from discontinued operations   | 49                 | 11,300       | 33,700       | -           | -         |
| <b>Profit for the year</b>   |                    | 3,002,786    | 1,625,814    | 848,514     | 381,097   |
| <b>Other comprehensive income for the year:</b>  |                    |              |              |             |           |
| Items that will not be reclassified to profit or loss:   |                    |              |              |             |           |
| Gain on revaluation of property, plant and equipment, net of tax                               |                    | 3,909,663    | 813,671      | 26,547      | -         |
| Remeasurement of employee benefits liabilities, net of tax                                     |                    | (18,019)     | (49,688)     | (7,184)     | (21,304)  |
| Change in fair value of equity instruments at fair value through other comprehensive income    | 9(b), 10(g), 12(b) | (22,125)     | 141,827      | 3,976,354   | 5,070,100 |
|  |                    | 3,869,519    | 905,810      | 3,995,717   | 5,048,796 |
|  |                    | (55,642)     | 40,755       | -           | -         |
| <b>Items that may be reclassified subsequently to profit or loss:</b>                          |                    |              |              |             |           |
| Currency translation differences   |                    | (219,528)    | 992,309      | -           | -         |
| Share of other comprehensive income of associated companies and jointly controlled entities    | 10(b), 11(b)       | (275,170)    | 1,033,064    | -           | -         |
|  |                    | 3,594,349    | 1,938,874    | 3,995,717   | 5,048,796 |
| <b>Total comprehensive income for the year, net of tax</b>                                     |                    | 6,597,135    | 3,564,688    | 4,844,231   | 5,429,893 |
| Owners of the company  |                    |              |              |             |           |
| -continuing operations   |                    | 1,705,340    | 826,311      | 848,514     | 381,097   |
| -discontinued operations   |                    | 3,942        | 15,052       | -           | -         |
| Non-controlling interests  |                    | 1,293,504    | 784,451      | 848,514     | 381,097   |
|  |                    | 4,064,172    | 2,398,959    | 4,844,231   | 5,429,893 |
| Owners of the company  |                    | 2,532,963    | 1,165,729    | -           | -         |
| Non-controlling interests  |                    | 6,597,135    | 3,564,688    | 4,844,231   | 5,429,893 |
| Earnings per share from continuing operations  | 39                 | Rs. 4.55     | 2.20         | 2.26        | 1.02      |
| Earnings per share from discontinued operations  | 39                 | Rs. 0.01     | 0.04         | -           | -         |

The notes on pages 9 to 171 form an integral part of these financial statements.  
Independent auditors' report on pages 2(a) to 2(g).

**UNLIMITED**
**STATEMENTS OF CHANGES IN EQUITY**  
**YEAR ENDED JUNE 30, 2023**

| THE GROUP   | Attributable to owners of the parent |           |                      |            |                                  |           |                      |           |                           |            | Total equity |
|---|--------------------------------------|-----------|----------------------|------------|----------------------------------|-----------|----------------------|-----------|---------------------------|------------|--------------|
|   | Holding company and subsidiaries     |           | Associated companies |            | Holding company and subsidiaries |           | Associated companies |           | Non-controlling interests |            |              |
|   | Notes                                | Rs'000    | Rs'000               | Rs'000     | Rs'000                           | Rs'000    | Rs'000               | Rs'000    | Rs'000                    | Rs'000     |              |
|   |                                      |           |                      |            |                                  |           |                      |           |                           |            |              |
| Balance at July 1, 2022   |                                      | 3,607,987 | (230,000)            | 15,237,390 | 85,994                           | 1,448,552 | 7,142,352            | 1,341,479 | 18,613,754                | 14,990,877 | 43,604,631   |
| Issue of shares to non-controlling shareholders   |                                      | -         | -                    | -          | -                                | -         | -                    | -         | -                         | 64,787     | 64,787       |
| Capital reduction by subsidiary company to non-controlling shareholders                 |                                      | -         | -                    | -          | -                                | -         | -                    | -         | -                         | (90,838)   | (90,838)     |
| Convertible bond issued to non-controlling shareholders                                 |                                      | -         | -                    | -          | -                                | -         | -                    | -         | -                         | 646,000    | 646,000      |
| Effect of change in ownership interest not resulting in loss of control                 | 9(f)                                 | -         | -                    | (549)      | (25,800)                         | 291       | 36,296               | -         | 36,587                    | 12,149     | 48,716       |
| Transfer on disposal of land and investments  |                                      | -         | -                    | (549)      | -                                | (177,054) | 26,349               | -         | (147,256)                 | (103,954)  | (420,952)    |
| Movement in reserves  |                                      | -         | -                    | -          | -                                | -         | 7,412                | 987,787   | 1,709,282                 | 1,293,504  | 3,002,786    |
| Profit for the year   |                                      | -         | -                    | -          | -                                | -         | 721,515              | (29,941)  | (161,200)                 | 2,354,890  | 3,594,349    |
| Other comprehensive income for the year   | 38                                   | -         | -                    | 2,548,375  | (52,448)                         | 50,224    | (74,996)             | -         | (374,996)                 | -          | (374,996)    |
| Dividends paid by subsidiaries and associated companies to non-controlling shareholders |                                      | -         | -                    | -          | -                                | -         | -                    | -         | -                         | (506,156)  | (506,156)    |
| <b>Balance at June 30, 2023</b>   |                                      | 3,607,987 | (250,000)            | 17,785,216 | 7,746                            | 1,322,013 | 7,529,987            | 2,020,570 | 32,022,519                | 17,545,828 | 49,568,347   |

The notes on pages 9 to 171 form an integral part of these financial statements.  
Independent auditors' report on pages 2(a) to 2(g).

ENL LIMITED

STATEMENTS OF CHANGES IN EQUITY  
YEAR ENDED JUNE 30, 2023

| THE COMPANY   | Notes | Stated capital   |                  | Treasury shares |                  | Revaluation reserves |                   | Fair value reserves |         | Retained earnings |         | Total equity |         |
|---|-------|------------------|------------------|-----------------|------------------|----------------------|-------------------|---------------------|---------|-------------------|---------|--------------|---------|
|   |       | R\$'000          | R\$'000          | R\$'000         | R\$'000          | R\$'000              | R\$'000           | R\$'000             | R\$'000 | R\$'000           | R\$'000 | R\$'000      | R\$'000 |
| Balance at July 1, 2022   |       | 3,607,987        | (250,000)        | -               | 1,114,125        | 9,006,436            | 16,282,772        | 29,761,320          |         |                   |         |              |         |
| Profit for the year   |       | -                | -                | -               | -                | -                    | 848,514           | 848,514             |         |                   |         |              |         |
| Transfer on capital reduction on investment in subsidiary company |       | -                | -                | -               | -                | (26,665)             | (26,665)          | -                   |         |                   |         |              |         |
| Release on capital reduction on investment in subsidiary company  | 9     | -                | -                | -               | -                | -                    | (26,040)          | (26,040)            |         |                   |         |              |         |
| Other comprehensive income for the year                           |       | -                | -                | -               | 26,547           | 3,976,354            | (7,184)           | 3,995,717           |         |                   |         |              |         |
| Dividends   | 38    | -                | -                | -               | -                | -                    | (374,996)         | (374,996)           |         |                   |         |              |         |
| Movement in reserves  |       | -                | -                | -               | -                | -                    | 7,411             | 7,411               |         |                   |         |              |         |
| <b>Balance at June 30, 2023</b>                                   |       | <b>3,607,987</b> | <b>(250,000)</b> | <b>-</b>        | <b>1,140,672</b> | <b>12,956,125</b>    | <b>16,757,142</b> | <b>34,211,926</b>   |         |                   |         |              |         |
| Balance at July 1, 2021   |       | 3,607,987        | (250,000)        | -               | 1,114,125        | 3,929,577            | 16,229,735        | 24,631,424          |         |                   |         |              |         |
| Profit for the year   |       | -                | -                | -               | -                | -                    | 381,097           | 381,097             |         |                   |         |              |         |
| Transfer on capital reduction on investment in subsidiary company |       | -                | -                | -               | -                | 6,759                | (6,759)           | -                   |         |                   |         |              |         |
| Other comprehensive income for the year                           |       | -                | -                | -               | -                | 5,070,100            | (21,304)          | 5,048,796           |         |                   |         |              |         |
| Dividends   | 38    | -                | -                | -               | -                | -                    | (299,997)         | (299,997)           |         |                   |         |              |         |
| <b>Balance at June 30, 2022</b>                                   |       | <b>3,607,987</b> | <b>(250,000)</b> | <b>-</b>        | <b>1,114,125</b> | <b>9,006,436</b>     | <b>16,282,772</b> | <b>29,761,320</b>   |         |                   |         |              |         |

The notes on pages 9 to 171 form an integral part of these financial statements.  
Independent auditors' report on pages 2(a) to 2(g).

ENL LIMITED

STATEMENTS OF CHANGES IN EQUITY  
YEAR ENDED JUNE 30, 2023

| THE GROUP   | Notes | Stated capital   |                  | Treasury shares   |               | Revaluation reserves |                  | Fair value, capital and transition reserves |                   | Holding company and subsidiaries |                   | Associated companies |         | Bolding company and subsidiaries |         | Associated companies |         | Non-controlling interests |         | Total equity |         |         |  |
|---|-------|------------------|------------------|-------------------|---------------|----------------------|------------------|---|-------------------|----------------------------------|-------------------|----------------------|---------|----------------------------------|---------|----------------------|---------|---------------------------|---------|--------------|---------|---------|--|
|   |       | R\$'000          | R\$'000          | R\$'000           | R\$'000       | R\$'000              | R\$'000          | R\$'000                                     | R\$'000           | R\$'000                          | R\$'000           | R\$'000              | R\$'000 | R\$'000                          | R\$'000 | R\$'000              | R\$'000 | R\$'000                   | R\$'000 | R\$'000      | R\$'000 | R\$'000 |  |
| Balance at July 1, 2021   |       | 3,607,987        | (250,000)        | 14,511,858        | (27,361)      | 808,516              | 6,921,163        | 950,223                                     | 26,522,386        | 14,533,455                       | 41,055,841        |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Issue of shares to non-controlling shareholders   |       | -                | -                | -                 | -             | -                    | -                | -   | -                 | 274,474                          | 274,474           |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Capital reduction by subsidiary company to non-controlling shareholders                 |       | -                | -                | -                 | -             | -                    | -                | -   | -                 | (109,005)                        | (109,005)         |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Effect of change in ownership interest not resulting in loss of control                 | 9(0)  | -                | -                | 6,595             | -             | -                    | (141,899)        | -   | (7,594)           | (569,404)                        | (576,998)         |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Transfer on disposal of fund and investments  |       | -                | -                | (19,687)          | -             | -                    | 19,687           | -   | -                 | 841,363                          | 841,363           |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Profit for the year   |       | -                | -                | -                 | -             | 567,138              | 274,225          | 117,081                                     | 1,577,596         | 381,278                          | 1,938,874         |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Other comprehensive income for the year   |       | -                | -                | 738,624           | 113,355       | 640,036              | (259,997)        | -   | (999,997)         | -                                | (299,997)         |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Dividends   | 38    | -                | -                | -                 | -             | -                    | -                | -   | -                 | -                                | -                 |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| Dividends paid by subsidiaries and associated companies to non-controlling shareholders |       | -                | -                | -                 | -             | -                    | -                | -   | -                 | (304,372)                        | (304,372)         |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |
| <b>Balance at June 30, 2022</b>   |       | <b>3,607,987</b> | <b>(250,000)</b> | <b>15,237,390</b> | <b>85,994</b> | <b>1,448,552</b>     | <b>7,142,352</b> | <b>1,341,479</b>                            | <b>28,613,754</b> | <b>14,900,877</b>                | <b>43,604,631</b> |                      |         |                                  |         |                      |         |                           |         |              |         |         |  |

The notes on pages 9 to 171 form an integral part of these financial statements.  
Independent auditors' report on pages 2(a) to 2(g).

**STATEMENTS OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2023**

| Notes   | THE GROUP          |                    | THE COMPANY     |                  |
|---|--------------------|--------------------|-----------------|------------------|
|   | 2023               | 2022               | 2023            | 2022             |
|   | Rs'000             | Rs'000             | Rs'000          | Rs'000           |
| <b>Operating activities</b>   |                    |                    |                 |                  |
| Cash generated from/(used in) operations  | 3,365,385          | 3,530,895          | (94,613)        | 10,056           |
| Interest paid - consumer finance business   | (26,000)           | (19,100)           | -               | -                |
| Interest received - consumer finance business   | 150,000            | 211,400            | -               | -                |
| Tax paid  | (196,495)          | (151,994)          | -               | -                |
| <b>Net cash generated from/(used in) operating activities</b>                               | <b>3,292,890</b>   | <b>3,571,201</b>   | <b>(94,613)</b> | <b>10,056</b>    |
| <b>Investing activities</b>   |                    |                    |                 |                  |
| Purchase of property, plant and equipment   | (1,510,510)        | (922,365)          | (23,058)        | (6,631)          |
| Purchase of intangible assets   | (241,241)          | (127,006)          | (71,704)        | (25,000)         |
| Purchase of investment properties   | (1,334,952)        | (1,336,068)        | (41,019)        | (26,978)         |
| Purchase of shares in subsidiary companies  | -                  | (64,021)           | (479,448)       | (440,081)        |
| Purchase of financial assets at fair value through other comprehensive income               | (59,392)           | (414,121)          | -               | -                |
| Purchase of financial assets at fair value through profit or loss                           | -                  | -                  | -               | (1,000)          |
| Purchase of investment in associated companies  | (31,939)           | (3,010)            | -               | -                |
| Acquisition of subsidiaries   | 17,800             | (12,500)           | -               | -                |
| Proceeds from disposal of subsidiaries  | 126,600            | -                  | -               | -                |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | 17,700             | 75,172             | 776             | -                |
| Proceeds from disposal of property, plant and equipment                                     | 131,545            | 123,580            | 2,014           | 2,759            |
| Proceeds from disposal of investment properties   | 5,115              | 13,526             | 607,930         | 763,173          |
| Purchase of bearer biological assets  | (42,324)           | (29,531)           | -               | -                |
| Capital reduction from investments  | 2,137              | 892                | 100,000         | 25,554           |
| Loans granted   | (87,195)           | (95,108)           | (1,027,049)     | (618,172)        |
| Loans refunded  | 18,632             | 49,380             | 859,245         | 978,914          |
| Interest received   | 34,645             | 14,104             | 63,125          | 58,138           |
| Dividend received   | 3,804              | -                  | 3,804           | -                |
| <b>Net cash (used in)/generated from investing activities</b>                               | <b>(2,949,575)</b> | <b>(2,727,076)</b> | <b>(5,384)</b>  | <b>710,676</b>   |
| <b>Financing activities</b>   |                    |                    |                 |                  |
| Issue of shares to non-controlling shareholders   | 762,197            | 313,600            | -               | -                |
| Capital reduction by subsidiary companies attributable to non-controlling shareholders      | (98,186)           | (117,824)          | -               | -                |
| Proceeds from borrowings  | 7,773,062          | 10,753,359         | 1,652,419       | 499,750          |
| Payments on borrowings  | (6,098,290)        | (8,864,087)        | (610,902)       | (806,064)        |
| Principal payments on lease liabilities   | (241,317)          | (262,953)          | (5,993)         | (7,539)          |
| Interest paid   | (1,574,864)        | (1,140,036)        | (394,840)       | (317,403)        |
| Dividends paid  | (356,247)          | (318,747)          | (356,247)       | (318,747)        |
| Dividends paid by subsidiaries to non-controlling shareholders                              | (529,643)          | (292,977)          | -               | -                |
| <b>Net cash (used in)/generated from financing activities</b>                               | <b>(363,288)</b>   | <b>70,335</b>      | <b>284,437</b>  | <b>(950,003)</b> |
| <b>(Decrease)/increase in cash and cash equivalents</b>                                     | <b>(19,973)</b>    | <b>914,460</b>     | <b>184,440</b>  | <b>(229,271)</b> |
| <b>Movement in cash and cash equivalents</b>  |                    |                    |                 |                  |
| At July 1,  | 4,026,764          | 3,112,103          | 452,566         | 681,868          |
| Effects of exchange rate changes  | (2,883)            | 201                | 347             | (31)             |
| (Decrease)/increase in cash and cash equivalents  | (19,973)           | 914,460            | 184,440         | (229,271)        |
| <b>At June 30,</b>  | <b>4,003,908</b>   | <b>4,026,764</b>   | <b>637,353</b>  | <b>452,566</b>   |

The notes on pages 9 to 171 form an integral part of these financial statements. Independent auditors' report on pages 2(a) to 2(g).

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**
**1. GENERAL INFORMATION**

ENL Limited is a limited liability company incorporated and domiciled in Mauritius. Its registered office is at ENL House, Vivéa Business Park, Moka. ENL Limited is listed on the Stock Exchange of Mauritius.

ENL Limited is a land owner and is also an investment and management company.

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

**2. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements have been disclosed in their respective notes other than those disclosed below. These policies have been consistently applied to all the years presented unless otherwise stated.

**2.1 Basis of preparation**

The financial statements of ENL Limited comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). The financial statements include the consolidated financial statements of the holding company and its subsidiary companies (collectively referred to as the group) and the separate financial statements of the holding company (the company). The financial statements are presented in Mauritian rupees and all values are rounded to the nearest thousand (Rs'000) except when otherwise indicated. The financial statements have been prepared under the historical cost convention, except that:

- land and buildings are carried at revalued amounts;
  - investment properties are stated at fair value;
  - financial assets at fair value through other comprehensive income are carried at fair value;
  - financial assets at fair value through profit or loss are carried at fair value;
  - employee benefit assets/employee benefit liabilities are carried at fair value;
  - consumable biological assets are measured at fair value;
  - relevant financial assets and financial liabilities are stated at amortised cost; and
  - non current asset held for sale are carried at the lower of carrying value and fair value less costs to sell.
- investments in subsidiary companies, associated companies and jointly controlled entities are carried at fair value in the separate financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 and in respective applicable notes. Therefore, the financial statements continue to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

2. ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies and disclosures

**New and amended standards and interpretations**

The group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2022 (unless otherwise stated). The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

*Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16*

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the consolidated financial statements of the group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

*Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37*

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

These amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The group applied these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting.

*Reference to the Conceptual Framework – Amendments to IFRS 3*

The amendments replace a reference to a previous version of the IASB’s Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

These amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

2. ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies and disclosures (cont'd)

**New and amended standards and interpretations (cont'd)**

*IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter*

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent’s date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

*IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities*

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

The group applied the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments do not have a material impact on the group.

*IAS 41 Agriculture – Taxation in fair value measurements*

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

The amendments do not have a material impact on the group.

*Illustrative Examples accompanying IFRS 16 Leases*

The amendment removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

**Standards issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the group’s financial statements are disclosed below. The group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.



**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.2 Changes in accounting policies and disclosures (cont'd)**

**Standards issued but not yet effective (cont'd)**

*IFRS 17 Insurance Contracts*

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

The group has a significant influence in an associated company which operates in both life and general insurance. However, the amendments do not have a material impact on the group.

*Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1*

In January 2020 and October 2022, the Board issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer settlement must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

• Disclosures

The amendments are effective for annual reporting beginning on or after January 1, 2024 and must be applied retrospectively.

The group is currently assessing the impact of these amendments.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.2 Changes in accounting policies and disclosures (cont'd)**

**Standards issued but not yet effective (cont'd)**

*Definition of Accounting Estimates - Amendments to IAS 8*

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments do not have a material impact on the group.

*Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2*

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after January 1, 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The amendments do not have a material impact on the group.

*Sale or Contribution of assets between an investor and its associate or joint venture- Amendments to IFRS 10 and IAS 28*

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

The group is currently assessing the impact of these amendments.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.2 Changes in accounting policies and disclosures (cont'd)**

**Standards issued but not yet effective (cont'd)**

*Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12*

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

The amendments do not have a material impact on the group.

*Lease Liability in a Sale and Leaseback – Amendments to IFRS 16*

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy in accordance with IAS 8 that results in information that is relevant and reliable.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.2 Changes in accounting policies and disclosures (cont'd)**

**Standards issued but not yet effective (cont'd)**

*Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 (cont'd)*

A seller-lessee applies the amendment to annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted and that fact must be disclosed. The group is currently assessing the impact of these amendments.

*Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7*

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are included as an example of other factors that might be relevant to disclose.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2024. Early adoption is permitted, but will need to be disclosed. The group is currently assessing the impact of these amendments.

*International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12*

In May 2023, the Board issued amendments to IAS 12, which introduce a mandatory exception in IAS 12 from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes' respectively.

The amendments require an entity to disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon issue of the amendments.

The disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after January 1, 2023, but are not required for any interim period ending on or before December 31, 2023.

The amendments do not have a material impact on the group.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies**

**(a) Financial instruments**

**(i) Financial assets**

Classification of financial assets

In accordance with IFRS 9, the classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. Accordingly, the group classifies their financial assets at initial recognition into financial assets at amortised cost (debt instruments), financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments), financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments), financial assets at fair value through profit or loss.

*Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to note 31(b) - Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

*Subsequent Measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(a) Financial instruments (cont'd)**

**(i) Financial assets (cont'd)**

*Financial assets at amortised cost (debt instruments)*

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.

*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 (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on 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.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. 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 entity recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial assets subsequently improves so that the financial assets is no longer credit-impaired.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(a) Financial instruments (cont'd)**

**(i) Financial assets (cont'd)**

*Foreign exchange gains and losses*

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;

*Impairment of financial assets*

The group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and contract assets, as well as on financial guarantee contracts. 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 applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the entity's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions 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 the other financial instruments, the group recognises lifetime ECL until they are derecognised due to short-term nature of the receivables and have been assessed to have credit risk other than low.

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.

- Significant increase in credit risk

The group holds only trade receivables with no financing component, and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply the simplified approach for expected credit losses (ECL) under IFRS 9 to all its receivables. Therefore, the group does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(a) Financial instruments (cont'd)**

**(i) Financial assets (cont'd)**

- Definition of default

The group considers a trade receivable to be in default when contractual payments are past due for a period exceeding 90 days. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

- 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's recovery procedures. Any recoveries made are recognised in profit or loss.

*Recognition of expected credit losses*

The group recognises 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 and does not reduce the carrying amount of the financial asset in the statements of financial position.

**(ii) Financial liabilities**

*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and amount due to holding company.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(a) Financial instruments (cont'd)**

**(ii) Financial liabilities (cont'd)**

*Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

- Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings, trade and other payables and amount due to holding company. For more information, refer to notes 14, 22 and 28.

**(iii) Derecognition of financial assets and liabilities**

*Derecognition of financial assets*

The group derecognises 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 entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises 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. In contrast, on derecognition of an investment in equity instrument which the entity has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

*Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(a) Financial instruments (cont'd)**

**(iv) Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

**(v) Fair value of financial instruments**

*Determination of fair value*

The group determines the fair value of its financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

Where the group has financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, it has elected to use the measurement exception provided in IFRS 13 to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(a) Financial instruments (cont'd)**

**(v) Fair value of financial instruments (cont'd)**

*Determination of fair value (cont'd)*

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

**(b) Cash and cash equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated and separate statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Such financial assets are carried at amortised cost using the effective interest rate method.

**(c) Taxation**

The income tax expense represents the current tax provision and the movement in deferred tax.

*Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The accounting policies for deferred tax are disclosed in note 23.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(d) Provisions**

**General**

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Warranty provisions**

The group provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The estimate of warranty-related costs is revised annually.

**Restructuring provisions**

Restructuring provisions are recognised only when the group has a constructive obligation, which is when (i) there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline and (ii) the employees affected have been notified of the plan's main features.

**Decommissioning liability**

The group records a provision for decommissioning costs of a manufacturing facility for the production of fire-retardant materials. Decommissioning costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the relevant asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the asset.

**Onerous contract**

If the group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(c) Foreign currencies**

*(i) Functional and presentation currency*

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

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'.

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

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

Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

*(iii) Group companies*

On consolidation, the assets and liabilities of foreign operations are translated into Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

**(f) Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**2. ACCOUNTING POLICIES (CONT'D)**

**2.3 Summary of accounting policies (cont'd)**

**(g) Current versus non-current classification**

The group presents assets and liabilities in the statements of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES**

**3.1 Financial risk factors**

The group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest-rate risk), credit risk and liquidity risk.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

A description of the significant risk factors is given below together with the risk management policies applicable.

**(a) Market risk**

**(i) Currency risk**

Several of the group's subsidiary companies deal in foreign currency transactions or operate internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, the US dollar and the GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. Some of the group's subsidiary companies are also exposed to fluctuations of exchange rate which impacts on the price of sugar.

The group operates internationally and is exposed to foreign exchange risk arising from various major currencies. Group's entities use forward contracts, whenever possible, to hedge their exposure to foreign currency risk. Each subsidiary is responsible for hedging the net position in each currency by using currency borrowings.

|                                   | THE GROUP        |                |               | THE COMPANY         |                    |
|-----------------------------------|------------------|----------------|---------------|---------------------|--------------------|
|                                   | EURO<br>Rs'000   | USD<br>Rs'000  | GBP<br>Rs'000 | Total<br>Rs'000     | Rs.<br>Rs'000      |
| <b>June 30, 2023</b>              |                  |                |               |                     |                    |
| Non current financial assets      | -                | 68,300         | -             | 955,270             | 1,928,431          |
| Non current financial liabilities | (315,400)        | (67,000)       | -             | (26,440,730)        | (6,314,013)        |
| Long term exposure                | <b>(315,400)</b> | <b>1,300</b>   | <b>-</b>      | <b>(25,485,460)</b> | <b>(4,385,582)</b> |
| Current financial assets          | 874,831          | 791,316        | 67,400        | 8,489,839           | 10,223,386         |
| Current financial liabilities     | (231,867)        | (584,046)      | -             | (11,171,234)        | (2,188,137)        |
| Short term exposure               | <b>642,964</b>   | <b>207,270</b> | <b>67,400</b> | <b>(2,681,395)</b>  | <b>3,240,921</b>   |
| <b>Total exposure</b>             | <b>327,564</b>   | <b>208,570</b> | <b>67,400</b> | <b>(28,166,855)</b> | <b>(1,144,661)</b> |

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)**

**3.1 Financial risk factors (cont'd)**

**(a) Market risk (cont'd)**

**(i) Currency risk (cont'd)**

|                                   | THE GROUP        |                  |               | THE COMPANY         |                    |
|-----------------------------------|------------------|------------------|---------------|---------------------|--------------------|
|                                   | EURO<br>Rs'000   | USD<br>Rs'000    | GBP<br>Rs'000 | Total<br>Rs'000     | Rs.<br>Rs'000      |
| June 30, 2022                     |                  |                  |               |                     |                    |
| Non current financial assets      | -                | 74,800           | -             | 2,037,059           | 1,944,293          |
| Non current financial liabilities | (953,600)        | (319,700)        | -             | (23,020,404)        | (6,278,562)        |
| Long term exposure                | <b>(953,600)</b> | <b>(244,900)</b> | <b>-</b>      | <b>(20,983,345)</b> | <b>(4,334,269)</b> |
| Current financial assets          | 529,872          | 717,264          | 68,700        | 8,620,125           | 9,935,961          |
| Current financial liabilities     | (347,768)        | (626,975)        | -             | (11,644,826)        | (984,815)          |
| Short term exposure               | <b>182,104</b>   | <b>90,289</b>    | <b>68,700</b> | <b>(3,024,701)</b>  | <b>(131,962)</b>   |
| <b>Total exposure</b>             | <b>(771,496)</b> | <b>(154,611)</b> | <b>68,700</b> | <b>(24,008,046)</b> | <b>(4,466,231)</b> |

If the Rupee had weakened/strengthened by 1% against the Euro, US dollar, GBP with all other variables held constant, the financial impact will be as follows:

|                           | THE GROUP      |                | THE COMPANY    |                |
|---------------------------|----------------|----------------|----------------|----------------|
|                           | 2023<br>Rs'000 | 2022<br>Rs'000 | 2023<br>Rs'000 | 2022<br>Rs'000 |
| <b>Euro</b>               |                |                |                |                |
| Profit for the year (+/-) | 3,276          | (7,715)        | -              | -              |
| Equity (+/-)              | <b>3,276</b>   | <b>(7,715)</b> | <b>-</b>       | <b>-</b>       |
| <b>USD</b>                |                |                |                |                |
| Profit for the year (+/-) | 2,086          | (1,546)        | -              | -              |
| Equity (+/-)              | <b>2,086</b>   | <b>(1,546)</b> | <b>-</b>       | <b>-</b>       |
| <b>GBP</b>                |                |                |                |                |
| Profit for the year (+/-) | 674            | 687            | -              | -              |
| Equity (+/-)              | <b>674</b>     | <b>687</b>     | <b>-</b>       | <b>-</b>       |

The group uses forward contracts, whenever possible, to hedge its exposure to foreign currency risk. Each subsidiary is responsible for hedging the net position in each currency by using currency borrowings.

**Derivative financial instruments**

At June 30, 2023, the group had foreign exchange contracts for a notional amount of Rs.590.9m (2022: Rs.nil) and a corresponding derivative liability with a fair value of Rs.15.0m (2022: Rs.nil).



## 3. FINANCIAL RISK MANAGEMENT OBJECTIVES &amp; POLICIES (CONT'D)

## 3.1 Financial risk factors (cont'd)

## (a) Market risk (cont'd)

## (ii) Price risk

*Equity*

The group and the company are exposed to equity securities price risk mainly because of investments in equity listed companies on the Stock Exchange of Mauritius. The investments are held for medium term and are exposed to fluctuations in the equity market. A 5% increase/(decrease) in the relevant equity prices will increase/(decrease) the group's and company's equity by Rs.7.2m (2022: Rs.9.1m) and Rs.6.0m (2022: Rs.7.8m) respectively and will increase/(decrease) the group's and company's profit before tax by Rs1.9m (2022: Rs.3.0m) and Rs.1.9m (2022: Rs.3.0m) respectively.

Our process as regards to the risk associated with these investments is a monitoring of the entities' annual financial performance and the analysis of their return on investment.

*Commercial*

The group is exposed to market risk in respect of residential units for sale and commercial units to rental. Management monitors the demand and supply of the market and decides accordingly to initiate projects.

## (iii) Cash flow interest risk

The group is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The group's interest rate risk arises from borrowings at variable rates.

At June 30, 2023, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been lower/higher mainly as a result of higher/lower interest expense on floating rate borrowings as shown below:

|  | THE GROUP |         | THE COMPANY |        |
|--|-----------|---------|-------------|--------|
|  | 2023      | 2022    | 2023        | 2022   |
|  | Rs'000    | Rs'000  | Rs'000      | Rs'000 |
| Rupee-denominated borrowings                                       |           |         |             |        |
| Effect higher/lower interest expense on post tax profit and equity | 122,319   | 119,033 | 31,860      | 30,193 |

The risk is managed by maintaining an appropriate mix between fixed and floating interest charges on borrowings.

## (b) Credit risk

Credit risk arises principally from the group's trade receivables and leases as well as other credit facilities made to customers, other financial assets carried at amortised cost and cash and cash equivalents. The group's credit risk concentration is spread between interest rate and equity securities and also arises on amounts receivable from group companies. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal since delivery of securities sold is only made once the broker has received payment. On a purchase, payment is made once the securities have been received by the broker. If either party fails to meet their obligations, the trade will fail.

## 3. FINANCIAL RISK MANAGEMENT OBJECTIVES &amp; POLICIES (CONT'D)

## 3.1 Financial risk factors (cont'd)

## (b) Credit risk (cont'd)

In view of managing its credit risk, the group establishes credit policy whereby new customers are analysed for credit worthiness for each business activity before offering any standard payment delivery terms and conditions. Customers that fail to meet the group's benchmark credit worthiness may transact with the group upon lodging of a bank guarantee or a security document or prepaid basis. The subsidiary companies have no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The company makes advances and loans to group companies with sound financial background. Further disclosures on credit risk and expected credit losses ("ECL") are provided in the following notes: Note 13 – Other financial assets at amortised cost, Note 14 - Loans and advances, Note 18 – Assets related to contracts with customers, Note 17 – Trade and other receivables and Note 40(c) - Cash and cash equivalents.

The risk with the sales of sugar from the operations in Mauritius has significant concentration of credit risk with exposure spread over a few customers. However, sale of products is made through a reputable institution namely, the Mauritius Sugar Syndicate where the risk of default is very remote.

For further details on the risk management policies and committees in place, refer to part 2.4.1 of the corporate governance report.

## (c) Liquidity risk

Liquidity risk is the risk that the group encounters difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities from financial institutions. Due to the dynamic nature of the underlying businesses, group treasury aims at maintaining flexibility in funding by keeping committed credit facilities with banks. The group monitors rolling forecasts of its liquidity reserve on the basis of expected future cash flows.

At June 30, 2023, the company has a net current liability position of Rs.1,135m (2022: Rs.132m) mainly due to the raised a bond of Rs.1.4bn raised on August 10, 2022 repayable between 8-15 years.

At June 30, 2023, the company also had unutilised bank overdraft facilities.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Liquidity risk (cont'd)

The table below summarises the maturity profile of the group's financial liabilities based on contractual undiscounted payments:

| THE GROUP  | Rs'000            | Less than one year | year and before two years | Rs'000            | After two years and before five years | Rs'000            | Contractual undiscounted payments |
|--|-------------------|--------------------|---------------------------|-------------------|---------------------------------------|-------------------|-----------------------------------|
| June 30, 2023                                    | Rs'000            | Rs'000             | Rs'000                    | Rs'000            | Rs'000                                | Rs'000            | Rs'000                            |
| Bank overdrafts                                  | 1,721,183         | 1,721,183          | -                         | -                 | -                                     | -                 | 1,721,183                         |
| loans  | 12,380,891        | 1,935,408          | 1,409,120                 | 4,428,823         | 8,563,014                             | 16,336,365        | 16,336,365                        |
| Bond notes                                       | 5,262,577         | 1,753,984          | 221,022                   | 1,858,477         | 3,101,261                             | 6,934,744         | 6,934,744                         |
| Secured fixed and variable rate notes            | 4,822,715         | 342,600            | 1,320,700                 | 1,300,200         | 2,644,315                             | 5,607,815         | 5,607,815                         |
| Debentures                                       | 1,062,805         | 124,400            | 131,800                   | 1,027,905         | -                                     | 1,284,105         | 1,284,105                         |
| Lease liabilities                                | 1,211,911         | 285,349            | 350,783                   | 498,526           | 160,065                               | 1,294,723         | 1,294,723                         |
| Redeemable notes                                 | 4,743,000         | 296,900            | 296,900                   | 1,476,900         | 3,222,100                             | 5,292,800         | 5,292,800                         |
| Convertible bonds                                | 257,200           | 19,500             | 19,500                    | 58,500            | 175,000                               | 272,500           | 272,500                           |
| Liabilities at fair value through profit or loss | 313,700           | 13,000             | 13,000                    | 39,000            | 357,700                               | 422,700           | 422,700                           |
| Trade and other payables                         | 5,574,396         | 5,574,396          | -                         | -                 | -                                     | 5,574,396         | 5,574,396                         |
| Provisions                                       | 333,600           | 333,600            | -                         | -                 | -                                     | 333,600           | 333,600                           |
| Dividends payable                                | 187,498           | 187,498            | -                         | -                 | -                                     | 187,498           | 187,498                           |
|  | <b>37,871,476</b> | <b>12,587,818</b>  | <b>3,762,825</b>          | <b>10,688,331</b> | <b>18,223,455</b>                     | <b>45,262,429</b> | <b>45,262,429</b>                 |
| June 30, 2022                                    | 1,218,252         | 1,218,252          | -                         | -                 | -                                     | 1,218,252         | 1,218,252                         |
| Bank overdrafts                                  | 13,072,117        | 3,305,809          | 1,816,983                 | 3,863,813         | 6,283,938                             | 15,270,543        | 15,270,543                        |
| loans  | 3,564,786         | 248,173            | 1,496,198                 | 1,559,329         | 841,351                               | 4,145,051         | 4,145,051                         |
| Bond notes                                       | 5,819,530         | 1,160,145          | 138,745                   | 1,745,590         | 1,684,649                             | 4,729,130         | 4,729,130                         |
| Secured fixed and variable rate notes            | 954,905           | 116,400            | 124,400                   | 855,400           | 262,305                               | 1,358,505         | 1,358,505                         |
| Debentures                                       | 1,125,708         | 234,854            | 332,572                   | 327,833           | 357,853                               | 1,253,112         | 1,253,112                         |
| Lease liabilities                                | 4,741,000         | 195,400            | 196,000                   | 1,176,300         | 4,991,800                             | 6,559,500         | 6,559,500                         |
| Redeemable notes                                 | 116,500           | 19,500             | 19,500                    | 58,500            | 185,700                               | 283,200           | 283,200                           |
| Convertible bonds                                | 325,000           | 13,000             | 13,000                    | 39,000            | 357,700                               | 422,700           | 422,700                           |
| Liabilities at fair value through profit or loss | 4,655,769         | 4,655,769          | -                         | -                 | -                                     | 4,655,769         | 4,655,769                         |
| Trade and other payables                         | 248,200           | 248,200            | -                         | -                 | -                                     | 248,200           | 248,200                           |
| Provisions                                       | 168,748           | 168,748            | -                         | -                 | -                                     | 168,748           | 168,748                           |
| Dividends payable                                | 36,010,515        | 11,584,250         | 4,137,398                 | 9,625,765         | 14,965,296                            | 40,312,710        | 40,312,710                        |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Liquidity risk (cont'd)

The group monitors its risk of a shortage of funds using a liquidity planning tool. The group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, and lease contracts. The group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

| THE COMPANY              | Rs'000           | Carrying amount  | Less than one year | Rs'000         | After one year and before two years | Rs'000           | After two years and before five years | Rs'000            | Contractual undiscounted payments |
|--------------------------|------------------|------------------|--------------------|----------------|-------------------------------------|------------------|---------------------------------------|-------------------|-----------------------------------|
| June 30, 2023            | Rs'000           | Rs'000           | Rs'000             | Rs'000         | Rs'000                              | Rs'000           | Rs'000                                | Rs'000            | Rs'000                            |
| Bank and other loans     | 2,777,040        | 443,991          | 443,991            | 426,953        | 1,127,811                           | 1,659,076        | 3,657,831                             | 3,657,831         |                                   |
| Bond notes               | 5,262,577        | 1,753,984        | 1,753,984          | 221,022        | 1,858,477                           | 3,101,261        | 6,934,744                             | 6,934,744         |                                   |
| Lease liabilities        | 9,121            | 5,803            | 5,803              | 181            | 561                                 | 10,584           | 17,129                                | 17,129            |                                   |
| Trade and other payables | 94,190           | 94,190           | 94,190             | -              | -                                   | -                | 94,190                                | 94,190            |                                   |
| Dividends payable        | 187,498          | 187,498          | 187,498            | -              | -                                   | -                | 187,498                               | 187,498           |                                   |
|                          | <b>8,330,426</b> | <b>2,485,466</b> | <b>2,485,466</b>   | <b>648,156</b> | <b>2,986,849</b>                    | <b>4,770,921</b> | <b>10,891,392</b>                     | <b>10,891,392</b> |                                   |
| June 30, 2022            | 3,388,669        | 710,285          | 710,285            | 383,862        | 1,085,691                           | 1,891,180        | 4,071,018                             | 4,071,018         |                                   |
| Bank and other loans     | 3,564,786        | 248,173          | 248,173            | 1,496,198      | 1,559,329                           | 841,351          | 4,145,051                             | 4,145,051         |                                   |
| Bond notes               | 15,317           | 6,895            | 6,895              | 5,824          | 552                                 | 10,774           | 24,045                                | 24,045            |                                   |
| Lease liabilities        | 56,935           | 56,935           | 56,935             | -              | -                                   | -                | 56,935                                | 56,935            |                                   |
| Trade and other payables | 168,748          | 168,748          | 168,748            | -              | -                                   | -                | 168,748                               | 168,748           |                                   |
| Dividends payable        | 7,194,455        | 1,191,036        | 1,191,036          | 1,885,884      | 2,645,572                           | 2,743,305        | 8,465,797                             | 8,465,797         |                                   |

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)**

**3.1 Financial risk factors (cont'd)**

**(d) Risk associated with the group's agricultural activities**

The group is exposed to the following risks associated with its agricultural activities namely standing crop, deer farming and palm trees.

**(i) Regulatory and environmental risk**

The group has established environmental policies and procedures aimed at compliance with local environmental and other laws.

**(ii) Price risk**

The group is exposed to risk due to fluctuations in the price of sugar. The risk will affect both the crop proceeds and the standing cane valuation.

**(iii) Demand and supply risk**

The group is exposed to risks arising from fluctuations in the price and sales volume of standing crop, deer farming and palm trees. When possible, the group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

**(iv) Climate and other risk**

The sugar cane and palm trees plantations and deer farming are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys. The group is also insured against natural disasters such as forest fires, floods and cyclones.

**3.2 Fair value estimation**

The fair value of financial instruments traded on active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker or regulatory agency and the prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments classified as trading securities or available for sale.

The fair value of financial instruments that are not traded on an active market is determined using valuation techniques. The group uses a variety of methods namely capitalised earnings, net asset basis and dividend yield where applicable and makes assumptions that are based on market conditions existing at the end of each reporting period. These instruments are included in level 3. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The carrying amount of the financial assets would be an estimated Rs.1,364m (2022: Rs.1,196m) for the group and Rs.266m (2022: Rs.215m) for the company higher/lower in the event their fair values were increased/decreased by 5%. The fair value of those financial assets and liabilities not presented on the group's statements of financial position at their fair values are not materially different from their carrying amounts.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**3. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES (CONT'D)**

**3.3 Capital risk management**

The group's objectives when managing capital are:

- to safeguard the entities' ability to continue as going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may vary the amount of dividends paid to shareholders or sell assets to reduce debt.

The group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown on the statement of financial position) less cash and bank balances. Adjusted capital comprises all components of equity (i.e. share capital, non-controlling interests, retained earnings and revaluation, fair value and other reserves).

The net debt-to-adjusted capital ratios at June 30, 2023 and at June 30, 2022 were as follows:

|                                | THE GROUP   |             | THE COMPANY |            |
|--------------------------------|-------------|-------------|-------------|------------|
|                                | 2023        | 2022        | 2023        | 2022       |
|                                | Rs'000      | Rs'000      | Rs'000      | Rs'000     |
| Total debts                    | 32,815,499  | 31,938,212  | 8,059,659   | 7,002,752  |
| Cash and bank balances         | (5,725,091) | (5,245,016) | (637,353)   | (452,566)  |
| Net debts                      | 27,090,408  | 26,693,196  | 7,422,306   | 6,550,186  |
| Total equity                   | 49,568,347  | 43,604,631  | 34,211,926  | 29,761,320 |
| Debt-to-adjusted capital ratio | 0.547       | 0.612       | 0.217       | 0.220      |

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**

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

**(i) Judgements**

- Note 9 Investments in subsidiary companies: whether the group has de facto control over an investee; Subsidiaries are all entities, including structured entities, over which the group has control. The group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. For entities where effective holding is less than 50%, management ensures that control is exercised through board representations.
- Note 10 Investments in associated companies: whether the group has significant influence over an investee; The group determines whether an entity has significant influence over another entity for all entities with a shareholding between 20% and 50% of the voting rights. In considering the classification management considers whether control exists, the nature and structure of the relationship and other facts and circumstances. In making their judgement, the directors and management considered the group's absolute size of holding and the relative size and dispersion of the shareholdings owned by the other investors. For associates with less than 20% effective holding, management ensures that significant influence is exercised through board representation.
- Note 11 Investments in jointly controlled entities: whether the group has significant influence over an
- Note 50 Going concern: Whether the company has adequate resources to continue in operation for a period of 12 months from the date of approval of the financial statements.

**(ii) Assumptions and estimation uncertainties**

- Note 5 Property, plant and equipment: determining the fair value of property, plant and equipment as part of the revaluation exercise carried out every 3 years;
- Note 6 Investment properties: determining the fair value of investment property;
- Note 8 Intangible assets: impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts;
- Note 12 Investments in financial assets: determining the fair value of investments in financial asset on the basis of significant unobservable inputs;
- Note 14 Loans and advances: measurement of ECL allowance for loans and advances: key assumptions in determining the inputs to the ECL model;
- Note 16 Consumable biological assets: determining the fair value of biological assets on the basis of significant unobservable inputs;
- Note 17 Trade and other receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate;
- Note 18 Assets related to contracts with customers: measurement of ECL allowance for contract assets: key assumptions in determining the weighted-average loss rate;
- Note 23 Deferred income taxes: recognition of deferred tax assets/liabilities: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; and
- Note 26 Employee benefits liabilities: measurement of defined benefit assets/obligations: key actuarial assumptions.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)**

**Critical accounting estimates and assumptions (cont'd)**

**(ii) Assumptions and estimation uncertainties (cont'd)**

**Limitation of sensitivity analysis**

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration how the group assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the group view of possible near term market changes that cannot be predicted with any certainty.

More details are in respective applicable notes below to the financial statements:

- Note 3.1(a) Financial risk factors – Market risk: sensitivity analysis;
- Note 3.2 Fair value estimation: sensitivity analysis;
- Note 12 Investments in financial assets: sensitivity analysis;
- Note 14 Loans and advances: measurement of ECL allowance for loans and advances: key assumptions in determining the inputs to the ECL model;
- Note 17 Trade and other receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate;
- Note 18 Assets related to contracts with customers: measurement of ECL allowance for contract assets: key assumptions in determining the weighted-average loss rate; and
- Note 26 Employee benefits liabilities: measurement of defined benefit assets/obligations: key actuarial assumptions.

**Impairment of financial assets**

The loss allowance for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgements in making these assumptions and selecting the inputs for the impairment calculation, based on group's past history, existing market conditions as well as forward looking estimates at the end of cash reporting period. Kindly refer to note 12 for more details.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

5. PROPERTY, PLANT AND EQUIPMENT

(a) Accounting policy

All property, plant and equipment are initially recorded at cost, some of which, namely land and buildings, are subsequently shown at revalued amount based on periodic, but at least triennial valuations by qualified independent professional valuers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the asset will flow to the group and the cost can be measured reliably. Cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met.

At each reporting date, the group reviews the carrying amount of its property, plant and equipment to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash generating units (CGU) exceeds its recoverable amount. When there is indication of impairment and the carrying amount of such asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Property, plant and equipment, other than land, are depreciated over their useful lives on a straight line basis. Depreciation is calculated on a straight line method to write off the cost or revalued amounts of the assets, with the exception of land, to their residual values over their estimated useful lives as follows:

|   | Years   |
|---|---------|
| Buildings and yard/Improvement to buildings     | 10 - 50 |
| Machinery and equipment/Agricultural equipment  | 1 - 50  |
| Motor vehicles/Transport equipment              | 4 - 10  |
| Furniture, fittings and others/Office equipment | 4 - 20  |
| Bearer plants                                   | 7 - 14  |

Land is not depreciated.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the asset for its intended use, as part of the cost of the asset. All other borrowing costs are expensed in the year they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Depreciation on assets which are directly related to operations are charged to cost of sales and others to operating expenses.

Bearer biological assets comprise of re-plantation costs relating to bearer canes. Cane replantation costs are capitalised and amortised over a period of ten years, one year after the expenses have been incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statements of profit or loss when the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(a) Accounting policy (cont'd)

The group accounts for land and buildings at fair value based on revaluation exercise carried out by qualified independent professional valuers on a periodic basis, normally every 3 years unless there are significant changes in market conditions which would require more frequent revaluations. The latest valuation was performed in June 2023.

Certain property, plant and equipment which meet certain criteria and considered as core assets, are also revalued periodically by external independent valuers and stated at their fair values less depreciation.

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus directly in equity. All other decreases are charged to statements of profit or loss.

(a)(i) Items of property, plant and equipment include:

|                                    | THE GROUP  |            | THE COMPANY |         |
|------------------------------------|------------|------------|-------------|---------|
|                                    | 2023       | 2022       | 2023        | 2022    |
|                                    | Rs'000     | Rs'000     | Rs'000      | Rs'000  |
| Property, plant and equipment      | 35,378,518 | 31,716,330 | 682,353     | 656,000 |
| (see notes (b) and (c))            | 1,018,873  | 1,058,433  | 6,882       | 11,178  |
| Right of use assets (see note (e)) | 36,397,391 | 32,774,763 | 689,235     | 667,178 |
| <b>At June 30,</b>                 |            |            |             |         |

NOTES TO THE FINANCIAL STATEMENTS  
YEARENDED JUNE 30, 2023

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

(b) THE GROUP (CONT'D)

|   | THE GROUP (CONT'D) |                  |                       |                |                              |               |                           |             |         |         |
|---|--------------------|------------------|-----------------------|----------------|------------------------------|---------------|---------------------------|-------------|---------|---------|
|   | Freehold land      | Buildings & yard | Machinery & equipment | Motor vehicles | Furniture, fittings & others | Beaver plants | Assets under construction | Total       |         |         |
|   | R\$'000            | R\$'000          | R\$'000               | R\$'000        | R\$'000                      | R\$'000       | R\$'000                   | R\$'000     | R\$'000 | R\$'000 |
| <b>COST AND VALUATION</b>                     |                    |                  |                       |                |                              |               |                           |             |         |         |
| At July 1,                                    | 171,586,737        | 13,411,239       | 3,213,961             | 699,036        | 820,676                      | 698,078       | 423,134                   | 364,248,661 |         |         |
| Additions                                     | 703,681            | 365,397          | 243,529               | 150,186        | 101,223                      | 61,141        | 186,606                   | 1,811,763   |         |         |
| On deconsolidation of subsidiaries            |                    |                  | (6,900)               | (600)          |                              |               |                           | (7,500)     |         |         |
| Disposals                                     | (641,172)          | (159,585)        | (156,003)             | (111,040)      | (8,714)                      |               |                           | (1,076,514) |         |         |
| Assets written off                            |                    | (23,300)         | (12,200)              |                |                              |               |                           | (35,500)    |         |         |
| Revaluation adjustment                        | 225,126            | 588,649          | (12,200)              |                |                              | (104)         |                           | 813,671     |         |         |
| Transfer from right of use assets (note 5(c)) |                    |                  | 16,800                | 33,520         |                              |               |                           | 50,320      |         |         |
| Transfer to inventories                       | (697,566)          |                  |                       |                |                              |               |                           | (697,566)   |         |         |
| Transfer from investment properties (note 6)  |                    | 49,205           |                       |                |                              |               |                           | 49,205      |         |         |
| Transfer from intangible assets (note 8)      |                    | 9,500            |                       |                |                              |               |                           | 9,500       |         |         |
| Translation difference                        |                    | 2,300            | (5,700)               | (100)          |                              |               |                           | (3,500)     |         |         |
| At June 30,                                   | 167,488,806        | 14,243,405       | 3,293,487             | 771,002        | 913,185                      | 759,115       | 609,740                   | 373,388,740 |         |         |
| <b>DEPRECIATION</b>                           |                    |                  |                       |                |                              |               |                           |             |         |         |
| At July 1,                                    |                    | 1,328,426        | 2,517,029             | 513,487        | 263,125                      | 517,508       |                           | 5,130,575   |         |         |
| On deconsolidation of subsidiaries            |                    |                  | (4,600)               | (300)          |                              |               |                           | (4,900)     |         |         |
| Charge for the year                           |                    | 218,796          | 283,569               | 87,853         | 54,036                       | 30,061        |                           | 674,315     |         |         |
| Disposals                                     |                    |                  | (123,766)             | (89,673)       | (5,457)                      |               |                           | (218,896)   |         |         |
| Assets written off                            |                    |                  | (8,900)               |                |                              |               |                           | (8,900)     |         |         |
| Transfer from right of use assets (note 5(c)) |                    |                  | 12,100                | 27,316         |                              |               |                           | 39,416      |         |         |
| Translation difference                        |                    | 2,000            | (200)                 |                |                              |               |                           | 1,800       |         |         |
| At June 30,                                   |                    | 1,549,222        | 2,675,232             | 538,683        | 311,704                      | 547,569       |                           | 5,622,410   |         |         |
| <b>NET BOOK VALUES</b>                        |                    |                  |                       |                |                              |               |                           |             |         |         |
| At June 30,                                   | 167,488,806        | 12,694,183       | 618,255               | 232,319        | 601,481                      | 211,546       | 609,740                   | 317,763,330 |         |         |

NOTES TO THE FINANCIAL STATEMENTS  
YEARENDED JUNE 30, 2023

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

(b) THE GROUP

|   | THE GROUP     |                  |                       |                |                              |               |                           |             |         |         |
|---|---------------|------------------|-----------------------|----------------|------------------------------|---------------|---------------------------|-------------|---------|---------|
|   | Freehold land | Buildings & yard | Machinery & equipment | Motor vehicles | Furniture, fittings & others | Beaver plants | Assets under construction | Total       |         |         |
|   | R\$'000       | R\$'000          | R\$'000               | R\$'000        | R\$'000                      | R\$'000       | R\$'000                   | R\$'000     | R\$'000 | R\$'000 |
| <b>COST AND VALUATION</b>                                 |               |                  |                       |                |                              |               |                           |             |         |         |
| At July 1,  | 171,586,737   | 13,411,239       | 3,213,961             | 699,036        | 820,676                      | 698,078       | 423,134                   | 364,248,661 |         |         |
| Additions   | 703,681       | 365,397          | 243,529               | 150,186        | 101,223                      | 61,141        | 186,606                   | 1,811,763   |         |         |
| On deconsolidation of subsidiaries**                      |               |                  | (6,900)               | (600)          |                              |               |                           | (7,500)     |         |         |
| Disposals   | (641,172)     | (159,585)        | (156,003)             | (111,040)      | (8,714)                      |               |                           | (1,076,514) |         |         |
| Assets written off  |               | (23,300)         | (12,200)              |                |                              |               |                           | (35,500)    |         |         |
| Revaluation adjustment                                    | 225,126       | 588,649          | (12,200)              |                |                              | (104)         |                           | 813,671     |         |         |
| Transfer from right of use assets (note 5(c))             |               |                  | 16,800                | 33,520         |                              |               |                           | 50,320      |         |         |
| Transfer to non-current assets held for sale (note 20(b)) |               |                  |                       |                |                              |               |                           |             |         |         |
| Transfer from investment properties (note 6)              | (697,566)     |                  |                       |                |                              |               |                           | (697,566)   |         |         |
| Transfer from intangible assets (note 8)                  |               | 49,205           |                       |                |                              |               |                           | 49,205      |         |         |
| Translation difference                                    |               | 2,300            | (5,700)               | (100)          |                              |               |                           | (3,500)     |         |         |
| At June 30,   | 167,488,806   | 14,243,405       | 3,293,487             | 771,002        | 913,185                      | 759,115       | 609,740                   | 373,388,740 |         |         |
| <b>DEPRECIATION</b>                                       |               |                  |                       |                |                              |               |                           |             |         |         |
| At July 1,  |               | 1,328,426        | 2,517,029             | 513,487        | 263,125                      | 517,508       |                           | 5,130,575   |         |         |
| On deconsolidation of subsidiaries**                      |               |                  | (4,600)               | (300)          |                              |               |                           | (4,900)     |         |         |
| Charge for the year                                       |               | 224,272          | 286,848               | 85,153         | 54,036                       | 30,061        |                           | 674,315     |         |         |
| Disposals   |               | (5,645)          | (94,183)              | (122,770)      | (5,662)                      |               |                           | (228,260)   |         |         |
| Assets written off  |               | (4,919)          | (7,800)               | (3,869)        |                              |               |                           | (16,588)    |         |         |
| Transfer from right of use assets (note 5(c))             |               |                  |                       | 27,925         |                              |               |                           | 27,925      |         |         |
| Revaluation adjustment                                    |               | (793,877)        | (14,500)              | (1,800)        |                              |               |                           | (953,877)   |         |         |
| Translation difference                                    |               | 103,453          | 2,813,597             | 50,102         | 386,843                      | 584,500       |                           | 4,384,415   |         |         |
| At June 30,   |               | 15,486,860       | 678,363               | 269,686        | 612,716                      | 288,748       |                           | 18,341,095  |         |         |
| <b>NET BOOK VALUES</b>                                    |               |                  |                       |                |                              |               |                           |             |         |         |
| At June 30,   | 167,488,806   | 12,694,183       | 618,255               | 232,319        | 601,481                      | 211,546       | 609,740                   | 317,763,330 |         |         |

\* The rate used to determine the amount of borrowing costs eligible for capitalization was 6.75% which is the effective interest rate of the specific borrowing.

\*\* Disposed of the operations for more details see note 20.

\*\*\* Disposed of the certain portions of land have been reclassified from property, plant and equipment to investment properties following change in use; land is now held for capital appreciation instead of own use.

\*\*\*\* This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

**(b) THE GROUP (CONT'D)**

(iii) Assets under construction relate to irrigation and other equipment under installation which are not yet operational.

(iv) The group's and the company's land and buildings were revalued by qualified independent professional valuers in 2023. The valuations were made on the basis of open market value and replacement costs as appropriate.

The techniques used are as follows:

- Where there are a significant number of similar transactions on the market, the market sales comparison approach are usually based upon to determine the open market values of both the land, freehold or leasehold and the buildings as well as the built-up improvements.

- For properties which are not regularly transacted on the open market, more particularly specialised properties, the income approach and depreciated replacement cost approach are used for the buildings and built-up improvements and the market sales comparison approach for the land component.

**(v) The group and the company**

Details of the group's and the company's freehold land and buildings measured at fair value and information about the fair value hierarchy as at the reporting date are as follows:

|                  | THE GROUP         |        | THE COMPANY    |        |
|------------------|-------------------|--------|----------------|--------|
|                  | Level 3           | Rs'000 | Level 3        | Rs'000 |
| Freehold land    | 16,707,941        |        | 609,391        |        |
| Buildings & yard | 15,486,869        |        | 26,424         |        |
| <b>Total</b>     | <b>32,194,810</b> |        | <b>635,815</b> |        |

|                  | THE GROUP         |        | THE COMPANY    |        |
|------------------|-------------------|--------|----------------|--------|
|                  | Level 3           | Rs'000 | Level 3        | Rs'000 |
| Freehold land    | 16,748,806        |        | 606,699        |        |
| Buildings & yard | 12,694,183        |        | 26,967         |        |
| <b>Total</b>     | <b>29,442,989</b> |        | <b>633,666</b> |        |

Freehold land and buildings and yard are disclosed as level 3 in the current year (2022: level 3).

The different levels have been defined as follows:

Level 1 - Unadjusted market prices in active market for identical assets.

Level 2 - Inputs other than market prices included within level 1 that are observable for the asset, either directly or indirectly.

Level 3 - Inputs for the asset that are not based on observable market data.

(vi) The movement in level 3 fair value measurement for the year ended June 30, 2023 and 2022 are disclosed in the note (b) (i) & (ii) for the group and in the note (e) (i) & (ii) for the company.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

**(b) THE GROUP (CONT'D)**

(vii) Sensitivity of fair value measurement to changes in unobservable inputs

**The group and the company**

Information about fair value measurements using significant unobservable inputs (level 3) for both the group and the company are as follows:

| Description | Significant unobservable inputs  |
|-------------|--|
| Buildings   | Prices per square foot for buildings<br>2023: Rs.390 - 12,000 (2022: Rs.52 - 12,000) |
| Land        | Prices per arpent of land<br>2023: Rs.0.5m - Rs.44.6m (2022: Rs.0.5m - Rs.44.6m)     |

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on other comprehensive income and equity. The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

| Valuation technique   | Significant unobservable inputs            | Inter-relationship between key unobservable inputs and fair value measurement                                  |
|---|--|--|
| Direct market comparison approach: estimates the value of a property by comparing it to similar properties recently sold in the market. | Prices per square foot for buildings (Rs.) | The estimated fair value would increase/ (decrease) if rate per square foot/arpent (Rs.) were higher/ (lower). |

A quantitative sensitivity analysis is shown below for the rate per square foot/arpent which are the unobservable inputs that management consider to be most significant.

**Price per square foot for buildings**

Increase of 0.5% in rate per square foot for buildings would increase fair value gain by Rs.14.1m (2022: Rs.2.9m) for the group and by Rs.0.03m (2022: Rs.nil) for the company.

Decrease of 0.5% in rate per square foot for buildings would decrease fair value gain by Rs.14.1m (2022: Rs.2.9m) for the group and by Rs.0.03m (2022: Rs.nil) for the company.

**Price per arpent of land**

Increase of 0.5% in rate per arpent of land would increase fair value gain by Rs.7m (2022: Rs.1.1m) for the group and by Rs.0.14m (2022: Rs.nil) for the company.

Decrease of 0.5% in rate per arpent of land would decrease fair value gain by Rs.7m (2022: Rs.1.1m) for the group and by Rs.0.14m (2022: Rs.nil) for the company.

(viii) The group's property, plant and equipment are reflected at revalued amounts. If property, plant and equipment were stated at historical cost, the amounts would have been as follows:

|                          | Freehold land  | Buildings & yard | Total            |
|--------------------------|----------------|------------------|------------------|
| 2023                     | Rs'000         | Rs'000           | Rs'000           |
| Cost                     | 654,380        | 5,575,668        | 6,230,048        |
| Accumulated depreciation | -              | (2,157,498)      | (2,157,498)      |
| Net book values          | <b>654,380</b> | <b>3,418,170</b> | <b>4,072,550</b> |
| 2022                     |                |                  |                  |
| Cost                     | 379,354        | 5,389,203        | 5,768,557        |
| Accumulated depreciation | -              | (1,933,226)      | (1,933,226)      |
| Net book values          | <b>379,354</b> | <b>3,455,977</b> | <b>3,835,331</b> |

(ix) Depreciation charge of Rs.603m and Rs.111m (2022: Rs.589.2m and Rs.85.1m) has been charged to other operating expenses and to cost of sales respectively. Those charged to cost of sales are directly attributable to production activity.

(x) Bank borrowings are secured on some of the group's property, plant and equipment. Refer to note 22 for further details.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(e) THE COMPANY

| (i) 2023                                      | Land<br>R\$'000 | Buildings<br>R\$'000 | Improvement<br>to leasehold<br>buildings<br>R\$'000 | Agricultural<br>equipment<br>R\$'000 | Transport<br>equipment<br>R\$'000 | Motor<br>vehicles<br>R\$'000 | Furniture &<br>fixtures<br>R\$'000 | Office<br>equipment<br>R\$'000 | Work-in-<br>process<br>R\$'000 | Total<br>R\$'000 |
|---|-----------------|----------------------|---|--------------------------------------|-----------------------------------|------------------------------|------------------------------------|--------------------------------|--------------------------------|------------------|
| COST AND VALUATION                            |                 |                      |   |                                      |                                   |                              |                                    |                                |                                |                  |
| At July 1,                                    | 606,699         | 40,471               | 2,087   | 21,972                               | 40,466                            | 12,928                       | 2,574                              | 12,386                         | -                              | 739,583          |
| Additions                                     | -               | -                    | 322   | -                                    | -                                 | 12,241                       | -                                  | 6,770                          | 11,326                         | 30,659           |
| Disposals                                     | -               | -                    | -   | (25,014)                             | (4,853)                           | -                            | -                                  | -                              | -                              | (29,867)         |
| Assets written off                            | -               | (4,919)              | -   | -                                    | (3,869)                           | -                            | -                                  | -                              | -                              | (8,788)          |
| Transfer to investment<br>properties (note 6) | (18,200)        | (7,074)              | -   | -                                    | -                                 | -                            | -                                  | -                              | -                              | (25,274)         |
| Revaluation adjustment                        | 20,892          | 282                  | -   | -                                    | -                                 | -                            | -                                  | -                              | -                              | 21,174           |
| At June 30,                                   | 609,391         | 28,760               | 2,409   | 21,972                               | 11,583                            | 20,316                       | 2,574                              | 19,156                         | 11,326                         | 727,487          |
| DEPRECIATION                                  |                 |                      |   |                                      |                                   |                              |                                    |                                |                                |                  |
| At July 1,                                    | -               | 13,504               | 657   | 11,171                               | 40,466                            | 6,583                        | 2,109                              | 9,093                          | -                              | 83,583           |
| Charge for the year                           | -               | 803                  | 214   | 555                                  | -                                 | 2,872                        | 197                                | 2,617                          | -                              | 7,238            |
| Disposal adjustments                          | -               | -                    | -   | -                                    | (25,014)                          | (4,853)                      | -                                  | -                              | -                              | (29,867)         |
| Assets written off                            | -               | (4,919)              | -   | -                                    | (3,869)                           | -                            | -                                  | -                              | -                              | (8,788)          |
| Transfer to investment<br>properties (note 6) | -               | (521)                | -   | -                                    | -                                 | -                            | -                                  | -                              | -                              | (521)            |
| Revaluation adjustment                        | -               | (6,531)              | -   | -                                    | -                                 | -                            | -                                  | -                              | -                              | (6,531)          |
| At June 30,                                   | -               | 2,336                | 871   | 11,726                               | 11,583                            | 4,602                        | 2,306                              | 11,710                         | -                              | 45,134           |
| NET BOOK VALUES                               | 609,391         | 26,424               | 1,538   | 10,246                               | -                                 | 15,714                       | 268                                | 7,446                          | 11,326                         | 682,353          |

Land and buildings are classified under level 3.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(e) THE COMPANY (CONT'D)

| (ii) 2022            | Land<br>R\$'000 | Buildings<br>R\$'000 | Improvement<br>to leasehold<br>buildings<br>R\$'000 | Agricultural<br>equipment<br>R\$'000 | Transport<br>equipment<br>R\$'000 | Motor<br>vehicles<br>R\$'000 | Furniture &<br>fixtures<br>R\$'000 | Office<br>equipment<br>R\$'000 | Total<br>R\$'000 |
|----------------------|-----------------|----------------------|---|--------------------------------------|-----------------------------------|------------------------------|------------------------------------|--------------------------------|------------------|
| COST AND VALUATION   |                 |                      |   |                                      |                                   |                              |                                    |                                |                  |
| At July 1,           | 606,699         | 40,471               | 2,087   | 21,972                               | 53,285                            | 13,086                       | 2,574                              | 11,536                         | 751,710          |
| Additions            | -               | -                    | -   | -                                    | -                                 | 4,876                        | -                                  | 1,802                          | 6,678            |
| Disposals            | -               | -                    | -   | -                                    | (12,819)                          | (5,034)                      | -                                  | (952)                          | (18,805)         |
| At June 30,          | 606,699         | 40,471               | 2,087   | 21,972                               | 40,466                            | 12,928                       | 2,574                              | 12,386                         | 739,583          |
| DEPRECIATION         |                 |                      |   |                                      |                                   |                              |                                    |                                |                  |
| At July 1,           | -               | 10,799               | 448   | 10,616                               | 53,285                            | 9,338                        | 1,912                              | 8,590                          | 94,988           |
| Charge for the year  | -               | 2,705                | 209   | 555                                  | -                                 | 2,279                        | 197                                | 1,434                          | 7,379            |
| Disposal adjustments | -               | -                    | -   | -                                    | (12,819)                          | (5,034)                      | -                                  | (951)                          | (18,784)         |
| At June 30,          | -               | 13,504               | 657   | 11,171                               | 40,466                            | 6,583                        | 2,109                              | 9,093                          | 83,583           |
| NET BOOK VALUES      | 606,699         | 26,967               | 1,430   | 10,801                               | -                                 | 6,345                        | 465                                | 3,293                          | 656,000          |



NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(c) THE COMPANY (CONT'D)

(iii) The company's property, plant and equipment are reflected at revalued amounts. If property, plant and equipment were stated at historical cost, the amounts would have been as follows:

|                          | Freehold<br>land | Buildings &<br>yard | Total         |
|--------------------------|------------------|---------------------|---------------|
|                          | Rs'000           | Rs'000              | Rs'000        |
| <u>2023</u>              |                  |                     |               |
| Cost                     | 10,516           | 11,135              | 21,651        |
| Accumulated depreciation | -                | (3,722)             | (3,722)       |
| Net book values          | <u>10,516</u>    | <u>7,413</u>        | <u>17,929</u> |
| <u>2022</u>              |                  |                     |               |
| Cost                     | 10,516           | 11,135              | 21,651        |
| Accumulated depreciation | -                | (2,919)             | (2,919)       |
| Net book values          | <u>10,516</u>    | <u>8,216</u>        | <u>18,732</u> |

(iv) Bank borrowings are secured on some of the company's property, plant and equipment. Please refer to note 22 for further details.

(v) Depreciation charge has been included in other operating expenses.

(d) Critical accounting estimates

Asset lives and residual values  
Property, plant and equipment are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes as well as location, wear and tear and frequency of renovation are taken into account. The residual value of an asset is the estimated net amount that the group would currently obtain from the disposal of the asset, if the asset was already of the age and in the condition expected at the end of its useful life. Residual value assessments consider issues such as future market conditions, the remaining useful life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

Revaluation of properties

The group and the company measure land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The group appoints qualified independent professional valuers who have valuation experience of similar properties to determine the fair value of these properties. Valuations were made on the basis of open market values and replacement costs.

As part of the revaluation process, the use of judgement to determine the fair value of properties is necessary. Land is valued on the basis of recently transacted properties in that specific region.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(e) RIGHT OF USE ASSETS

Accounting policy

The group recognises a right of use asset and a corresponding lease liability at commencement date at which the leased asset is available for use.

The group presents right of use assets that do not meet the definition of investment property as property, plant and equipment.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The depreciation period for right of use assets held by the group are as described below:

|                                     | Years   |
|-------------------------------------|---------|
| Land and buildings                  | 10 - 50 |
| Plant, machinery and motor vehicles | 3 - 5   |

Short term leases and leases of low value assets

The group has elected not to recognise right of use assets and the corresponding lease liabilities for short-term leases and low-value assets. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The group applies the exemption for low value assets on a lease by lease basis. While short term leases are leases with a term of twelve months or less, low-value assets are comprised of IT equipment including computers, mobile phones and small office equipment.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(e) RIGHT OF USE ASSETS (CONT'D)

(i) THE GROUP

| 2023  | Land and buildings |                | Plant, machinery and motor vehicles |                  | Total |
|---|--------------------|----------------|-------------------------------------|------------------|-------|
|   | Rs'000             | Rs'000         | Rs'000                              | Rs'000           |       |
| <b>COST</b>   |                    |                |                                     |                  |       |
| At July 1,  | 1,348,094          | 264,443        |                                     | 1,612,537        |       |
| Additions   | 111,458            | 70,627         |                                     | 182,085          |       |
| Transfer to property, plant and equipment (note 5(b)) | -                  | (37,327)       |                                     | (37,327)         |       |
| Transfer between asset accounts                       | (3,100)            | 3,100          |                                     | -                |       |
| Termination of lease contracts                        | -                  | (6,309)        |                                     | (6,309)          |       |
| Effect of remeasurement                               | (20,368)           | (3,700)        |                                     | (24,068)         |       |
| Translation difference                                | 800                | 300            |                                     | 1,100            |       |
| On deconsolidation of subsidiaries                    | (50,400)           | (2,000)        |                                     | (52,400)         |       |
| <b>At June 30,</b>                                    | <b>1,386,484</b>   | <b>289,134</b> |                                     | <b>1,675,618</b> |       |
| <b>DEPRECIATION</b>                                   |                    |                |                                     |                  |       |
| At July 1,  | 428,486            | 125,618        |                                     | 554,104          |       |
| Charge for the year                                   | 131,526            | 42,349         |                                     | 173,875          |       |
| Transfer to property, plant and equipment (note 5(b)) | -                  | (27,925)       |                                     | (27,925)         |       |
| Termination of lease contracts                        | (16,100)           | (4,309)        |                                     | (20,409)         |       |
| Effect of remeasurement                               | -                  | (100)          |                                     | (100)            |       |
| Translation difference                                | (600)              | 300            |                                     | (300)            |       |
| On deconsolidation of subsidiaries                    | (20,700)           | (1,800)        |                                     | (22,500)         |       |
| <b>At June 30,</b>                                    | <b>522,612</b>     | <b>134,133</b> |                                     | <b>656,745</b>   |       |
| <b>NET BOOK VALUES</b>                                |                    |                |                                     |                  |       |
| At June 30,   | <b>863,872</b>     | <b>155,001</b> |                                     | <b>1,018,873</b> |       |

\* Refer to note 49 - 'Discontinued Operations' for more details.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(e) RIGHT OF USE ASSETS (CONT'D)

(i) THE GROUP (CONT'D)

| 2022  | Land and buildings |                | Plant, machinery and motor vehicles |                  | Total |
|---|--------------------|----------------|-------------------------------------|------------------|-------|
|   | Rs'000             | Rs'000         | Rs'000                              | Rs'000           |       |
| <b>COST</b>   |                    |                |                                     |                  |       |
| At July 1,  | 1,267,870          | 281,455        |                                     | 1,549,325        |       |
| Additions   | 96,955             | 63,908         |                                     | 160,863          |       |
| Transfer to property, plant and equipment (note 5(b)) | -                  | (50,320)       |                                     | (50,320)         |       |
| Termination of lease contracts                        | (7,100)            | (21,800)       |                                     | (28,900)         |       |
| Effect of remeasurement                               | (731)              | (2,800)        |                                     | (3,531)          |       |
| Translation difference                                | (800)              | (600)          |                                     | (1,400)          |       |
| On deconsolidation of subsidiaries*                   | (8,100)            | (5,400)        |                                     | (13,500)         |       |
| <b>At June 30,</b>                                    | <b>1,348,094</b>   | <b>264,443</b> |                                     | <b>1,612,537</b> |       |
| <b>DEPRECIATION</b>                                   |                    |                |                                     |                  |       |
| At July 1,  | 306,343            | 149,144        |                                     | 455,487          |       |
| Charge for the year                                   | 129,843            | 45,990         |                                     | 175,833          |       |
| Transfer to property, plant and equipment (note 5(b)) | -                  | (39,416)       |                                     | (39,416)         |       |
| Termination of lease contracts                        | (3,400)            | (24,100)       |                                     | (27,500)         |       |
| Effect of remeasurement                               | (900)              | (1,800)        |                                     | (2,700)          |       |
| Translation difference                                | (400)              | (100)          |                                     | (500)            |       |
| On deconsolidation of subsidiaries*                   | (3,000)            | (4,100)        |                                     | (7,100)          |       |
| <b>At June 30,</b>                                    | <b>428,486</b>     | <b>125,618</b> |                                     | <b>554,104</b>   |       |
| <b>NET BOOK VALUES</b>                                |                    |                |                                     |                  |       |
| At June 30,   | <b>919,608</b>     | <b>138,825</b> |                                     | <b>1,058,433</b> |       |

\* Refer to note 49 - 'Discontinued Operations' for more details.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

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

(e) RIGHT OF USE ASSETS (CONT'D)

(ii) THE COMPANY

| 2022                   | Office equipment<br>Rs'000 | Land and buildings<br>Rs'000 | Plant, machinery and motor vehicles<br>Rs'000 | Total<br>Rs'000 |
|------------------------|----------------------------|------------------------------|---|-----------------|
|                        |                            |                              |   |                 |
| <b>COST</b>            |                            |                              |   |                 |
| At July 1,             | 102                        | 21,495                       | 3,508   | 25,105          |
| Assets written off     | (102)                      | -                            | -   | (102)           |
| <b>At June 30,</b>     | <b>-</b>                   | <b>21,495</b>                | <b>3,508</b>                                  | <b>25,003</b>   |
| <b>DEPRECIATION</b>    |                            |                              |   |                 |
| At July 1,             | 102                        | 10,954                       | 2,871   | 13,927          |
| Charge for the year    | -                          | 3,659                        | 637   | 4,296           |
| Assets written off     | (102)                      | -                            | -   | (102)           |
| <b>At June 30,</b>     | <b>-</b>                   | <b>14,613</b>                | <b>3,508</b>                                  | <b>18,121</b>   |
| <b>NET BOOK VALUES</b> |                            |                              |   |                 |
| At June 30,            | -                          | 6,882                        | -   | 6,882           |

| 2022                    | Office equipment<br>Rs'000 | Land and buildings<br>Rs'000 | Plant, machinery and motor vehicles<br>Rs'000 | Total<br>Rs'000 |
|-------------------------|----------------------------|------------------------------|---|-----------------|
|                         |                            |                              |   |                 |
| <b>COST</b>             |                            |                              |   |                 |
| At July 1,              | 102                        | 21,023                       | 3,508   | 24,633          |
| Effect of remeasurement | -                          | 472                          | -   | 472             |
| At June 30,             | 102                        | 21,495                       | 3,508   | 25,105          |
| <b>DEPRECIATION</b>     |                            |                              |   |                 |
| At July 1,              | 102                        | 7,296                        | 1,595   | 8,993           |
| Charge for the year     | -                          | 3,658                        | 1,276   | 4,934           |
| <b>NET BOOK VALUES</b>  |                            |                              |   |                 |
| At June 30,             | -                          | 10,541                       | 637   | 11,178          |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

6. INVESTMENT PROPERTIES

(a) Accounting policy

Investment properties are properties which are held to earn rentals or for capital appreciation and not occupied by the group and are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value determined annually by qualified independent professional valuers. The qualified independent professional valuers hold recognised and relevant professional qualification and have recent experience in the location and category of the properties being valued. Subsequent costs relating mainly to infrastructure costs (costs to bring investment properties into saleable conditions) are capitalised as part of investment properties. Changes in fair value are included in profit or loss.

Properties that are being constructed or developed for future use as investment properties are treated as investment properties. Investment properties are derecognised when they are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from their use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year of derecognition.

Rental income from investment properties is recognised in revenue on a straight-line basis over the term of the lease. The effect of straight-lining of income is adjusted for in the fair value of investment properties.

If an investment property becomes owner occupied, it is reclassified to property, plant and equipment. Its fair value at the date of reclassification becomes its book value for subsequent accounting purposes.

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

Where an investment property undergoes a change in use, such as commencement of development with a view to sell, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use. Transfers between levels of the fair value hierarchy, are deemed to have occurred at the beginning of the reporting period.

**Borrowing costs**

Interest costs on borrowings to finance the construction of investment property are capitalised as part of the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that the group incurs in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

6. INVESTMENT PROPERTIES (CONT'D)

(b) Fair value model

|   | THE GROUP             |                                | Total             |
|---|-----------------------|--------------------------------|-------------------|
|   | Commercial properties | Bare land and other properties |                   |
|   | Rs'000                | Rs'000                         | Rs'000            |
| <b>2023</b>   |                       |                                |                   |
| At July 1,  | 17,527,966            | 4,504,677                      | 22,032,643        |
| Additions   | 1,175,092             | 96,168                         | 1,271,260         |
| Borrowing costs capitalised*                              | 33,074                | -                              | 33,074            |
| Disposals   | -                     | (5,252)                        | (5,252)           |
| Effect of straightlining adjustment on rental income      | 40,645                | -                              | 40,645            |
| Transfer (to)/from property, plant and equipment (note 5) | (1,835)               | 1,359,756                      | 1,357,921         |
| Transfer to inventories (stock of land)                   | -                     | (49,243)                       | (49,243)          |
| Translation difference                                    | -                     | 3,900                          | 3,900             |
| Increase in fair value                                    | 533,280               | 416,191                        | 949,471           |
| <b>At June 30,</b>  | <b>19,308,222</b>     | <b>6,326,197</b>               | <b>25,634,419</b> |
|   | Commercial properties | Bare land and other properties | Total             |
|   | Rs'000                | Rs'000                         | Rs'000            |
| <b>2022</b>   |                       |                                |                   |
| At July 1,  | 15,916,046            | 4,622,153                      | 20,538,199        |
| Additions   | 1,579,982             | 228,330                        | 1,808,312         |
| Borrowing costs capitalised*                              | 32,637                | -                              | 32,637            |
| Disposals   | (463,464)             | 188,426                        | (275,038)         |
| Effect of straightlining adjustment on rental income      | 25,016                | 36                             | 25,052            |
| Transfer from/(to) property, plant and equipment (note 5) | 47,800                | (97,005)                       | (49,205)          |
| Transfer to inventories (stock of land)                   | -                     | (723,296)                      | (723,296)         |
| Translation difference                                    | -                     | 18,900                         | 18,900            |
| Increase in fair value                                    | 389,949               | 267,133                        | 657,082           |
| <b>At June 30,</b>  | <b>17,527,966</b>     | <b>4,504,677</b>               | <b>22,032,643</b> |

\* The rate used to determine the amount of borrowing costs eligible for capitalisation was 5.46% to 7.2% (2022: 6%), which is the effective interest rate of the specific borrowing.

(ii) THE COMPANY

|  | Bare land and other properties |           |
|--|--------------------------------|-----------|
|  | Rs'000                         | Rs'000    |
| <b>2023</b>  |                                |           |
| At July 1,   | 12,984,739                     | 41,659    |
| Additions  | -                              | (456,251) |
| Disposals  | 24,753                         | -         |
| Transfer from property, plant and equipment (note 5) | 1,119,186                      | -         |
| Increase in fair value                               | 13,714,086                     | -         |
| <b>At June 30,</b>                                   | <b>13,714,086</b>              | <b>-</b>  |
| <b>2022</b>  |                                |           |
| At July 1,   | 13,037,659                     | 27,594    |
| Additions  | -                              | (378,666) |
| Disposals  | 298,152                        | -         |
| Increase in fair value                               | 12,984,739                     | -         |
| <b>At June 30,</b>                                   | <b>12,984,739</b>              | <b>-</b>  |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

6. INVESTMENT PROPERTIES (CONT'D)

(c) The following amounts have been recognised in profit or loss:

|   | THE GROUP |           | THE COMPANY |        |
|---|-----------|-----------|-------------|--------|
|   | 2023      | 2022      | 2023        | 2022   |
|   | Rs'000    | Rs'000    | Rs'000      | Rs'000 |
| Rental income derived from investment properties (note 30(b)) | 1,056,972 | 1,695,508 | 73,382      | 47,846 |
| Direct operating expenses generating rental income            | 67,455    | 41,052    | -           | -      |
| Direct operating expenses that did not generate rental income | 538,864   | 495,557   | -           | -      |

Investment property has been broken down into different classes of asset for the purpose of IFRS 13 disclosures. The presentation in the comparative period has been updated accordingly to conform with the changes made in the current year.

(d) The investment properties were valued on June 30, 2023 by qualified independent professional valuers namely Ramiah-Isabel Consultancy Ltd and Mills Fitchet.

The properties have been valued to their open market value being the price at which the freehold interests might reasonably be expected to achieve if sold at the date of this valuation assuming:

1. There is a willing buyer for existing or alternative use purposes.
2. There is a willing and prudent seller.
3. That prior to the date of sale there had been a reasonable period in which to negotiate the proposed sale taking into account the prevailing market conditions.
4. That property values will remain static throughout the period during which the property is marketed.
5. That the properties will be freely and fully exposed to the market.
6. That no account is taken of any additional bid by a prospective purchaser with a special interest.
7. That both parties to the transaction will act knowledgeably, prudently and without compulsion.
8. The properties are free from all charges and encumbrances.

(e) The fair value of the properties were determined using:

(i) The Direct Market Comparison Approach, which is based on recent transactions for similar properties in similar locations. Where comparables are not available, then the best-suited comparables are used and adjusted for year of transaction, geographical location, land, use, size, shape, frontage, access, site constraints, planning restrictions, etc. The resulting figure is further analysed to ascertain whether it is fair and reasonable according to our knowledge of the property market.

There are adequate market evidences of sales for agricultural, residential and commercial properties where the subject properties are located to render the Sales Comparison Approach as the most appropriate approach for the landed assets owned by the group.

(ii) The discounted cash flow method (DCF) refers to the expected future net income for 5 years that has been discounted at an appropriate discount rate and added to the estimated reversionary value. The reversionary value has been computed by capitalising the net income prevailing at the end of the cash flow projections and discounting at an appropriate rate.

The DCF valuation is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value. This methodology also takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels.

## 6. INVESTMENT PROPERTIES (CONT'D)

(c) The fair value of the properties were determined using: (cont'd)

(iii) On the other hand, building improvements have been fair valued using the Depreciated Replacement Cost (DRC) Method. The DRC has been arrived at by using the construction costs of similar buildings and adjusted for depreciation resulting from one or more of the following factors: Physical deterioration, functional obsolescence, external (or economic) obsolescence, renovation works, level/quality of maintenance.

## (1) Commercial properties

Commercial properties relates mainly to shopping malls. The investment properties were valued at year end by Mills Fitchet and Messrs Jones Lang Lasalle, accredited independent valuers with recognised professional qualification (Royal Institution of Chartered Surveyors - RICS Registered) and relevant experience of the location and category of the investment properties being valued. The valuations were performed in accordance with the International Valuation Standards Committee requirements. Valuation was based on a discounted cash flow model. The determined fair value of the investment property is sensitive to the risk-adjusted discount rate as well as reversionary rate.

The investment properties are classified as level 3 on the fair value hierarchy. There were no transfers between levels during the year.

Main inputs used in the valuation of commercial properties are as follows:

|                      | 2023                   | 2022                   |
|----------------------|------------------------|------------------------|
| Discount rate        | 12.50% - 14.50%        | 11.50% - 13.50%        |
| Reversionary rate    | 7% - 9.25%             | 7% - 9.25%             |
| Net property income  | Rs.19m - Rs.586m       | Rs.18m - Rs.530m       |
| Gross lettable area  | 140,104 m <sup>2</sup> | 138,742 m <sup>2</sup> |
| Market rental growth | 5.25%                  | 4.50%                  |
| Expense growth       | 5%                     | 4%                     |
| Void periods         | 1 - 3 months           | 1 - 3 months           |
| Vacancy rate         | 1% - 2.50%             | 1% - 2.50%             |
| Price per arpent     | Rs.25m - Rs.37.5m      | Rs.23m - Rs.32.5m      |

## Sensitivity of fair value measurement to changes in unobservable inputs

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on profit or loss and equity.

## 6. INVESTMENT PROPERTIES (CONT'D)

## (1) Commercial properties (cont'd)

## Sensitivity of fair value measurement to changes in unobservable inputs (cont'd)

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

| Valuation technique  | Significant unobservable inputs   | Inter-relationship between key unobservable inputs and fair value measurement  |
|--|---|--|
| Discounted cash flows: The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth, void periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms. The DCF method is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value. This methodology also takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels. | Discount rate (12.50% - 14.50%)<br>Reversionary rate (7% - 9.25%)<br>Net property income (Rs.19m - Rs.586m)<br>Gross lettable area (140,104 m <sup>2</sup> )<br>Market rental growth (5.25%)<br>Expense growth (5%)<br>Void periods (1 - 3 months)<br>Vacancy rate (1% - 2.50%)<br>Price per arpent (Rs.25m - Rs.37.5m) | The estimated fair value would increase/(decrease) if the following respective movement were to occur in isolation:<br>• Risk-adjusted discount rate were lower/(higher)<br>• Reversionary rate were lower/(higher)<br>• Net property income were higher/(lower)<br>• Gross lettable area were higher/(lower)<br>• Expected market rental growth were higher/(lower)<br>• Expense growth were lower/(higher)<br>• Void periods were shorter/(longer)<br>• Vacancy rate were lower/(higher) |

However, inter-relationships exist between the unobservable inputs as they are driven by market conditions. For instance, generally a change in the input used for the net property income is accompanied by a directionally similar change in the input used for the expected market rental growth, discount rate and reversionary rate, and a directionally opposite change in the input used for expense growth, void periods and vacancy rate.

A quantitative sensitivity analysis is shown below for the discount rate and reversionary rate which are the unobservable inputs that management consider to be most significant.

## Discount rate

Increase of 0.5% in fair value would decrease fair value gain by Rs.311.8m (2022: Rs.297.5m).  
Decrease of 0.5% in fair value would increase fair value gain by Rs.311.8m (2022: Rs.297.5m).

## Reversionary rate

Increase of 0.5% in fair value would decrease fair value gain by Rs.768.9m (2022: Rs.709.8m).  
Decrease of 0.5% in fair value would increase fair value gain by Rs.768.9m (2022: Rs.709.8m).

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

6. INVESTMENT PROPERTIES (CONT'D)

(2) Bare land

Bare land are properties held by the group and the company for future capital appreciation. The investment property is valued at fair value on an open-market basis by Ramiah-Isabel Consultancy Ltd. The valuation methodology is the open-market value basis and the fair value is classified as level 3. The valuation consideration takes into account the following:

**Sensitivity of fair value measurement to changes in unobservable inputs**

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on profit or loss and equity.

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

| Valuation technique   | Significant unobservable inputs   | Inter-relationship between key unobservable inputs and fair value measurement   |
|---|---|---|
| Open-market value - The model considers the price at which the freehold/leasehold interests might reasonable expected to achieve if sold by private treaty at valuation date. | Prices per arpents of land (Rs.0.5m - Rs.44.6m) and prices per square foot for buildings (Rs.390 - Rs.12,000) | The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> <li>• expected growth in prices of land and buildings were higher/(lower),</li> </ul> |

A quantitative sensitivity analysis is shown below for the land on price per arpents and for buildings on price per square feet which are the unobservable inputs that management consider to be most significant.

**Price per arpents**

Increase of 1% in price per arpents would increase fair value gain by Rs.0.1m (2022: Rs.3.4m) for bare land. Decrease of 1% in price per arpents would decrease fair value gain by Rs.0.1m (2022: Rs.3.4m) for bare land.

(3) Other properties

Other properties comprises of office building and sports complex which are rented to tenants. The investment property is valued at fair value on an open-market basis by Ramiah-Isabel Consultancy Ltd. The valuation methodology is the open-market value basis and the fair value is classified as level 3. The valuation consideration takes into account the following:

- the location of the property;
- existing new tarred road and utilities;
- that this area forms part of an established IRS development with clearances and permits in hand;
- the existing facilities that it will enjoy; and
- a stable market.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

6. INVESTMENT PROPERTIES (CONT'D)

(3) Other properties (cont'd)

**Sensitivity of fair value measurement to changes in unobservable inputs**

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on profit or loss and equity.

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

| Valuation technique   | Significant unobservable inputs   | Inter-relationship between key unobservable inputs and fair value measurement   |
|---|---|---|
| Open-market value - The model considers the price at which the freehold/leasehold interests might reasonable expected to achieve if sold by private treaty at valuation date.   | Prices per arpents of land (Rs.0.5m - Rs.44.6m) and prices per square foot for buildings (Rs.390 - Rs.12,000) | The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> <li>• expected growth in prices of land and buildings were higher/(lower),</li> </ul>   |
| Building improvements: Depreciated Replacement Cost ("DRC") is arrived at by using the current construction cost are similar buildings based on our experience and knowledge of the construction sector and adjusting for depreciation resulting from one or more of the following factors: Physical deterioration, functional obsolescence, external (or economic) obsolescence, renovation works, level and quality of maintenance. | Expected price increase in construction materials. Expected growth in interest rates.                         | The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> <li>• expected price of construction materials increase/(decrease);</li> <li>• Interest rates increase/(decrease).</li> </ul> |

However, inter-relationships exist between the unobservable inputs as they are driven by market conditions. For instance, generally a change in the input used for the net property income is accompanied by a directionally similar change in the input used for the expected market rental growth, discount rate and reversionary rate, and a directionally opposite change in the input used for expense growth, void periods and vacancy rate.

A quantitative sensitivity analysis is shown below for the land on price per arpents and for building on price per square foot which are the unobservable inputs that management consider to be most significant.

**Price per arpent**

Increase of 1% in price per arpents would increase fair value gain by Rs.0.1m (2022: Rs.0.8m) for other properties. Decrease of 1% in price per arpents would decrease fair value gain by Rs.0.1m (2022: Rs.0.8m) for other properties.

**Price per square feet**

Increase of 1% in price per square feet would increase fair value gain by Rs.0.1m (2022: Rs.0.5m) other properties. Decrease of 1% in price per square feet would decrease fair value gain by Rs.0.1m (2022: Rs.0.5m) for other properties.

(f) The group and the company have pledged part of its investment properties to secure borrowings. Please refer to note 22 for further details.

(g) Details of the investment properties and information about the fair value hierarchy for Level 3 are as follows:

|   | 2023       | 2022       |
|---|------------|------------|
| THE GROUP   | Rs'000     | Rs'000     |
| Commercial properties, bare land and other properties | 25,634,419 | 22,032,643 |
| THE COMPANY   |            |            |
| Commercial properties, bare land and other properties | 13,714,086 | 12,984,739 |

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**6. INVESTMENT PROPERTIES (CONT'D)**

- (h) The movement in level 3 fair value measurement for the year ended June 30, 2023 and 2022 are disclosed in note (b) above. Land is disclosed as level 3 in the current year (2022: level 3).
- (i) There has been no change in the valuation techniques used.

**(j) Critical accounting estimates**

**Revaluation of investment properties**

Investment properties are stated at fair value with changes in fair value being recognised in the statements of profit or loss. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The group appointed qualified independent professional valuers who have valuation experience of similar properties to determine the fair value of these properties which were carried out on the basis of open market values, depreciated replacement cost, discounted cash flow approach and residual value method.

As part of the revaluation process, the use of judgement to determine the fair value of properties is necessary. Land is valued on the basis of recently transacted properties of similar nature in that specific region and residual value method as appropriate.

For developed sites, the income capitalisation method and the depreciated replacement cost basis have been used. The depreciated replacement cost methodology consists of the depreciated replacement cost of the building, plus the market value of the land.

For the unimproved sites, depreciated replacement cost basis have been used. The depreciated replacement cost methodology consists of the depreciated replacement cost of the building.

**Significant accounting judgements and estimates**

Management has applied judgement in determining appropriate classes of investment properties for which disclosures about fair value measurements should be provided. Investment properties have been classified into three distinct categories, namely, commercial, bare land and other properties. The classes have been determined based on the nature, characteristics and risks of the assets. Judgement has also been applied by management in respect of the level of detail necessary to satisfy the disclosure requirements and when assessing the level aggregation or disaggregation to undertake in determining the appropriate classes.

The group carries its investment property at fair value, with changes in fair value being recognised in the Statements of Profit or Loss and Other Comprehensive Income. The fair value is based on valuations performed by external independent valuers and as estimated by the Directors and management based on reference to their knowledge on the current market evidence of transaction prices for similar properties and based on a discounted cash flow model. The determined fair value of the investment property is sensitive to the risk-adjusted discount rate as well as the long term vacancy rate.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**7. DEFERRED EXPENDITURE**

- (a) **Accounting policy**  
Deferred expenditure relates to cost incurred on a development project and are released as the properties are disposed.

(b) **THE GROUP**

|                        | 2022      |
|------------------------|-----------|
|                        | Rs'000    |
| <b>COST</b>            |           |
| At July 1,             | 206,600   |
| Translation difference | 8,000     |
| Transfer to inventory  | (214,600) |
| At June 30,            | -         |
| <b>AMORTISATION</b>    |           |
| At July 1,             | 196,400   |
| Translation difference | 7,700     |
| Transfer to inventory  | (204,100) |
| At June 30,            | -         |

**NET BOOK VALUES**

At June 30,

-

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

8. INTANGIBLE ASSETS

(a) Accounting policy

**Market related intangibles, computer software and other intangible assets**

Computer software and other intangible assets including market related intangibles, any premium paid on acquisition of businesses and concession rights, that are acquired by the group and have finite useful lives are initially recorded at cost. Other intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses. The intangible assets are amortised using the straight-line method over its estimated useful life.

Amortisation methods, useful lives and residual values of computer software and other intangible assets are reviewed at each reporting date and adjusted if appropriate.

Gains or losses arising from derecognition of other intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Premium paid by certain subsidiaries for acquiring agencies are considered as intangibles with indefinite life and are tested for impairment annually. Those premium having a finite life are amortised over the life time of the asset to determine its carrying amount at the end of the reporting period. For the year ended June 30, 2023, the group has not recognised internally generated intangibles.

The amortisation rates by class of other intangible assets held by the group are as described below:

|                             | Years  | Rate        |
|-----------------------------|--------|-------------|
| Computer software           | 2 - 8  | 12.5% - 50% |
| Customer relationships      | 8      | 12.5%       |
| Market related intangibles  | 8      | 12.5%       |
| Other intangible assets     | 7-10   | 10% - 14%   |
| Concession/leasehold rights | 9 - 60 | 2% - 11%    |
| Franchise                   | 4 - 10 | 10% - 25%   |

**Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

**Land conversion rights**

Land conversion rights have been assessed to have an indefinite life and are tested annually for impairment and are transferred to investment properties upon conversion of the land. The recoverable amount of the land conversion rights has been determined based on the value stated in the Sugar Industry Efficiency Act.

**Franchise**

Franchise is shown at historical cost, has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method over its estimated useful lives of 4 - 10 years.

**Goodwill**

Goodwill arises on the acquisition of subsidiary companies and represents the excess of the consideration over the group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree. Any net excess of the group's interests in the net fair value of the acquiree's net identifiable assets over cost is recognised in profit or loss.

Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses. On disposal of a subsidiary company, the goodwill is included in the determination of the gains and losses on disposal.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

Other purchased goodwill consists mainly of premium paid by certain subsidiaries for acquiring agencies. This goodwill is either tested for impairment or amortised over a finite period of time to determine its carrying amount at the end of the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

8. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP

(i) 2023

|                                    | Computer software<br>R\$'000 | Goodwill on acquisition of subsidiaries<br>R\$'000 | Land conversion rights<br>R\$'000 | Franchise<br>R\$'000 | Market related intangibles<br>R\$'000 | Concession/leasehold rights<br>R\$'000 | Other intangible assets<br>R\$'000 | Total<br>R\$'000 |
|------------------------------------|------------------------------|--|-----------------------------------|----------------------|---------------------------------------|--|------------------------------------|------------------|
| <b>COST</b>                        |                              |  |                                   |                      |                                       |  |                                    |                  |
| At July 1,                         | 392,246                      | 945,491  | 311,528                           | 27,916               | 357,300                               | 180,000                                | 96,703                             | 2,311,184        |
| Additions                          | 22,300                       | -  | 324,321                           | 1,398                | -                                     | -                                      | -                                  | 348,019          |
| Assets written off                 | (38,937)                     | -  | -                                 | -                    | -                                     | -                                      | -                                  | (38,937)         |
| Disposal                           | (647)                        | -  | (12,262)                          | -                    | -                                     | -                                      | -                                  | (12,909)         |
| On deconsolidation of subsidiaries | (58,800)                     | -  | -                                 | -                    | -                                     | -                                      | (8,700)                            | (67,500)         |
| Translation difference             | 100                          | 4,300  | -                                 | -                    | -                                     | -                                      | -                                  | 4,400            |
| <b>At June 30,</b>                 | <b>316,262</b>               | <b>949,391</b>                                     | <b>623,587</b>                    | <b>29,314</b>        | <b>357,300</b>                        | <b>180,000</b>                         | <b>88,003</b>                      | <b>2,544,257</b> |
| <b>AMORTISATION AND IMPAIRMENT</b> |                              |  |                                   |                      |                                       |  |                                    |                  |
| At July 1,                         | 347,657                      | 20,763   | -                                 | 7,411                | 245,600                               | 81,000                                 | 31,626                             | 734,057          |
| Charge for the year                | 26,923                       | -  | -                                 | 1,245                | 31,800                                | 3,000                                  | 15,572                             | 78,540           |
| Assets written off                 | (38,533)                     | -  | -                                 | -                    | -                                     | -                                      | -                                  | (38,533)         |
| Disposal adjustment                | (620)                        | -  | -                                 | -                    | -                                     | -                                      | -                                  | (620)            |
| Transfer between assets accounts   | 4,200                        | -  | -                                 | -                    | -                                     | -                                      | (4,200)                            | -                |
| On deconsolidation of subsidiaries | (35,100)                     | -  | -                                 | -                    | -                                     | -                                      | (8,700)                            | (43,800)         |
| Translation difference             | 800                          | -  | -                                 | -                    | -                                     | -                                      | -                                  | 800              |
| <b>At June 30,</b>                 | <b>305,327</b>               | <b>20,763</b>                                      | <b>-</b>                          | <b>8,656</b>         | <b>277,400</b>                        | <b>84,000</b>                          | <b>34,298</b>                      | <b>730,444</b>   |
| <b>NET BOOK VALUES</b>             |                              |  |                                   |                      |                                       |  |                                    |                  |
| At June 30,                        | 10,935                       | 929,028  | 623,587                           | 20,658               | 79,900                                | 96,000                                 | 53,705                             | 1,813,813        |



NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

8. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP (CONT'D)

(iii) Amortisation charge has been included in other operating expenses.

(iv) The recoverable amounts of the goodwill have been assessed based either on the fair value of the cash-generating units determined by external valuers at June 30, 2023 or on the basis of expected cash flows. The fair value of some of the cash generating units was determined on the basis of capitalisation of earnings whereby a multiple is applied to the investee's adjusted pro-forma earnings. The fair value of other cash generating units was determined on the basis of expected future cash flows from latest management forecasts which were extrapolated on the basis of long term revenue growth rates and assumptions with regard to margin development and discounted for the capital costs of business unit. Following this exercise, no impairment was recognised during the year (2022: Rs.nil).

(v) Land conversion rights have been tested for impairment by comparing the carrying value to recoverable amount and no impairment has been noted.

(vi) Bank borrowings are secured on some of the group's intangible assets. Please refer to note 22 for further details.

(c) Impairment test

The recoverable amounts for the cash generating units were based on their value in use, determined by discounting the generated future five year cash flows as approved by management. No impairment has been recognised in 2023 and 2022. The key assumptions used in the estimation of value in use and recoverable amounts are based on management's past experience of the served markets in which the Group operates with a view to maintain market share.

The assumptions used for the value-in-use calculations are as follows:

|  | THE GROUP |             |
|--|-----------|-------------|
|  | 2023      | 2022        |
|  | %         | %           |
| <b>Fintech - Corporate Services</b>                        |           |             |
| Discount rate  | 14.5      | 10.7 - 13.1 |
| Budgeted EBITDA growth rate (average over next five years) | 3.3       | 3.3         |
| <b>Fintech - Technology Services</b>                       |           |             |
| Discount rate  | 15        | 13.8        |
| Budgeted EBITDA growth rate (average over next five years) | 3.3       | 3.3         |
| <b>Hospitality - Hotels</b>                                |           |             |
| Discount rate  | 11.6      | 10.4        |
| Budgeted EBITDA growth rate (average over next five years) | 3.3       | 3.3         |

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NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

8. INTANGIBLE ASSETS (CONT'D)

(b) THE GROUP (CONT'D)

| (a) 2022  | Computer software | Goodwill on acquisition of subsidiaries | Land conversion rights | Franchise | Market related intangibles | Concession /leasehold rights | Other intangible assets | Total     |
|---|-------------------|---|------------------------|-----------|----------------------------|------------------------------|-------------------------|-----------|
|   | Rs'000            | Rs'000                                  | Rs'000                 | Rs'000    | Rs'000                     | Rs'000                       | Rs'000                  | Rs'000    |
| <b>COST</b>   |                   |   |                        |           |                            |                              |                         |           |
| At July 1,  | 368,489           | 898,868                                 | 311,528                | 28,871    | 357,500                    | 180,000                      | 73,807                  | 2,219,063 |
| Arising on business combination (note 44)           | -                 | 33,023                                  | -                      | -         | -                          | -                            | 32,396                  | 65,419    |
| Additions   | 24,657            | -                                       | -                      | 466       | 100                        | -                            | -                       | 25,223    |
| Assets written off                                  | -                 | -                                       | -                      | -         | (300)                      | -                            | -                       | (300)     |
| Disposals   | -                 | -                                       | -                      | (1,421)   | -                          | -                            | -                       | (1,421)   |
| Transfer to property, plant and equipment (note 5)* | (900)             | 13,600                                  | -                      | -         | -                          | -                            | (9,500)                 | (9,500)   |
| Translation difference                              | 392,246           | 945,449                                 | 311,528                | 27,916    | 357,300                    | 180,000                      | 96,703                  | 12,700    |
| At June 30,   | 314,330           | 20,763                                  | -                      | 6,165     | 207,700                    | 78,000                       | 21,677                  | 648,635   |
| Charge for the year                                 | 33,807            | -                                       | -                      | 1,246     | 38,200                     | 3,000                        | 9,949                   | 86,202    |
| Assets written off                                  | -                 | -                                       | -                      | -         | (300)                      | -                            | -                       | (300)     |
| Impairment  | 20                | -                                       | -                      | -         | -                          | -                            | -                       | 20        |
| Translation difference                              | (500)             | -                                       | -                      | -         | -                          | -                            | -                       | (500)     |
| At June 30,   | 347,657           | 20,763                                  | -                      | 7,411     | 245,600                    | 81,000                       | 31,626                  | 734,057   |
| <b>NET BOOK VALUES</b>                              |                   |   |                        |           |                            |                              |                         |           |
| At June 30,   | 44,589            | 924,728                                 | 311,528                | 20,505    | 111,700                    | 99,000                       | 65,077                  | 1,577,127 |

\* In 2022, a subsidiary company took note that a portion of land has been included as part of its acquired intangible and transferred the said land to property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

8. INTANGIBLE ASSETS (CONT'D)

(c) Impairment test (cont'd)

The assumptions used for the value-in-use calculations are as follows (cont'd):

|  | THE GROUP   |            |
|--|-------------|------------|
|  | 2023        | 2022       |
| <b>Hospitality - Leisure</b>                               |             |            |
| Discount rate  | %           | %          |
| Budgeted EBITDA growth rate (average over next five years) | 12.2 - 15.2 | 11.8       |
|  | 3.3         | 3.3        |
| <b>Hospitality - Travel</b>                                |             |            |
| Discount rate  | 17.0        | 10.3       |
| Budgeted EBITDA growth rate (average over next five years) | 1.4         | 3.3        |
| <b>Logistics</b>   |             |            |
| Discount rate  | 8.9 - 19.7  | 8.8 - 16.6 |
| Budgeted EBITDA growth rate (average over next five years) | 1.4 - 6.0   | 3.3        |

A five-year cash flow forecast is used and terminal value growth rate is assumed to be nil for the purpose of goodwill impairment tests.

The discount rate was a pre-tax measure estimated based on the rate of 10-years government bonds issued by the Government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the risk of investing in equities generally and the systematic risk of the specific Cash Generating Unit. The risk for each foreign country has been considered and the discount factor from the foreign subsidiaries were not materially different to that of the local subsidiaries.

Forecasted EBITDA has been based on the expectation of future outcomes adjusted for revenue growth and cost containment measures.

The discount rate has been adjusted to reflect the current market assessment of the risks specific to the group and was estimated based on the weighted average cost of capital for the group. This rate was further adjusted to reflect the market assessment of risks specific to the group for which future estimates of cash flows have not been adjusted. Further changes to the discount rate may be necessary in the future to reflect changing risks for the industry and changes to the weighted average cost of capital.

Growth rates are based on the current economic outlook. However, given the economic uncertainty, reductions in growth estimates may be necessary in the future.

The group has performed sensitivity analyses on its key assumptions, none of which resulted in any impairment of its goodwill.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

8. INTANGIBLE ASSETS (CONT'D)

(d) THE COMPANY

| (i) 2023               | Computer software<br>Rs'000 | Land conversion rights<br>Rs'000 | Total<br>Rs'000 |
|------------------------|-----------------------------|----------------------------------|-----------------|
|                        |                             |                                  |                 |
| <b>COST</b>            |                             |                                  |                 |
| At July 1,             | 3,873                       | 311,528                          | 315,401         |
| Additions              | -                           | 130,796                          | 130,796         |
| Disposals              | -                           | (12,262)                         | (12,262)        |
| <b>At June 30,</b>     | <b>3,873</b>                | <b>430,062</b>                   | <b>433,935</b>  |
| <b>AMORTISATION</b>    |                             |                                  |                 |
| At July 1, & June 30,  | 3,873                       | -                                | 3,873           |
| <b>NET BOOK VALUES</b> |                             |                                  |                 |
| At June 30,            | -                           | 430,062                          | 430,062         |
| (ii) 2022              |                             |                                  |                 |
| <b>COST</b>            |                             |                                  |                 |
| At July 1, & June 30,  | 3,873                       | 311,528                          | 315,401         |
| <b>AMORTISATION</b>    |                             |                                  |                 |
| At July 1, & June 30,  | 3,873                       | -                                | 3,873           |
| <b>NET BOOK VALUES</b> |                             |                                  |                 |
| At June 30,            | -                           | 311,528                          | 311,528         |

(e) Critical accounting estimates

**Estimated impairment of goodwill**

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. For the purpose of testing impairment on acquired goodwill, the recoverable amount of each CGUs were estimated using discounted cash flows. The impairment assessment and the calculation of the recoverable amount is subject to significant management judgement and estimation which includes the selection of the appropriate impairment model to be used, determination of the expected future cash flows from the businesses, setting appropriate terminal growth rates, selection of the appropriate discount rate.

**Other intangibles assets**

There have been no change in the assessment of an intangible asset's useful life, the amortisation method and residual values.

**Estimate of useful lives and residual value**

The group uses historical experience and comparable market available data to determine useful lives. Residual value is the estimated amount that an entity would currently obtain from disposal of the asset after deducting the estimated cost of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The amortisation charge calculation require an estimate of the economic useful lives of the different assets.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

9. INVESTMENTS IN SUBSIDIARY COMPANIES

(a) Accounting policy

**Separate financial statements of the investor**

Investments in subsidiary companies are carried at fair value. The carrying amount is adjusted to recognise any fluctuation in the value of the individual investments.

**Consolidated financial statements**

Subsidiaries are entities (including structured entities) over which the group has control. The group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date control is transferred to the group and de-consolidated from the date that control ceases.

The acquisition method is used to account for business combinations by the group. The consideration for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated on consolidation. The accounting policies of subsidiary companies have been amended where necessary to ensure consistency with the policies adopted by the group.

**Foreign subsidiaries**

On consolidation, the assets and liabilities of the group's overseas entities are translated at exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences, if any, are classified as other comprehensive income. Such translation differences are recognised in profit or loss in the period in which the operation is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(a) Accounting policy (cont'd)

**Consolidated financial statements (cont'd)**

*Transactions with non-controlling interests*

The group accounts for transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share of the carrying value of net assets of the subsidiary acquired is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

*Disposal of subsidiary companies*

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. Amounts previously recognised in other comprehensive income are reclassified to profit or loss.

*Capital reduction*

When a subsidiary company reduces its share capital without affecting the shareholding interest, it is accounted for as a disposal of share. The difference between the proceeds and the carrying amount is accounted for in the statement of changes in equity and the difference between the carrying amount and the cost is transferred from revaluation reserve to retained earnings.

(b) THE COMPANY

|                        | Official Market  |                   | Unquoted          | Total             |
|------------------------|------------------|-------------------|-------------------|-------------------|
|                        | Rs'000           | Rs'000            |                   |                   |
| <b>2023</b>            |                  |                   |                   |                   |
| At July 1,             | 963,699          | 18,363,011        | 712,400           | 19,326,710        |
| Additions              | -                | -                 | (76,116)          | (76,116)          |
| Capital reduction*     | -                | -                 | 3,963,616         | 4,003,916         |
| Fair value adjustments | 40,300           | -                 | -                 | 40,300            |
| <b>At June 30,</b>     | <b>1,003,999</b> | <b>22,962,911</b> | <b>22,962,911</b> | <b>23,966,910</b> |
| <b>2022</b>            |                  |                   |                   |                   |
| At July 1,             | 517,899          | 13,800,652        | 492,860           | 14,318,551        |
| Additions              | -                | -                 | (68,241)          | (68,241)          |
| Capital reduction*     | -                | -                 | 4,137,740         | 4,137,740         |
| Fair value adjustments | 445,800          | -                 | -                 | 445,800           |
| <b>At June 30,</b>     | <b>963,699</b>   | <b>13,800,652</b> | <b>13,800,652</b> | <b>14,318,551</b> |

\* During this year, a wholly-owned subsidiary company reduced (through a share buy back) the number shares in issue, thus resulting in a decrease in its stated capital. For the consolidated financial statements, there was no change in the number of shares held by the parent or the non-controlling interest as a result on the reduction in number of shares. For the separate financial statements, the carrying amount of the shares bought back (amounting to Rs.76,116k) has been deducted from the company's total investments, resulting in a release of Rs.(26,116)k which has been recognised in the statement of changes in equity.

In 2022, a wholly-owned subsidiary company reduced (through a share buy back) the number shares in issue, thus resulting in a decrease in its stated capital. For the consolidated financial statements, there was no change in the equity interests held by the parent or the non-controlling interest as a result on the reduction in number of shares. For the separate financial statements, the carrying amount of the shares bought back (amounting to Rs.68,241k) has been deducted from the company's total investments, resulting in a profit of Rs.6,759k which has been recognised in the statement of profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)**

- (c) The fair value of investments in subsidiary companies was determined at June 30, 2023 by qualified independent professional valuers. The valuation was based on a combination of adjusted net assets, discounted cash flow basis and capitalised earnings. This did not result in any loss of control.
- (d) Investments included in level 1 comprise of quoted equity investments valued using market approach. Investments classified under the official market above have been fair valued using the sum of parts method as the market on which the shares are listed is not liquid, thus classified under level 3. If all significant inputs required to fair value an investment are observable, the instrument is included in level 2. If one or more of the significant inputs are not based on observable market data, the investment is included in level 3.

(e) The company's investments in subsidiary companies are categorised as follows:

| Level 3 | 2023              |                   | 2022   |        |
|---------|-------------------|-------------------|--------|--------|
|         | Rs'000            | Rs'000            | Rs'000 | Rs'000 |
|         | <b>23,966,910</b> | <b>19,326,710</b> |        |        |

The movement in level 3 instruments for the year ended June 30, 2023 and 2022 is disclosed in the note b(i) above.

(i) The table below sets out information about significant unobservable inputs used at June 30, 2023 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

| 2023 & 2022                         | Valuation technique  | Unobservable inputs       | Range   | Sensitivity to changes in significant unobservable inputs                                  |
|-------------------------------------|----------------------|---------------------------|---|--|
|                                     | Discounted cash flow | Discount rate             | 4.90% - 9.20% (2022: 6.90% - 8.10%)                   | The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher). |
| Investments in subsidiary companies | EBITDA multiple      | Multiple                  | 11.00x (2022: 15.90x)                                 | The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher). |
|                                     | Discount rate        | Discount rate             | 12.40% (2022: 12%)                                    | The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher). |
|                                     | Net asset value      | Net asset value per share | Rs.0.97 - Rs.2.87 (2022: Rs.0.05 - Rs.1.56) per share | The estimated fair value would increase/ (decrease) if discount rate were lower/ (higher). |

A quantitative sensitivity analysis is shown below for the discount rate which are the unobservable inputs that management consider to be most significant.

**Discount rate**

Increase of 0.5% in discount rate would decrease fair value gain by Rs.172m (2022: Rs.86.46m).  
Decrease of 0.5% in discount rate would increase fair value gain by Rs.198m (2022: Rs.94.86m).

**Net asset value per share**

Increase of 0.5% in net asset value would decrease fair value gain by Rs.171.4m (2022: Rs.87.23m).  
Decrease of 0.5% in net asset value would increase fair value gain by Rs.197.8m (2022: Rs.95.68m).

**ENL LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)**

(i) The list of the group subsidiary companies at June 30, 2023 and 2022 is as follows:

| Name of company                                 | 2023               |                    |                 |                                  | 2022               |                    |                 |                                  | Non-controlling interest | Nature of business                             |
|---|--------------------|--------------------|-----------------|----------------------------------|--------------------|--------------------|-----------------|----------------------------------|--------------------------|--|
|   | Sharehold- ing (%) | Subsidiary company | Holding company | Proportion of ownership interest | Sharehold- ing (%) | Subsidiary company | Holding company | Proportion of ownership interest |                          |  |
|   |                    |                    |                 |                                  |                    |                    |                 |                                  |                          |  |
| <b>Corporate office:</b>                        |                    |                    |                 |                                  |                    |                    |                 |                                  |                          |  |
| ENL Corporate Services Limited                  | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | CSB  |
| Techne Insurance Limited                        | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | Service provider                               |
| ENL Insurance Services Ltd                      | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | Business incubator (non-profit making company) |
| ENL Services Ltd                                | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | Business incubator (non-profit making company) |
| ENL Mechanical Works Ltd                        | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | Service provider                               |
| Envision Corporate Services Ltd                 | 41.01              | 59.10              | 49.90           | 41.01                            | 59.10              | -                  | -               | 50.10                            | -                        | 49.90 Import and export services               |
| Envision Corporate Services Ltd (UK)            | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.92 Job Contractor                           |
| ENL HR Limited                                  | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | Investment holding                             |
| ENL Corporate Ventures Limited                  | 36.28              | 26.28              | 30.28           | 36.28                            | 30.28              | 100.00             | 100.00          | 36.28                            | -                        | Investment holding                             |
| ENL PSL Limited                                 | 23.74              | 19.00              | 42.38           | 23.74                            | 19.00              | -                  | -               | 59.73                            | -                        | Investment holding                             |
| Rogers Corporate Services Ltd                   | 35.74              | 59.73              | 46.27           | 35.74                            | 59.73              | -                  | -               | 40.27                            | -                        | 40.27 Dormant                                  |
| Rogers Corporate Services Ltd (UK)              | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | Investment holding                             |
| Rogers Consolidated Shareholding Limited        | 14.66              | 14.66              | 15.60           | 14.66                            | 15.60              | 100.00             | 100.00          | 14.66                            | -                        | Investment holding                             |
| Society Resonance                               | 8.28               | 8.28               | 8.28            | 8.28                             | 8.28               | 100.00             | 100.00          | 8.28                             | -                        | Investment holding                             |
| Finance & technology:                           |                    |                    |                 |                                  |                    |                    |                 |                                  |                          |  |
| Rogers Capital ETL Ltd                          | 45.97              | 45.97              | 45.97           | 45.97                            | 45.97              | -                  | -               | 45.97                            | -                        | 50.34 Consumer finance                         |
| Rogers Capital ETL Services Ltd                 | 24.99              | 24.99              | 24.99           | 24.99                            | 24.99              | -                  | -               | 24.99                            | -                        | 50.34 Management consultancy services (firm)   |
| Rogers Capital ETL Services Ltd (UK)            | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.34 Management consultancy services (firm)   |
| Rogers Capital ETL Services Ltd (UK) (I)        | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.34 Global business                          |
| Rogers Capital ETL Services Ltd (UK) (II)       | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.34 Global business                          |
| Rogers Capital City Investment Ltd              | 50                 | 50                 | 50              | 50                               | 50                 | -                  | -               | 50                               | -                        | 50.34 Global business                          |
| Rogers Capital City Investment Ltd (UK)         | 15.09              | 15.09              | 15.09           | 15.09                            | 15.09              | -                  | -               | 15.09                            | -                        | 50.34 IT services                              |
| Rogers Capital ETL Specialised Services Ltd (I) | 15.977             | 15.977             | 15.977          | 15.977                           | 15.977             | -                  | -               | 15.977                           | -                        | 50.34 IT services                              |
| Rogers Capital Technology Services Ltd          | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.34 IT services                              |
| Rogers Capital Technology Services Ltd (UK)     | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.34 Global business                          |
| Rogers Capital Business Services Ltd            | 82                 | 82                 | 82              | 82                               | 82                 | -                  | -               | 82                               | -                        | 50.34 Global business                          |
| Rogers Capital Business Services Ltd (UK)       | 404                | 404                | 404             | 404                              | 404                | -                  | -               | 404                              | -                        | 50.34 Global business                          |
| Rogers Capital Corporate Services (Cyprus) Ltd  | 782                | 782                | 782             | 782                              | 782                | -                  | -               | 782                              | -                        | 50.34 Global business                          |
| Rogers Capital Corporate Services Ltd           | 577                | 577                | 577             | 577                              | 577                | -                  | -               | 577                              | -                        | 50.34 Global business                          |
| Rogers Capital ETL Services Ltd                 | 23.15              | 23.15              | 23.15           | 23.15                            | 23.15              | -                  | -               | 23.15                            | -                        | 50.34 Global business                          |
| Rogers Capital ETL Services Ltd (UK)            | 100                | 100                | 100             | 100                              | 100                | -                  | -               | 100                              | -                        | 50.34 Global business                          |
| Rogers Capital ETL Services Ltd (UK) (I)        | 100                | 100                | 100             | 100                              | 100                | -                  | -               | 100                              | -                        | 50.34 Global business                          |
| Rogers Capital ETL Services Ltd (UK) (II)       | 14,000             | 14,000             | 14,000          | 14,000                           | 14,000             | -                  | -               | 14,000                           | -                        | 50.34 Global business                          |
| Rogers Capital ETL Services Ltd (UK) (III)      | 99,729             | 99,729             | 99,729          | 99,729                           | 99,729             | -                  | -               | 99,729                           | -                        | 50.34 Investment management                    |
| Rogers Capital ETL Services Ltd (UK) (IV)       | 5,817              | 5,817              | 5,817           | 5,817                            | 5,817              | 14.00              | 14.00           | 5,817                            | 14.00                    | 50.34 Investment management                    |
| Global Corporate Services Ltd (I)               | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.34 Investment holding                       |
| Global Corporate Services Ltd (II)              | 61                 | 61                 | 61              | 61                               | 61                 | -                  | -               | 61                               | -                        | 50.34 Investment                               |
| Rogers Capital Management Services Ltd          | 100.00             | -                  | -               | 100.00                           | 100.00             | -                  | -               | 100.00                           | -                        | 50.34 Investment                               |
| Rogers Capital Management Services Ltd (UK)     | 44,000             | 44,000             | 44,000          | 44,000                           | 44,000             | 65.00              | 65.00           | 44,000                           | 65.00                    | 50.34 Payment Solutions                        |
| Rogers Capital Payment Solutions Ltd            | 14,000             | 14,000             | 14,000          | 14,000                           | 14,000             | -                  | -               | 14,000                           | -                        | 50.34 Payment Solutions                        |

EN LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR END 30 JUNE 2022

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2022 and 2021 were as follows (cont'd):

| Name of company                                 | 31/12/2022               |              |  |                                      | 30/06/2022               |              |  |                                      |
|---|--------------------------|--------------|--|--------------------------------------|--------------------------|--------------|--|--------------------------------------|
|   | Share capital<br>R, 1000 | Holding<br>% | Effective controlling<br>interest<br>% | Non-<br>controlling<br>interest<br>% | Share capital<br>R, 1000 | Holding<br>% | Effective controlling<br>interest<br>% | Non-<br>controlling<br>interest<br>% |
| <b>Commerce &amp; manufacturing:</b>            |                          |              |  |                                      |                          |              |  |                                      |
| Commerce of Investment Property Fund Limited    | 277,072                  | -            | 100.00                                 | 100.00                               | 277,072                  | -            | 100.00                                 | 100.00                               |
| ENI Commercial Limited                          | 162,480                  | 100.00       | 100.00                                 | -                                    | 162,480                  | -            | 100.00                                 | 100.00                               |
| ENI Commercial Limited                          | 1,212,141                | 100.00       | 100.00                                 | -                                    | 1,212,141                | 100.00       | 100.00                                 | -                                    |
| Genval (Maritime) Limited                       | 89,932                   | -            | 100.00                                 | 100.00                               | 89,932                   | -            | 100.00                                 | 100.00                               |
| Subsidiary International Ltd                    | 100                      | -            | 100.00                                 | 100.00                               | 100                      | -            | 100.00                                 | 100.00                               |
| Platmax (Australia) Limited                     | 1,679                    | -            | 99.49                                  | 99.49                                | 1,679                    | -            | 99.49                                  | 99.49                                |
| Agency and Metal Distribution International Ltd | 1,274                    | -            | 75.76                                  | 75.76                                | 1,274                    | -            | 75.76                                  | 75.76                                |
| Logistics                                       | 1,200                    | -            | 75.00                                  | 75.00                                | 1,200                    | -            | 75.00                                  | 75.00                                |
| Associated Container Services Ltd               | 93,877                   | -            | 100.00                                 | 48.38                                | 93,877                   | -            | 100.00                                 | 48.38                                |
| Fargo Express International S.A.R.L.            | 100                      | -            | 100.00                                 | 48.38                                | 100                      | -            | 100.00                                 | 48.38                                |
| FPM Warehouse Ltd                               | 100                      | -            | 96.00                                  | 48.38                                | 100                      | -            | 96.00                                  | 48.38                                |
| Prosper Operations (Africa) Ltd                 | 178,239                  | -            | 100.00                                 | 47.78                                | 178,239                  | -            | 100.00                                 | 47.78                                |
| Genalogy (Transport) Limited                    | 1,463                    | -            | 100.00                                 | 51.96                                | 1,463                    | -            | 100.00                                 | 51.96                                |
| Global Air Cargo Services Ltd                   | 433                      | -            | 50.00                                  | 24.19                                | 433                      | -            | 50.00                                  | 24.19                                |
| MTI Logistics & Distribution Ltd                | 52,168                   | -            | 100.00                                 | 39.15                                | 52,168                   | -            | 100.00                                 | 39.15                                |
| P.A.P.O.I.C.S. Ltd                              | 100                      | -            | 80.00                                  | 23.23                                | 100                      | -            | 80.00                                  | 23.23                                |
| Rogers Aviation Investment Holding Ltd (f)      | 156,252                  | -            | 100.00                                 | 48.04                                | 156,252                  | -            | 100.00                                 | 48.04                                |
| Rogers Aviation Investment Holding Ltd (f)      | 100                      | -            | 100.00                                 | 59.73                                | 100                      | -            | 100.00                                 | 59.73                                |
| Rogers Aviation Investment Holding Ltd (f)      | 100                      | -            | 100.00                                 | 48.38                                | 100                      | -            | 100.00                                 | 48.38                                |
| Rogers Aviation Investment Holding Ltd (f)      | 72                       | -            | 100.00                                 | 32.98                                | 72                       | -            | 100.00                                 | 32.98                                |
| Rogers Shipping Pty Ltd                         | 9,900                    | -            | 100.00                                 | 66.44                                | 9,900                    | -            | 100.00                                 | 66.44                                |
| Rogers Shipping Pty Ltd                         | 3                        | -            | 51.00                                  | 24.51                                | 3                        | -            | 51.00                                  | 24.51                                |
| Rogers Shipping Pty Ltd                         | 60                       | -            | 100.00                                 | 32.38                                | 60                       | -            | 100.00                                 | 32.38                                |
| Rogers Shipping Pty Ltd                         | 12,900                   | -            | 70.00                                  | 33.63                                | 12,900                   | -            | 70.00                                  | 33.63                                |
| Rogers Shipping Pty Ltd                         | 25                       | -            | 100.00                                 | 100.00                               | 25                       | -            | 100.00                                 | 100.00                               |
| Rogers Shipping Pty Ltd                         | 25                       | -            | 100.00                                 | 39.56                                | 25                       | -            | 100.00                                 | 39.56                                |
| Rogers Shipping Pty Ltd                         | 8,241                    | -            | 100.00                                 | 48.04                                | 8,241                    | -            | 100.00                                 | 48.04                                |
| Rogers Shipping Pty Ltd                         | 3,151                    | -            | 100.00                                 | 48.38                                | 3,151                    | -            | 100.00                                 | 48.38                                |
| Rogers Shipping Pty Ltd                         | 1,072,94                 | -            | 80.44                                  | 48.04                                | 1,072,94                 | -            | 80.44                                  | 48.04                                |
| Rogers Shipping Pty Ltd                         | 83,988                   | -            | 100.00                                 | 48.38                                | 83,988                   | -            | 100.00                                 | 48.38                                |
| Rogers Shipping Pty Ltd                         | 4,085                    | -            | 100.00                                 | 48.04                                | 4,085                    | -            | 100.00                                 | 48.04                                |
| Rogers Shipping Pty Ltd                         | 163,814                  | -            | 100.00                                 | 48.04                                | 163,814                  | -            | 100.00                                 | 48.04                                |

EN LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR END 30 JUNE 2022

9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(f) The list of the group's subsidiary companies at June 30, 2022 and 2021 were as follows (cont'd):

| Name of company          | 31/12/2022               |              |  |                                      | 30/06/2022               |              |  |                                      |
|--------------------------|--------------------------|--------------|--|--------------------------------------|--------------------------|--------------|--|--------------------------------------|
|                          | Share capital<br>R, 1000 | Holding<br>% | Effective controlling<br>interest<br>% | Non-<br>controlling<br>interest<br>% | Share capital<br>R, 1000 | Holding<br>% | Effective controlling<br>interest<br>% | Non-<br>controlling<br>interest<br>% |
| <b>Hospitality:</b>      |                          |              |  |                                      |                          |              |  |                                      |
| Amis (Sydney) Ltd        | 76,664                   | -            | 100.00                                 | 41.02                                | 76,664                   | -            | 100.00                                 | 41.02                                |
| BEVA Kenya Limited       | 47                       | -            | 100.00                                 | 59.73                                | 47                       | -            | 100.00                                 | 59.73                                |
| BEVA Kenya Limited       | 35                       | -            | 70.00                                  | 41.81                                | 35                       | -            | 70.00                                  | 41.81                                |
| Blue Atlas Ltd (f)       | -                        | -            | 8.00                                   | 32.81                                | -                        | -            | 8.00                                   | 32.81                                |
| Blue Sky Management SARL | 1,000                    | -            | 100.00                                 | 59.73                                | 1,000                    | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 50                       | -            | 100.00                                 | 41.03                                | 50                       | -            | 100.00                                 | 41.03                                |
| Blue Sky Management SARL | 216                      | -            | 100.00                                 | 59.73                                | 216                      | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 25,000                   | -            | 100.00                                 | 59.73                                | 25,000                   | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 3,225                    | -            | 100.00                                 | 41.02                                | 3,225                    | -            | 100.00                                 | 41.02                                |
| Blue Sky Management SARL | 22,000                   | -            | 100.00                                 | 41.02                                | 22,000                   | -            | 100.00                                 | 41.02                                |
| Blue Sky Management SARL | 100                      | -            | 100.00                                 | 41.02                                | 100                      | -            | 100.00                                 | 41.02                                |
| Blue Sky Management SARL | 310,550                  | -            | 100.00                                 | 59.73                                | 310,550                  | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 10                       | -            | 100.00                                 | 41.02                                | 10                       | -            | 100.00                                 | 41.02                                |
| Blue Sky Management SARL | 10                       | -            | 100.00                                 | 41.02                                | 10                       | -            | 100.00                                 | 41.02                                |
| Blue Sky Management SARL | 461                      | -            | 94.50                                  | 37.15                                | 461                      | -            | 94.50                                  | 37.15                                |
| Blue Sky Management SARL | 1,500                    | -            | 100.00                                 | 59.73                                | 1,500                    | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 20,760                   | -            | 100.00                                 | 59.73                                | 20,760                   | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 824                      | -            | 100.00                                 | 59.73                                | 824                      | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 5,130                    | -            | 100.00                                 | 59.73                                | 5,130                    | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 396                      | -            | 100.00                                 | 59.73                                | 396                      | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 1,900                    | -            | 100.00                                 | 59.73                                | 1,900                    | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 4,349                    | -            | 100.00                                 | 59.73                                | 4,349                    | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 21,007                   | -            | 53.60                                  | 22.30                                | 21,007                   | -            | 53.60                                  | 22.30                                |
| Blue Sky Management SARL | 1                        | -            | 100.00                                 | 59.73                                | 1                        | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 1                        | -            | 100.00                                 | 59.73                                | 1                        | -            | 100.00                                 | 59.73                                |
| Blue Sky Management SARL | 1                        | -            | 100.00                                 | 41.03                                | 1                        | -            | 100.00                                 | 41.03                                |
| Blue Sky Management SARL | 5,503                    | -            | 100.00                                 | 41.03                                | 5,503                    | -            | 100.00                                 | 41.03                                |
| Blue Sky Management SARL | 20,025                   | -            | 100.00                                 | 41.03                                | 20,025                   | -            | 100.00                                 | 41.03                                |



## 9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(g) The above subsidiary companies are incorporated and operate in Mauritius, except for:

|   | Country of incorporation/<br>Place of business |
|---|--|
| Ario (Seychelles) Ltd                                 | Republic of Seychelles                         |
| Border Air Ltd  | Republic of South Africa                       |
| BS Madagascar SARLU                                   | Republic of Madagascar                         |
| BS Travel Management Limitada                         | Republic of Mozambique                         |
| BS Travel Mayotte                                     | Mayotte  |
| BEAVIA Kenya Limited                                  | Republic of Kenya                              |
| Blue Sky Réunion SAS                                  | Reunion Island                                 |
| Cargo Express Madagascar S.A.R.L.                     | Republic of Madagascar                         |
| Enterprise Information Systems Ltd (Kenya)            | Republic of Kenya                              |
| Geneargo (Transport) Limited                          | Republic of Kenya                              |
| General Cargo Services Limited                        | Republic of Kenya                              |
| Islandian S.A.R.L                                     | Reunion Island                                 |
| Rogers Capital Corporate Services (Singapore) Pte Ltd | Republic of Singapore                          |
| Rogers Aviation Comores S.A.R.L.                      | Republic of Comores                            |
| Rogers Aviation France S.A.R.L.                       | Reunion Island                                 |
| Rogers Aviation Kenya Ltd                             | Republic of Kenya                              |
| Rogers Aviation Madagascar S.A.R.L.                   | Republic of Madagascar                         |
| Rogers Aviation Mayotte S.A.R.L.                      | Mayotte  |
| Rogers Aviation Mozambique Limitada                   | Republic of Mozambique                         |
| Rogers Aviation Senegal S.A.R.L.                      | Republic of Senegal                            |
| Rogers Aviation South Africa (Pty) Ltd                | Republic of South Africa                       |
| Rogers Shipping Pte Ltd                               | Republic of Singapore                          |
| Rongai Workshop & Transport Limited                   | Republic of Kenya                              |
| Transcontinent S.A.R.L.                               | Republic of Madagascar                         |
| Velogic Express Reunion                               | Reunion Island                                 |
| Velogic India Private Ltd                             | Republic of India                              |
| Velogic Sea Frigo RTrigo SA                           | Reunion Island                                 |

(h) During the financial year June 2023, the group effected the following changes in proportion of effective ownership interests in subsidiaries that do not result in a loss of control. The net impact of these changes in shareholding resulted in an increase of Rs.36.6m (2022: a decrease of Rs.7.6m) in revaluation reserves and retained earnings and an increase of Rs.12m (2022: a decrease of Rs.569.4m) in non-controlling interests.

**Year ended June 30 2023****Hospitality***Acquisition of the remaining 13.79% stake in CCCLAH Limited*

On October 19, 2022, Rogers Hospitality Operations Limited, a subsidiary company acquired the remaining 13.79% stake in CCCLAH Limited for a total consideration of Rs.6m. This has resulted in consolidating CCCLAH Limited using an effective stake of 68.68% instead of 59.21%. The net impact of these changes in shareholding resulted in a decrease of Rs.2m on retained earnings and a decrease of Rs.2m on non-controlling interests.

## 9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(h) **Year ended June 30 2023 (cont'd)****Corporate***Disposal of 0.58% stake in Velogic Holding Company Ltd ("Velogic")*

On October 7, 2022 and October 11, 2022, Rogers Logistics Investment Holding Ltd, a subsidiary company, disposed 0.56% stake and 0.02% stake in Velogic Holding Company Limited respectively for a total consideration of Rs.13.9m. This has resulted in consolidating Velogic using an effective stake of 80.44% compared to 81.02% in 2022. The net impact of these changes in shareholding resulted in an increase of Rs.6m on retained earnings and an increase of Rs.9m in non-controlling interests.

**Year ended June 30 2022****Fin Tech***Rogers Capital Ltd – Issue of ordinary shares to Swan Life Limited*

On February 4, 2022, Rogers Capital Ltd, a subsidiary company, issued 18,264,840 ordinary shares to Swan Life Limited for a total consideration of Rs.200m. This has resulted in consolidating Rogers Capital Ltd using an effective stake of 58.17% instead of 68.95%. The net impact of these changes in shareholding resulted in a net increase of Rs.133m on retained earnings and a decrease of Rs.133m in non-controlling interests.

**Hospitality***Veranda Tamarin Ltd.- Issue of ordinary shares and preference shares to Rogers Hospitality Operations Ltd*

On May 16, 2022, Veranda Tamarin Ltd, a subsidiary company issued 101,135 ordinary shares and 40,454 preference shares with voting rights to Rogers Hospitality Operations Ltd for a total consideration of Rs.105m. This has resulted in consolidating Veranda Tamarin Ltd using an effective stake of 48.58% instead of 35.03%. The net impact of these changes in shareholding resulted in a decrease of Rs.34m on retained earnings and an increase of Rs.34m on non-controlling interests.

**Real estate**

The shareholding of S&W Synergy Limited, Courchamps Development Limited and Telfair Square Limited have changed due to re-structuring within the group.

Refer to note 33(c) for the change in the shareholding of The Beau Vallon Shopping Mall Limited.

(i) **NON-CONTROLLING INTERESTS**(i) **At June 30,**

|  | 2023              | 2022              |
|--|-------------------|-------------------|
|  | Rs'000            | Rs'000            |
|  | <b>17,545,828</b> | <b>14,990,877</b> |

(ii) **Subsidiary companies with material non-controlling interests**

Details of subsidiary companies that have non-controlling interests that are material to the entity are given below:

|                 | Profit allocated to non-controlling shareholders at June 30, | Accumulated non-controlling interests at June 30, |
|-----------------|--|---|
|                 | Rs'000   | Rs'000  |
| <b>2023</b>     | <b>1,542,686</b>   | <b>18,123,030</b>                                 |
| Rogers & Co Ltd |  |   |
| <b>2022</b>     |  |   |
| Rogers & Co Ltd | 1,190,825  | 15,233,958  |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

10. INVESTMENTS IN ASSOCIATED COMPANIES

(a) Accounting policy

**Separate financial statements of the investor**

Investments in associated companies are carried at fair value.

**Consolidated financial statements**

An associated company is an entity over which the group has significant influence but not control or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associated companies are accounted for under the equity method.

The group's investments in associated companies include goodwill (net of any accumulated impairment loss) identified on acquisition. Investments in associated companies are initially recognised at cost as adjusted for post-acquisition changes in the group's share of the net assets of the associated companies less any impairment in the value of individual investments.

Any excess of the cost of acquisition over the group's share of the net fair value of the associated company's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill and is included in the carrying amount of the investment. Any excess of the group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition is included in profit or loss.

Goodwill arising on the acquisition of a jointly controlled entity or an associate is included with the carrying amount of the jointly controlled entity or associate and tested annually for impairment.

When the group's share of losses exceeds its interest in an associated company, the group discontinues recognising further losses unless it has legal or constructive obligations or made payments on behalf of the associated company.

The results of associated companies acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of their acquisition or up to the date of their disposal.

Unrealised profits are eliminated to the extent of the group's interests in the associated company. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Where necessary, appropriate adjustments are made to the financial statements of associated companies to bring the accounting policies used in line with those adopted by the group.

If the ownership in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) THE GROUP

|   | 2023              | 2022              |
|---|-------------------|-------------------|
|   | Rs '000           | Rs'000            |
| At July 1,  | 10,197,339        | 8,798,006         |
| Additions*  | 158,716           | 16,823            |
| Share of results of associated companies                    | 1,568,722         | 554,635           |
| Share of other comprehensive income of associated companies | (220,128)         | 992,309           |
| Dividend  | (264,491)         | (164,434)         |
| Movements in non distributable reserves**                   | (424,091)         | -                 |
| <b>At June 30,</b>  | <b>11,016,067</b> | <b>10,197,339</b> |

\* Included in additions relates to acquisition of 49% shares of Rogers Capital Finance Ltd which was previously a subsidiary company. Refer to note 49 for more details.

\*\* Movement in non distributable reserves comprise of specific adjustments made in one associated company with regards to its statutory requirements.

ENL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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9. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

(i) Summarised financial information on subsidiaries with material non-controlling interests

(ii) Summarised statement of financial position and statement of profit or loss and other comprehensive income:

|                 | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Revenue    | Profit for the year | Other comprehensive income for the year | Total comprehensive income for the year | Dividend paid to non-controlling shareholders |
|-----------------|----------------|--------------------|---------------------|-------------------------|------------|---------------------|---|---|---|
|                 | Rs'000         | Rs'000             | Rs'000              | Rs'000                  | Rs'000     | Rs'000              | Rs'000                                  | Rs'000                                  | Rs'000  |
| 2023            | 6,457,820      | 40,454,200         | 5,716,550           | 15,194,800              | 11,920,700 | 2,420,000           | 1,891,500                               | 4,311,500                               | 370,700                                       |
| Rogers & Co Ltd |                |                    |                     |                         |            |                     |   |   |   |
| 2022            | 6,866,800      | 36,837,500         | 8,431,100           | 13,540,200              | 9,744,600  | 1,776,000           | 751,100                                 | 2,527,100                               | 307,800                                       |
| Rogers & Co Ltd |                |                    |                     |                         |            |                     |   |   |   |

(ii) Summarised cash flow information:

|                 | Operating activities | Investing activities | Financing activities | Net increase/(decrease) in cash and cash equivalents |
|-----------------|----------------------|----------------------|----------------------|--|
|                 | Rs'000               | Rs'000               | Rs'000               | Rs'000   |
| 2023            | 2,864,980            | (1,423,100)          | (1,308,900)          | 132,980  |
| Rogers & Co Ltd |                      |                      |                      |  |
| 2022            | 2,231,500            | (1,404,800)          | (897,500)            | (70,800)   |
| Rogers & Co Ltd |                      |                      |                      |  |

The summarised financial information provided above is inclusive of intra-group transactions.

(b) Critical accounting estimates

*Fair value of securities not quoted on an active market*

The fair value of securities not quoted on an active market is determined by the group using valuation methods which involve the use of judgement and estimates. Changes in assumptions about these factors could affect the reported fair value of investments.

*Control on subsidiary companies*

For subsidiary companies which have an effective holding % of less than 50%, refer to note 4(a)(i) on judgement for more details.



ENL LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR END 31.03.2023

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)  
(c) Summarised financial information in respect of the group's principal associated companies is set out below:

| Year end | 2023           |                    |                     | 2022                    |                |                         | Revenues  | Profit/(loss) for the year | Other comprehensive income for the year | Total comprehensive income for the year |
|----------|----------------|--------------------|---------------------|-------------------------|----------------|-------------------------|-----------|----------------------------|---|---|
|          | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Current assets | Non-current liabilities |           |                            |   |   |
| June 30, | 18,825,500     | 57,457             | 218,550             | 18,825,500              | 57,457         | 218,550                 | 27,222    | 41,200                     | 66,743                                  | 101,963                                 |
| June 30, | 18,290,000     | 17,500             | 17,500              | 18,290,000              | 17,500         | 17,500                  | 18,663    | 36,743                     | -                                       | 36,743                                  |
| June 30, | 4,402,250      | 2,706,906          | 4,402,250           | 4,402,250               | 2,706,906      | 4,402,250               | 1,003,520 | 2,118,591                  | 1,115,071                               | 1,311,991                               |
| June 30, | 5,234,171      | 2,253,804          | 5,234,171           | 5,234,171               | 2,253,804      | 5,234,171               | 2,662,558 | (104,212)                  | 98,378                                  | (31,854)                                |
| June 30, | 1,172,386      | 52,102,220         | 1,172,386           | 1,172,386               | 52,102,220     | 1,172,386               | 8,675,900 | 724,500                    | (89,100)                                | 8,867,300                               |
| Dec 31,  | 1,789,742      | 1,741,921          | 1,789,742           | 1,789,742               | 1,741,921      | 1,789,742               | 2,388,663 | 1,064,923                  | 81,630                                  | 1,065,553                               |
| June 30, | 6,5135         | 49,831             | 6,5135              | 6,5135                  | 49,831         | 6,5135                  | 21,751    | 53,752                     | 30,553                                  | 84,305                                  |
| June 30, | 25,1112        | 1,1591             | 25,1112             | 25,1112                 | 1,1591         | 25,1112                 | 57,629    | 29,296                     | (53,98)                                 | 23,600                                  |
| June 30, | 3,650,000      | 27,108,570         | 3,650,000           | 3,650,000               | 27,108,570     | 3,650,000               | 9,154,527 | (64,788)                   | 2,014,828                               | 1,950,100                               |
| June 30, | 4,466,700      | 2,230,803          | 4,466,700           | 4,466,700               | 2,230,803      | 4,466,700               | 46,645    | 52,592                     | (25,163)                                | (20,277)                                |
| Dec 31,  | 9,38,649       | 5,669,987          | 9,38,649            | 9,38,649                | 5,669,987      | 9,38,649                | 1,878,500 | 674,382                    | 4,926,684                               | 5,601,346                               |
| Dec 31,  | 868,500        | 905,500            | 868,500             | 868,500                 | 905,500        | 868,500                 | 1,170,400 | 584,600                    | 10,200                                  | 565,100                                 |

(c) Reconciliation of summarised financial information to the carrying amount recognised in the financial statements is set out below:

| Year end | 2023                          |                            | 2022           |                       | Closing net assets at June 30, | Ownership interest | Interest in | Carrying value |
|----------|-------------------------------|----------------------------|----------------|-----------------------|--------------------------------|--------------------|-------------|----------------|
|          | Opening net assets at July 1, | Profit/(loss) for the year | Dividends paid | Transfer of ownership |                                |                    |             |                |
| June 30, | 84,487                        | 41,200                     | 84,487         | 41,200                | 84,487                         | 18.29              | 93,034      | 27,530         |
| June 30, | 7,886,667                     | 676,582                    | 7,886,667      | 676,582               | 8,563,249                      | 38.00              | 2,555,951   | 1,353,951      |
| June 30, | 3,574,429                     | (18,812)                   | 3,574,429      | (18,812)              | 3,555,617                      | 38.20              | 1,353,157   | 1,353,157      |
| June 30, | 79,982                        | 32,594                     | 79,982         | 32,594                | 1,124,631                      | 45.00              | 510,009     | 510,009        |
| Dec 31,  | 1,139,200                     | 1,004,925                  | 1,139,200      | 1,004,925             | 2,144,125                      | 25.38              | 4,524,16    | 4,524,16       |
| June 30, | 391,552                       | 53,752                     | 391,552        | 53,752                | 445,304                        | 18.29              | 79,538      | 79,538         |
| June 30, | 7,055,282                     | 31,828                     | 7,055,282      | 31,828                | 7,087,110                      | 30.14              | 2,498,851   | 2,498,851      |
| June 30, | 5,018,402                     | (64,788)                   | 5,018,402      | (64,788)              | 4,953,614                      | 38.20              | 2,662,025   | 2,662,025      |
| June 30, | 3,776,700                     | 52,592                     | 3,776,700      | 52,592                | 3,829,292                      | 38.20              | 1,365,317   | 1,365,317      |
| June 30, | 3,983,533                     | 674,382                    | 3,983,533      | 674,382               | 4,657,915                      | 29.47              | 1,459,355   | 1,459,355      |
| Dec 31,  | 809,175                       | 554,900                    | 809,175        | 554,900               | 1,364,075                      | 25.38              | 289,129     | 289,129        |

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NOTES TO THE FINANCIAL STATEMENTS  
YEAR END 31.03.2023

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)  
(c) The group's interests in its associated companies are as follows:

| Year end | Country of incorporation | 2023            |                              |                    | 2022            |                              |                    | Principal activity                    |
|----------|--------------------------|-----------------|------------------------------|--------------------|-----------------|------------------------------|--------------------|---------------------------------------|
|          |                          | Holding company | Effective ownership interest | Subsidiary company | Holding company | Effective ownership interest | Subsidiary company |                                       |
| Dec 31,  | Mauritius                | -               | 25.40                        | 15.17              | -               | 25.40                        | 15.17              | Breeding and export of primates       |
| June 30, | Mauritius                | 8.70            | 17.50                        | 17.50              | 8.70            | 17.50                        | 18.29              | Tertiary education                    |
| June 30, | Mauritius                | 34.98           | 39.00                        | 34.98              | 34.98           | 39.00                        | 39.00              | Investment holding                    |
| June 30, | Mauritius                | 48.98           | 30.00                        | 46.98              | 48.98           | 30.00                        | 30.00              | Investment holding                    |
| June 30, | Mauritius                | 50.00           | 50.00                        | 50.00              | 50.00           | 50.00                        | 50.00              | Drumart                               |
| June 30, | Mauritius                | 47.14           | 47.14                        | 47.14              | 47.14           | 47.14                        | 47.14              | Provider of IT services               |
| June 30, | Madagascar               | 50.00           | 50.00                        | 50.00              | 50.00           | 50.00                        | 50.00              | Courier services                      |
| June 30, | Mauritius                | 25.00           | 32.29                        | 25.00              | 25.00           | 32.29                        | 25.00              | Seafood supplier                      |
| June 30, | Mauritius                | 8.80            | 5.26                         | 8.80               | 8.80            | 5.26                         | 8.80               | Marine activities                     |
| June 30, | Mauritius                | 45.00           | 45.00                        | 45.00              | 45.00           | 45.00                        | 45.00              | IT hardware wholesaler                |
| Dec 31,  | Madagascar               | 30.00           | 30.00                        | 30.00              | 30.00           | 30.00                        | 30.00              | IT hardware wholesaler                |
| June 30, | Mauritius                | 25.00           | 25.00                        | 25.00              | 25.00           | 25.00                        | 25.00              | Construction                          |
| June 30, | Mauritius                | 25.00           | 25.00                        | 25.00              | 25.00           | 25.00                        | 25.00              | Construction                          |
| June 30, | Mauritius                | 20.00           | 11.95                        | 20.00              | 20.00           | 11.95                        | 20.00              | Rental of gymnasium                   |
| June 30, | Mauritius                | 22.90           | 26.98                        | 22.90              | 22.90           | 26.98                        | 22.90              | Property                              |
| Dec 31,  | Madagascar               | 50.00           | 29.87                        | 50.00              | 50.00           | 29.87                        | 50.00              | Property                              |
| June 30, | Mauritius                | 33.00           | 33.00                        | 33.00              | 33.00           | 33.00                        | 33.00              | Property                              |
| June 30, | Mauritius                | 33.00           | 10.71                        | 33.00              | 33.00           | 10.71                        | 33.00              | Property                              |
| June 30, | Mozambique               | 29.00           | 17.32                        | 29.00              | 29.00           | 17.32                        | 29.00              | Boat cruise activities                |
| June 30, | Mauritius                | 22.90           | 26.92                        | 22.90              | 22.90           | 26.92                        | 22.90              | Hospitality                           |
| June 30, | Mauritius                | 49.00           | 29.27                        | 49.00              | 49.00           | 29.27                        | 49.00              | Investment                            |
| June 30, | Mauritius                | 29.40           | 17.56                        | 29.40              | 29.40           | 17.56                        | 29.40              | Insurance                             |
| Dec 31,  | Mauritius                | 49.00           | 29.27                        | 49.00              | 49.00           | 29.27                        | 49.00              | Leasing businesses                    |
| Dec 31,  | Cyprus                   | 20.00           | 3.94                         | 20.00              | 20.00           | 3.94                         | 20.00              | Development and ownership of the mall |

(i) Spexid's SARL is a new associate of the group, however it has not yet started its operations.

(ii) The Mall of Limassol (MLO) LTD is a new associate of the group, however it has not yet started its operations.

The above associates have been accounted for using the equity method.

For associated companies having different reporting date, management accounts have been prepared at June 30, 2023. The financial information of Swan used for equity accounting is for the 12 months ended March 31, 2023 and March 31, 2022.

Bank borrowings are secured on some of the group's assets. Please refer to note 22 for further details.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(f) Aggregate information of associated companies which are not individually material is as follows:

|                                     | 2023      | 2022        |
|-------------------------------------|-----------|-------------|
| Carrying amount of interests        | Rs'000    | Rs'000      |
| Share of profit                     | 1,908,675 | 1,595,409   |
| Share of other comprehensive income | 126,580   | 186,732     |
| Share of total comprehensive income | (52,099)  | (1,254,914) |
|                                     | 74,481    | (1,068,182) |

(g) THE COMPANY

|                       | Level 2  | Level 3  | Total     |
|-----------------------|----------|----------|-----------|
| At July 1             | Rs'000   | Rs'000   | Rs'000    |
| Fair value adjustment | 862,300  | 355,500  | 1,217,800 |
| At June 30,           | 355,600  | (48,000) | (12,400)  |
|                       | 897,900  | 307,500  | 1,205,400 |
|                       | Level 2  | Level 3  | Total     |
| At July 1             | Rs'000   | Rs'000   | Rs'000    |
| Transfer*             | 691,000  | 51,200   | 742,200   |
| Fair value adjustment | (96,600) | 96,600   | -         |
| At June 30,           | 267,900  | 207,700  | 475,600   |
|                       | 862,300  | 355,500  | 1,217,800 |

\* It relates to a transfer from level 2 to level 3 due to a change in the valuation method.

(h) The value of the securities was determined at June 30, 2023 by qualified independent professional valuers based on capitalised earnings. In assessing the fair value of the securities, assumptions have been made on the basis of market conditions existing at the end of each reporting date.

Investments included in level 1 comprise of quoted equity investments valued at their closing market prices. If all significant inputs required to fair value an investment are observable, the instrument is included in level 2. If one or more of the significant inputs are not based on observable market data, the investment is included in level 3.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

(i) THE COMPANY

Summarised financial information in respect of the company's principal associated companies is set out below:

|      | Year end | Current assets |            | Non-current assets |            | Current liabilities |            | Non-current liabilities |           | Revenue   | Profit/(loss) for the year | Other comprehensive income for the year | Total comprehensive income for the year |
|------|----------|----------------|------------|--------------------|------------|---------------------|------------|-------------------------|-----------|-----------|----------------------------|---|---|
|      |          | Rs'000         | Rs'000     | Rs'000             | Rs'000     | Rs'000              | Rs'000     | Rs'000                  | Rs'000    |           |                            |   |   |
| 2023 | June 30, | 138,250        | 574,587    | 105,171            | 72,712     | 983,309             | 21,354,588 | 272,222                 | 41,200    | 2,118,591 | 60,703                     | 101,903                                 |   |
|      | June 30, | 4,402,250      | 37,796,906 | 1,499,119          | 2,462,755  | 268,490             | 14,083,520 | 2,118,591               | (130,212) | 98,378    | 1,311,891                  |   |   |
|      | June 30, | 5,234,171      | 2,253,804  | 498,811            | 57,978     | 71,112              | 217,751    | 53,752                  | 30,553    | 84,305    |                            |   |   |
| 2022 | June 30, | 3,650,060      | 37,108,870 | 11,494,227         | 19,987,579 | 8,115,487           | 2,014,928  | 52,592                  | (253,163) | 1,950,160 |                            |   |   |
|      | June 30, | 4,466,701      | 2,220,803  | 1,697,524          | 1,415,850  | 466,465             | (253,163)  | 52,592                  | (253,163) |           |                            |   |   |

Note:

Emerald (M) Ltd, Green Create Nutra Limited and Sun Souvenir Ltd are dormant associated companies.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONTD)

The table below sets out information about significant unobservable inputs used at June 30, 2023 and 2022 in measuring financial instruments categorised as level 3 in the fair value hierarchy.

| 2023         | Valuation technique      | Unobservable inputs   | Range | Sensitivity to changes in significant unobservable inputs   |
|--------------|--------------------------|-----------------------|-------|---|
| Société CTEG | Adjusted market multiple | Expected value/EBITDA | 7.71x | The expected fair value will increase/(decrease) by Rs.0.9m, if the adjusted market multiple will be higher or lower by 1%. |
| 2022         |                          |                       |       |   |
| Société CTEG | Adjusted market multiple | Expected value/EBITDA | 7.71x | The expected fair value will increase/(decrease) by Rs.0.9m, if the adjusted market multiple will be higher or lower by 1%. |

(i) Critical accounting estimates

Significant judgements and assumptions are made in determining whether an entity has significant influence over another entity. In considering the classification, management considers whether control exists, the nature and structure of the relationship and other facts and circumstances. Refer to note 4(a)(i) for more details.

*Fair value of securities not quoted on an active market*

The fair value of securities not quoted on an active market is determined by the company using valuation methods which involve the use of judgement and estimates. Changes in assumptions about these factors could affect the reported fair value of investments.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

11. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

(a) Accounting policy

*Consolidated financial statements*

Investments in jointly controlled entities are accounted for under the equity method of accounting. Equity accounting involves recognising on the statement of comprehensive income the group's share of the jointly controlled entities' profit or loss and other comprehensive income for the year. The groups' interests in the jointly controlled entities are carried on the statement of financial position in an amount that reflects its share of the net assets of the entity (usually 50%) included within the carrying amount of the jointly controlled entity and reset yearly for impairment.

The results of jointly controlled entities acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of their acquisition or up to the date of their disposal.

Unrealised profits are eliminated to the extent of the group's interest in the jointly controlled entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Where necessary, appropriate adjustments are made to the financial statements of jointly controlled entities to bring the accounting policies used in line with those adopted by the group.

(b) THE GROUP

|  | 2023    | 2022   |
|--|---------|--------|
| At July 1  | Rs.000  | Rs.000 |
| Share of loss for the year                       | (6,800) | 40,083 |
| Share of other comprehensive income for the year | 600     | (200)  |
| At June 30,                                      | 37,583  | 40,783 |

(c) The group's interests in its unquoted jointly controlled entities are as follows:

| Year end | Country of incorporation | 2023              |                        | 2022              |                        | Principal activity |
|----------|--------------------------|-------------------|------------------------|-------------------|------------------------|--------------------|
|          |                          | Holding company % | Subsidiary companies % | Holding company % | Subsidiary companies % |                    |
| June 30, | Mauritius                | -                 | 50.00                  | -                 | 50.00                  | Property           |
| June 30, | Mauritius                | -                 | 50.00                  | -                 | 50.00                  | Property           |

The above jointly controlled entities are private companies and there is no quoted market price available for these shares. For jointly controlled entities having different reporting date, management accounts have been prepared at June 30, 2023.

The group consolidates the above named companies as jointly controlled entities despite effectively holding less than 50% as its subsidiary company namely Les Villas de Bel Ombre Limitee holds jointly controlled arrangements along with third parties in these companies.

Bank borrowings are secured on some of the group's assets. Please refer to note 22 for further details.

(d) Critical accounting estimates

Significant judgements and assumptions are made in determining whether an entity has joint control and the type of joint arrangement. In considering the classification, management considers whether control exists, the nature and structure of the relationship and other facts and circumstances.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

12. INVESTMENTS IN FINANCIAL ASSETS

(a) Accounting policy

**Financial assets**

The group classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired.

(i) *Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading and for which the group has made an irrevocable election to classify in this category. These are strategic investments and the group considers this classification to be more relevant. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. Upon disposal any balance within fair value reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve. Transfers between levels of the fair value hierarchy, are deemed to have occurred at the beginning of the reporting period.

(ii) *Financial assets at fair value through profit or loss*

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- equity investments that are held for trading; and
- equity investments for which the group has not elected to recognise fair value gains and losses through other comprehensive income.

Financial assets classified at fair value through profit or loss are subsequently carried at fair value with all unrealised gains and losses arising from changes in fair value being recognised in profit or loss.

*Initial measurement*

Purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Investments are initially measured at cost inclusive of transaction costs except for financial assets at fair value through profit or loss whereby transaction costs are expensed. All financial assets measured at fair value through profit or loss are designated upon initial recognition.

*Subsequent measurement*

Financial assets are subsequently carried at fair value. The fair value of some quoted investments are based on current bid prices. If the market for the financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, adjusted net asset value, capitalised earnings method, dividend yield method and market prices refined to reflect the issuer's specific circumstances. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are reflected at cost.

*Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

12. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

(b) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(i) Equity investments at fair value through other comprehensive income:

|   | THE GROUP      |                | THE COMPANY   |                |
|---|----------------|----------------|---------------|----------------|
|   | 2023           | 2022           | 2023          | 2022           |
|   | Rs'000         | Rs'000         | Rs'000        | Rs'000         |
| At July 1,                                      | 578,211        | 484,145        | 106,475       | 92,515         |
| Additions                                       | 75,172         | 32,294         | -             | 3,000          |
| Disposals*                                      | (13,400)       | (72,363)       | (700)         | -              |
| Change in fair value                            | (22,125)       | 141,827        | (15,162)      | 10,960         |
| Capital reduction                               | (2,137)        | (892)          | -             | -              |
| Reclassify to financial asset at amortised cost | -              | (6,800)        | -             | -              |
| <b>At June 30,</b>                              | <b>615,721</b> | <b>578,211</b> | <b>90,613</b> | <b>106,475</b> |

(ii) Fair value through other comprehensive income financial assets include the following:

|  | THE GROUP      |                | THE COMPANY   |                |
|--|----------------|----------------|---------------|----------------|
|  | 2023           | 2022           | 2023          | 2022           |
|  | Rs'000         | Rs'000         | Rs'000        | Rs'000         |
| <i>Quoted/level 1:</i>                         |                |                |               |                |
| - Tropical Paradise Co Ltd (Ordinary shares)   | 64,787         | 88,100         | 64,787        | 78,100         |
| - Tropical Paradise Co Ltd (Preference shares) | 16,813         | 18,700         | 16,813        | 18,700         |
| - Others                                       | 13,553         | 15,515         | 38            | -              |
|  | <b>95,153</b>  | <b>122,315</b> | <b>81,638</b> | <b>96,800</b>  |
| <i>Unquoted/level 3:</i>                       |                |                |               |                |
| - Luminar Ventures AB                          | 75,700         | 111,200        | -             | -              |
| - Omnismit PTY Ltd                             | 103,600        | 32,200         | -             | -              |
| - CONNEKT4                                     | 82,000         | 35,500         | -             | -              |
| - Peach Bois Proprietary Limited               | 43,800         | 69,100         | -             | -              |
| - ETERNUM Ltd                                  | 43,600         | 13,100         | -             | -              |
| - Reunivatt                                    | 45,600         | 8,300          | -             | -              |
| - Central Depository and Settlement Ltd        | 111,800        | 86,300         | -             | -              |
| - Others                                       | 14,468         | 100,196        | 8,975         | 9,675          |
|  | <b>520,568</b> | <b>455,896</b> | <b>8,975</b>  | <b>9,675</b>   |
| <b>Total</b>                                   | <b>615,721</b> | <b>578,211</b> | <b>90,613</b> | <b>106,475</b> |

The fair value hierarchy for financial assets fair value for other comprehensive income is as below:

|                        | THE GROUP     |                |                |
|------------------------|---------------|----------------|----------------|
|                        | Level 1       | Level 3        | Total          |
|                        | Rs'000        | Rs'000         | Rs'000         |
| <b>2023</b>            |               |                |                |
| At July 1,             | 122,315       | 455,896        | 578,211        |
| Additions              | -             | 75,172         | 75,172         |
| Disposals*             | (400)         | (13,400)       | (13,400)       |
| Fair value adjustments | (26,762)      | 4,637          | (22,125)       |
| Capital reduction      | -             | (2,137)        | (2,137)        |
| <b>At June 30,</b>     | <b>95,153</b> | <b>520,568</b> | <b>615,721</b> |

\* Disposals include redemption of shares.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

12. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

(b) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

|   | THE GROUP (CONT'D) |                   |                 |
|---|--------------------|-------------------|-----------------|
|   | Level 1<br>Rs'000  | Level 3<br>Rs'000 | Total<br>Rs'000 |
| <b>2022</b>                                     |                    |                   |                 |
| At July 1,                                      | 105,915            | 378,230           | 484,145         |
| Additions                                       | -                  | 32,294            | 32,294          |
| Disposals**                                     | (10,100)           | (63,155)          | (73,255)        |
| Fair value adjustments                          | 26,500             | 115,327           | 141,827         |
| Reclassify to financial asset at amortised cost | -                  | (6,800)           | (6,800)         |
| At June 30,                                     | 122,315            | 455,896           | 578,211         |
| <b>2023</b>                                     |                    |                   |                 |
| At July 1,                                      | 96,800             | 9,675             | 106,475         |
| Disposals                                       | -                  | (700)             | (700)           |
| Fair value adjustments                          | (15,162)           | -                 | (15,162)        |
| At June 30,                                     | 81,638             | 8,975             | 90,613          |
| <b>2022</b>                                     |                    |                   |                 |
| At July 1,                                      | 82,140             | 10,375            | 92,515          |
| Additions*                                      | -                  | 3,000             | 3,000           |
| Change in fair value                            | 14,660             | (3,700)           | 10,960          |
| At June 30,                                     | 96,800             | 9,675             | 106,475         |

\* The additions of Rs.3m relates to advances provided by the parent company to a subsidiary company and this was converted into stated capital in previous year.

\*\* Disposals include redemption of shares.

There were no transfers between levels 1 and 3 during the year.

(iii) Financial assets measured at fair value through other comprehensive income include the group's strategic equity investments not held for trading. The group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these strategic investments.

(iv) The fair value of the securities was determined at June 30, 2023 by qualified independent professional valuers. The listed securities were valued based on market prices. The fair value of the unquoted securities is assessed using valuation techniques, namely earnings basis, dividend basis or net asset value.

**Fair value hierarchy**

The following table shows financial instrument recognised at fair value, analysed between those whose fair value is based on:

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

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

12. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

(b) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

**Fair value hierarchy (cont'd)**

The group and the company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The table below sets out information about significant unobservable inputs used at June 30, 2023 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

|                                       | Valuation technique      |                              |                       | Sensitivity to changes in significant unobservable inputs  |
|---------------------------------------|--------------------------|------------------------------|-----------------------|--|
|                                       | 2023                     | 2022                         | Multiple              |  |
| THE GROUP AND THE COMPANY             |                          |                              |                       |  |
|                                       | Adjusted market multiple | Adjusted market value/EBITDA | Expected value/EBITDA | The expected fair value will increase/(decrease) by Rs. 0.8m (2022: Rs.0.9m), if the adjusted market multiple will be higher or lower by 1%. |
| Société CTEG                          | 7.5x                     | 7.1x                         | 7.71x                 |  |
| THE GROUP                             |                          |                              |                       |  |
| Central Depository and Settlement Ltd | Adjusted market multiple | Adjusted market value/EBITDA | Expected value/EBITDA | The expected fair value will increase/(decrease) by Rs. 0.6m (2022: Rs.0.6m), if the adjusted market multiple will be higher or lower by 1%. |
|                                       | 16.6x                    | 16.2x                        | 16.2x                 |  |

For other investments, the fair valuation has been based on the net asset values which management believes is the best estimate of the fair value. If a 10% premium or discount is applied to the net asset value, the fair value would increase/(decrease) by Rs.2.1m (2022: Rs.2.4m) respectively.

(c) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

(i) The carrying amounts of the financial assets at fair value through profit or loss are classified as follows:

|                           | Official market      |                    |                    | Total<br>Rs'000 |
|---------------------------|----------------------|--------------------|--------------------|-----------------|
|                           | DEM listed<br>Rs'000 | Unquoted<br>Rs'000 | Unquoted<br>Rs'000 |                 |
| THE GROUP AND THE COMPANY |                      |                    |                    |                 |
| <b>2023</b>               |                      |                    |                    |                 |
| At July 1,                | 39,101               | 20,399             | 2,270              | 61,770          |
| Additions                 | -                    | -                  | 232                | 232             |
| Change in fair value      | (8,321)              | (12,649)           | -                  | (20,970)        |
| At June 30,               | 30,780               | 7,750              | 2,502              | 41,032          |
| <b>2022</b>               |                      |                    |                    |                 |
| At July 1,                | 34,151               | 18,219             | 2,270              | 54,640          |
| Additions                 | -                    | 1,000              | -                  | 1,000           |
| Capital reduction         | -                    | (554)              | -                  | (554)           |
| Change in fair value      | 4,950                | 1,734              | -                  | 6,684           |
| At June 30,               | 39,101               | 20,399             | 2,270              | 61,770          |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

12. INVESTMENTS IN FINANCIAL ASSETS (CONT'D)

(c) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (CONT'D)

|   | 2023              |                   |                   | Total<br>Rs'000 |
|---|-------------------|-------------------|-------------------|-----------------|
|   | Level 1<br>Rs'000 | Level 3<br>Rs'000 | Level 3<br>Rs'000 |                 |
| THE GROUP AND THE COMPANY                             | 38,530            | 2,502             |                   | 41,032          |
| Financial assets at fair value through profit or loss |                   |                   |                   |                 |
|   | 2022              |                   |                   |                 |
| THE GROUP AND THE COMPANY                             | Level 1<br>Rs'000 | Level 3<br>Rs'000 | Level 3<br>Rs'000 | Total<br>Rs'000 |
| Financial assets at fair value through profit or loss | 59,500            | 2,270             |                   | 61,770          |

(iii) The table below shows changes in level 3 instruments for the year ended June 30, 2023 and 2022:

|             | THE GROUP      |                |                |                | THE COMPANY    |                |                |                |
|-------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|             | 2023<br>Rs'000 | 2022<br>Rs'000 | 2023<br>Rs'000 | 2022<br>Rs'000 | 2023<br>Rs'000 | 2022<br>Rs'000 | 2023<br>Rs'000 | 2022<br>Rs'000 |
| At July 1,  | 2,270          | 2,270          | 2,270          | 2,270          | 2,270          | 2,270          | 2,270          | 2,270          |
| Additions   | 232            | -              | 232            | -              | 232            | -              | -              | -              |
| At June 30, | 2,502          | 2,270          | 2,502          | 2,270          | 2,502          | 2,270          | 2,502          | 2,270          |

(iv) The fair value of the securities was determined by qualified independent professional valuers at the end of the reporting period. Unquoted investments were valued using various methods of valuation and assumptions based on adjusted earnings and adjusted net assets. Listed investments were valued at closing market prices.

(v) Financial assets at fair value through profit or loss are denominated in Mauritian rupees.

(d) The carrying amount of the financial assets represent the maximum credit exposure.

(c) **Critical accounting estimates**

**Fair value of securities not quoted on an active market**

The group has elected to value its investment in securities not quoted in an active market using valuation techniques namely earnings, net asset value or discounted cash flows as appropriate. The group would exercise judgements and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

13. OTHER FINANCIAL ASSETS AT AMORTISED COST

(a) **Accounting policy**

Other financial assets at amortised costs include those assets held with a view of collecting contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transactions costs that are directly attributable to their acquisition or issue, are subsequently carried at amortised cost using the effective interest rate method less any provision from impairment.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

13. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONT'D)

(a) **Accounting policy (cont'd)**

Other receivables generally arise from transactions outside the usual operating activities of the group. For some of the loans, interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

In assessing whether the credit risk on financial assets at amortised cost has increased significantly since initial recognition, the group compares the risk of default occurring on the financial instruments at the reporting date with the risk of default occurring on the financial instrument at the date of initial recognition. In making this assessment, the group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The group manages its financial assets at amortised cost by considering the purpose of their advances, the financial position and forecasted cash flows of the counterparties.

The group recognises an allowance for expected credit losses (ECLs) on receivables classified as financial assets at amortised cost under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash received from the operations of the borrowers.

A financial asset at amortised costs is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets at amortised costs written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in the Statements of Profit or Loss.

The group does not expect any default from the financial assets at amortised cost and is certain of the counterparties' ability to pay their debt as they become due in the normal course of business and/or in any adverse economic and business conditions. Consequently, the probability of default is therefore negligible and the group has not accounted for any impairment loss as deemed immaterial.

(b)

|  | THE GROUP      |                | THE COMPANY    |                |
|--|----------------|----------------|----------------|----------------|
|  | 2023<br>Rs'000 | 2022<br>Rs'000 | 2023<br>Rs'000 | 2022<br>Rs'000 |
| <b>Non-current</b>   |                |                |                |                |
| Loans to subsidiary companies  | -              | -              | 1,837,569      | 1,837,569      |
| Loans to other companies - unsecured   | 74,500         | 81,900         | -              | -              |
| Loans to other companies - secured   | 249            | 248            | 249            | 249            |
|  | 74,749         | 82,148         | 1,837,818      | 1,837,818      |
| <b>Current</b>   |                |                |                |                |
| Loans to associated company  | 9,693          | 9,686          | 9,693          | 9,686          |
| Other receivables  | 1,787,832      | 1,463,725      | 62,125         | 76,191         |
| Less : Loss allowance for debt investments<br>at amortised cost (see note (f)) | (6,316)        | (15,508)       | (15,552)       | (15,508)       |
|  | 1,791,209      | 1,457,903      | 56,266         | 70,369         |
|  | 1,865,958      | 1,540,051      | 1,894,084      | 1,908,187      |

The group has made an impairment by considering the previous repayment behaviours and assessing the future cash flow forecasts covering the contractual period of the loan. Following this assessment, loss allowance of Rs.6.3m (2022: Rs.15.5m) for the group and Rs.15.6m (2022: Rs.15.5m) for the company respectively was accounted for.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

13. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONT'D)

(c) Loans to other companies are repayable by instalments after more than one year, and carry interest at the rate of 2.30% - 3.15%. The carrying amount of such loans receivables approximate their fair values as the loans are contracted on market-related terms.

(d) Non-current loans to subsidiary companies are repayable by June 2026 and carry interest at the rate of 6.25%.

Current loans to related parties are repayable on demand and are interest free. The carrying amount of such loans approximate their fair values.

(e) Other receivables

Other receivables include amount dues from non-group entities and advance payment with authorities arising in the ordinary course of business. The carrying amount of such other receivables approximate their fair values.

(f) Impairment and risk exposure

The loss allowance for the financial assets at amortised cost as at June 30, 2023 reconciles to the opening loss allowance on July 1, 2022 and to the closing loss allowance as at June 30, 2023. This relates to specific provision against long outstanding other receivables.

**THE GROUP**

|  | 2023              | 2022              |
|--|-------------------|-------------------|
| Loss allowance at July 1,                            | Other receivables | Other receivables |
| Allowance reversed in profit or loss during the year | Rs'000            | Rs'000            |
| <b>Loss allowance at June 30,</b>                    | <b>15,508</b>     | <b>16,852</b>     |
|  | <b>(9,192)</b>    | <b>(1,344)</b>    |
|  | <b>6,316</b>      | <b>15,508</b>     |

The expected credit loss (ECL) provision amounting to Rs.15.6m (2022: Rs.15.5m) relates to credit impaired assets which are classified under Stage 3.

**THE COMPANY**

|  | 2023            | 2022              |
|--|-----------------|-------------------|
| Loss allowance at July 1,                              | Related parties | Other receivables |
| Allowance recognised in profit or loss during the year | Rs'000          | Rs'000            |
| <b>Loss allowance at June 30,</b>                      | <b>9,673</b>    | <b>5,835</b>      |
|  | <b>-</b>        | <b>44</b>         |
|  | <b>9,673</b>    | <b>5,879</b>      |

|  | 2023  | 2022    |
|--|-------|---------|
| Loss allowance at July 1,                            | 9,673 | 7,179   |
| Allowance reversed in profit or loss during the year | -     | (1,344) |
| Loss allowance at June 30,                           | 9,673 | 5,835   |
|  |       | 15,508  |

(g) Financial assets at amortised cost are denominated in the following currencies:

|                 | THE GROUP        |           | THE COMPANY      |           |
|-----------------|------------------|-----------|------------------|-----------|
|                 | 2023             | 2022      | 2023             | 2022      |
|                 | Rs'000           | Rs'000    | Rs'000           | Rs'000    |
| Mauritian rupee | <b>1,865,958</b> | 1,540,051 | <b>1,894,084</b> | 1,908,187 |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES

(a) Accounting policy

(i) Recognition and initial measurement  
The group initially recognises loans and advances towards finance leases, loans and advances towards hire purchase, other loans and advances and borrowings on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the group becomes a party to the contractual provisions of the instrument.

At initial recognition, the group measures a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in statement in profit or loss.

(ii) Classification and subsequent measurement

Amortised cost and effective interest rate

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

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

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

The group has the option to classify its financial assets in the following measurement categories:

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

A description of each of the measurement category is given below:

- Under the amortised cost model, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised. Interest income from these financial assets is included in 'Interest income' using the effective interest rate (EIR) method.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES

(a) Accounting policy (cont'd)

Amortised cost and effective interest rate (cont'd)

Financial assets held for a business model that is achieved by both collecting contractual cash flows and selling and that contain contractual terms that arise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. They are recognised on the trade date when the group enters into contractual arrangements to purchase and are normally derecognised when they are either sold or redeemed. They are subsequently remeasured at fair value and changes therein (except for those relating to impairment, interest income and foreign currency exchange gains or losses) are recognised in other comprehensive income until the assets are sold. Upon disposal, the cumulative gains or losses in other comprehensive income are recognised in the statements of profit or loss and other comprehensive income as 'other gains and losses'.

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in statements of profit or loss in the period in which it arises. Interest income from these financial assets is included in 'Interest revenue calculated using the effective interest rate (EIR) method'.

Business model assessment

The group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the group's management;
- the risks that affect the performance of the business model, the financial assets held within that business model and its strategy for how those risks are managed; and
- the frequency, volume and timing of sale in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The group has determined that it has one business model which includes held to collect business model. Financial assets at amortised cost include cash and cash equivalents, loans and advances towards finance leases, loans and advances toward hire purchase, other loans and advances and other assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms; and
- terms that limit the group's claim to cash flows from specified assets (e.g. non-recourse loans).

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES (CONT'D)

(a) Accounting policy (cont'd)

Non-recourse loans

In some cases, loans made by the group that are secured by collateral of the borrower limit the group's claim to cash flows of the underlying collateral (non-recourse loans). The group applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The group typically considers the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, not withstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the group's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the group will benefit from any upside from the underlying assets.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the group changes its business model for managing financial assets.

Subsequent measurement

Financial assets at amortised cost; these assets are subsequently measured at amortised cost using the effective interest method. Interest income and any impairment losses are recognised in the statements of profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire (see also (iv)), or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the group is recognised as a separate asset or liability.

(iv) Modifications of financial assets

Financial assets

If the terms of a financial asset are modified, then the group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.



## 14. LOANS AND ADVANCES (CONT'D)

## (a) Accounting policy (cont'd)

## (iv) Modifications of financial assets (cont'd)

## Financial assets (cont'd)

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see below for write-off policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost does not result in derecognition of the financial asset, then the group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest revenue calculated using the effective interest rate (EIR) method.

## (v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the group's trading activity.

## (vi) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

## 14. LOANS AND ADVANCES (CONT'D)

## (a) Accounting policy (cont'd)

## (vi) Fair value measurement (cont'd)

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

## (vii) Impairment

## Impairment of financial assets

The group recognises loss allowances for expected credit losses ("ECL") on the following financial instruments that are not measured at FVTPL:

- loans and advances towards hire purchase;
- loans and advances towards finance leases;
- other loans and advances; and
- other assets.

The group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- financial instruments that are determined to have low credit risk at the reporting date; and
- financial instruments on which credit risk has not increased significantly since their initial recognition.

The group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade' (Ba1+). The group does not apply the low credit risk exemption to any other financial instruments. The group does not have a credit rating system to grade its loan customers but instead uses a credit scoring methodology to assess whether a customer is credit worthy or not. Accordingly only customers who are creditworthy are given credit facilities. The internal credit rating system of the group is based on the number of days outstanding. Thus all customers across three stages disclosed above, are assessed principally based on days outstanding.

Investment grade (staging) is defined as follows:

Stage 1: 0-34 days

Stage 2: 35-94 days

Stage 3: 95 days and above

## 14. LOANS AND ADVANCES (CONT'D)

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| <p>(a) <b>Accounting policy (cont'd)</b></p> <p>(vii) Impairment (cont'd)<br/><u>Impairment of financial assets (cont'd)</u></p> <p>12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.</p> <p>Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.</p> <p>Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.</p> <p><u>Measurement of ECL</u></p> <p>ECL are a probability-weighted estimate of credit losses. They are measured as follows:</p> <ul style="list-style-type: none"> <li>• financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive); and</li> <li>• financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;</li> <li>• undrawn loan, finance lease and hire purchase commitments: as the present value of the difference between the contractual cash flows that are due to the group if the commitment is drawn down and the cash flows that the group expects to receive; and</li> <li>• financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the group expects to recover.</li> </ul> <p><u>Overview of ECL principles</u></p> <p>The group applies the IFRS 9 general approach to measure expected credit losses which uses a 12 month and a lifetime expected loss allowance for loans and advances towards finance leases and other credit agreements. The expected credit losses under the 'general approach' can best be described using the following formula: Probability of Default (PD) x Loss given Default (LGD) x Exposure at Default (EAD).</p> <p>The impairment requirements apply to financial assets measured at amortised cost. At initial recognition, allowance is required for expected credit losses ("ECL") resulting from default events that are possible within the next 12 months ('12-month ECL').</p> |
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## 14. LOANS AND ADVANCES (CONT'D)

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| <p>(a) <b>Accounting policy (cont'd)</b></p> <p>(vii) Impairment (cont'd)<br/><u>Overview of ECL principles (cont'd)</u></p> <p>In the event of a significant increase in credit risk, allowance is required for ECL resulting from all possible default events over the expected life of the financial instrument ('lifetime ECL'). Financial assets where 12-month ECL is recognised are considered to be 'stage 1'; financial assets which are considered to have experienced a significant increase in credit risk are in 'stage 2'; and financial assets for which there is objective evidence of impairment are considered to be in default or otherwise credit impaired are in 'stage 3'.</p> <p>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.</p> <p>Both Lifetime ECLs and 12-month ECLs are calculated on a collective basis, depending on the nature of the underlying portfolio of financial instruments which is on the basis of their product types.</p> <p>The lifetime expected loss rates ("LTECLs") are based on the group's historical credit losses based on the pattern of no movement of financial assets over a period of six months before reporting date, since the group is in its initial phase of providing loans and advances towards finance leases and other credit arrangements. An additional loss allowance for financial assets is recognised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of financial asset. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the financial assets.</p> <p>In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment the group considers quantitative and qualitative information based on the group's historical experience, credit risk assessment and forward-looking information. The assessment of significant credit deterioration is key in determining when to move from measuring an allowance based on 12-month ECLs to one that is based on lifetime ECLs (i.e., transfer from Stage 1 to Stage 2). If contractual payments are more than 34 days past due, the credit risk is deemed to have increased significantly since initial recognition.</p> <p>Financial assets are classified as 'stage 3' where they are determined to be credit impaired. This includes exposures that are at least 95 days past due and where the obligor is unlikely to pay without recourse against available collateral.</p> <p>Impairment is the difference between contractual and expected cash flows of a financial asset (e.g., finance lease, hire purchase or loan). ECL provision is discounted to present value using the original implicit rate/ effective interest rate. The group presents balance of the respective assets net of allowance for impairment.</p> |
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NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES (CONT'D)

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| <p>(a) <b>Accounting policy (cont'd)</b></p> <p>(vii) Impairment (cont'd)<br/>The calculation of ECLs<br/>The Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period.</p> <p>The Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal whether scheduled by contract, or expected drawdowns on committed facilities.</p> <p>Loss given default ("LGD") is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss. Conceptually, LGD estimates are independent of a customer's probability of default. The LGD models ensure that the main drivers for losses (i.e., different levels and quality of collateralization and customer or product types or seniority of facility) are reflected in specific LGD factors. In our LGD models, we assign collateral type specific LGD parameters to the collateralized exposure (collateral value after application of haircuts).</p> <p>The mechanics of the ECL method are summarised below:</p> <ul style="list-style-type: none"> <li>• Stage 1: The 12-month ECL is calculated as the portion of Lifetime ECLs ("LTECLs") that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The group calculates the 12-month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.</li> <li>• Stage 2: When a loan has shown a significant increase in credit risk since origination, the group records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs lifetime of the instrument. These expected default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.</li> <li>• Stage 3: For loans considered credit-impaired, the company recognises the lifetime ECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.</li> </ul> <p><b>Restructured financial assets</b></p> <p>If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:</p> <ul style="list-style-type: none"> <li>• If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.</li> <li>• If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.</li> </ul> |
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NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES (CONT'D)

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| <p>(a) <b>Accounting policy (cont'd)</b></p> <p>(vii) Impairment (cont'd)<br/>Credit-impaired financial assets<br/>At each reporting date, the group assesses whether financial assets carried at amortised cost are credit impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.</p> <p>Evidence that a financial asset is credit-impaired includes the following observable data:</p> <ul style="list-style-type: none"> <li>• significant financial difficulty of the borrower or issuer;</li> <li>• a breach of contract such as a default or past-due event;</li> <li>• the restructuring of a loan or advance by the group on terms that the group would not consider otherwise; and</li> <li>• it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.</li> </ul> <p>A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 95 days or more is considered credit-impaired even when the regulatory definition of default is different. The presumed 90 days backstop has been rebutted to align with the 5 days of grace days that are given to clients to settle their overdue balance.</p> <p><b>Purchased or Originated Credit-Impaired ("POCI") financial assets</b></p> <p>POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset.</p> <p><b>Presentation of allowance for ECL in the Statements of Financial Position</b></p> <p>Loss allowances for ECL are presented in the statements of financial position as follows:</p> <ul style="list-style-type: none"> <li>• financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and</li> <li>• financial guarantee contracts: generally, as a provision.</li> </ul> <p><b>Write-offs</b></p> <p>Loans are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.</p> <p>Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment losses on financial instruments' in the statements of profit or loss.</p> <p>Financial assets that are written off could still be subject to enforcement activities in order to comply with the group's procedures for recovery of amounts due.</p> |
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NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES (CONT'D)

(b) Gross investment

| 2023   | Finance leases<br>Rs'000 | Hire purchase and consumer finance agreement |                | Other loans and advances | Total<br>Rs'000 |
|--|--------------------------|--|----------------|--------------------------|-----------------|
|  |                          | Rs'000                                       | Rs'000         |                          |                 |
| <b>THE GROUP</b>                                   |                          |  |                |                          |                 |
| Within one year                                    | -                        | 290,900                                      | 81,200         |                          | 372,100         |
| After one year and before two years                | -                        | 170,300                                      | 45,300         |                          | 215,600         |
| After two years and before five years              | -                        | 72,600                                       | 35,600         |                          | 108,200         |
| Loans and advances before allowance for impairment | -                        | 533,800                                      | 162,100        |                          | 695,900         |
| Allowance for credit impairment*                   | -                        | (33,200)                                     | (29,300)       |                          | (62,500)        |
| <b>Loans and advances at June 30,</b>              |                          | <b>500,600</b>                               | <b>132,800</b> |                          | <b>633,400</b>  |
| <b>Representing:</b>                               |                          |  |                |                          |                 |
| <b>Current</b>                                     | -                        | 248,500                                      | 51,800         |                          | 300,300         |
| <b>Non-current</b>                                 | -                        | 252,100                                      | 81,000         |                          | 333,100         |
| <b>Loans and advances at June 30,</b>              |                          | <b>500,600</b>                               | <b>132,800</b> |                          | <b>633,400</b>  |

2022

|  |                  |                |                |  |                  |
|--|------------------|----------------|----------------|--|------------------|
| Within one year                                    | 436,900          | 554,600        | 117,000        |  | 1,108,500        |
| After one year and before two years                | 402,600          | 123,700        | 40,900         |  | 567,200          |
| After two years and before five years              | 673,100          | 44,300         | 38,200         |  | 755,600          |
| After five years                                   | 61,900           | -              | 4,600          |  | 66,500           |
| Loans and advances before allowance for impairment | 1,574,500        | 722,600        | 200,700        |  | 2,497,800        |
| Allowance for credit impairment*                   | (26,400)         | (258,400)      | (8,700)        |  | (293,500)        |
| <b>Loans and advances at June 30,</b>              | <b>1,548,100</b> | <b>464,200</b> | <b>192,000</b> |  | <b>2,204,300</b> |
| <b>Representing:</b>                               |                  |                |                |  |                  |
| <b>Current</b>                                     | 414,100          | 295,900        | 42,800         |  | 752,800          |
| <b>Non-current</b>                                 | 1,134,000        | 168,300        | 149,200        |  | 1,451,500        |
| <b>Loans and advances at June 30,</b>              | <b>1,548,100</b> | <b>464,200</b> | <b>192,000</b> |  | <b>2,204,300</b> |

\* Allowance for credit impairment stated in brackets represents loss allowance.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES (CONT'D)

(c) Loans and advances may be analysed as follows:

| 2023                                  | Finance leases<br>Rs'000 | Hire purchase and consumer finance agreement<br>Rs'000 | Other loans and advances<br>Rs'000 | Total<br>Rs'000  |
|---------------------------------------|--------------------------|--|------------------------------------|------------------|
|                                       |                          |  |                                    |                  |
| Not later than one year               | -                        | 105,400  | 19,400                             | 124,800          |
| After one year and before two years   | -                        | 171,500  | 52,700                             | 224,200          |
| After two years and before five years | -                        | 256,900  | 90,000                             | 346,900          |
| <b>Loans and advances at June 30,</b> |                          | <b>533,800</b>   | <b>162,100</b>                     | <b>695,900</b>   |
| 2022                                  |                          |  |                                    |                  |
| Not later than one year               | 436,900                  | 554,600  | 117,000                            | 1,108,500        |
| After one year and before two years   | 402,600                  | 123,700  | 40,900                             | 567,200          |
| After two years and before five years | 673,100                  | 44,300   | 38,200                             | 755,600          |
| After five years                      | 61,900                   | -  | 4,600                              | 66,500           |
| <b>Loans and advances at June 30,</b> | <b>1,574,500</b>         | <b>722,600</b>   | <b>200,700</b>                     | <b>2,497,800</b> |

(d) Allowance for credit impairment

| 2023  | Finance leases<br>Rs'000 | Hire purchase and consumer finance agreement<br>Rs'000 | Other loans and advances<br>Rs'000 | Total<br>Rs'000  |
|---|--------------------------|--|------------------------------------|------------------|
|   |                          |  |                                    |                  |
| At July 1,                                    | (26,400)                 | (258,400)  | (8,700)                            | (293,500)        |
| Allowance for credit impairment for the year* | -                        | -  | (24,100)                           | (24,100)         |
| Reversal of allowance for credit impairment   | 20,800                   | 54,100   | -                                  | 74,900           |
| Assets written off                            | -                        | 171,100  | 3,500                              | 174,600          |
| On deconsolidation of subsidiaries            | 5,600                    | -  | -                                  | 5,600            |
| <b>At June 30,</b>                            | <b>-</b>                 | <b>(33,200)</b>  | <b>(29,300)</b>                    | <b>(62,500)</b>  |
| 2022  |                          |  |                                    |                  |
| At July 1,                                    | (4,200)                  | (289,400)  | (10,700)                           | (304,300)        |
| Allowance for credit impairment for the year* | (22,200)                 | -  | -                                  | (22,200)         |
| Reversal of allowance for credit impairment   | -                        | 31,000   | 2,000                              | 33,000           |
| <b>At June 30,</b>                            | <b>(26,400)</b>          | <b>(258,400)</b>                                       | <b>(8,700)</b>                     | <b>(293,500)</b> |

\* Allowance for credit impairment stated in brackets represents loss allowance.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES (CONT'D)

(c) At reporting date, the analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lease receivables, hire purchase receivables and loans receivable from customers is as follows:

|  | Stage 1        | Stage 2       | Stage 3       | Total          |
|--|----------------|---------------|---------------|----------------|
|  | Rs'000         | Rs'000        | Rs'000        | Rs'000         |
| <b>Gross carrying amount on loans and advances</b>     |                |               |               |                |
| At July 1, 2021  | 1,998,800      | 155,800       | 422,300       | 2,576,900      |
| New assets originated or purchased                     | 1,054,100      | -             | -             | 1,054,100      |
| Assets derecognised or repaid (excluding write offs)   | (837,200)      | (181,000)     | (115,000)     | (1,133,200)    |
| Transfers to Stage 1                                   | 128,600        | (106,300)     | (22,300)      | -              |
| Transfers to Stage 2                                   | (269,400)      | 281,500       | (12,100)      | -              |
| Transfers to Stage 3                                   | (141,100)      | (21,400)      | 162,500       | -              |
| At June 30, 2022                                       | 1,933,800      | 128,600       | 435,400       | 2,497,800      |
| New assets originated or purchased                     | 1,394,600      | -             | -             | 1,394,600      |
| Assets derecognised or repaid (excluding write offs)   | (883,100)      | (45,100)      | (84,000)      | (1,012,200)    |
| Assets written off                                     | -              | -             | (255,200)     | (255,200)      |
| Transfers to Stage 1                                   | 90,600         | (68,900)      | (21,700)      | -              |
| Transfers to Stage 2                                   | (103,300)      | 117,600       | (14,300)      | -              |
| Transfers to Stage 3                                   | (28,900)       | (33,600)      | 62,500        | -              |
| On deconsolidation of subsidiaries                     | (1,806,800)    | (76,600)      | (45,700)      | (1,929,100)    |
| <b>At June 30, 2023</b>                                | <b>596,900</b> | <b>22,000</b> | <b>77,000</b> | <b>695,900</b> |
| <b>Expected credit loss</b>                            |                |               |               |                |
| At July 1, 2021  | 40,000         | 14,800        | 249,600       | 304,400        |
| New assets originated or purchased                     | 24,800         | -             | -             | 24,800         |
| Assets derecognised or repaid (excluding write offs)   | (33,100)       | (9,600)       | (20,000)      | (62,700)       |
| Transfer to Stage 1                                    | 300            | (300)         | -             | -              |
| Transfer to Stage 2                                    | (7,800)        | 8,100         | (300)         | -              |
| Transfer to Stage 3                                    | (23,000)       | (2,700)       | 25,700        | -              |
| Changes in ECL during the year                         | 25,200         | (1,600)       | 3,400         | 27,000         |
| At June 30, 2022                                       | 26,400         | 8,700         | 258,400       | 293,500        |
| New assets originated or purchased                     | 9,800          | -             | -             | 9,800          |
| Assets derecognised or repaid (excluding write offs)   | (3,500)        | (800)         | (40,900)      | (45,200)       |
| Assets written off                                     | -              | -             | (174,600)     | (174,600)      |
| Transfer to Stage 1                                    | 13,700         | (5,700)       | (8,000)       | -              |
| Transfer to Stage 2                                    | (2,200)        | 5,900         | (3,700)       | -              |
| Transfer to Stage 3                                    | (1,200)        | (4,500)       | 5,700         | -              |
| Changes to models and inputs used for ECL calculations | (27,600)       | 800           | 11,400        | (15,400)       |
| On deconsolidation of subsidiaries                     | (1,900)        | (200)         | (3,500)       | (5,600)        |
| <b>At June 30, 2023</b>                                | <b>13,500</b>  | <b>4,200</b>  | <b>44,800</b> | <b>62,500</b>  |
| Net carrying amount at June 30, 2022                   | 1,907,400      | 119,900       | 177,000       | 2,204,300      |
| <b>Net carrying amount at June 30, 2023</b>            | <b>583,400</b> | <b>17,800</b> | <b>32,200</b> | <b>633,400</b> |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

14. LOANS AND ADVANCES (CONT'D)

(f) Amount arising from ECL

|  | ECL at June 30, 2023 |         |         | Total   |
|--|----------------------|---------|---------|---------|
|  | Stage 1              | Stage 2 | Stage 3 | Total   |
| <b>Loans and advances towards hire purchase and consumer finance agreement</b> |                      |         |         |         |
| Expected loss rate (%)   | 1.5%                 | 16.2%   | 66.0%   | 6.2%    |
| Gross carrying amount (Rs.m)   | 485.0                | 13.6    | 35.6    | 534.2   |
| Expected allowance for impairment (Rs.m)                                       | 7.5                  | 2.2     | 23.5    | 33.2    |
| <b>Other loans and advances</b>  |                      |         |         |         |
| Expected loss rate (%)   | 5.4%                 | 23.8%   | 51.4%   | 18.1%   |
| Gross carrying amount (Rs.m)   | 111.9                | 8.4     | 41.4    | 161.7   |
| Expected allowance for impairment (Rs.m)                                       | 6.0                  | 2.0     | 21.3    | 29.3    |
| <b>ECL at June 30, 2022</b>  |                      |         |         |         |
| <b>Loans and advances towards hire purchase and consumer finance agreement</b> |                      |         |         |         |
| Expected loss rate (%)   | 5.5%                 | 23.5%   | 62.7%   | 34.8%   |
| Gross carrying amount (Rs.m)   | 408.6                | 25.2    | 297.7   | 731.5   |
| Expected allowance for impairment (Rs.m)                                       | 21.1                 | 5.0     | 228.4   | 254.5   |
| <b>Loans and advances towards finance leases</b>                               |                      |         |         |         |
| Expected loss rate (%)   | 0.0%                 | 0.7%    | 8.9%    | 0.4%    |
| Gross carrying amount (Rs.m)   | 1,432.8              | 90.1    | 50.7    | 1,573.6 |
| Expected allowance for impairment (Rs.m)                                       | 0.7                  | 0.6     | 4.5     | 5.8     |
| <b>Other loans and advances</b>  |                      |         |         |         |
| Expected loss rate (%)   | 5.0%                 | 23.3%   | 51.0%   | 17.2%   |
| Gross carrying amount (Rs.m)   | 92.4                 | 13.3    | 87.0    | 192.7   |
| Expected allowance for impairment (Rs.m)                                       | 4.6                  | 3.1     | 25.5    | 33.2    |

A +/- 5% variation in average loss rate as at June 30, 2023 would result in +/- Rs. 14.7 million effect on post tax profit (2022: +/- Rs. 14.7 million). The analysis assumes that all other variables, remain constant.

(g) **Critical accounting estimates**

**Significant accounting judgements and estimates**

The measurement of expected credit loss allowance for Loans and advances is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviours (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is detailed below. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for measurement of ECL;
- Establishing multiple economic scenarios by using different cases for the value of index;
- An important consideration in the impairment model in IFRS 9 is the use of forward-looking information in the models; and
- Determining the assumed lifetime of products.

## 14. LOANS AND ADVANCES (CONT'D)

## (g) Critical accounting estimates (cont'd)

Significant accounting judgements and estimates (cont'd)

The ECL models set up by the group are driven by internal and external data and this required significant judgements and estimates in relation to the determination of forward-looking information defining elements of a significant increase in credit risk and staging of financial instruments.

The consequent impact on the group is uncertain, thereby increasing the degree of judgement required to be exercised in calculating ECL:

- Models used to calculate ECL are inherently complex and judgement is applied in determining the appropriateness of the ECL model;
- A number of inputs, assumptions are made by the group concerning the values of inputs to the models and how the inputs correlate with one another; including the incorporation of the current macro-economic scenario through the forward-looking information; and
- Evidence of significant increase in credit risk and hence the relevant staging and credit worthiness of the group's clients.

Incorporation of forward-looking information

The group incorporates forward-looking information into the measurement of ECL. The cyclical component of Mauritius GDP growth (derived through the smoothing technique, the Hodrick-Prescott filter) is used to proxy the credit cycle index. This credit cycle index is linked to the group's ECL calculations through the well-known Vasicek Single Factor Model. By using forecasts of Mauritius GDP Growth, a forecasted credit cycle index can be derived and used to adjust default rates used in ECL calculations such that these rates reflect the impact of forward-looking information into the measurement of ECL.

The group formulates three economic scenarios:

- (i) a baseline case with 80% weightage, (ii) an upside case with 10% weightage and (iii) a downside case with 10% weightage. The baseline scenario are figures obtained directly from the IMF WEO Database forecasts and on Mauritius Budget Estimates. Standard deviation shocks are applied to the baseline forecasts to allow for a plausible range of forecasts for the macroeconomic variable. A normal distribution is assumed and the 5th percentile case and 95th percentile case are assumed as downside and upside case scenario respectively. The group then calculates a scenario probability weighted PD which is applied to the ECL model.

Collateral held

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of the loans and advances. However, the collateral provides additional security and may take in the form of the items acquired by the borrower and other liens and guarantees. The fair value of the collateral are assessed at periodical intervals to ensure that its portfolio is sufficiently collateralised.

Significant increase in credit risk

As a backstop, the group considers that a significant increase in credit risk occurs no later than when an asset is more than 34 days due. The 30 days presumed backstop has been rebutted to align with the 5 days of grace days that are given to their clients to settle their accounts. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

## 14. LOANS AND ADVANCES (CONT'D)

## (g) Critical accounting estimates (cont'd)

Significant increase in credit risk (cont'd)

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured at 12-month ECL.

The group monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews of its portfolio.

Determining the classification of finance lease as loans and advances

In determining the classification of finance leases as loans and advances, the group has considered that control of the asset has been transferred outright to the customer upon entering the lease agreement.

Credit quality analysis

The group has witnessed a major decrease in its ECL for the current year. The average loss rate for June 30, 2023 is 8.3% (2022: 8.7%).

The gross amount of each category of loans and advances represent the maximum exposure for credit risk as shown in note 14(b).

The leasing segment has a vehicle-based collateral with a portfolio balance -weighted loan to value (LTV) of 155% (2022: 167%). This indicates that the portfolio is significantly over collateralized which in general result in no loss allowance even if the loans are in default.

## 15. INVENTORIES

## (a) Accounting policy

Inventories and work in progress are valued at the lower of cost or net realisable value. Cost is determined on a weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs to completion and applicable variable selling expenses.

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the group develops and intends to sell before, or on completion of development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for development; and
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale.

When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

15. INVENTORIES (CONT'D)

| (b) THE GROUP   | 2023             |                  | 2022   |        |
|---|------------------|------------------|--------|--------|
|   | Rs'000           | Rs'000           | Rs'000 | Rs'000 |
| Raw materials, consumables and spare parts                                      | 581,783          | 498,502          |        |        |
| Stock of land (includes amount transferred from investment properties (note 6)) | 1,979,731        | 1,490,376        |        |        |
| Work in progress  | 52,357           | 76,613           |        |        |
| Finished goods  | 1,222,123        | 1,257,846        |        |        |
| Goods in transit  | 469,494          | 207,236          |        |        |
|   | <u>4,305,488</u> | <u>3,530,573</u> |        |        |

(c) The cost of inventories recognised as expense and included in cost of sales amounted to Rs.4,582m (2022: Rs.3,528m).

(d) There were no write off during the year.

(e) Bank borrowings are secured by floating charges on part of the inventories of the group.

16. CONSUMABLE BIOLOGICAL ASSETS

(a) Accounting policy

Consumable biological assets comprising the standing cane valuation, deer, palm trees and others are measured at fair value less costs to sell, which is the present value of the expected net cash flows discounted at the relevant market determined pre-tax rate (palm trees: 9.82% (2022: 6.25%), nursery: 20.82% - 28.82% (2022: 17.28% - 25.28%) and standing canes 12.14% (2022: 8.77%).

| (b) THE GROUP             | Potatoes     |                | Standing cane |               | Palm trees    |              | Nursery        |        | Deer farming |        | Cattle |        | Total |
|---------------------------|--------------|----------------|---------------|---------------|---------------|--------------|----------------|--------|--------------|--------|--------|--------|-------|
|                           | Rs'000       | Rs'000         | Rs'000        | Rs'000        | Rs'000        | Rs'000       | Rs'000         | Rs'000 | Rs'000       | Rs'000 | Rs'000 | Rs'000 |       |
| At July 1,                | 9,225        | 261,173        | 21,249        | 35,492        | 33,865        | 1,621        | 362,625        |        |              |        |        |        |       |
| Fair value movement       | -            | 53,588         | (710)         | 2,380         | 13,735        | (947)        | 68,046         |        |              |        |        |        |       |
| Movement in cost of sales | (942)        | -              | -             | -             | -             | -            | (942)          |        |              |        |        |        |       |
| At June 30,               | <u>8,283</u> | <u>314,761</u> | <u>20,539</u> | <u>37,872</u> | <u>47,600</u> | <u>674</u>   | <u>429,729</u> |        |              |        |        |        |       |
| (ii) 2022                 |              |                |               |               |               |              |                |        |              |        |        |        |       |
| At July 1,                | 8,673        | 258,692        | 26,088        | 33,804        | 39,765        | 3,641        | 370,663        |        |              |        |        |        |       |
| Fair value movement       | -            | 2,481          | (4,839)       | 1,688         | (5,900)       | (2,020)      | (8,590)        |        |              |        |        |        |       |
| Movement in cost of sales | 552          | -              | -             | -             | -             | -            | 552            |        |              |        |        |        |       |
| At June 30,               | <u>9,225</u> | <u>261,173</u> | <u>21,249</u> | <u>35,492</u> | <u>33,865</u> | <u>1,621</u> | <u>362,625</u> |        |              |        |        |        |       |

Consumable biological assets are stated at their fair value and relate to the value of standing canes, deer farming, nursery plants and palm trees. Any increase/(decrease) in fair value movements of consumable biological assets is accounted in the statements of profit or loss.

The fair value measurements have been categorised as level 3 fair value based on the inputs to the valuation techniques used.

At June 30, 2023, standing canes comprised of approximately 3,723 hectares of sugar cane under plantation (2022: 4,343 hectares). During the year, the group harvested approximately 177,911 tonnes of cane (2022: 250,298 tonnes of cane).

There were no transfers from IAS 41 to IAS 2 during the year.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

16. CONSUMABLE BIOLOGICAL ASSETS (CONT'D)

| (c) Valuation techniques and significant unobservable inputs | Activities  | Valuation technique  | Significant unobservable inputs   | Inter-relationship between key unobservable inputs and fair value measurement   |
|--|---|--|---|---|
|  |   |  |   |   |
| Standing cane  | Cultivation and harvesting of sugarcane and sale to Mauritius Sugar Syndicate ("MSS") | Discounted cash flows: The valuation model considers the present value of the net cash flows expected to be generated by sugarcane plantation.       | Estimated future price of Sugar per tonne- Rs.25,554 - Rs.33,000 (2022:Rs.22,366 - Rs.25,300)<br>Extraction rate per tonne 9.30% - 10.30% (2022: 9.30% - 10.25%)<br>Discount rate 12.14% (2022: 6%-8.77%) | The estimated fair value would increase/(decrease) if:<br>- Expected price of sugar per tonne were higher/(lower)<br>- Extraction rate per tonne were higher/(lower)<br>- Discount rate were lower/(higher) |
| Palms  | Cultivation and sale of palms   | Discounted cash flows: The valuation model considers the present value of the net cash flows expected to be generated by Palm over the next 5 years. | Estimated average price of palms- Rs.275 - Rs.371 per palm tree (2022: Rs.261 - Rs.371)<br>Discount rate 9.82% (2022: 6.51%)  | The estimated fair value would increase/(decrease) if:<br>- Expected average price of palm tree were higher/(lower)   |
| Plants   | Cultivation and sale of plants  | Net Realisable Value   | Future selling price of different type of plants.<br>Discount rate 20.82% - 28.82% (2022: 17.28% - 25.28%)  | The estimated fair value would increase/(decrease) if:<br>- Expected selling price of different types of plants were higher/(lower).  |
| Grass  | Cultivation and sale of grass   | Net Realisable Value   | Estimated future contribution of grass- Rs.57 (2022: Rs.57)   | The estimated fair value would increase/(decrease) if:<br>- Expected selling price were higher/(lower)<br>- Costs were lower/(higher).  |
| Deer   | Rearing of deers for sale of meat and hunting activities                              | Net Realisable Value   | Average weight of deer- 35 kg and 40 kg for local breed (2022: 45 kg and 35 kg for local breed)<br>Average price of deer per kg- Rs.23.5 (2022: Rs.180)   | The estimated fair value would increase/(decrease) if:<br>- Average weight per deer were higher/(lower)<br>- Average price higher/(lower).  |

(d) Critical accounting estimates

Consumable biological assets

The fair value of consumable biological assets has been arrived at by discounting the present value of the expected net cash flows at the relevant market determined pre-tax rate. For standing canes, the expected cash flows have been computed by estimating the expected crop and the sugar extraction rate and the forecasts of sugar prices which will prevail in the coming year. The harvesting costs and other direct expenses are based on yearly budgets.

For other consumable biological assets, the expected cash flows have been computed on the basis of expected sale prices and the expected cost of maintenance.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**17. TRADE AND OTHER RECEIVABLES**

(a) **Accounting policy**

Trade receivables are recognised initially at fair value and subsequently measured at amortised costs using the effective interest method, less credit expected loss allowance.

The group is applying the simplified to measure ECL which uses a lifetime expected loss allowance for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The trade receivables have been divided into unsecured and insured. For insured receivables, the group considers insurance proceeds as an integral part of the impairment assessment of the receivables. The expected cash flows from the insurance cover are included when measuring ECL of the receivables to the extent that the expected losses are covered by the insurance cover. The uninsured receivables are the balances where the group has no collateral.

The expected loss rates are based on the group's historical credit losses based on the pattern of movement of receivables over a period of three years before the reporting date. An additional loss allowance for receivables is recognised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the gross domestic product ("GDP") as the key macroeconomic factors in the countries where the group operates.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive. Trade and other receivables generally have a short duration and do not carry a contractual interest rate. Therefore, they are measured on initial recognition at the transaction price. Accordingly, the effective interest rate for receivables is zero and discounting of expected cash shortfalls to reflect the time value of money is not required when measuring ECL.

In case of the customers having credit ratings with external agencies, the default rate issued by such agencies is used as the ECL rate. Hence, such customers are removed from the ageing analysis and ECL is calculated separately as per external credit ratings.

The group has an established credit policy under which new customers are analysed individually for credit worthiness for each business activity before the group's standard payment, delivery terms and conditions are offered. Customers that fail to meet the group's benchmark creditworthiness may transact with the group upon lodging of a bank guarantee as a security document or on a strictly prepaid (cleared funds) only basis.

|                                     | THE GROUP |           | THE COMPANY |        |
|-------------------------------------|-----------|-----------|-------------|--------|
|                                     | 2023      | 2022      | 2023        | 2022   |
|                                     | Rs'000    | Rs'000    | Rs'000      | Rs'000 |
| Trade receivables                   | 2,550,183 | 2,632,701 | 4,541       | 4,089  |
| Less provision for impairment*      | (322,148) | (338,348) | (178)       | (190)  |
| Carrying value of trade receivables | 2,228,035 | 2,294,353 | 4,363       | 3,899  |

\* Amount for provision for impairment stated in brackets above represents a loss allowance.

The carrying amount of the trade receivables is considered as a reasonable approximation of fair value given the short-term nature of the receivables.

(i) *Impairment of trade receivables*

The group uses the simplified approach to calculate for its ECL. Management has segregated the receivables book between a performing book (PB) and non-performing book (NPB) and have used inferred proxies for the probability of default (PD) based on relevant jurisdictional sovereign Moody's ratings. An LGD (loss given default) proxy of 22% - 62% (2022: 22% - 62%) was used for counterparties which is representative of the corporate client's exposure.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**17. TRADE AND OTHER RECEIVABLES (CONT'D)**

(i) *Impairment of trade receivables (cont'd)*

For other subsidiaries, the trade and other receivables have been divided into insured and uninsured. For insured receivables, the subsidiaries have exercised the policy choice of considering insurance cover as an integral part of the receivables. The expected cash flows from the insurance cover are included when measuring ECL of the receivables to the extent that the expected losses are covered by the insurance cover. The uninsured receivables are the balance where the subsidiaries have no collaterals.

The expected loss rates are based on the subsidiaries' historical credit losses based on the pattern of movement of receivables over a period of three years before the reporting date. An additional loss allowance for receivables is recognised when there is objective evidence that the subsidiaries will not be able to collect all amounts due according to the original terms of the receivable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customer to settle the receivables. These subsidiaries have identified the gross domestic product (GDP) as the key macroeconomic factors in the sectors in which they operate.

In case of customers having credit ratings with external agencies, the default rate issued by such agencies is used as the ECL rate. Hence, such customers are removed from the ageing and ECL is calculated separately as per external credit ratings.

The loss allowance as at June 30, 2023 and 2022 was determined as follows for trade receivables:

| THE GROUP                                 | More than 30 days past due |          | More than 60 days past due |           | More than 90 days past due |        | Total |
|---|----------------------------|----------|----------------------------|-----------|----------------------------|--------|-------|
|   | Rs'000                     | Rs'000   | Rs'000                     | Rs'000    | Rs'000                     | Rs'000 |       |
| <b>At June 30, 2023</b>                   |                            |          |                            |           |                            |        |       |
| <b>Simplified approach</b>                |                            |          |                            |           |                            |        |       |
| Expected loss rate                        | 5%                         | 5%       | 7%                         | 7%        | 32%                        |        |       |
| Gross carrying amount - trade receivables | 1,417,969                  | 303,679  | 142,088                    | 686,447   | 2,550,183                  |        |       |
| Specific ECL allowance                    | (9,100)                    | (200)    | -                          | (59,900)  | (69,200)                   |        |       |
| General ECL allowance                     | (63,702)                   | (16,126) | (10,454)                   | (162,666) | (252,948)                  |        |       |
| Loss allowance                            | (72,802)                   | (16,326) | (10,454)                   | (222,566) | (322,148)                  |        |       |

| THE COMPANY                               | More than 30 days past due |          | More than 60 days past due |           | More than 90 days past due |        | Total |
|---|----------------------------|----------|----------------------------|-----------|----------------------------|--------|-------|
|   | Rs'000                     | Rs'000   | Rs'000                     | Rs'000    | Rs'000                     | Rs'000 |       |
| <b>At June 30, 2022</b>                   |                            |          |                            |           |                            |        |       |
| <b>Simplified approach</b>                |                            |          |                            |           |                            |        |       |
| Expected loss rate                        | 3%                         | 4%       | 8%                         | 53%       |                            |        |       |
| Gross carrying amount - trade receivables | 1,648,738                  | 325,859  | 164,774                    | 493,330   | 2,632,701                  |        |       |
| Specific ECL allowance                    | (3,300)                    | (1,200)  | (1,300)                    | (68,500)  | (74,300)                   |        |       |
| General ECL allowance                     | (47,527)                   | (12,905) | (11,280)                   | (192,336) | (264,048)                  |        |       |
| Loss allowance                            | (50,827)                   | (14,105) | (12,580)                   | (260,836) | (338,348)                  |        |       |

| THE COMPANY                               | More than 30 days past due |        | More than 60 days past due |        | More than 90 days past due |        | Total |
|---|----------------------------|--------|----------------------------|--------|----------------------------|--------|-------|
|   | Rs'000                     | Rs'000 | Rs'000                     | Rs'000 | Rs'000                     | Rs'000 |       |
| <b>At June 30, 2023</b>                   |                            |        |                            |        |                            |        |       |
| <b>Simplified approach</b>                |                            |        |                            |        |                            |        |       |
| Expected loss rate                        | 2%                         | 14%    | 0%                         | 4%     |                            |        |       |
| Gross carrying amount - trade receivables | 402                        | 44     | 234                        | 3,861  | 4,541                      |        |       |
| General ECL allowance                     | (10)                       | (6)    | (1)                        | (161)  | (178)                      |        |       |



**NOTES TO THE FINANCIAL STATEMENTS  
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**17. TRADE AND OTHER RECEIVABLES (CONT'D)**

(i) *Impairment of trade receivables (cont'd)*

The loss allowance as at June 30, 2023 and 2022 was determined as follows for trade receivables: (cont'd)

| THE COMPANY                               | Current<br>Rs'000 | More than 30 days past due |    | More than 60 days past due |       | More than 90 days past due |    | Total<br>Rs'000 |
|---|-------------------|----------------------------|----|----------------------------|-------|----------------------------|----|-----------------|
|   |                   | 0%                         | 0% | 0%                         | 6%    | 0%                         | 6% |                 |
| At June 30, 2022                          |                   |                            |    |                            |       |                            |    |                 |
| Simplified approach                       | 780               | 24                         | 5  | 3,280                      | 4,089 |                            |    |                 |
| Expected loss rate                        | 0%                | -                          | -  | (190)                      | (190) |                            |    |                 |
| Gross carrying amount - trade receivables |                   |                            |    |                            |       |                            |    |                 |
| General ECL allowance                     |                   |                            |    |                            |       |                            |    |                 |

Trade receivables past due more than 90 days were credit impaired.

The closing loss allowances for trade receivables as at June 30, 2023 and 2022 reconcile to the opening loss allowances as follows:

|   | THE GROUP                    |                             |                           |
|---|------------------------------|-----------------------------|---------------------------|
|   | Specific provision<br>Rs'000 | General provision<br>Rs'000 | Total provision<br>Rs'000 |
| <b>2023</b>   |                              |                             |                           |
| At July 1, 2022   | 74,300                       | 264,048                     | 338,348                   |
| Loss allowance recognised in profit or loss during the year | 10,100                       | 8,745                       | 18,845                    |
| Write off against loss allowance                            | (15,400)                     | (20,634)                    | (36,034)                  |
| Unused amount reversed                                      | -                            | (5,211)                     | (5,211)                   |
| Acquisition of subsidiaries                                 | -                            | 11,000                      | 11,000                    |
| On deconsolidation of subsidiaries                          | (1,900)                      | (5,000)                     | (6,900)                   |
| Translation difference                                      | 2,100                        | -                           | 2,100                     |
| <b>At June 30, 2023</b>                                     | <b>69,200</b>                | <b>252,948</b>              | <b>322,148</b>            |
| <b>2022</b>   |                              |                             |                           |
| At July 1, 2021   | 87,400                       | 411,191                     | 498,591                   |
| Loss allowance recognised in profit or loss during the year | 23,000                       | (3,143)                     | 19,857                    |
| Receivables written off during the year as uncollectible    | (32,300)                     | 1,588                       | (30,712)                  |
| Write off against provision                                 | (3,800)                      | (106,000)                   | (109,800)                 |
| Unused amount reversed                                      | -                            | (1,586)                     | (1,586)                   |
| Bad debts recovered   | -                            | (40)                        | (40)                      |
| Acquisition of subsidiaries                                 | -                            | 15,300                      | 15,300                    |
| On deconsolidation of subsidiaries                          | -                            | (49,562)                    | (49,562)                  |
| Translation difference                                      | -                            | (3,700)                     | (3,700)                   |
| At June 30, 2022  | 74,300                       | 264,048                     | 338,348                   |

THE COMPANY

|   | 2023 | 2022 |
|---|------|------|
| <b>General provision</b>                                    |      |      |
| At July 1,  | 190  | 142  |
| Loss allowance recognised in profit or loss during the year | -    | 48   |
| Unused amount reversed                                      | (12) | -    |
| At June 30,   | 178  | 190  |

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**17. TRADE AND OTHER RECEIVABLES (CONT'D)**

(c) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The group does not hold any collateral as security.

(d) **Critical accounting estimates**

The loss allowances for financial assets are based on assumptions about risks of default and expected loss rates. The group uses judgement in making these assumptions and selecting inputs to impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

**18. ASSETS RELATED TO CONTRACTS WITH CUSTOMERS**

(a) **Accounting policy**

**Contract assets**

A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the services and acceptance by the customers, the amount recognised as contract assets is reclassified to trade receivables. A contract asset is subject to impairment assessment and its loss allowance is measured at an amount equal to lifetime Expected Credit Losses (ECL).

The group is applying the simplified approach to measure Expected Credit Losses (ECL) which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due.

The contract assets have been divided into uninsured and insured. For insured receivables, the group considers insurance proceeds as an integral part of the impairment assessment of the receivables. The expected cash flows from the insurance cover are included when measuring ECL of the receivables to the extent that the expected losses are covered by the insurance cover. The uninsured receivables are the balances where the group has no collateral.

The group considers its contract assets to be in default when contractual payments are past due the approved credit period depending on the business environment in which it operates. The group also considers a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

The expected loss rates are based on the group's historical credit losses based on the pattern of movement of receivables over a period of three years before the reporting date. An additional loss allowance for receivables is recognised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the gross domestic product (GDP) as the key macroeconomic factors in the countries where the group operates.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive. Contract assets generally have a short duration and do not carry a contractual interest rate. Therefore, they are measured on initial recognition at the transaction price. Accordingly, the effective interest rate for receivables is zero and discounting of expected cash shortfalls to reflect the time value of money is not required when measuring expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

18. ASSETS RELATED TO CONTRACTS WITH CUSTOMERS (CONT'D)

(a) **Accounting policy (cont'd)**

**Contract assets (cont'd)**

In case of the customers having credit ratings with external agencies, the default rate issued by such agencies is used as the ECL rate. Hence, such customers are removed from the ageing analysis and ECL is calculated separately as per external credit ratings.

The group has an established credit policy under which new customers are analysed individually for credit worthiness for each business activity before the group's standard payment, delivery terms and conditions are offered. Customers that fail to meet the group's benchmark creditworthiness may transact with the group upon lodging of a bank guarantee as a security document or on a strictly prepaid (cleared funds) only basis.

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's recovery procedures. Any recoveries made are recognised in Statements of profit or loss.

When assessing whether a receivable is in default, include, the group considers the following factors:

- the balance remaining due for more than 360 days;
- the debtor is unlikely to pay its obligation in full without recourse to actions such as disposing its assets; and
- the financial position indicating that debtors is in financial difficulty.

The contract assets primarily relate to the group's rights to consideration for work completed but not yet billed at the reporting date on construction contracts.

(b) **THE GROUP**

|  | 2023           | 2022           |
|--|----------------|----------------|
|  | Rs'000         | Rs'000         |
| At July 1,   | 124,119        | 159,432        |
| Amounts included in contract assets that was recognised as revenue during the year | (48,025)       | (39,503)       |
| Excess of revenue recognised over amounts invoiced                                 | 165,525        | 164,590        |
| Loss allowance   | (2,800)        | (6,600)        |
| Transfer to trade receivables  | -              | (2,000)        |
| On deconsolidation of subsidiaries   | 2,800          | 5,900          |
| Translation difference   | 137,719        | 124,119        |
| <b>At June 30,</b>   | <b>137,719</b> | <b>124,119</b> |

At June 30, 2023 and 2022, the carrying value of contract assets have been analysed as follows:

| THE GROUP              | Not past due | Current | More than 30 days* past due | More than 60 days past due | More than 90 days past due | Total   |
|------------------------|--------------|---------|-----------------------------|----------------------------|----------------------------|---------|
|                        |              |         |                             |                            |                            |         |
| At June 30, 2023       | 1.3%         | 0.5%    | 1.1%                        | 2.4%                       | 19.1%                      |         |
| Expected loss rate     | 93,500       | 18,420  | 18,151                      | 4,151                      | 6,297                      | 140,519 |
| Gross carrying amount  | (1,200)      | -       | (100)                       | -                          | (1,100)                    | (2,400) |
| - contract assets      | (1,200)      | (100)   | (200)                       | (100)                      | (100)                      | (400)   |
| Specific ECL allowance |              |         |                             |                            |                            |         |
| General ECL allowance  |              |         |                             |                            |                            |         |
| Loss allowance         |              |         |                             |                            |                            |         |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

18. ASSETS RELATED TO CONTRACTS WITH CUSTOMERS (CONT'D)

(b) At June 30, 2023 and 2022, the carrying value of contract assets have been analysed as follows: (cont'd)

| THE GROUP              | Not past due | Current | More than 30 days* past due | More than 60 days past due | More than 90 days past due | Total   |
|------------------------|--------------|---------|-----------------------------|----------------------------|----------------------------|---------|
|                        |              |         |                             |                            |                            |         |
| At June 30, 2022       | 3.6%         | 0.5%    | 17.9%                       | 0.0%                       | 16.1%                      |         |
| Expected loss rate     | 90,500       | 19,607  | 5,020                       | 1,325                      | 14,267                     | 130,719 |
| Gross carrying amount  |              |         |                             |                            |                            |         |
| - contract assets      |              |         |                             |                            |                            |         |
| Specific ECL allowance |              |         |                             |                            |                            |         |
| General ECL allowance  |              |         |                             |                            |                            |         |
| Loss allowance         |              |         |                             |                            |                            |         |

\*At June 30, 2023, a specific provision of Rs.2.2m has been included in expected credit loss allowance (2022: Rs.1.5m).

Contract assets past due more than 360 days were credit impaired. Given the nature of the group's contract assets, the ageing of a balance beyond 90 days does not necessarily indicate a credit default of the counterparty. Based on the group's experience, these balances are not considered impaired until they exceed 360 days. Accordingly, the group has rebutted the presumption that a balance is impaired if it is past due by more than 90 days.

Loss allowances for contract assets are:

|  | THE GROUP    |              |
|--|--------------|--------------|
|  | 2023         | 2022         |
|  | Rs'000       | Rs'000       |
| At July 1,   | 6,600        | 23,100       |
| Increase in loss allowances recognised in profit or loss during the year | 2,800        | 500          |
| Reversal of provision for bad debts no longer required                   | (6,800)      | (18,100)     |
| Translation difference   | 200          | 1,100        |
| <b>At June 30,</b>   | <b>2,800</b> | <b>6,600</b> |

(c) **Critical accounting estimates**

The loss allowances for financial assets are based on assumptions about risks of default and expected loss rates. The group uses judgement in making these assumptions and selecting inputs to impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

19. AMOUNTS RECEIVABLE FROM GROUP COMPANIES

(a) **Accounting policy**

Amounts receivable from group companies include trade receivables, loans and advances and other receivables which are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method, less provision for impairment.

Impairment provisions for such trade receivables, loans and advances and other receivables are recognised based on the simplified approach within IFRS 9 using the lifetime ECL. The company recognises an allowance for expected credit losses ("ECLs") on loans classified as financial assets at amortised cost under the general approach. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

19. AMOUNTS RECEIVABLE FROM GROUP COMPANIES (CONT'D)

**Accounting policy (cont'd)**

To measure ECL, such trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. For such trade and other receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the statement of profit or loss and other comprehensive income. On confirmation that such trade and other receivables will not be collectible, the gross carrying value of the asset is written off against the associated provision.

|                               | 2023     | 2022    |
|-------------------------------|----------|---------|
|                               | Rs'000   | Rs'000  |
| Trade receivables             | 85,979   | 60,045  |
| Less provision for impairment | (4,192)  | (3,770) |
| Trade receivables- net        | 81,787   | 56,275  |
| Other receivables (c)         | 242,016  | 217,694 |
| Less provision for impairment | (10,033) | (9,720) |
| Other receivables- net        | 231,983  | 207,974 |
|                               | 313,770  | 264,249 |

- (c) Other receivables comprise mainly of loans, advances, interest and dividend receivable from group companies.

**THE COMPANY**

Other receivables

|      | Loans  | Others  | Total   |
|------|--------|---------|---------|
|      | Rs'000 | Rs'000  | Rs'000  |
| 2023 | 47,000 | 184,983 | 231,983 |
| 2022 | 6,000  | 201,974 | 207,974 |

- (d) *Impairment of amount receivable from group companies*

The company recognises an allowance for expected credit losses ("ECLs") on loans classified as financial assets at amortised cost under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash received from the operations of the borrowers.

For other receivables, the company uses the simplified approach to calculate for its ECL. Management has segregated the receivables book between a performing book (PB) and non-performing book (NPNB) and have used inferred proxies for the probability of default (PD) based on relevant jurisdictional sovereign Moody's ratings. An LGD (loss given default) proxy of 22% - 62% (2022: 22% - 62%) was used for counterparties which is representative of the corporate client's exposure.

|                       | Current | More than 30 days |          | More than 60 days |          | More than 90 days |          | Total |
|-----------------------|---------|-------------------|----------|-------------------|----------|-------------------|----------|-------|
|                       |         | Rs'000            | past due | Rs'000            | past due | Rs'000            | past due |       |
| At June 30, 2023      | 0%      | 179,999           | 13,001   | 10,972            | 124,023  | 327,995           | (14,225) |       |
| Expected loss rate    | (478)   | (253)             | (59)     | (13,435)          |          |                   |          |       |
| Gross carrying amount | 0%      | 0%                | 0%       | 0%                | 14%      |                   |          |       |
| Loss allowance        | 158,539 | 10,611            | 11,785   | 96,804            | 277,739  | (13,490)          |          |       |

At June 30, 2022

Expected loss rate  
Gross carrying amount  
Loss allowance

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

19. AMOUNTS RECEIVABLE FROM GROUP COMPANIES (CONT'D)

- (d) *Impairment of amount receivable from group companies (cont'd)*

The closing loss allowances as at June 30, 2023 and 2022 reconcile to the opening loss allowances as follows:

|   | 2023     | 2022     |
|---|----------|----------|
|   | Rs'000   | Rs'000   |
| THE COMPANY   | (13,490) | (13,160) |
| At July 1,  | (735)    | (330)    |
| Loss allowance reversed in profit or loss during the year | (14,225) | (13,490) |
| At June 30,   |          |          |

At June 30, 2023, amounts receivable from group companies were impaired by Rs.14,225,000 (2022: Rs.13,490,000). The carrying amount of receivables from group companies approximate their fair value.

- (e) Amounts receivable from group companies are denominated in Mauritian rupees.

- (f) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The company does not hold any collateral as security.

**Critical accounting estimates**

The loss allowances for financial assets are based on assumptions about risks of default and expected loss rates. The group uses judgement in making these assumptions and selecting inputs to impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

20. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(a) **Accounting policy**

Non-current assets classified as held for sale relate to land earmarked for future sale, development projects and investment earmarked for sale during the coming year. They are measured at the lower of carrying amount and fair value less costs to sell if the carrying amount is recovered principally through sales. This condition is regarded as met only when the sales are highly probable and the asset is available for immediate sale in their When the group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met regardless of whether the group will retain a non-controlling interest in its former subsidiary after the sale.

- (b) **Non-current assets classified as held for sale**

|   | THE GROUP |        |
|---|-----------|--------|
|   | 2023      | 2022   |
|   | Rs'000    | Rs'000 |
| Disclosed as follows:                       |           |        |
| Land classified as held for sale (note (i)) | 154,730   | -      |

- (i) **Assets classified as held for sale**

|   | THE GROUP |          |
|---|-----------|----------|
|   | 2023      | 2022     |
|   | Rs'000    | Rs'000   |
| At July 1,  | -         | 19,100   |
| Disposals   | -         | (19,100) |
| Transfer from property, plant and equipment (note 5(b)(i))* | 154,730   | -        |
| At June 30,   | 154,730   | -        |

\* These assets have been classified as non-current assets held for sale as the intention is to dispose of them within one year. These have been fair valued at June 30, 2023 by independent valuer.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**21. STATED CAPITAL**

(a) **Accounting policy**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new share are shown in equity as deduction, net of tax, from proceeds. Where the company purchases its equity stated capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. When such shares are subsequently reissued, any net consideration received, is included in equity attributable to the company's equity holders.

|                                  | THE GROUP AND THE COMPANY |                      |
|----------------------------------|---------------------------|----------------------|
|                                  | 2023                      | 2022                 |
|                                  | Number of shares          | Number of shares     |
|                                  | Rs'000                    | Rs'000               |
| <b>At July 1, &amp; June 30,</b> | <b>1,074,996,326</b>      | <b>1,074,996,326</b> |
|                                  | <b>3,607,987</b>          | <b>3,607,987</b>     |
|                                  | <b>1,074,996,326</b>      | <b>1,074,996,326</b> |
|                                  | <b>3,607,987</b>          | <b>3,607,987</b>     |
|                                  | <b>700,000,000</b>        | <b>700,000,000</b>   |
|                                  | <b>0.10</b>               | <b>0.10</b>          |
|                                  | <b>1,074,996,326</b>      | <b>1,074,996,326</b> |
|                                  | <b>3,607,987</b>          | <b>3,607,987</b>     |

The stated capital as at the reporting date is made up as follows:

|                              | 2023             | 2022             |
|------------------------------|------------------|------------------|
|                              | Number of shares | Number of shares |
|                              | Rs'000           | Rs'000           |
| Ordinary A shares            | 374,996,326      | 374,996,326      |
| Restricted redeemable shares | 700,000,000      | 700,000,000      |
|                              | 1,074,996,326    | 1,074,996,326    |
|                              | 3,607,987        | 3,607,987        |

The above shares have no par value.

(c) **Ordinary A shares**

An ordinary A share confers on the holder the following rights:

- the right to vote at meetings of shareholders;
- subject to the rights of any other class of shares, the right to an equal share in dividend and other distributions made by the company; and
- subject to the rights of any other class of shares, the right to an equal share in the distribution of the surplus assets of the company on its liquidation.

(d) **Restricted redeemable shares (RRS)**

A restricted redeemable share has no economic rights but confers on the holder the following rights:

- the right to vote at meetings of shareholders;
- no right to be transferred except with the consent of the holders of at least 75% of the shares of that class; and
- the right to participate in a bonus issue of any class of shares having voting rights so that on an issue of bonus shares such number of RRS be allotted to the holder of RRS in order that the proportion of RRS compared to shares having voting rights are maintained and not varied.

There is no contractual obligation to deliver cash or any financial obligation to the holder as these are redeemable at the option of the company.

(e) **TREASURY SHARES**

|                                | THE GROUP AND THE COMPANY |                  |
|--------------------------------|---------------------------|------------------|
|                                | 2023                      | 2022             |
|                                | Number of shares          | Number of shares |
|                                | Rs'000                    | Rs'000           |
| <b>At July 1, and June 30,</b> | <b>7,560,362</b>          | <b>7,560,362</b> |
|                                | <b>250,000</b>            | <b>250,000</b>   |

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**21. STATED CAPITAL (CONT'D)**

(c) **TREASURY SHARES (CONT'D)**

The reserves of the company's treasury shares comprise the cost of the company's shares held by the group. At June 30, 2023, the group held 7,560,362 of the company's shares (2022: 7,560,362).

(f) **Critical accounting estimates**

**Restricted redeemable shares (RRS)**

Taking into account the rights attached to RRS in note (d) above, it is appropriate that RRS is classified as equity.

**22. BORROWINGS**

(a) **Accounting policy**

Borrowings are recognised initially at fair value being their issue proceeds net of direct issue costs. Borrowings are subsequently measured at amortised cost using the effective interest rate which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried on the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption as well as any interest or coupon payable while the liability is outstanding.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

The group presents lease liabilities related to right of use assets in 'borrowings' in the Statements of Financial Position.

Lease liabilities related to right of use assets are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

The group has lease contracts for various items of land, building, plant and equipment and motor vehicles used in its operations. Leases of land generally have lease terms between 1.4 to 66 years, buildings have lease terms between 1.9 to 19 years, while plant, equipment and motor vehicles have lease terms between 1.4 to 10 years. The group's obligations under its leases are secured by the lessor's title to leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group are reasonably certain not to terminate early.

Lease liabilities related to right of use assets are subsequently measured at amortised cost using the effective interest method. Lease liabilities are subject to remeasurement if there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option. Upon remeasurement, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

**Short-term leases and leases of low-value assets**

The group has elected not to recognise right of use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## 22. BORROWINGS (CONT'D)

## (a) Accounting policy (cont'd)

**Leases - Estimating the incremental borrowing rate**

The group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

**Rent concessions**

The group applies the practical expedient allowing it not to assess whether eligible rent concessions are lease modifications. The group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the group assesses whether there is a lease modification.

When a lessor permits a lessee to defer a lease payment, we believe the lessee may account for the concession by continuing to account for the lease liability and right-of-use asset using the rights and obligations of the existing lease and recognising a separate lease payable (that generally does not accrue interest) in the period that the allocated lease cash payment is due. In this case, the lessee would reduce the lease payable when it makes the lease payment at the revised payment date.

This approach of recording a lease payable for the future payment would allow the lease liability to be accreted using the original incremental borrowing rate and would result in a lease liability balance of zero at the end of the lease term (i.e., the lessee would not need to revisit the accretion of its lease liability based on the revised timing of payments). In many cases, this will allow a lessee to use its existing systems to account for the lease liability using the existing payment schedule and discount rate.

**Debentures**

Debentures are recognised initially at fair value being the issue proceeds net of transaction costs incurred. Debentures are subsequently stated at amortised cost. Debentures are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

**Liabilities at fair value through profit or loss**

Financial liabilities in this category are those that are not held for trading and have been designated at fair value through profit or loss as they contain an embedded derivative. These are recorded in the statement of financial position at fair value.

Changes in fair value are recorded in profit and loss. Interest incurred on financial liabilities designated at FVPL is accrued in interest expense.

During the financial year 2022, a subsidiary of the group issued redeemable bonds at a nominal value of Rs.325m, to which the bondholders are entitled to fixed interest and variable performance return. The bonds are redeemable at maturity in 2030 and convertible into a variable number of shares of a subsidiary of the group. The bond also includes certain call options by the issuer and put options by the subscriber for early redemption/ conversion of the bonds as from 2027. The terms of the conversion options are such that they meet the definition of an embedded derivative. As such, the group has classified the instrument as a financial liability at fair value through profit or loss.

## 22. BORROWINGS (CONT'D)

## (a) Accounting policy (cont'd)

**Valuation process**

The group determines the policies and procedures for the fair valuation of the redeemable convertible bond. The process involves the selection of appropriate methodology, gathering of market knowledge, development of assumptions and specific information. The fair value of the instrument has been broken down into four components, bonds, performance return, call option and put option.

The fair value of the Bond and Performance Return was determined using the discounted cash flow approach. The projected cashflows from the Bond and the Performance Return was discounted using the Mauritian Rupees Risk Free Curve which was interpolated using the Nelson-Svensson Siegel (NSS) Model. A credit spread was then assigned to the underlying and added to the risk free rates or discounting purposes.

The fair value of the call and put option is dependent on the value of the share price of the underlying. In calculating the value of the options at respective time intervals, parameters such as the probability of the share price of the underlying going up or down and risk free rate/credit risk free rate have been estimated. The fair value of the asset or liability is calculated as the sum of the fair value of the bond, performance return, put option minus fair value of call option.

## (b)

|   | THE GROUP         |                   | THE COMPANY      |                  |
|---|-------------------|-------------------|------------------|------------------|
|   | 2023              | 2022              | 2023             | 2022             |
|   | Rs'000            | Rs'000            | Rs'000           | Rs'000           |
| <b>Non-current</b>  |                   |                   |                  |                  |
| Secured fixed and variable rate notes (note (c))            | 4,822,715         | 4,819,530         | -                | -                |
| Debentures (note (d))                                       | 1,010,105         | 912,805           | -                | -                |
| Bond notes (note (e))                                       | 3,784,526         | 3,491,673         | 3,784,526        | 3,491,673        |
| Bank loans (note (g))                                       | 10,842,216        | 8,887,575         | 2,509,456        | 2,777,767        |
| Lease liabilities (notes (f) and (h))                       | 972,888           | 918,621           | 2,985            | 9,122            |
| Shareholders' loans   | -                 | 3,300             | -                | -                |
| Loans from other companies                                  | -                 | 77,700            | -                | -                |
| Redeemable notes (note (i))                                 | 4,743,000         | 4,741,000         | -                | -                |
| Convertible bonds (note (j))                                | 257,200           | 116,500           | -                | -                |
| Liabilities at fair value through profit or loss (note (k)) | 313,700           | 325,000           | -                | -                |
|   | <b>26,746,350</b> | <b>24,293,704</b> | <b>6,296,967</b> | <b>6,278,562</b> |
| <b>Current</b>  |                   |                   |                  |                  |
| Bank overdrafts   | 1,721,183         | 1,218,252         | -                | -                |
| Bank loans (note (g))                                       | 1,451,225         | 4,100,242         | 267,584          | 610,902          |
| Secured fixed and variable rate notes (note (c))            | -                 | 1,000,000         | -                | -                |
| Debentures (note (d))                                       | 52,700            | 42,100            | -                | -                |
| Bond notes (note (e))                                       | 1,478,051         | 73,113            | 1,478,051        | 73,113           |
| Lease liabilities (notes (f) and (h))                       | 239,023           | 207,087           | 6,136            | 6,195            |
| Shareholders' loans   | 7,250             | 3,300             | -                | -                |
| Loans from other companies (note (l))                       | 80,200            | -                 | -                | -                |
|   | <b>5,029,632</b>  | <b>6,644,094</b>  | <b>1,751,771</b> | <b>690,210</b>   |
| <b>Total borrowings</b>                                     | <b>31,775,982</b> | <b>30,937,798</b> | <b>8,048,738</b> | <b>6,968,772</b> |

## 22. BORROWINGS (CONT'D)

|  | THE GROUP         |                   | THE COMPANY      |                  |
|--|-------------------|-------------------|------------------|------------------|
|  | 2023              | 2022              | 2023             | 2022             |
|  | Rs'000            | Rs'000            | Rs'000           | Rs'000           |
| <b>Secured fixed and variable rate notes</b>   |                   |                   |                  |                  |
| Secured by first rank fixed charges in respect of immovable property of a subsidiary | 1,344,115         | 1,343,630         | -                | -                |
| Secured by fixed charges by way of pledge of shares                                  | 1,500,000         | 2,000,000         | -                | -                |
| Secured by floating charges on the assets of the group                               | 290,000           | 290,000           | -                | -                |
| Secured by fixed and floating charges on the assets of the group                     | 1,688,600         | 2,185,900         | -                | -                |
|  | <b>4,822,715</b>  | <b>5,819,530</b>  | -                | -                |
| <b>Debentures</b>  |                   |                   |                  |                  |
| Secured by floating charges on the assets of the group                               | 115,900           | 158,000           | -                | -                |
| Unsecured  | 946,905           | 796,905           | -                | -                |
|  | <b>1,062,805</b>  | <b>954,905</b>    | -                | -                |
| <b>Bond notes</b>  |                   |                   |                  |                  |
| Secured by fixed charges on property   | 3,798,817         | 1,455,268         | 3,798,817        | 1,455,268        |
| Secured by fixed charges by way of pledge of shares                                  | 1,463,760         | 2,109,518         | 1,463,760        | 2,109,518        |
|  | <b>5,262,577</b>  | <b>3,564,786</b>  | <b>5,262,577</b> | <b>3,564,786</b> |
| <b>Bank and other loans</b>  |                   |                   |                  |                  |
| Secured by fixed charges on property   | 4,677,497         | 4,340,783         | 2,745,190        | 3,353,326        |
| Secured by fixed charges by way of pledge of shares                                  | 638,685           | 996,498           | -                | -                |
| Secured by floating charges on the assets of the group                               | 6,907,753         | 7,565,188         | 31,802           | 35,295           |
| Unsecured  | 69,506            | 85,348            | 48               | 48               |
|  | <b>12,293,441</b> | <b>12,987,817</b> | <b>2,777,040</b> | <b>3,388,669</b> |
| <b>Lease liabilities</b>   |                   |                   |                  |                  |
| Secured by fixed charges on leased assets of the group                               | 343,860           | 190,008           | 911              | 2,347            |
| Secured by floating charges on the assets of the group                               | 22,200            | 18,300            | -                | -                |
| Unsecured  | 845,851           | 917,400           | 8,210            | 12,970           |
|  | <b>1,211,911</b>  | <b>1,125,708</b>  | <b>9,121</b>     | <b>15,317</b>    |
| <b>Shareholders' loans</b>   |                   |                   |                  |                  |
| Unsecured  | 7,250             | 6,600             | -                | -                |
|  | <b>7,250</b>      | <b>6,600</b>      | -                | -                |
| <b>Loans from other companies</b>  |                   |                   |                  |                  |
| Unsecured  | 80,200            | 77,700            | -                | -                |
|  | <b>80,200</b>     | <b>77,700</b>     | -                | -                |
| <b>Redeemable notes</b>  |                   |                   |                  |                  |
| Secured by floating charges on the assets of the group                               | 4,743,000         | 4,741,000         | -                | -                |
|  | <b>4,743,000</b>  | <b>4,741,000</b>  | -                | -                |

## 22. BORROWINGS (CONT'D)

|   | THE GROUP         |                   | THE COMPANY      |                  |
|---|-------------------|-------------------|------------------|------------------|
|   | 2023              | 2022              | 2023             | 2022             |
|   | Rs'000            | Rs'000            | Rs'000           | Rs'000           |
| <b>Convertible bonds</b>                                |                   |                   |                  |                  |
| Secured by floating charges on the assets of the group  | 257,200           | 116,500           | -                | -                |
|   | <b>257,200</b>    | <b>116,500</b>    | -                | -                |
| <b>Bank overdraft</b>                                   |                   |                   |                  |                  |
| Secured by floating charges on the assets of the group  | 1,620,783         | 1,042,352         | -                | -                |
| Unsecured   | 100,400           | 175,900           | -                | -                |
|   | <b>1,721,183</b>  | <b>1,218,252</b>  | -                | -                |
| <b>Liabilities at fair value through profit or loss</b> |                   |                   |                  |                  |
| Unsecured   | 313,700           | 325,000           | -                | -                |
|   | <b>313,700</b>    | <b>325,000</b>    | -                | -                |
| <b>Total borrowings</b>                                 | <b>31,775,982</b> | <b>30,937,798</b> | <b>8,048,738</b> | <b>6,968,772</b> |

(c) **Secured fixed and variable rate notes**

On March 16, 2015, a subsidiary company issued 30,000 secured floating rate notes on a private placement as follows:

| Note description                               | Maturity        | Interest rate                                     |
|--|-----------------|---|
| Tranche A (10,000 notes at Rs.50,000 per note) | Already matured | Reference Bank of Mauritius repo rate + 1.35% p.a |
| Tranche B (10,000 notes at Rs.50,000 per note) | March 16, 2023  | Reference Bank of Mauritius repo rate + 1.85% p.a |
| Tranche C (10,000 notes at Rs.50,000 per note) | March 16, 2025  | Reference Bank of Mauritius repo rate + 2.35% p.a |

These notes are secured by a floating charge over all the assets of the subsidiaries being financed.

On November 29, 2019, a subsidiary issued a mixture of 1.5m secured floating and fixed rate notes and on May 05, 2020, 0.5m secured floating rate notes on private placement as follows:

| Note description                                    | Maturity          | Interest rate                                     |
|---|-------------------|---|
| Tranche 3 Years (0.50m notes at Rs.1,000 per note)  | November 29, 2022 | Reference Bank of Mauritius repo rate + 0.65% p.a |
| Tranche 5 Years (0.25m notes at Rs.1,000 per note)  | November 29, 2024 | Reference Bank of Mauritius repo rate + 0.95% p.a |
| Tranche 5 Years (0.25m notes at Rs.1,000 per note)  | November 29, 2024 | Fixed rate 4.90% p.a                              |
| Tranche 7 Years (0.25m notes at Rs.1,000 per note)  | November 29, 2026 | Reference Bank of Mauritius repo rate + 1.30% p.a |
| Tranche 7 Years (0.25m notes at Rs.1,000 per note)  | November 29, 2026 | Fixed rate 5.25% p.a                              |
| Tranche 10 Years (0.50m notes at Rs.1,000 per note) | November 05, 2030 | Reference Bank of Mauritius repo rate + 1.70% p.a |

## 22. BORROWINGS (CONT'D)

## (c) Secured fixed and variable rate notes (cont'd)

These notes are secured by pledge of shares.

In 2021, a subsidiary company issued 1,500 bonds at a nominal price of Rs. 1m per bond (2022: Rs. 1m) out of an approved bond programme of Rs.2.5bn.

| Note description                                | Maturity          | Interest rate          |
|---|-------------------|------------------------|
| Tranche 7 Years (262 notes at Rs. 1m per note)  | December 29, 2027 | Blended rate 3.70% p.a |
| Tranche 10 Years (538 notes at Rs. 1m per note) | December, 29 2030 | Blended rate 3.89% p.a |
| Tranche 15 Years (700 notes at Rs. 1m per note) | December 29, 2035 | Blended rate 4.31% p.a |

These notes are secured by floating charges over assets of the group.

Another subsidiary company has issued secured floating rate notes which are repayable on January 12, 2027. The notes bear interest rates of Repo + 2.3% per annum.

The notes are secured by:

- A first rank fixed charge in respect of each immovable property of the subsidiary;
- An assignment of all rent and other receivables arising or that may arise under the lease agreements; and
- A shortfall undertaking by the group.

## (d) Debentures

A subsidiary company has in issue 17,556,676 redeemable bonds at an issue price of Rs.12.00 each, totalling Rs.210.7m. Salient features of the debentures are as follows:

A coupon rate of 6.0% per annum in respect of each financial year over 10 consecutive years, will be paid to bondholders out of the profits of the entity. This will be paid in priority to dividends payable to Class A ordinary shareholders and preference shareholders. Coupon payment shall be paid in June of each financial year.

Debenture holders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the entity.

Debentures shall be redeemed automatically on the 30th June of every financial year over 5 consecutive years starting June 30, 2021, without paying any additional fee.

Another subsidiary of the group issued new debentures amounting to Rs.150m during the year. These debentures will mature on September 30, 2026 and bear interest at 6% per annum.

The outstanding balance of debentures payable at June 30, 2023 amounted to Rs.1,063m (2022: Rs.954.9m).

## 22. BORROWINGS (CONT'D)

## (e) Bond notes

The company has issued Rs.3.5bn of fixed and floating interest rates and tenors as follows:

- Secured fixed rate notes of Rs.2.22bn, with tenors between 5 to 10 years and bearing interest rate between 5.5% and 6.30%.
- Secured floating rate notes of Rs 1.28bn, with tenors between 5 to 10 years and bearing interest rate of repo rate + 1.3% and + 1.85%.

Interest is paid semi-annually in arrears in July and January of each year starting July 31, 2019.

The notes are secured partly by a fixed charge on land and partly by a pledge of listed securities owned either directly or indirectly by the company.

The maturity of non-current bond notes is as follows:

|   | THE GROUP        |                  | THE COMPANY      |                  |
|---|------------------|------------------|------------------|------------------|
|   | 2023             | 2022             | 2023             | 2022             |
|   | Rs'000           | Rs'000           | Rs'000           | Rs'000           |
| - after one year and before two years   | -                | 1,357,000        | -                | 1,357,000        |
| - after two years and before five years | 1,354,000        | 1,354,000        | 1,354,000        | 1,354,000        |
| - after five years                      | 2,430,526        | 780,673          | 2,430,526        | 780,673          |
|   | <u>3,784,526</u> | <u>3,491,673</u> | <u>3,784,526</u> | <u>3,491,673</u> |

- (f) Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

## (g) Bank loans

Bank loans are secured and bear interest rates as disclosed per note 22(m). The maturity of non-current borrowings is as follows (excluding bond notes and lease liabilities):

|   | THE GROUP         |                   | THE COMPANY      |                  |
|---|-------------------|-------------------|------------------|------------------|
|   | 2023              | 2022              | 2023             | 2022             |
|   | Rs'000            | Rs'000            | Rs'000           | Rs'000           |
| - after one year and before two years   | 2,321,441         | 1,214,634         | 267,787          | 265,645          |
| - after two years and before five years | 6,241,999         | 6,871,038         | 759,857          | 800,524          |
| - after five years                      | 13,425,496        | 11,797,738        | 1,481,812        | 1,711,598        |
|   | <u>21,988,936</u> | <u>19,883,410</u> | <u>2,509,456</u> | <u>2,777,767</u> |

At year-end, one of the subsidiaries has breached covenants on several banking facilities. Accordingly, the group reclassified an amount of Rs.0.4m from non-current to current liabilities.

## 22. BORROWINGS (CONT'D)

| (h) Lease liabilities    | THE GROUP        |                  | THE COMPANY  |               |
|--------------------------|------------------|------------------|--------------|---------------|
|                          | 2023             | 2022             | 2023         | 2022          |
|                          | Rs'000           | Rs'000           | Rs'000       | Rs'000        |
| At July 1,               | 1,125,708        | 1,140,670        | 15,317       | 22,391        |
| Additions                | 305,172          | 232,710          | -            | -             |
| Effect of remeasurement  | 11,200           | 3,900            | -            | 472           |
| Interest expense         | 10,445           | 4,622            | (203)        | (7)           |
| Rent concession          | -                | (2,200)          | -            | -             |
| Lease payment            | (241,317)        | (225,694)        | (5,993)      | (7,539)       |
| Exchange difference      | 35,012           | (11,000)         | -            | -             |
| Disposal of subsidiaries | (32,000)         | (15,000)         | -            | -             |
| Termination of lease     | (2,309)          | (2,300)          | -            | -             |
| <b>At June 30,</b>       | <b>1,211,911</b> | <b>1,125,708</b> | <b>9,121</b> | <b>15,317</b> |

Analysed as follows:

|             |                  |                  |              |               |
|-------------|------------------|------------------|--------------|---------------|
| Current     | 239,023          | 207,087          | 6,136        | 6,195         |
| Non-current | 972,888          | 918,621          | 2,985        | 9,122         |
|             | <b>1,211,911</b> | <b>1,125,708</b> | <b>9,121</b> | <b>15,317</b> |

The gross payments of lease liabilities is analysed as follows:

- not later than one year
- after one year and before two years
- after two years and before five years
- after five years

|                              |                  |                  |              |               |
|------------------------------|------------------|------------------|--------------|---------------|
| Total lease liabilities      | 1,294,723        | 1,253,112        | 17,129       | 24,045        |
| Less interest                | (82,812)         | (127,404)        | (8,008)      | (8,728)       |
| Discounted lease liabilities | <b>1,211,911</b> | <b>1,125,708</b> | <b>9,121</b> | <b>15,317</b> |

• **Amounts recognised in profit or loss**

|  | THE GROUP      |                | THE COMPANY  |              |
|--|----------------|----------------|--------------|--------------|
|  | 2023           | 2022           | 2023         | 2022         |
|  | Rs'000         | Rs'000         | Rs'000       | Rs'000       |
| Interest on lease liabilities  | 51,653         | 59,677         | 699          | 886          |
| Variable lease payments not included in the measurement of lease liabilities                     | 700            | 600            | -            | -            |
| Expenses relating to short-term leases   | 33,800         | 21,700         | -            | -            |
| Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets | 38,200         | 11,100         | -            | -            |
| <b>Amounts recognised in statement of cash flows</b>   | <b>241,317</b> | <b>262,953</b> | <b>5,993</b> | <b>7,539</b> |

**Leases under IFRS 16**

- Interest on lease liabilities
- Variable lease payments not included in the measurement of lease liabilities
- Expenses relating to short-term leases

Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets

• **Amounts recognised in statement of cash flows**

|                               |         |         |       |       |
|-------------------------------|---------|---------|-------|-------|
| Total cash outflow for leases | 241,317 | 262,953 | 5,993 | 7,539 |
|-------------------------------|---------|---------|-------|-------|

## 22. BORROWINGS (CONT'D)

## (h) Lease liabilities (cont'd)

The group leases out its investment property. The group has classified those leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

On long term lease contracts extending over periods of 60 to 99 years, the group cannot make an assessment of whether it will renew these leases at this stage.

## (i) Redeemable notes

During the financial year 2023, Ascencia Limited, a subsidiary company has issued 4,760 notes at a nominal issue price of Rs.1m per note and total amounting to Rs.4.8bn. Salient features of the notes are as follows:

- The blended interest rate is 3.82% and interest is paid bi-annually. The interest rate shall also vary according to the loan rating.
- Note holders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the company.
- The notes can be redeemed by the issuer at anytime after the 5th anniversary.
- The average tenor of the notes in issue is 9.3 years and will be redeemed in bullet at maturity.

## (j) Convertible bonds

During the financial year 2023, Veranda Tamarin Ltd, a subsidiary company, entered into a bond agreement with the Mauritius Investment Corporation Ltd ("MIC"), a company set up by the Bank of Mauritius, to provide financial support to companies heavily impacted by COVID-19. The agreement stipulates that VTLH Ltd will issue convertible bonds in favour of MIC amounting to Rs.100m. During the year, issue of 10 secured redeemable convertible bonds with a nominal value of Rs.10m per bond were issued, raising a total of Rs.100m and bearing interest rate of 3.5% per annum and a maturity of 8 years. The bonds are regarded as compound financial instruments and have an equity portion (Rs.78.6m) and a liability component (Rs.20.1m).

During the financial year 2023, an issue of 70 secured redeemable convertible bonds with a nominal value of Rs.10m per bond were issued, raising a total of Rs.700m and bearing interest rate of 3.3% per annum and a maturity of 7 years. The bonds are regarded as compound financial instruments and have an equity portion (Rs.566.6m) and a liability component (Rs.133.4m).



NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

22. BORROWINGS (CONT'D)

(j) **Convertible bonds (cont'd)**

During the financial year 2021, VLH Ltd, a subsidiary company, entered into a bond agreement with the Mauritius Investment Corporation Ltd ("MIC"), a company set up by the Bank of Mauritius, to provide financial support to companies heavily impacted by COVID-19. The agreement stipulates that VLH Ltd will issue convertible bonds in favour of MIC amounting to Rs.1,300m. On June 28, 2021, a first issue of 60 secured redeemable convertible bonds with a nominal value of Rs.10m per bond were issued, raising a total of Rs 600m and bearing interest rate of 3.2% per annum and a maturity of 9 years. The bonds are regarded as compound financial instruments and have an equity portion (Rs.467.4m) and a liability component (Rs.127.2m).

(k) **Liabilities at fair value through profit or loss**

|                                     | THE GROUP       |                |
|-------------------------------------|-----------------|----------------|
|                                     | 2023            | 2022           |
| <b>Non-current</b>                  |                 |                |
| At July 1,                          | Rs'000          | Rs'000         |
| Additions                           | 325,000         | -              |
| Amount recognised in profit or loss | -               | 325,000        |
| <b>At June 30,</b>                  | <b>(11,300)</b> | <b>-</b>       |
|                                     | <b>313,700</b>  | <b>325,000</b> |

Financial liabilities are classified under level 3 of the fair value hierarchy.

| Valuation technique 2023 & 2022     | Unobservable inputs    | Range                             | Sensitivity to changes in significant unobservable inputs   |
|-------------------------------------|------------------------|-----------------------------------|---|
|                                     |                        |                                   |   |
| <b>Redeemable convertible bonds</b> | DCF and option pricing | Credit Spread                     | The expected fair value will increase/ (decrease) by Rs.7.1m and Rs.6.8m (2022: Rs.4.3m and Rs.4.1m), if the credit spread will be higher or lower by 0.5%. |
|                                     |                        | 2023: 2% - 2.5% (2022: 2% - 2.5%) |   |

(l) **Loans from other companies**

These loans are secured by floating charges on the assets of the borrowing companies.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

22. BORROWINGS (CONT'D)

(m) The effective interest rates at the end of the reporting period were as follows:

|                             | THE GROUP      |                | THE COMPANY |           |
|-----------------------------|----------------|----------------|-------------|-----------|
|                             | 2023           | 2022           | 2023        | 2022      |
|                             | %              | %              | %           | %         |
| Secured variable rate notes | Repo+0.65-3.00 | Repo+0.65-3.00 | -           | -         |
| Bank overdrafts             | 4.1-7.75       | 4.1-6.1        | 6.75        | 4.5-4.65  |
| Bank loans                  | 1-14           | 1.5-6          | 5.40-6.75   | 3.65-4.5  |
| Bond notes                  | 3.55-6.3       | 3.55-6.3       | 4.90-6.70   | 3.55-6.3  |
| Loans from other companies  | 4              | 4              | -           | -         |
| Debentures                  | 6              | 6              | -           | -         |
| Lease liabilities           | 1-9.8          | 1-8            | 5.60-6.25   | 5.60-6.25 |
| Loans from other companies  | 4              | 4              | -           | -         |

(n) The exposure of the group's borrowings to the interest rate changes and the contractual repricing dates are disclosed above.

(o) The carrying amounts of borrowings are not materially different from their fair value.

(p) **Critical accounting estimates**

*Determining the lease term of contracts with renewal and termination options - group as lessee*

The group determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, that is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

*Liabilities at fair value through profit or loss*

The fair value of financial instruments is the price that would be paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of EBITDA, growth rate, discount factor including credit spread, volatility and return on share price.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

23. DEFERRED INCOME TAXES

(a) Accounting policy

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amount of such properties is presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment properties are depreciable and are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale.

(b) Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2022: 17%).

There is a legally enforceable right to offset deferred tax assets against deferred tax liabilities when the deferred income taxes relate to the same fiscal authority on the entity. The following amounts are shown on the statement of financial position:

Deferred tax assets on tax losses carried forward are recognised only to the extent that realisation of the related tax benefit is probable. The recoverability of tax losses is limited to a period of five years from the relevant year of assessment except for losses attributable to annual allowances claimed in respect of capital expenditure.

At the end of the reporting period, the group and the company had unused tax losses of Rs.2,090m and Rs.1,582m respectively (2022: Rs.1,779m and Rs.1,314m respectively) available for offset against future profits. A deferred tax asset of Rs.9.1m (2022: Rs.18.5m) has been recognised by the group in respect of part of these losses. No deferred tax asset has been recognised in respect of remaining losses due to the unpredictability of future profit streams. The tax losses expire on a rolling basis over 5 years except for losses attributable to annual allowances claimed in respect of capital expenditure.

|                                       | THE GROUP   |             | THE COMPANY |        |
|---------------------------------------|-------------|-------------|-------------|--------|
|                                       | 2023        | 2022        | 2023        | 2022   |
| Deferred tax assets                   | Rs'000      | Rs'000      | Rs'000      | Rs'000 |
|                                       | 217,300     | 239,838     | 69,002      | 73,749 |
| Deferred tax liabilities              | (1,512,524) | (1,026,075) | -           | -      |
| Net deferred tax (liabilities)/assets | (1,295,224) | (786,237)   | 69,002      | 73,749 |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

23. DEFERRED INCOME TAXES (CONT'D)

(c) The movement in the deferred income tax account is as follows:

|  | THE GROUP   |           | THE COMPANY |         |
|--|-------------|-----------|-------------|---------|
|  | 2023        | 2022      | 2023        | 2022    |
| At July 1,                                       | Rs'000      | Rs'000    | Rs'000      | Rs'000  |
| On deconsolidation of subsidiaries               | (786,237)   | (846,484) | 73,749      | 71,908  |
| Acquisition of subsidiary                        | (44,100)    | -         | -           | -       |
| (Charged)/credited to profit or loss             | 299         | -         | -           | -       |
| (Charged)/credited to other comprehensive income | (171,859)   | 58,635    | (5,060)     | (2,523) |
| At June 30,                                      | (293,327)   | 1,612     | 313         | 4,364   |
|  | (1,295,224) | (786,237) | 69,002      | 73,749  |

(d) The movement in deferred income tax assets and liabilities during the year is as follows:

THE GROUP

| (i) 2023                                 | At July 1,       | On deconsolidation of subsidiaries | Acquisition of subsidiary | (Charged)/credited to profit or loss | Credited/(charged) to other comprehensive income | At June 30,        |                    |
|--|------------------|------------------------------------|---------------------------|--------------------------------------|--|--------------------|--------------------|
|  |                  |                                    |                           |                                      |  | Rs'000             | Rs'000             |
| Accelerated tax depreciation             | 433,231          | 1,700                              | (435)                     | (169,005)                            | (69)   | (601,040)          | (601,040)          |
| Asset revaluations                       | (222,725)        | -                                  | -                         | 1,861                                | (300,300)  | (521,164)          | (521,164)          |
| Impairment/fair value                    | (340,087)        | (21,500)                           | -                         | (5,800)                              | -  | (367,387)          | (367,387)          |
| Straightlining of rental income          | (40,352)         | -                                  | -                         | 5,685                                | -  | (34,667)           | (34,667)           |
| Extended warranty                        | 10,320           | -                                  | -                         | 1,413                                | -  | 11,733             | 11,733             |
| Tax losses                               | (25,754)         | (24,300)                           | 734                       | (6,223)                              | -  | (55,543)           | (55,543)           |
| Lease liabilities                        | 53,582           | -                                  | -                         | (2,248)                              | -  | 51,334             | 51,334             |
| Employee benefits liabilities            | 204,667          | -                                  | -                         | 2,334                                | 7,042  | 214,043            | 214,043            |
| Estimated credit losses                  | 7,343            | -                                  | -                         | 124                                  | -  | 7,467              | 7,467              |
| <b>Deferred tax (liabilities)/assets</b> | <b>(786,237)</b> | <b>(44,100)</b>                    | <b>299</b>                | <b>(171,859)</b>                     | <b>(293,327)</b>                                 | <b>(1,295,224)</b> | <b>(1,295,224)</b> |

(ii) 2022

|                                   |           |   |   |          |         |           |           |
|-----------------------------------|-----------|---|---|----------|---------|-----------|-----------|
| Accelerated tax depreciation      | (544,529) | - | - | 113,372  | (2,074) | (433,231) | (433,231) |
| Asset revaluations                | (220,936) | - | - | (1,789)  | -       | (222,725) | (222,725) |
| Impairment/fair value             | (298,338) | - | - | (42,549) | 800     | (340,087) | (340,087) |
| Straightlining of rental income   | (39,994)  | - | - | (358)    | -       | (40,352)  | (40,352)  |
| Extended warranty                 | 9,481     | - | - | 839      | -       | 10,320    | 10,320    |
| Tax losses                        | (12,539)  | - | - | (13,215) | -       | (25,754)  | (25,754)  |
| Lease liabilities                 | 52,105    | - | - | 1,477    | -       | 53,582    | 53,582    |
| Employee benefits liabilities     | 203,027   | - | - | (1,246)  | 2,886   | 204,667   | 204,667   |
| Estimated credit losses           | 5,239     | - | - | 2,104    | -       | 7,343     | 7,343     |
| Deferred tax (liabilities)/assets | (846,484) | - | - | 58,635   | 1,612   | (786,237) | (786,237) |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

25. DEFERRED INCOME

(a) **Accounting policy**  
The deferred income arises as a result of the capital grants received by AFD following their capital expenditure incurred on plant and machinery. This deferred income will be released to other income on the lifetime of the asset. Deferred income released to other income during the year amounts to Rs.666,000 (2022: Rs.697,000).

(b)

|  | THE GROUP |        |
|--|-----------|--------|
|  | 2023      | 2022   |
|  | Rs'000    | Rs'000 |
| Arising from (Agence Francaise de Développement (AFD)) grant | 10,903    | 11,569 |
|  | 2023      | 2022   |
|  | Rs'000    | Rs'000 |
| At July 1, Additions   | 11,569    | 11,629 |
| Income recognised  | -         | 637    |
| At June 30,  | (666)     | (697)  |
|  | 10,903    | 11,569 |

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS)

|   | THE GROUP |           | THE COMPANY |         |
|---|-----------|-----------|-------------|---------|
|   | 2023      | 2022      | 2023        | 2022    |
|   | Rs'000    | Rs'000    | Rs'000      | Rs'000  |
| Items of employees benefits include:          |           |           |             |         |
| Employee benefits assets                      | (25,000)  | (36,200)  | -           | -       |
| Retirement benefit obligations (see note (A)) | 1,081,507 | 1,037,989 | 345,516     | 355,917 |
| Provision for vacation leaves (see note (B))  | 28,400    | 23,657    | 2,700       | 2,419   |
|   | 1,109,907 | 1,061,646 | 348,216     | 358,336 |

(A) Retirement benefit obligations

(a) Accounting policy

**Defined benefit plans**  
A defined benefit plan is a pension plan that defines an amount of pension that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. Some subsidiaries of the group contribute to defined benefit plans for certain employees. The cost of providing benefits is determined using the projected unit credit method so as to spread the regular cost over the service lives of employees in accordance with the advice of actuaries. The liability recognised on the statement of financial position is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The assets of the plan are invested in the deposit administration policy, a pooled insurance product for group Pension Schemes, underwritten by Swan Life. It is a long-term investment policy which aims to provide a smooth progression of returns from one year to the next without regular fluctuations associated with asset-linked investments.

The assessment of these obligations is carried out annually by an independent firm of consulting actuaries using the unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using rates of government bonds.

Re-measurement of the net defined benefit liability, which comprises actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur and will not be reclassified to profit or loss in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

23. DEFERRED INCOME TAXES (CONTD)

(c) THE COMPANY

| 2023                                     | At July 1,    | (Charged)/     | Credited      | At June 30,   |
|--|---------------|----------------|---------------|---------------|
|  | Rs'000        | Rs'000         | to other      | Rs'000        |
|  |               | or loss        | comprehensive |               |
|  |               |                | income        |               |
| Asset revaluations                       | (836)         | (1,158)        | -             | (1,994)       |
| Accelerated tax depreciation             | 8,705         | (1,999)        | -             | 6,706         |
| Estimated credit losses                  | 4,962         | 131            | -             | 5,093         |
| Employee benefits liabilities            | 60,918        | (2,034)        | 313           | 59,197        |
| <b>Deferred tax assets/(liabilities)</b> | <b>73,749</b> | <b>(5,060)</b> | <b>313</b>    | <b>69,002</b> |
| 2022                                     |               |                |               |               |
| Asset revaluations                       | (836)         | -              | -             | (836)         |
| Accelerated tax depreciation             | 8,501         | 204            | -             | 8,705         |
| Estimated credit losses                  | 4,527         | 435            | -             | 4,962         |
| Employee benefits liabilities            | 59,716        | (3,162)        | 4,364         | 60,918        |
| <b>Deferred tax assets/(liabilities)</b> | <b>71,908</b> | <b>(2,523)</b> | <b>4,364</b>  | <b>73,749</b> |

(f) Critical accounting estimates

**Deferred tax on investment properties**  
For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties, the directors have reviewed the group's investment property portfolio and have concluded that none of the properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time rather than through sale. As a result, the group has not recognised deferred tax on changes in the fair value of its investment properties as the group is not subject to capital gains tax on disposal of its investment properties.

24. DEFERRED RENT ASSETS

Accounting policy

Deferred rent assets arise from the straightlining of rental income.

|                     | THE GROUP    |              | THE COMPANY  |              |
|---------------------|--------------|--------------|--------------|--------------|
|                     | 2023         | 2022         | 2023         | 2022         |
|                     | Rs'000       | Rs'000       | Rs'000       | Rs'000       |
| At July 1, Movement | 4,183        | 2,200        | 4,183        | 2,200        |
|                     | 2,199        | 1,983        | 2,199        | 1,983        |
| <b>At June 30,</b>  | <b>6,382</b> | <b>4,183</b> | <b>6,382</b> | <b>4,183</b> |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(a) Accounting policy (cont'd)

*Defined benefit plans (cont'd)*

The group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss. Service costs, comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements, are recognised immediately in profit or loss.

The deficit standing in the defined benefit plans are funded over a period of time by way of additional contributions computed by the actuaries and agreed with the Regulator. This deficit is monitored by the actuaries and adjusted accordingly in the event of significant changes in the deficit level.

Contributions to the National Pension Scheme and the group's defined contribution pension plans are expensed to the statements of profit or loss in the year in which they fall due.

*Defined contribution plans*

A defined contribution plan is a pension plan under which a company pays fixed contributions into a separate entity. There is no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Some subsidiaries operate a defined contribution plan for all qualifying employees. Payments to defined contribution retirement plans are recognised as an expense when employees have rendered services that entitle them to the contributions. Some subsidiary companies operate defined contribution retirement plans with no worse off guarantees provided for certain employees.

Some of the subsidiary companies operate defined contribution schemes with the Sugar Industry Pension Fund. Following an agreement with the Sugar Industry Staff Employee's Association where a pension is provided on retirement, the scheme operates as a defined benefit scheme.

The group also runs a defined contribution plan, the Rogers Pension Fund (RPF), to which have been transferred the pension benefits of all employees who were members of a self-administered defined benefit superannuation fund (DBSF). These employees, subject to them contributing regularly to the RPF, have been given the guarantee by their respective employers that their benefits at the age of sixty, under the RPF would not be less than the benefits provided under the ex DBSF. The potential liability under the above guarantee is funded by additional employers' contributions and has been included in the provision made for retirement benefit obligations.

*Retirement gratuity*

For employees who are not covered (or who are insufficiently covered by the above pensions plans), the net present value of gratuity on retirement payable under the Workers Rights Act 2019(WRA) is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

Contributions to the Contribution Sociale Généralisée and the group's defined contribution pension plan are expensed to the statements of profit or loss in the year in which they fall due.

The change in WRA has impacted workers having 5-day weeks and this has resulted in an impact on the past service costs. The amendment is applied since the joining dates of the employees and is accounted in full in the current year as the amendments became effective on August 22, 2022.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(b) Amounts recognised on the statements of financial position

|  | THE GROUP |           | THE COMPANY |         |
|--|-----------|-----------|-------------|---------|
|  | 2023      | 2022      | 2023        | 2022    |
|  | Rs'000    | Rs'000    | Rs'000      | Rs'000  |
| Employee benefits assets (note c)                        | (25,000)  | (36,200)  | -           | -       |
|  | (25,000)  | (36,200)  | -           | -       |
| Defined pension schemes (note (d)(ii))                   | 540,827   | 619,374   | 262,769     | 291,418 |
| Other post retirement benefits (note (e)(i))             | 540,680   | 418,615   | 82,747      | 64,499  |
|  | 1,081,507 | 1,037,989 | 345,516     | 355,917 |
| Analysed as follows:                                     |           |           |             |         |
| Non-current assets                                       | (25,000)  | (36,200)  | -           | -       |
| Non-current liabilities                                  | 1,081,507 | 1,037,989 | 345,516     | 355,917 |
| Amounts charged to profit or loss:                       |           |           |             |         |
| - Defined pension benefits (note(d)(vi))                 | 5,199     | 33,881    | 12,307      | 13,203  |
| - Other post retirement benefits (note (e)(iv))          | 147,654   | 28,175    | 13,018      | 3,386   |
|  | 152,853   | 62,056    | 25,325      | 16,589  |
| Amount (credited)/charged to other comprehensive income: |           |           |             |         |
| - Defined pension benefits (note (d)(vii))               | (2,723)   | 34,902    | (5,278)     | 25,471  |
| - Other post retirement benefits (note (e)(v))           | 20,546    | 22,074    | 13,933      | 196     |
|  | 17,823    | 56,976    | 8,655       | 25,667  |

(c) Employee benefits assets - Defined pension benefits

(i) The amounts recognised on the statements of financial position are as follows:

|  | THE GROUP   |             |
|--|-------------|-------------|
|  | 2023        | 2022        |
|  | Rs'000      | Rs'000      |
| Present value of funded obligations  | 2,500,900   | 2,450,500   |
| Fair value of plan assets  | (2,622,500) | (2,549,000) |
| Excess of fair value of plan assets over present value of funded obligations | (121,600)   | (98,500)    |
| Impact of minimum funding requirement/asset ceiling                          | 96,600      | 62,300      |
| Asset in the statements of financial position                                | (25,000)    | (36,200)    |

(ii) The movement in asset recognised on the statements of financial position is as follows:

|  | THE GROUP |          |
|--|-----------|----------|
|  | 2023      | 2022     |
|  | Rs'000    | Rs'000   |
| At July 1,                                       | (36,200)  | (35,500) |
| Charged to profit or loss                        | 4,100     | 2,900    |
| Charged/(credited) to other comprehensive income | 9,100     | (3,400)  |
| Contributions paid                               | (2,000)   | (200)    |
| At June 30,                                      | (25,000)  | (36,200) |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

- (c) Employee benefits assets – Defined pension benefits (cont'd)  
(iii) The movement in the fair value of plan assets during the year is as follows:

|   | THE GROUP |           |
|---|-----------|-----------|
|   | 2023      | 2022      |
| At July 1,                                      | Rs'000    | Rs'000    |
| Interest income                                 | 2,549,000 | 2,519,200 |
| Employer contributions                          | 117,200   | 110,100   |
| Benefits paid                                   | 2,000     | 200       |
| Return on plan assets excluding interest income | (219,900) | (310,000) |
| At June 30,                                     | 174,200   | 229,500   |
|   | 2,622,500 | 2,549,000 |

- (iv) The movement in the defined benefit obligations during the year is as follows:

|   | THE GROUP |           |
|---|-----------|-----------|
|   | 2023      | 2022      |
| At July 1,  | Rs'000    | Rs'000    |
| Current service cost  | 2,450,500 | 2,409,500 |
| Interest expense  | 5,900     | 4,600     |
| Benefits paid   | 112,400   | 105,000   |
| Liability experience losses                                     | (219,900) | (310,000) |
| Liability (gains)/losses due to change in financial assumptions | 291,600   | 117,700   |
| At June 30,   | (139,600) | 123,700   |
|   | 2,500,900 | 2,450,500 |

- (v) Reconciliation of the effect of the asset ceiling:

|  | THE GROUP |          |
|--|-----------|----------|
|  | 2023      | 2022     |
| At July 1,                                       | Rs'000    | Rs'000   |
| Charged to profit or loss                        | 62,300    | 74,200   |
| Charged/(credited) to other comprehensive income | 3,000     | 3,400    |
| At June 30,                                      | 31,300    | (15,300) |
|  | 96,600    | 62,300   |

- (vi) The amounts recognised in profit or loss are as follows:

|                      | THE GROUP |         |
|----------------------|-----------|---------|
|                      | 2023      | 2022    |
| Current service cost | Rs'000    | Rs'000  |
| Interest income      | 5,900     | 4,600   |
|                      | (1,800)   | (1,700) |
|                      | 4,100     | 2,900   |

- (vii) The amounts recognised in other comprehensive income are as follows:

|   | THE GROUP |           |
|---|-----------|-----------|
|   | 2023      | 2022      |
| Return on plan assets excluding interest income                 | Rs'000    | Rs'000    |
| Liability experience losses                                     | (174,200) | (229,500) |
| Liability (gains)/losses due to change in financial assumptions | 291,600   | 117,700   |
| Change in effect of asset ceiling                               | (139,600) | 123,700   |
|   | 31,300    | (15,300)  |
|   | 9,100     | (3,400)   |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

- (c) Employee benefits assets – Defined pension benefits (cont'd)  
(viii) The allocation of the plan assets at the end of the reporting period is as follows:

|                           | THE GROUP |           |
|---------------------------|-----------|-----------|
|                           | 2023      | 2022      |
| Equity – Overseas quoted  | Rs'000    | Rs'000    |
| Equity – Local quoted     | 629,600   | 509,800   |
| Equity – Local unquoted   | 839,300   | 943,100   |
| Debt – Overseas unquoted  | -         | 25,500    |
| Debt – Local quoted       | 419,100   | 407,800   |
| Debt – Local unquoted     | -         | 152,900   |
| Property – Local          | 550,900   | 356,900   |
| Cash and cash equivalents | 52,400    | 51,000    |
|                           | 131,200   | 102,000   |
|                           | 2,622,500 | 2,549,000 |

- (ix) The principal assumptions used for accounting purposes of the actuarial valuations were as follows:

|                         | THE GROUP |      |
|-------------------------|-----------|------|
|                         | 2023      | 2022 |
| Discount rate           | %         | %    |
| Future salary increases | 5.58      | 4.80 |
|                         | 3.0       | 3.0  |

- (x) Sensitivity analysis on defined benefit obligations at end of the reporting period:

|  | THE GROUP |         |
|--|-----------|---------|
|  | 2023      | 2022    |
| Decrease due to 1% increase in discount rate | Rs'000    | Rs'000  |
| Increase due to 1% decrease in discount rate | 154,100   | 170,200 |
|  | 182,500   | 204,400 |

The sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. The results are particularly sensitive to a change in discount rate due to the nature of the liabilities being the difference between a minimum defined benefit ("DB") liability and the projected defined contribution ("DC") liabilities, the latter being Rs.175.9m as at April 30, 2023 (2022: Rs187.6m). Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The sensitivity have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined contribution as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

- (xi) The group expects to pay Rs.2.1m (2023: Rs.0.2m) as contributions for the year ended June 30, 2024.

- (xii) The weighted average duration of the defined benefit obligation is 9.7 years (2022: 10.5 years) for the group at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(d) Retirement benefit obligation - Defined pension benefits

(i) The group operates defined benefit pension plans for some of its subsidiary companies. They provide for a pension at retirement and benefit on death or disablement in service before retirement. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations were carried out at June 30, 2023.

(ii) The amounts recognised on the statements of financial position are as follows:

|   | THE GROUP |           | THE COMPANY |           |
|---|-----------|-----------|-------------|-----------|
|   | 2023      | 2022      | 2023        | 2022      |
|   | Rs'000    | Rs'000    | Rs'000      | Rs'000    |
| Present value of funded obligations                   | 1,280,259 | 1,396,940 | 469,405     | 483,840   |
| Present value of unfunded defined benefit obligations | 20,023    | 3,614     | -           | -         |
| Fair value of plan assets                             | (759,455) | (781,180) | (206,636)   | (192,422) |
| Deficit of funded plans                               | 540,827   | 619,374   | 262,769     | 291,418   |

(iii) The movement in liability recognised on the statements of financial position is as follows:

|  | THE GROUP |          | THE COMPANY |          |
|--|-----------|----------|-------------|----------|
|  | 2023      | 2022     | 2023        | 2022     |
|  | Rs'000    | Rs'000   | Rs'000      | Rs'000   |
| At July 1,                                       | 619,374   | 566,524  | 291,418     | 283,721  |
| Charged to profit or loss                        | 5,199     | 33,881   | 12,307      | 13,203   |
| (Credited)/charged to other comprehensive income | (2,723)   | 34,902   | (5,278)     | 25,471   |
| Contributions paid                               | (81,023)  | (76,438) | (35,678)    | (30,977) |
| Transfer from other retirement benefits          | -         | 60,505   | -           | -        |
| At June 30,                                      | 540,827   | 619,374  | 262,769     | 291,418  |

(iv) The movement in the defined benefit obligations during the year is as follows:

|   | THE GROUP |           | THE COMPANY |          |
|---|-----------|-----------|-------------|----------|
|   | 2023      | 2022      | 2023        | 2022     |
|   | Rs'000    | Rs'000    | Rs'000      | Rs'000   |
| At July 1,  | 1,400,554 | 1,266,622 | 483,840     | 461,233  |
| Current service cost  | 21,598    | 23,686    | 928         | 2,557    |
| Past service cost   | (17,054)  | (18,736)  | -           | 491      |
| Settlement loss   | (22,100)  | -         | -           | -        |
| Interest cost   | 47,959    | 52,501    | 13,465      | 13,738   |
| Actuarial losses/(gains)  | 11,439    | 91,057    | (2,880)     | 39,945   |
| Employee contributions  | (188)     | 1,387     | 12          | 13       |
| Liability gains due to change in financial assumptions            | (72,866)  | (409)     | (18,824)    | (3,972)  |
| Liability losses/(gains) due to change in demographic assumptions | 1,300     | (2,700)   | -           | -        |
| Benefits paid   | (102,520) | (61,163)  | (28,805)    | (28,089) |
| Liability experience losses/(gains)                               | 32,160    | (12,196)  | 21,669      | (2,076)  |
| Transfer from other post retirement benefits                      | -         | 60,505    | -           | -        |
| At June 30,   | 1,300,282 | 1,400,554 | 469,405     | 483,840  |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(d) Retirement benefit obligation - Defined pension benefits (cont'd)

(v) The movement in the fair value of plan assets during the year is as follows:

|                                | THE GROUP |           | THE COMPANY |           |
|--------------------------------|-----------|-----------|-------------|-----------|
|                                | 2023      | 2022      | 2023        | 2022      |
|                                | Rs'000    | Rs'000    | Rs'000      | Rs'000    |
| At July 1,                     | (781,180) | (700,098) | (192,422)   | (177,512) |
| Employer contributions         | (81,023)  | (76,438)  | (35,678)    | (30,977)  |
| Employee contributions         | 188       | (1,387)   | (12)        | (13)      |
| Scheme expenses                | 835       | 719       | 516         | 438       |
| Interest income                | (29,040)  | (24,794)  | (4,260)     | (4,231)   |
| Cost of insuring risk benefits | 3,001     | 505       | 1,658       | 210       |
| Benefits paid                  | 102,520   | 61,163    | 28,805      | 28,089    |
| Actuarial losses/(gains)       | 25,244    | (40,850)  | (5,243)     | (8,426)   |
| At June 30,                    | (759,455) | (781,180) | (206,636)   | (192,422) |

(vi) The amounts recognised in profit or loss are as follows:

|   | THE GROUP |          | THE COMPANY |        |
|---|-----------|----------|-------------|--------|
|   | 2023      | 2022     | 2023        | 2022   |
|   | Rs'000    | Rs'000   | Rs'000      | Rs'000 |
| Current service cost                                    | 21,598    | 23,686   | 928         | 2,557  |
| Past service cost                                       | (17,054)  | (18,736) | -           | 491    |
| Cost of insuring risk benefits                          | 3,001     | 505      | 1,658       | 210    |
| Interest cost   | 18,919    | 27,707   | 9,205       | 9,507  |
| Settlement loss   | (22,100)  | -        | -           | -      |
| Scheme expenses   | 835       | 719      | 516         | 438    |
| Total included in employee benefit expense (note 35(b)) | 5,199     | 33,881   | 12,307      | 13,203 |

(vii) The amounts recognised in other comprehensive income are as follows:

|   | THE GROUP |          | THE COMPANY |         |
|---|-----------|----------|-------------|---------|
|   | 2023      | 2022     | 2023        | 2022    |
|   | Rs'000    | Rs'000   | Rs'000      | Rs'000  |
| Losses/(gains) on pension scheme assets                           | 17,505    | (28,102) | (6,425)     | (5,107) |
| Liability experience losses                                       | 77,167    | 7,282    | 33,235      | 7,768   |
| Liability gains due to change in financial assumptions            | (72,866)  | (409)    | (18,824)    | (3,972) |
| Liability losses/(gains) due to change in demographic assumptions | 1,300     | (2,700)  | -           | -       |
| Return on plan assets   | 7,739     | (12,748) | 1,182       | (3,319) |
| Changes in assumptions underlying the present value of the scheme | (33,568)  | 71,579   | (14,446)    | 30,101  |
| Actuarial (gains)/losses recognised in other comprehensive income | (2,723)   | 34,902   | (5,278)     | 25,471  |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(d) Retirement benefit obligation - Defined pension benefits (cont'd)

(viii) The principal assumptions used for accounting purposes of the actuarial valuations were as follows:

|                                | THE GROUP |         | THE COMPANY |         |
|--------------------------------|-----------|---------|-------------|---------|
|                                | 2023      | 2022    | 2023        | 2022    |
|                                | %         | %       | %           | %       |
| Discount rate                  | 1.1-6.7   | 1.1-5.3 | 4.7-5.4     | 1.1-4.4 |
| Expected return on plan assets | 5.0       | 2.7     | 5.0         | 2.7     |
| Future salary increases        | 3.0-4.29  | 2.0     | 4.3         | 2.0     |

(ix) The allocation of the plan assets at the end of the reporting period is as follows:

|                                | THE GROUP |        | THE COMPANY |        |
|--------------------------------|-----------|--------|-------------|--------|
|                                | 2023      | 2022   | 2023        | 2022   |
|                                | %         | %      | %           | %      |
| Qualifying insurance policies* | 19.68     | 19.17  | -           | -      |
| Local equities                 | 21.40     | 19.78  | 27.00       | 25.00  |
| Overseas equities              | 18.56     | 21.13  | 24.00       | 28.00  |
| Debt                           | 21.47     | 16.06  | 25.00       | 25.00  |
| Property                       | 14.60     | 12.26  | 19.00       | 17.00  |
| Cash and cash equivalents      | 4.16      | 9.93   | 5.00        | 5.00   |
| Investment funds               | 0.13      | 1.67   | -           | -      |
|                                | 100.00    | 100.00 | 100.00      | 100.00 |

\*Some of the assets of the plan are invested in the deposit administration policy underwritten by Swan Life. The deposit administration policy is a pooled insurance product for group pension schemes. It is a long-term investment policy which aims to provide a smooth progression of returns from one year to the next without regular fluctuations associated with asset-linked investments such as equity funds. Moreover, the deposit administration policy offers a minimum guaranteed return of 4%.

The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

(x) Sensitivity analysis on defined benefit obligations at end of the reporting period:

|  | THE GROUP |         | THE COMPANY |         |
|--|-----------|---------|-------------|---------|
|  | Rs '000   | Rs '000 | Rs '000     | Rs '000 |
| <b>June 30, 2023</b>   |           |         |             |         |
| Decrease due to 1% increase in discount rate   | 66,390    | 17,474  |             |         |
| Increase due to 1% decrease in discount rate   | 75,008    | 19,878  |             |         |
| Increase in Defined Benefit Obligation due to 1% increase in future long-term salary assumptions | 23,290    | 1,516   |             |         |
| Decrease in Defined Benefit Obligation due to 1% decrease in future long-term salary assumptions | 20,568    | 1,359   |             |         |
| <b>June 30, 2022</b>   |           |         |             |         |
| Decrease due to 1% increase in discount rate   | 102,972   | 20,444  |             |         |
| Increase due to 1% decrease in discount rate   | 89,469    | 23,383  |             |         |
| Increase in Defined Benefit Obligation due to 1% increase in future long-term salary assumptions | 22,526    | 2,359   |             |         |
| Decrease in Defined Benefit Obligation due to 1% decrease in future long-term salary assumptions | 19,866    | 2,136   |             |         |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(d) Retirement benefit obligation - Defined pension benefits (cont'd)

(x) The sensitivity analysis has been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligations have been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(xi) The defined pension plans expose the group to actuarial risks such as longevity risk, salary risk, interest risk and market (investment) risk.

**Longevity risk**

The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

**Salary risk**

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

**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.

**Market (investment risk)**

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

Longevity and salary risks are applicable to defined benefit plan only.

(xii) The group expects to pay Rs.87m (2023: Rs.89.4m) respectively as contributions to their post-employment benefit plans for the year ended June 30, 2024.

(xiii) The weighted average duration of the defined benefit obligation is between 1 and 23 years (2022: 1 and 20 years) for the group at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(c) Other post retirement benefits

Other post retirement benefits comprise of gratuity on retirement payable under the Workers' Rights Act 2019 and other benefits.

(i) The amounts recognised on the statements of financial position are as follows:

|                                       | THE GROUP |         | THE COMPANY |        |
|---------------------------------------|-----------|---------|-------------|--------|
|                                       | 2023      | 2022    | 2023        | 2022   |
|                                       | Rs'000    | Rs'000  | Rs'000      | Rs'000 |
| Present value of unfunded obligations | 540,680   | 418,615 | 82,747      | 64,499 |

(ii) The movement in liability recognised on the statements of financial position is as follows:

|                                       | THE GROUP      |                | THE COMPANY   |               |
|---------------------------------------|----------------|----------------|---------------|---------------|
|                                       | 2023           | 2022           | 2023          | 2022          |
|                                       | Rs'000         | Rs'000         | Rs'000        | Rs'000        |
| At July 1,                            | 418,615        | 440,900        | 64,499        | 64,895        |
| Charged to profit or loss             | 147,654        | 28,175         | 13,018        | 3,386         |
| Charged to other comprehensive income | 20,546         | 22,074         | 13,933        | 196           |
| Employer contributions                | (37,535)       | (29,520)       | (8,703)       | (3,973)       |
| Liability acquired                    | -              | 17,491         | -             | -             |
| Transfer to defined pension benefits  | (8,600)        | (60,505)       | -             | (5)           |
| <b>At June 30,</b>                    | <b>540,680</b> | <b>418,615</b> | <b>82,747</b> | <b>64,499</b> |

(iii) The movement in the defined benefit obligations during the year is as follows:

|   | THE GROUP      |                | THE COMPANY   |               |
|---|----------------|----------------|---------------|---------------|
|   | 2023           | 2022           | 2023          | 2022          |
|   | Rs'000         | Rs'000         | Rs'000        | Rs'000        |
| At July 1,  | 418,615        | 440,900        | 64,499        | 64,895        |
| Effect of curtailments/settlements                                | (200)          | (794)          | -             | -             |
| Current service cost  | 33,902         | 15,691         | 1,679         | 1,483         |
| Past service cost and gains and losses on settlements             | 96,886         | 507            | 9,676         | -             |
| Interest expense  | 17,068         | 12,771         | 1,663         | 1,903         |
| Actuarial losses/(gains)  | 22,770         | 12,131         | 8,547         | (191)         |
| Liability experience losses                                       | 32,585         | 12,543         | 6,347         | 214           |
| Liability (gains)/losses due to change in financial assumptions   | (38,421)       | (651)          | (961)         | 173           |
| Liability losses/(gains) due to change in demographic assumptions | 3,610          | (1,949)        | -             | -             |
| Benefits paid   | (37,535)       | (29,520)       | (8,703)       | (3,973)       |
| Liability acquired  | -              | 17,491         | -             | -             |
| Transfer to defined pension benefits                              | (8,600)        | (60,505)       | -             | (5)           |
| <b>At June 30,</b>  | <b>540,680</b> | <b>418,615</b> | <b>82,747</b> | <b>64,499</b> |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(c) Other post retirement benefits (cont'd)

(iv) The amounts recognised in profit or loss are as follows:

|   | THE GROUP      |               | THE COMPANY   |              |
|---|----------------|---------------|---------------|--------------|
|   | 2023           | 2022          | 2023          | 2022         |
|   | Rs'000         | Rs'000        | Rs'000        | Rs'000       |
| Current service cost                                    | 33,902         | 15,691        | 1,679         | 1,483        |
| Effect of curtailments/settlements                      | (200)          | (52)          | -             | -            |
| Past service cost                                       | 96,884         | (235)         | 9,676         | -            |
| Interest expense  | 17,068         | 12,771        | 1,663         | 1,903        |
| Total included in employee benefit expense (note 35(b)) | <b>147,654</b> | <b>28,175</b> | <b>13,018</b> | <b>3,386</b> |

(v) The amounts recognised in other comprehensive income are as follows:

|   | THE GROUP     |               | THE COMPANY   |            |
|---|---------------|---------------|---------------|------------|
|   | 2023          | 2022          | 2023          | 2022       |
|   | Rs'000        | Rs'000        | Rs'000        | Rs'000     |
| Liability experience losses/(gains)                               | 41,902        | 19,264        | 4,141         | (893)      |
| Liability losses/(gains) due to change in demographic assumptions | 3,610         | (2,900)       | -             | -          |
| Liability (gains)/losses due to change in financial assumptions   | (11,454)      | 1,242         | 9,773         | 1,089      |
| Loss on pension scheme assets                                     | 244           | -             | -             | -          |
| Changes in assumptions underlying the present value of the scheme | (13,756)      | 4,468         | 19            | -          |
| Actuarial losses recognised in other comprehensive income         | <b>20,546</b> | <b>22,074</b> | <b>13,933</b> | <b>196</b> |

(vi) The principal assumptions used for the purposes of the actuarial valuations were as follows:

|                                    | THE GROUP |         | THE COMPANY |         |
|------------------------------------|-----------|---------|-------------|---------|
|                                    | 2023      | 2022    | 2023        | 2022    |
|                                    | %         | %       | %           | %       |
| Discount rate                      | 5.0-7.2   | 0.6-5.8 | 4.8-5.2     | 2.7-3.3 |
| Future long term salary increase   | 2.5-4.29  | 2.0-3.0 | 3.3-4.3     | 2.0     |
| Future guaranteed pension increase | 2.0       | 0.5-3.0 | 2.0         | 2.0     |

(vii) Sensitivity analysis on defined benefit obligations at end of the reporting period:

|  | THE GROUP |        | THE COMPANY |        |
|--|-----------|--------|-------------|--------|
|  | 2023      | 2022   | 2023        | 2022   |
|  | Rs'000    | Rs'000 | Rs'000      | Rs'000 |
| <b>June 30, 2023</b>   |           |        |             |        |
| Decrease due to 1% increase in discount rate                       | 58,602    | 2,650  | 2,915       | 2,915  |
| Increase due to 1% decrease in discount rate                       | 37,558    | 24,443 | 36,302      | 25,239 |
| Increase due to 1% increase in future long-term salary assumptions |           |        |             |        |
| Decrease due to 1% decrease in future long-term salary assumptions |           |        |             |        |



NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(A) Retirement benefit obligations (cont'd)

(e) Other post retirement benefits (cont'd)

(vii) Sensitivity analysis on defined benefit obligations at end of the reporting period (cont'd):

|  | THE GROUP |        | THE COMPANY |        |
|--|-----------|--------|-------------|--------|
|  | 2023      | 2022   | 2023        | 2022   |
| June 30, 2022  | Rs'000    | Rs'000 | Rs'000      | Rs'000 |
| Decrease due to 1% increase in discount rate                       | 43,066    | 2,921  |             |        |
| Increase due to 1% decrease in discount rate                       | 59,134    | 3,236  |             |        |
| Increase due to 1% increase in future long-term salary assumptions | 38,792    | 24,758 |             |        |
| Decrease due to 1% decrease in future long-term salary assumptions | 37,395    | 25,371 |             |        |

(viii) The weighted average duration of the defined benefit obligation is between 3 and 29 years (2022: 3 and 26 years) for the group at the end of the reporting period.

(B) Provision for vacation leaves

(a) Accounting policy

Vacation leave and other compensated absences with similar characteristics are accrued as a liability, as stipulated under long term benefits in IAS 19, as these benefits are earned by eligible employees based on past service and it is probable that the employer will compensate these employees for the benefits through paid time off or cash payments.

The assessment of this provision is carried out annually by management for eligible employees. Such employees are those who fall under the definition of a worker under The Workers' Rights Act 2019 and have covered a qualifying period of service.

The liability is measured using forecasted salary rates of the workers at the time of entitlement, which is then reduced by the average staff turnover applicable to the company. The present value of the vacation leave provision is determined by discounting the estimated future cash flows using rates of government bonds.

(b) The movement in the liability during the year is as follows:

|                         | THE GROUP |        | THE COMPANY |        |
|-------------------------|-----------|--------|-------------|--------|
|                         | 2023      | 2022   | 2023        | 2022   |
| At July 1,              | Rs'000    | Rs'000 | Rs'000      | Rs'000 |
| Release during the year | 23,657    | 19,798 | 2,419       | 2,648  |
| Charge for the year     | (133)     | (279)  | -           | (229)  |
| At June 30,             | 4,876     | 4,138  | 281         | -      |
|                         | 28,400    | 23,657 | 2,700       | 2,419  |

(c) The principal assumptions used for the purpose of computing the provision were as follows:

|                                  | THE GROUP |          | THE COMPANY |      |
|----------------------------------|-----------|----------|-------------|------|
|                                  | 2023      | 2022     | 2023        | 2022 |
|                                  | %         | %        | %           | %    |
| Discount rate                    | 2.1-5.0   | 2.1-5.0  | 4.9         | 2.2  |
| Staff turnover                   | 2.0-56.0  | 2.0-25.0 | 10.0        | 15.0 |
| Future long term salary increase | 2.0-3.3   | 2.0-2.5  | 3.3         | 2.0  |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

26. EMPLOYEE BENEFITS LIABILITIES/(ASSETS) (CONT'D)

(B) Provision for vacation leaves

(d) Sensitivity analysis on provision for vacation leaves at end of the reporting period:

|   | THE GROUP |        | THE COMPANY |        |
|---|-----------|--------|-------------|--------|
|   | 2023      | 2022   | 2023        | 2022   |
|   | Rs'000    | Rs'000 | Rs'000      | Rs'000 |
| Change by 1% in discount rate                       | 89        | 31     | 1           | 1      |
| Change by 1% in staff turnover                      | 202       | 141    | 1           | 1      |
| Change by 1% in future long-term salary assumptions | 244       | 190    | 1           | 1      |

(c) Critical accounting estimates

**Pension benefits**

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

The group determines the appropriate discount rate at the end of each year. This is the interest rate used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

**Provision for vacation leaves**

The present value of the provision for vacation leaves depend on a number of factors that are determined using a number of assumptions, which includes the discount rate. Any change in these assumptions will impact the carrying amount of the provision.

The group determines the appropriate discount rate at the end of each year. This is the interest rate used to determine the present value of the cost of the vacation leave. In determining the appropriate discount rate, the group considers the interest rates of high-quality corporate bonds that have maturity approximating the terms of the related provision.

27. OTHER LONG TERM PAYABLES

**Accounting policy**

Other long term payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. These relate to those payables which will be repaid after 12 months.

|                                       | THE GROUP |        | THE COMPANY |        |
|---------------------------------------|-----------|--------|-------------|--------|
|                                       | 2023      | 2022   | 2023        | 2022   |
|                                       | Rs'000    | Rs'000 | Rs'000      | Rs'000 |
| Acquisition of land conversion rights | 76,780    | -      | 17,046      | -      |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

28. TRADE AND OTHER PAYABLES

|     |  |
|-----|--|
| (a) | <p><b>Accounting policy</b></p> <p><b>Trade and other payables</b><br/>Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.</p> <p>The company grants an additional warranty coverage after expiry of the standard warranty provided by the car manufacturer for certain brand makes.</p> <p>Provisions are recognised when the company has a present legal or constructive obligation as a result of past events which will probably result in an outflow of resources that can be reliably estimated.</p> <p>The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.</p> <p>When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When the effect of time value of money is material, provisions relating to cash outflows that arise soon after the reporting period are more onerous than those where cash outflows of the same amount arise later. Provisions are therefore discounted using weighted averaged interest rate based on the company's current funding facilities.</p> <p><b>Repairs</b><br/>The actual level of repairs under such claims incurred are charged against the initial provision made.</p> <p><b>Reversal of unused amount</b><br/>The provision for deferred warranty is reversed on a straight line basis over the additional warranty period granted by the company. The unused amount of deferred warranty provision after charging actual repairs is reversed accordingly. At end of the additional warranty coverage term, the release of the deferred warranty is terminated concurrently.</p> <p>The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.</p> <p><b>(a) Warranty</b><br/>The company grants an additional warranty coverage after expiry of the standard warranty provided by the car manufacturer for certain brand makes.</p> |
|-----|--|

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

28. TRADE AND OTHER PAYABLES (CONT'D)

| (a)              | <p><b>Accounting policy</b></p> <p><b>(a) Warranty (cont'd)</b></p> <p><b>(i) Provision</b><br/>A provision for warranties is recognised for future expected warranty claims at time of sale of the vehicle to cover the additional warranty period. The provision for the deferred warranties is generally estimated based on the following:<br/>- model and types of vehicles;<br/>- historical data of claims made;<br/>- past experience of the level of repairs done; and<br/>- external factors (international freight evolution, changes in rate of foreign currency and inflation).</p> <p><b>(ii) Discounting of provision</b><br/>When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are therefore discounted using weighted average interest rate based on the Company's current funding facilities.</p> | <table border="1"> <thead> <tr> <th colspan="2">THE GROUP</th> <th colspan="2">THE COMPANY</th> </tr> <tr> <th>2023</th> <th>2022</th> <th>2023</th> <th>2022</th> </tr> <tr> <th>Rs'000</th> <th>Rs'000</th> <th>Rs'000</th> <th>Rs'000</th> </tr> </thead> <tbody> <tr> <td>2,593,886</td> <td>2,085,863</td> <td>11,005</td> <td>7,392</td> </tr> <tr> <td>2,980,510</td> <td>2,569,906</td> <td>83,185</td> <td>49,543</td> </tr> <tr> <td><b>5,574,396</b></td> <td><b>4,655,769</b></td> <td><b>94,190</b></td> <td><b>56,935</b></td> </tr> </tbody> </table> <p>Trade payables</p> <p>Other payables and accruals</p> <p>Trade and other payables are denominated in Mauritian rupees and their carrying amounts approximate their fair values. Trade and other payables are repayable within one year.</p> <p>Other payables include unearned merchant discount, unearned insurance, provision for warranty and retention of payment to contractors for construction of villas.</p> <p>Accruals consist of expenses accrued in the normal course of business.</p> | THE GROUP     |  | THE COMPANY |      | 2023   | 2022   | 2023    | 2022    | Rs'000 | Rs'000 | Rs'000 | Rs'000 | 2,593,886 | 2,085,863 | 11,005 | 7,392 | 2,980,510 | 2,569,906 | 83,185 | 49,543 | <b>5,574,396</b> | <b>4,655,769</b> | <b>94,190</b> | <b>56,935</b> |
|------------------|---|--|---------------|--|-------------|------|--------|--------|---------|---------|--------|--------|--------|--------|-----------|-----------|--------|-------|-----------|-----------|--------|--------|------------------|------------------|---------------|---------------|
| THE GROUP        |   | THE COMPANY  |               |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 2023             | 2022  | 2023   | 2022          |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| Rs'000           | Rs'000  | Rs'000   | Rs'000        |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 2,593,886        | 2,085,863   | 11,005   | 7,392         |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 2,980,510        | 2,569,906   | 83,185   | 49,543        |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| <b>5,574,396</b> | <b>4,655,769</b>  | <b>94,190</b>  | <b>56,935</b> |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| (b)              |   | <table border="1"> <thead> <tr> <th colspan="2">THE GROUP</th> <th colspan="2">THE COMPANY</th> </tr> <tr> <th>2023</th> <th>2022</th> <th>2023</th> <th>2022</th> </tr> <tr> <th>Rs'000</th> <th>Rs'000</th> <th>Rs'000</th> <th>Rs'000</th> </tr> </thead> <tbody> <tr> <td>2,593,886</td> <td>2,085,863</td> <td>11,005</td> <td>7,392</td> </tr> <tr> <td>2,980,510</td> <td>2,569,906</td> <td>83,185</td> <td>49,543</td> </tr> <tr> <td><b>5,574,396</b></td> <td><b>4,655,769</b></td> <td><b>94,190</b></td> <td><b>56,935</b></td> </tr> </tbody> </table>   | THE GROUP     |  | THE COMPANY |      | 2023   | 2022   | 2023    | 2022    | Rs'000 | Rs'000 | Rs'000 | Rs'000 | 2,593,886 | 2,085,863 | 11,005 | 7,392 | 2,980,510 | 2,569,906 | 83,185 | 49,543 | <b>5,574,396</b> | <b>4,655,769</b> | <b>94,190</b> | <b>56,935</b> |
| THE GROUP        |   | THE COMPANY  |               |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 2023             | 2022  | 2023   | 2022          |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| Rs'000           | Rs'000  | Rs'000   | Rs'000        |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 2,593,886        | 2,085,863   | 11,005   | 7,392         |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 2,980,510        | 2,569,906   | 83,185   | 49,543        |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| <b>5,574,396</b> | <b>4,655,769</b>  | <b>94,190</b>  | <b>56,935</b> |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| (c)              |   | <table border="1"> <thead> <tr> <th colspan="2">THE GROUP</th> </tr> <tr> <th>2023</th> <th>2022</th> </tr> <tr> <th>Rs'000</th> <th>Rs'000</th> </tr> </thead> <tbody> <tr> <td>333,600</td> <td>248,200</td> </tr> </tbody> </table> <p>Provisions</p> <p>Provisions consist mainly of provisions made for bonuses, vacation leaves and travelling allowances.</p>   | THE GROUP     |  | 2023        | 2022 | Rs'000 | Rs'000 | 333,600 | 248,200 |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| THE GROUP        |   |  |               |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 2023             | 2022  |  |               |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| Rs'000           | Rs'000  |  |               |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |
| 333,600          | 248,200   |  |               |  |             |      |        |        |         |         |        |        |        |        |           |           |        |       |           |           |        |        |                  |                  |               |               |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

29. LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

(a) **Accounting policy**

**Contract liabilities**

A contract liability is the obligation to transfer services to a customer for which the group has received full or partial consideration from the customer. In cases where the customer pays consideration before the group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the group performs under the contract, that is, transfers control of the related goods or services to the customer. The group also derives income from sales of land options. A land option gives the customer the option to buy a property in the future against an upfront payment. The proceeds are treated as a contract liability as no performance obligation is delivered at that time until the customer buys the land or the option period expires.

The contract liabilities relate to advance consideration received from customers for which revenue is recognised over time.

(b)

|   | THE GROUP        |                  | THE COMPANY   |               |
|---|------------------|------------------|---------------|---------------|
|   | 2023             | 2022             | 2023          | 2022          |
|   | Rs'000           | Rs'000           | Rs'000        | Rs'000        |
| At July 1,  | 1,000,414        | 743,325          | 33,980        | -             |
| Amounts included in contract liabilities that was recognised as revenue during the year | (672,667)        | (1,117,234)      | (25,205)      | -             |
| Cash received in advance of performance and not recognised as revenue during the year   | 708,670          | 1,389,923        | 2,146         | 33,980        |
| Exchange difference   | 3,100            | 5,000            | -             | -             |
| Transfer to borrowings  | -                | (20,600)         | -             | -             |
| <b>At June</b>  | <b>1,039,517</b> | <b>1,000,414</b> | <b>10,921</b> | <b>33,980</b> |

Analysed as follows:

|             |                  |                  |               |               |
|-------------|------------------|------------------|---------------|---------------|
| Non-current | 272,900          | 226,700          | -             | -             |
| Current     | 766,617          | 773,714          | 10,921        | 33,980        |
|             | <b>1,039,517</b> | <b>1,000,414</b> | <b>10,921</b> | <b>33,980</b> |

Contract liabilities include advances received for port services, advance payment from customers, deposits from guest, packing, shipping and freight forwarding services for which performance obligations were not yet satisfied at end of the reporting period.

30. AMOUNTS PAYABLE TO GROUP COMPANIES

(a) **Accounting policy**

Amounts payable to group companies are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(b) **THE COMPANY**

|                      |         |        |
|----------------------|---------|--------|
|                      | 2023    | 2022   |
|                      | Rs'000  | Rs'000 |
| Subsidiary companies | 143,757 | 34,942 |

Amounts payable to group companies are unsecured, interest free, repayable on demand, denominated in Mauritian rupees and their carrying amounts approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

31. REVENUE

(a) **Accounting policy**

**Revenue from contracts with customers**

*Performance obligations and timing of revenue recognition*

The group derives most of its revenue from selling goods and services. Revenue is recognised at a point in time when control of the goods or services rendered are actually transferred to the customer. This is generally when the goods are delivered to the customer or services provided. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question. Revenue generated from the sale of goods and sale of services defined above are recognised either at a point in time or on an over time basis depending on when the control of the goods or services rendered is actually transferred to the customer. This is generally when the goods or services are delivered to the customer.

A subsidiary has entered into contracts with customers for the construction of apartments and duplexes and sale to customers on the basis of "Vente En Etat Future D'Achèvement (VEFA)". The transaction price is included in the agreement and payment is to be effected based on the relevant milestones achieved. As per the terms of the contract, the units/villas being sold to the customer has no other alternative use and the company has a right to payment for performance to date. Control passes on to the customer as and when construction progresses and hence, revenue is recognised over time.

Other than revenue from sale of villas or provision of landscaping services, all revenue generated from the sale of goods and services are recognised at a point in time.

**Revenue from the sale of inventory property**

Some subsidiaries enter into contracts with customers to sell property that are either completed or under development.

**(i) Completed inventory property**

The sale of completed property constitutes a single performance obligation and the group has determined that this is satisfied at the point in time when control transfers. For unconditional exchange of contracts, this generally occurs when legal title transfers to the customer. For conditional exchanges, this generally occurs when all significant conditions are satisfied.

**(ii) Inventory property under development**

The group considers whether there are promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. For contracts relating to the sale of property under development, the group is responsible for the overall management of the project and identifies various goods and services to be provided, including design work, procurement of materials, site preparation and foundation pouring, framing and plastering, mechanical and electrical work, installation of fixtures (e.g. windows, doors, cabinetry, etc.) and finishing work. The group accounts for these items as a single performance obligation because it provides a significant service of integrating the goods and services (the inputs) into the completed property (the combined output) which the customer has contracted to buy. The over time recognition criteria would typically be measured using the output method by reference to the milestones/value of work certified by the valuer to the satisfaction of the performance obligation.

A subsidiary provides landscaping services to clients, with revenue recognised on an over time basis. The subsidiary recognises revenue based on stage of completion of the project, and certified by internal or external quantity surveyors.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

## 31. REVENUE

## (a) Accounting policy (cont'd)

**Revenue from contracts with customers (cont'd)**

A subsidiary is engaged in the sale of motor vehicles, parts and accessories is recognized at the point in time. It provides warranties which require the company to either replace or mend a defective product during the warranty period if the goods sold fail to comply with agreed-upon specifications. For warranties where the customer does not have the option to purchase separately and which do not provide a service in addition to the assurance that the product complies with agreed-upon specifications, the warranties are not accounted for as a separate performance obligation and hence no revenue is allocated to them separately. Instead, a provision is made for the costs of satisfying the warranties in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. It also sells maintenance contracts to customers. Revenue from these contracts are recognized over the contract period. A contract liability is recognized for payments made before service is offered.

**Determining the transaction price**

The group's revenue is mostly derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

**Allocating amounts to performance obligations**

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Each contract has a fixed price which is correspondingly allocated to performance obligations.

**Other revenues earned by the group are recognised on the following bases:**

## (i) Rental income

Rental income is recognised on a straight line basis over the lease term.

(ii) The recognition of sugar and molasses proceeds is based on total production of the crop year. Bagasse proceeds are accounted for in the year in which it is received. Sugar prices are based on the recommendations made to all sugar companies by the Mauritius Chamber of Agriculture after consultation with the Mauritius Sugar Syndicate.

(iii) Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Earnings from finance leases are recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial assets. If the assets are no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(iv) Dividend income is accounted for when the shareholder's right to receive payment is established.

(v) Management fees are recognised when the control of services is transferred to the customer at an amount that reflects the condition to which the group expects to be entitled in exchange of those services.

## (vi) Fees and commissions

Discounts received from merchants on financing of credit agreements are initially recognised and presented in other liabilities in the statements of financial position. The release to profit or loss is recognised in fee and commission income in the statements of profit or loss. Merchant discount is recognised over the period of time in line with the credit facility provided to the customers. Otherwise, commission accrues when the service is provided and billable. Other fees and commission income are recognised as the related services are performed.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

## 31. REVENUE (CONT'D)

## (b)

|   | THE GROUP  |            | THE COMPANY |         |
|---|------------|------------|-------------|---------|
|   | 2023       | 2022       | 2023        | 2022    |
|   | Rs'000     | Rs'000     | Rs'000      | Rs'000  |
| Sales of goods (including property)             | 10,226,666 | 7,355,162  | -           | -       |
| Sales of services                               | 7,906,006  | 6,325,834  | -           | -       |
| Sugar and agricultural diversification proceeds | 627,592    | 711,604    | -           | -       |
| Management and secretarial fees                 | 11,980     | 6,936      | 48,993      | 47,129  |
| Other revenue                                   | 398,407    | 933,252    | 23,276      | 22,126  |
| Revenue from contracts with customers           | 19,170,651 | 15,332,788 | 72,269      | 69,255  |
| Rental income                                   | 1,056,972  | 1,695,508  | 73,382      | 47,846  |
| Commission                                      | 469,735    | 407,699    | -           | -       |
| Interest income calculated using the EIR        | 136,900    | 214,478    | -           | -       |
| Interest  | 5,178      | 6,394      | 64,196      | 57,260  |
| Dividend income                                 | 12,370     | 11,022     | 243,050     | 175,558 |
|   | 20,851,806 | 17,667,889 | 452,897     | 349,919 |

## (c) Critical accounting estimates

**Revenue recognition**

Revenue is recognised over time for long-term contracts. Management exercises judgement in determining the performance obligations. In addition, management exercises judgement in assessing whether control has been transferred to the customer before revenue is recognised.

## 32(a) OTHER OPERATING EXPENSES

|                                       | THE GROUP |           | THE COMPANY |        |
|---------------------------------------|-----------|-----------|-------------|--------|
|                                       | 2023      | 2022      | 2023        | 2022   |
|                                       | Rs'000    | Rs'000    | Rs'000      | Rs'000 |
| Sugar estate other operating expenses | 657,717   | 465,014   | 83,294      | 73,274 |
| Depreciation and amortisation         | 833,534   | 785,014   | 11,554      | 12,312 |
| Selling and other expenses            | 221,027   | 267,730   | -           | -      |
|                                       | 1,712,278 | 1,517,758 | 94,848      | 85,586 |

## 32(b) ADMINISTRATIVE EXPENSES

|   | THE GROUP |           | THE COMPANY |         |
|---|-----------|-----------|-------------|---------|
|   | 2023      | 2022      | 2023        | 2022    |
|   | Rs'000    | Rs'000    | Rs'000      | Rs'000  |
| Employee benefit expense                                    | 3,314,462 | 2,699,652 | 99,305      | 56,524  |
| Other expenses and services including professional services | 1,852,449 | 1,206,174 | 231,517     | 212,206 |
|   | 5,166,911 | 3,905,826 | 330,822     | 268,730 |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

33. SPECIFIC ITEMS

- (a) Cost of sales is made up of cost of inventories, employee benefit expense, depreciation and cost of raw materials.
- (b) Profit on disposal of land, investment properties and investments includes gain on sale of land to a subsidiary amounting to Rs.148m (2022: Rs.nil) at company level.
- (c) At June 30, 2022, the group paid a deferred consideration with regards to its investment in a subsidiary company.
- (d) Compensation received from a subsidiary company for excess contributed for land interchange.
- (e) As per the shareholder's agreement of The Beau Vallon Shopping Mall Ltd (BVM) there were certain rights that were granted to Aterbury Property Holdings Proprietary Limited (APH) to subscribe to shares in BVM as foreign investors. At the time of the acquisition of the remaining stake by Ascencia Limited (Ascencia), the shares were not yet subscribed. A payment of Rs.41.3m was effected to APH and was considered as an exit cost.
- At June 30, 2021, Ascencia, a subsidiary company, held 50% of the share capital and voting rights of BVM. On October 12, 2021, Ascencia acquired the remaining 50% of the share capital and voting rights of BVM from Enatt, another subsidiary company, for a total consideration of Rs.145.5m, settled in cash. This transaction was eliminated on group and gave rise to change in effective holding in BVM without any loss of control.
- (f) On November 30, 2022, General Cargo Services Limited, a subsidiary company, acquired a 100% stake in Rongai Workshop and Transport Limited for a consideration of Rs.62.4m. The excess of the fair valuation of net assets over the consideration price resulting from this transaction amounted to Rs.53.0m. Refer to note 44 for more details.

34. FINANCE COSTS

(a) Accounting policy

Finance costs comprise of interest on borrowings using the effective interest rate method or the contractual rate and accrue to the period end.

Interest received and paid on consumer finance business is part of the operating activities of the group.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

34. FINANCE COSTS (CONTD)

(b)

|  | THE GROUP |           | THE COMPANY |         |
|--|-----------|-----------|-------------|---------|
|  | 2023      | 2022      | 2023        | 2022    |
|  | Rs'000    | Rs'000    | Rs'000      | Rs'000  |
| The finance costs are on:                    |           |           |             |         |
| <b>Consumer finance business</b>             |           |           |             |         |
| Interest expense - consumer finance business | 26,000    | 19,100    | -           | -       |
| <b>Other financing</b>                       |           |           |             |         |
| - Bank overdrafts                            | 50,591    | 33,752    | 3           | 14      |
| - Bank and other loans                       | 1,556,651 | 1,071,535 | 439,224     | 319,915 |
| - Lease liabilities                          | 51,653    | 59,677    | 699         | 886     |
|  | 1,658,895 | 1,164,964 | 439,926     | 320,815 |
| Foreign exchange (losses)/gains              | (17,739)  | (10,745)  | (371)       | 22      |
|  | 1,641,156 | 1,154,219 | 439,555     | 320,837 |
| Total finance costs                          | 1,667,156 | 1,173,319 | 439,555     | 320,837 |

35. PROFIT BEFORE TAXATION

|   | THE GROUP |           | THE COMPANY |         |
|---|-----------|-----------|-------------|---------|
|   | 2023      | 2022      | 2023        | 2022    |
|   | Rs'000    | Rs'000    | Rs'000      | Rs'000  |
| Profit before taxation is arrived after:  |           |           |             |         |
| <b>Crediting :</b>  |           |           |             |         |
| Investment income from equity investments in financial assets at fair value through profit or loss  | 4,110     | 3,213     | 6,117       | 2,839   |
| Investment income from equity investments in financial assets at fair value through other comprehensive income held during the reporting period | 8,200     | 7,804     | -           | -       |
| Investment income from subsidiaries, jointly controlled entities and associates   | -         | -         | 236,933     | 172,720 |
| Interest income   | 129,768   | 220,872   | 64,196      | 57,260  |
| Profit on disposal of property, plant and equipment, intangible assets, investment properties and investments                                   | 44,781    | 51,209    | 163,453     | 364,487 |
| Fair value gain on revaluation of investment properties and straightlining adjustment   | 990,116   | 681,258   | 1,119,186   | 298,152 |
| Fair value gain on financial assets at fair value through profit or loss (see note 12(c)(i))  | -         | 6,684     | -           | 6,684   |
| <b>and charging:</b>  |           |           |             |         |
| Depreciation on property, plant and equipment   | 714,005   | 674,315   | 7,258       | 7,379   |
| Depreciation of right of use assets   | 173,875   | 175,833   | 4,296       | 4,934   |
| Amortisation of intangible assets   | 78,540    | 86,202    | -           | -       |
| Fair value loss on financial assets at fair value through profit or loss (see note 12(c)(i))  | 20,970    | -         | 20,970      | -       |
| Employee benefit expense (see note (b) below)   | 3,314,462 | 2,699,652 | 99,305      | 56,524  |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

35. PROFIT BEFORE TAXATION (CONT'D)

|  | THE GROUP |           | THE COMPANY |        |
|--|-----------|-----------|-------------|--------|
|  | 2023      | 2022      | 2023        | 2022   |
|  | Rs'000    | Rs'000    | Rs'000      | Rs'000 |
| (a) Excess of fair value of the share of net assets over acquisition price arise upon acquisition of associated companies. | 3,161,609 | 2,637,596 | 73,980      | 39,935 |
| (b) Employee benefit expense   |           |           |             |        |
| Wages and salaries   | 5,199     | 33,881    | 12,307      | 13,203 |
| Pension costs:   | 147,654   | 28,175    | 13,018      | 3,386  |
| - defined benefit plans (note 26(d)(vi))   |           |           |             |        |
| - other post retirement benefits (note 26(e)(iv))  | 3,314,462 | 2,699,652 | 99,305      | 56,524 |

36. INCOME TAX

|  | THE GROUP |          | THE COMPANY |        |
|--|-----------|----------|-------------|--------|
|  | 2023      | 2022     | 2023        | 2022   |
|  | Rs'000    | Rs'000   | Rs'000      | Rs'000 |
| (a) CHARGE   |           |          |             |        |
| Current tax on the adjusted profit for the year at 17% (including CSR) (2022: 17%) | 268,144   | 196,822  | -           | -      |
| Under/(over) provision   | 18,790    | (6,856)  | -           | -      |
| Deferred tax charge/(credit)   | 286,934   | 189,966  | -           | -      |
| Income tax charge  | 166,825   | (63,394) | 5,060       | 2,523  |
|  | 453,759   | 126,572  | 5,060       | 2,523  |

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current tax charge is based on chargeable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Every Mauritian company is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year and the company should remit 75% of the fund respectively to the Mauritian Tax Authorities. This practice is being interpreted and CSR is classified as taxation.

Income tax liabilities for the current and prior periods are measured at the amount expected to be paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

(b) LIABILITY

|                                   | THE GROUP |           |
|-----------------------------------|-----------|-----------|
|                                   | 2023      | 2022      |
|                                   | Rs'000    | Rs'000    |
| At July 1,                        | 129,044   | 87,663    |
| Acquisition of subsidiaries       | (15,100)  | -         |
| Corporate Social Responsibility   | 7,327     | 10,963    |
| Under/(over) provision            | 18,790    | (6,856)   |
| Charge for the year               | 260,817   | 185,549   |
| Paid during the year              | (196,495) | (151,994) |
| Effect of tax deduction at source | (108,400) | -         |
| Translation difference            | (579)     | 3,719     |
| At June 30,                       | 95,404    | 129,044   |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

36. INCOME TAX (CONT'D)

|  | THE GROUP |           | THE COMPANY |           |
|--|-----------|-----------|-------------|-----------|
|  | 2023      | 2022      | 2023        | 2022      |
|  | Rs'000    | Rs'000    | Rs'000      | Rs'000    |
| (c) The tax on the group's and company's profit before taxation differs from the theoretical amount that would arise using the basic tax rate of the group and the company as follows: |           |           |             |           |
| Profit before taxation from continuing operations  | 3,302,832 | 1,718,686 | 853,574     | 383,620   |
| Profit before taxation from discontinued operations  | 11,300    | 33,700    | -           | -         |
| Tax calculated at a rate of 17% (2022: 17%)  | 563,402   | 298,229   | 145,108     | 65,215    |
| Tax effect of :-   |           |           |             |           |
| Income not subject to tax (i)  | (510,145) | (589,764) | (269,965)   | (162,799) |
| Effect of different tax rates  | 424       | 20,198    | -           | -         |
| Expenses not deductible for tax purposes (ii)  | 360,154   | 332,849   | 63,230      | 44,614    |
| Recognised tax losses  | (5,613)   | -         | -           | -         |
| Utilisation of previously unrecognised tax losses*   | (17,241)  | (2,123)   | -           | -         |
| Deferred tax impact  | (12,055)  | (68,368)  | -           | -         |
| Tax losses for which no deferred tax asset was recognised*   | 82,559    | 111,242   | 66,687      | 55,493    |
| Over/(under) provision of income tax in previous years   | 18,790    | (6,311)   | -           | -         |
| Effect of consolidation adjustments  | -         | 77,690    | -           | -         |
| Effect of tax on associated companies  | (39,584)  | (58,842)  | -           | -         |
| Other movements (iii)  | 13,068    | 11,772    | -           | -         |
| Income tax charge  | 453,759   | 126,572   | 5,060       | 2,523     |

\* Comparative figures for the group have been updated for better presentation.

(i) Income not subject to tax includes annual allowances, dividend income from resident companies, exempt interest income, profit on sale of land and buildings, reversals of impairment losses, fair value gain on investment properties.

(ii) Expenses not deductible for tax purposes include interest on leases, bad debts written off and provision for impairment losses.

(iii) Other movements consist of non qualifying assets on bearer biological assets and corporate social responsibility (CSR).

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

37. FAIR VALUE, REVALUATION AND OTHER RESERVES

| (a) THE GROUP   | Holding company and subsidiaries |  | Associated companies                                      |                   | Total  |
|---|----------------------------------|--|---|-------------------|--------|
|   | Revaluation reserves             | Fair value, capital and translation reserves | Revaluation, fair value, capital and translation reserves | Rs'000            |        |
| (i) June 30, 2023   | Rs'000                           | Rs'000                                       | Rs'000  | Rs'000            | Rs'000 |
| At July 1, 2022   | 15,237,390                       | 85,994                                       | 1,448,552   | 16,771,936        |        |
| Transfers   | (549)                            | (25,800)                                     | (177,054)   | (203,403)         |        |
| Effect of change in ownership interest not resulting in loss of control                     | -                                | -  | 291   | 291               |        |
| <b>Other comprehensive income for the year:</b>   |                                  |  |   |                   |        |
| Gain on revaluation of property, plant and equipment  | 2,548,375                        | -  | -   | 2,548,375         |        |
| Change in fair value of equity instruments at fair value through other comprehensive income | -                                | (52,448)                                     | 50,224  | (2,224)           |        |
| <b>At June 30, 2023</b>   | <b>17,785,216</b>                | <b>7,746</b>                                 | <b>1,322,013</b>  | <b>19,114,975</b> |        |
| (ii) June 30, 2022  |                                  |  |   |                   |        |
|   | Revaluation reserves             | Fair value, capital and translation reserves | Revaluation, fair value, capital and translation reserves | Total             |        |
| At July 1, 2021   | Rs'000                           | Rs'000                                       | Rs'000  | Rs'000            |        |
| Effect of change in ownership not resulting in:   | 14,511,858                       | (27,361)                                     | 808,516   | 15,293,013        |        |
| -loss of control  | 6,595                            | -  | -   | 6,595             |        |
| Transfers   | (19,687)                         | -  | -   | (19,687)          |        |
| Other comprehensive income for the year:  |                                  |  |   |                   |        |
| Gain on revaluation of property, plant and equipment  | 738,624                          | -  | -   | 738,624           |        |
| Change in fair value of equity instruments at fair value through other comprehensive income | -                                | 104,933                                      | -   | 104,933           |        |
| Currency translation differences  | -                                | 8,422  | -   | 8,422             |        |
| Share of other comprehensive income of associated companies and jointly controlled entities | -                                | -  | 640,036   | 640,036           |        |
| <b>At June 30, 2022</b>   | <b>15,237,390</b>                | <b>85,994</b>                                | <b>1,448,552</b>  | <b>16,771,936</b> |        |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

37. FAIR VALUE, REVALUATION AND OTHER RESERVES (CONT'D)

| (b) THE COMPANY   | 2023              | 2022              |
|---|-------------------|-------------------|
|   | Rs'000            | Rs'000            |
| <b>Revaluation and fair value reserves</b>  |                   |                   |
| At July 1,  | 10,120,561        | 5,043,702         |
| Transfer from retained earnings on capital reduction  | (26,665)          | 6,759             |
| Gain on revaluation of property, plant and equipment  | 26,547            | -                 |
| Change in fair value of equity instruments at fair value through other comprehensive income   | 3,976,354         | 5,070,100         |
| <b>At June 30,</b>  | <b>14,096,797</b> | <b>10,120,561</b> |
| <b>Revaluation and fair value reserves</b>  |                   |                   |
| Fair value and revaluation reserves consist of the cumulative gains/losses arising from revaluation of the group's property, plant and equipment, the cumulative net change in the fair value of financial assets at fair value through other comprehensive income and the foreign currency differences arising from the translation of the financial statements of foreign operations.   |                   |                   |
| 38. DIVIDENDS PAYABLE   |                   |                   |
| (a) <b>Accounting policy</b>  |                   |                   |
| Dividend distribution to the shareholders is recognised as a liability in the financial statements in the period in which the dividends are declared.   |                   |                   |
| (b)   | 2023              | 2022              |
|   | Rs'000            | Rs'000            |
| At July 1,  | 168,748           | 187,498           |
| Declared during the year  | 374,996           | 299,997           |
| Paid during the year  | (356,246)         | (318,747)         |
| <b>At June 30,</b>  | <b>187,498</b>    | <b>168,748</b>    |
| (c) Amounts recognised as distributions to equity holders during the year:  |                   |                   |
| Ordinary shares   |                   |                   |
| - Interim dividend for the year ended June 30, 2023 of Rs.0.50 (2022: Rs.0.35) per share  | 187,498           | 131,249           |
| - Final dividend for the year ended June 30, 2023 of Rs.0.50 (2022: Rs.0.45) per share  | 187,498           | 168,748           |
|   | 374,996           | 299,997           |
| Dividend per share (Rs.)  | 1.00              | 0.80              |
| 39. <b>EARNINGS PER SHARE</b>   |                   |                   |
| Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholder of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. At the reporting date, the group did not have shares with dilutive effects in issue (2022: nil). |                   |                   |
|   | THE GROUP         | THE COMPANY       |
| (a) <b>From continuing operations</b>   | 2023              | 2022              |
| Net Profit attributable to owners of the company  | Rs'000            | Rs'000            |
| Basic number of ordinary shares in issue ('000)   | 1,705,340         | 826,311           |
| Earnings per share  | 374,996           | 374,996           |
|   | Rs.               | Rs.               |
|   | 4.55              | 2.20              |
| (b) <b>From discontinued operations</b>   |                   |                   |
| Net Profit attributable to owners of the company  | Rs'000            | Rs'000            |
| Basic number of ordinary shares in issue ('000)   | 3,942             | 15,052            |
| Earnings per share  | 374,996           | 374,996           |
|   | Rs.               | Rs.               |
|   | 0.01              | 0.04              |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

40. NOTES TO THE STATEMENTS OF CASH FLOWS

Cash and cash equivalents comprise of cash in hand, amounts repayable on demand from banks and financial institutions and short term highly liquid investments which were within three months of maturity when acquired, less bank overdrafts for the purpose of Statements of Cash Flows. Interest received and paid on consumer finance business is part of the operating activities of the group. Bank overdrafts are shown within loans and borrowings in current liabilities on the Statements of Financial Position.

| (a) Cash generated from operations   | Notes          | THE GROUP        |                  | THE COMPANY     |                 |
|--|----------------|------------------|------------------|-----------------|-----------------|
|  |                | 2023             | 2022             | 2023            | 2022            |
|  |                | Rs'000           | Rs'000           | Rs'000          | Rs'000          |
| Profit before taxation from continuing operations  |                | 3,445,245        | 1,718,686        | 853,574         | 383,620         |
| Adjustments for:   |                | 11,300           | 33,700           | -               | -               |
| Depreciation of property, plant and equipment  | 5(b),5(c)      | 714,005          | 674,315          | 7,258           | 7,379           |
| Depreciation of right of use assets  | 5(e)           | 173,875          | 175,833          | 4,296           | 4,934           |
| Amortisation of intangible assets  | 8              | 78,540           | 86,202           | -               | -               |
| Interest expense   | 34(b)          | 1,658,895        | 1,198,692        | 439,555         | 320,837         |
| Interest income  | 31(b)          | (142,078)        | (220,872)        | (64,196)        | (57,260)        |
| Fair value gain on investment properties and straightlining adjustment                           | 6              | (990,116)        | (681,258)        | (1,119,186)     | (298,152)       |
| Fair value loss/(gain) on financial assets at fair value through profit or loss                  |                | 20,970           | (6,684)          | 20,970          | (6,684)         |
| Release of deferred expenditure to expenses  |                | 6,688            | 15,959           | -               | -               |
| Profit on disposal of land, investment properties and investments                                |                | (500)            | (25,168)         | (166,631)       | (361,562)       |
| Profit on disposal of property, plant and equipment, intangible assets and investment properties |                | (44,281)         | (26,041)         | (1,822)         | (2,925)         |
| Impairment on financial assets and receivables   | 13, 14, 17, 19 | 64,700           | (54,700)         | 768             | 228             |
| Provision for retirement benefit obligations   | 26(A)          | 42,227           | (32,533)         | (19,056)        | (18,366)        |
| Payment compensation loss of office  | 26(A)          | (5,832)          | (4,232)          | -               | -               |
| Provision for vacation leave   | 26(B)          | 4,743            | 3,859            | 281             | (229)           |
| Share of results of associated companies and jointly controlled entities, net of dividends       | 10(b),11(b)    | (1,300,431)      | (390,982)        | -               | -               |
| Share of results of society  |                | -                | -                | (392)           | 1,186           |
| Profit on capital reduction  |                | -                | -                | -               | (6,759)         |
| Grant released   |                | (667)            | (657)            | -               | -               |
| Release of amortised cost  |                | 485              | (7,695)          | -               | -               |
| Fair value adjustment on bearer assets   |                | -                | 102              | -               | -               |
| Goodwill and other write off   |                | -                | 200              | -               | -               |
| Bad debts written off  |                | 14,629           | (152)            | 278             | (1,194)         |
| Effect of remeasurement  |                | 35,168           | 9,900            | -               | -               |
| Deferred rent assets   | 5(e), 22(h)    | (2,199)          | (1,983)          | (2,199)         | (1,983)         |
| Translation difference   |                | (179,508)        | (150,209)        | (370)           | 20              |
| Termination of lease   |                | -                | 1,400            | -               | -               |
| Gain on bargain purchase   | 33(f)          | (53,000)         | -                | -               | -               |
| Dividend in specie   |                | (232)            | -                | (232)           | -               |
| Payables write back  |                | -                | -                | (25)            | -               |
|  |                | <b>3,552,626</b> | <b>2,315,682</b> | <b>(47,129)</b> | <b>(36,910)</b> |
| Changes in working capital:  |                |                  |                  |                 |                 |
| - inventories  |                | (695,628)        | 672,059          | -               | -               |
| - consumable biological assets   |                | (67,104)         | 8,039            | -               | -               |
| - trade and other receivables  |                | (3,632)          | (525,680)        | 1,036           | (360)           |
| - receivable from group companies  |                | -                | -                | (64,783)        | 33,526          |
| - loans and advances   |                | (472,200)        | 62,400           | -               | -               |
| - trade and other payables   |                | 1,051,323        | 998,395          | 21,083          | 14,281          |
| - payables to group companies  |                | -                | -                | (4,820)         | (481)           |
| <b>Cash generated from/(used in) operations</b>  |                | <b>3,365,385</b> | <b>3,530,895</b> | <b>(94,613)</b> | <b>10,056</b>   |

## ENL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED JUNE 30, 2023

## 40. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

## (b) Major non-cash transactions

The principal non-cash transactions include the acquisition of property, plant and equipment under finance leases, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income received as consideration for sale of investments. These non-cash transactions are not significant.

## (c) Cash and cash equivalents

|                              | THE GROUP        |                  | THE COMPANY    |                |
|------------------------------|------------------|------------------|----------------|----------------|
|                              | 2023             | 2022             | 2023           | 2022           |
|                              | Rs'000           | Rs'000           | Rs'000         | Rs'000         |
| Bank overdrafts (note 22(b)) | (1,721,183)      | (1,218,252)      | -              | -              |
| Cash at bank and in hand     | 5,725,091        | 5,245,016        | 637,553        | 452,566        |
| Cash and cash equivalents    | <b>4,003,908</b> | <b>4,026,764</b> | <b>637,553</b> | <b>452,566</b> |

At June 30, 2023, cash and cash equivalents have been considered for impairment and impairment loss was negligible and hence not accounted for. The maximum exposure to credit risk at the reporting date for the cash at bank is its fair value.

## (d) Reconciliation of liabilities arising from financing activities

| THE GROUP                               | Secured fixed and variable rate notes |                  | Bank and other loans |                  | Convertible bonds |                | Debt securities  |                   | Lease liabilities |                  | Shareholders' loans |          | Redeemable notes |          | Total             |  |
|---|---------------------------------------|------------------|----------------------|------------------|-------------------|----------------|------------------|-------------------|-------------------|------------------|---------------------|----------|------------------|----------|-------------------|--|
|   | Rs'000                                | Rs'000           | Rs'000               | Rs'000           | Rs'000            | Rs'000         | Rs'000           | Rs'000            | Rs'000            | Rs'000           | Rs'000              | Rs'000   | Rs'000           | Rs'000   | Rs'000            |  |
| At July 1, 2022                         | 5,819,530                             | -                | 13,390,517           | 3,564,786        | 1,125,708         | -              | 954,905          | 1,225,786         | 6,600             | 4,741,000        | -                   | -        | -                | -        | 29,719,546        |  |
| Proceeds from borrowings                | -                                     | -                | 5,826,042            | 1,652,370        | -                 | -              | 150,000          | -                 | 3,950             | -                | -                   | -        | -                | -        | 7,773,062         |  |
| New lease                               | -                                     | -                | -                    | -                | -                 | -              | -                | -                 | 334,073           | -                | -                   | -        | -                | -        | 334,073           |  |
| Effect of remeasurement                 | (1,000,000)                           | -                | (5,052,890)          | -                | -                 | -              | (42,100)         | -                 | 18,432            | -                | -                   | -        | -                | -        | 18,432            |  |
| Payments on borrowings                  | -                                     | -                | -                    | -                | -                 | -              | -                | -                 | (241,317)         | -                | -                   | -        | -                | -        | (6,098,290)       |  |
| Principal payments on lease liabilities | -                                     | -                | -                    | -                | -                 | -              | -                | -                 | 47,938            | -                | -                   | -        | -                | -        | (241,317)         |  |
| Interest accrued                        | 2,700                                 | -                | 880                  | 47,938           | -                 | -              | -                | -                 | 47,665            | -                | -                   | -        | -                | -        | 101,183           |  |
| Amortised cost                          | 485                                   | -                | (149,385)            | (2,517)          | -                 | -              | -                | -                 | -                 | -                | -                   | -        | -                | -        | (151,417)         |  |
| Disposal of subsidiaries                | -                                     | -                | (1,465,300)          | -                | -                 | -              | -                | -                 | (32,100)          | -                | -                   | -        | -                | -        | (1,497,400)       |  |
| Foreign exchange movements              | -                                     | -                | 137,477              | -                | -                 | -              | -                | -                 | (40,550)          | -                | -                   | -        | -                | -        | 96,927            |  |
| At June 30, 2023                        | <b>4,822,715</b>                      | <b>1,062,805</b> | <b>12,687,341</b>    | <b>5,262,577</b> | <b>1,211,911</b>  | <b>257,200</b> | <b>1,062,805</b> | <b>12,687,341</b> | <b>7,250</b>      | <b>4,743,000</b> | <b>-</b>            | <b>-</b> | <b>-</b>         | <b>-</b> | <b>30,054,799</b> |  |



## 40. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

## (d) Reconciliation of liabilities arising from financing activities (cont'd)

|   | Soured fixed and variable rate notes | Debentures | Convertible bonds | Bank and other loans | Bond notes | Lease liabilities | Shareholders' loans | Redeemable notes | Total       |
|---|--------------------------------------|------------|-------------------|----------------------|------------|-------------------|---------------------|------------------|-------------|
|   | R\$'000                              | R\$'000    | R\$'000           | R\$'000              | R\$'000    | R\$'000           | R\$'000             | R\$'000          | R\$'000     |
| <b>THE GROUP (CONT'D)</b>               |                                      |            |                   |                      |            |                   |                     |                  |             |
| At July 1, 2021                         | 5,055,531                            | 836,505    | 127,200           | 17,393,503           | 3,561,155  | 1,140,670         | -                   | -                | 28,114,564  |
| Proceeds from borrowings                | 788,099                              | 150,000    | -                 | 5,067,660            | -          | -                 | 6,600               | 4,741,000        | 10,753,259  |
| New lease                               | -                                    | -          | -                 | -                    | -          | 232,710           | -                   | -                | 232,710     |
| Payments on borrowings                  | (24,100)                             | (31,600)   | (10,700)          | (8,797,687)          | -          | -                 | -                   | -                | (8,864,087) |
| Principal payments on lease liabilities | -                                    | -          | -                 | -                    | -          | (262,953)         | -                   | -                | (262,953)   |
| Interest accrued                        | -                                    | -          | -                 | -                    | 3,631      | 41,281            | -                   | -                | 44,912      |
| Disposal of subsidiaries                | -                                    | -          | -                 | (272,959)            | -          | (15,000)          | -                   | -                | (15,000)    |
| Foreign exchange movements              | -                                    | -          | -                 | -                    | -          | (11,000)          | -                   | -                | (283,959)   |
| At June 30, 2022                        | 5,819,530                            | 954,905    | 116,500           | 13,900,517           | 3,564,786  | 1,125,208         | 6,600               | 4,741,000        | 29,719,546  |
|   |                                      |            |                   |                      |            |                   |                     |                  |             |
|   |                                      |            |                   |                      |            |                   |                     |                  |             |
| <b>THE COMPANY</b>                      |                                      |            |                   |                      |            |                   |                     |                  |             |
| At July 1, 2022                         | -                                    | -          | -                 | -                    | -          | -                 | -                   | -                | -           |
| Proceeds from borrowings                | -                                    | -          | -                 | -                    | -          | -                 | 3,564,786           | 15,317           | 6,968,772   |
| Payments on borrowings                  | -                                    | -          | -                 | -                    | -          | -                 | 1,652,419           | -                | 1,652,419   |
| Principal payments on lease liabilities | -                                    | -          | -                 | -                    | -          | (610,902)         | -                   | (5,993)          | (616,895)   |
| Interest accrued                        | -                                    | -          | -                 | -                    | -          | -                 | 47,938              | (203)            | 47,735      |
| Amortised cost                          | -                                    | -          | -                 | -                    | -          | (772)             | (2,566)             | -                | (3,293)     |
| At June 30, 2023                        | -                                    | -          | -                 | -                    | -          | 3,277,040         | 3,262,577           | 9,121            | 8,088,238   |

## 40. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

## (d) Reconciliation of liabilities arising from financing activities (cont'd)

|  | Bank loans | Bond notes | Lease liabilities | Total     |
|--|------------|------------|-------------------|-----------|
|  | R\$'000    | R\$'000    | R\$'000           | R\$'000   |
| <b>THE COMPANY</b>                             |            |            |                   |           |
| At July 1, 2021                                | 3,497,280  | 3,561,155  | 225,91            | 7,284,535 |
| Proceeds from borrowings                       | (806,064)  | -          | -                 | (806,064) |
| Principal payments on lease liabilities        | -          | -          | (7,539)           | (7,539)   |
| Interest accrued                               | 994        | 3,631      | (7)               | 4,618     |
| Remeasurement                                  | -          | -          | 472               | 472       |
| At June 30, 2022                               | 3,388,669  | 3,564,786  | 153,17            | 6,968,772 |
|  |            |            |                   |           |
| <b>THE GROUP</b>                               |            |            |                   |           |
| At July 1, 2022                                | 16,495     | 416,600    | -                 | 433,095   |
| Authorized by the board but not contracted for | 865,187    | 2,777,206  | -                 | 3,642,393 |
| Contracted for but not yet incurred            | -          | -          | -                 | -         |
|  |            |            |                   |           |
| <b>THE COMPANY</b>                             |            |            |                   |           |
| At July 1, 2022                                | -          | -          | -                 | -         |
| Authorized by the board but not contracted for | 16,495     | 416,600    | -                 | 433,095   |
| Contracted for but not yet incurred            | -          | -          | -                 | -         |
|  |            |            |                   |           |
| <b>THE GROUP</b>                               |            |            |                   |           |
| At July 1, 2022                                | -          | -          | -                 | -         |
| Authorized by the board but not contracted for | 16,495     | 416,600    | -                 | 433,095   |
| Contracted for but not yet incurred            | -          | -          | -                 | -         |

Capital commitments consist principally of property, plant and equipment.

Future minimum lease receivable under non-cancellable operating leases may be analyzed as follows:

|  | THE GROUP |
|--|-----------|
|  | 2023      |
|  | R\$'000   |
| Within one year  | 7,400     |
| After one year and before five years                                   | 10,100    |
| Future minimum lease receivable under non-cancellable operating leases | 17,500    |

## 42. SEGMENT INFORMATION

## (a) Accounting policy

Segment information presented relates to operating segments that engage in business activities for which revenues are earned and expenses incurred. The group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business unit requires different technology and marketing strategies. Operating segments that do not meet any of the quantitative thresholds of 10% reported revenue or profit or assets are included if management believes that information about these would be useful to users to better appraise financial information. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The group evaluates the performance, on the basis of profit or loss from operations before tax expense. The group's customer base is highly diversified with no particularly major focus customers. Other entity wide disclosures such as revenue from external customers per service/product type and extent of reliance on major customers have not disclosed due to excessive cost involved.



NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

43. RELATED PARTY DISCLOSURES

|                                 | Associated companies |         | Jointly controlled entities |        | Other related parties |        |
|---------------------------------|----------------------|---------|-----------------------------|--------|-----------------------|--------|
|                                 | 2023                 | 2022    | 2023                        | 2022   | 2023                  | 2022   |
|                                 | Rs'000               | Rs'000  | Rs'000                      | Rs'000 | Rs'000                | Rs'000 |
| Purchases of goods and services | 495,241              | 69,142  | 1,355                       | -      | 25,280                | 55,800 |
| Sale of goods and services      | 328,365              | 97,431  | 200                         | 600    | 7,172                 | 8,300  |
| Management fee income           | 2,930                | 2,936   | -                           | -      | -                     | -      |
| Interest expense                | -                    | 288     | -                           | -      | -                     | -      |
| Interest income                 | 422                  | -       | -                           | -      | -                     | -      |
| Loans payable                   | 400                  | 346,300 | -                           | -      | -                     | -      |
| Loans receivable                | -                    | -       | 99,400                      | -      | -                     | -      |
| Amounts receivable              | 678,202              | 43,440  | -                           | -      | 2,829                 | 1,328  |
| Amounts payable                 | 4,193                | 13,113  | -                           | 36,000 | 7,000                 | 3      |

(b) THE COMPANY

|                        | Subsidiary companies |           | Associated companies |        | Other related parties |        |
|------------------------|----------------------|-----------|----------------------|--------|-----------------------|--------|
|                        | 2023                 | 2022      | 2023                 | 2022   | 2023                  | 2022   |
|                        | Rs'000               | Rs'000    | Rs'000               | Rs'000 | Rs'000                | Rs'000 |
| Rental income          | 71,664               | 45,895    | -                    | -      | -                     | -      |
| Management fee income  | 44,161               | 43,104    | -                    | 1,850  | -                     | -      |
| Management fee expense | 115,581              | 92,118    | -                    | -      | -                     | -      |
| Interest expense       | 381                  | 598       | -                    | -      | -                     | -      |
| Interest income        | 64,170               | 57,207    | -                    | -      | -                     | -      |
| Amounts receivable     | 1,304,588            | 1,296,187 | -                    | -      | -                     | 341    |
| Loans receivable       | 847,000              | 806,000   | -                    | -      | -                     | -      |
| Amounts payable        | 143,757              | 34,942    | -                    | -      | -                     | -      |

(c) Outstanding amounts payable to group companies and amounts receivables from group companies at year end are unsecured and interest free, and settlement occurs in cash except for the following:

- (i) Loans receivable from subsidiary company carry an interest rate of 3.10%, and  
(ii) Loans payable to associated companies carry interest rate of 4.2%.

Except as disclosed in note 45, there has been no guarantee received or provided for any amounts receivable from group companies and amounts payable to group companies. For the year ended June 30, 2023, amounts receivable from group companies were impaired by Rs.14.2m (2022: Rs.13.5m). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The company's retirement benefit obligations are administered by an associate of the company.

(d) **Key management personnel compensation**

|   | THE GROUP |        | THE COMPANY |        |
|---|-----------|--------|-------------|--------|
|   | 2023      | 2022   | 2023        | 2022   |
|   | Rs'000    | Rs'000 | Rs'000      | Rs'000 |
| Directors' fees                             | 8,998     | 7,510  | 5,450       | 4,150  |
| Salaries and short term employment benefits | 95,252    | 64,821 | 54,427      | 21,169 |
| Post-employment benefits                    | 2,427     | 1,678  | -           | -      |
|   | 106,677   | 74,009 | 59,877      | 25,319 |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

44. ACQUISITION AND DISPOSAL OF SUBSIDIARY COMPANIES

(i) Year ended June 30, 2023

(a) **Subsidiary companies acquired during the year**

On November 30, 2022, a fellow subsidiary, General Cargo Services Ltd, acquired 100% of the share capital of Rongai Workshops & Transport Limited for Rs.62.9m and obtained the control of Rongai Workshops & Transport Limited. Vologic Holding Company Limited holds 98.5% in Gencargo Transport Limited, through VK Logistics Ltd, thus effectively holding 98.5% in Rongai Workshops & Transport Limited. Its principal activity is the provision of logistics, trucking and transport services within Kenya. As a result of the acquisition, the group is expected to increase its presence in the market in Kenya. It also expects to reduce costs through economies of scale. On acquisition of Rongai Workshops & Transport Limited, inventories of property, plant and equipment were performed and all identifiable assets and liabilities were recorded at their fair value and land and building were revalued by an independent valuer. These resulted in an increase in assets acquired and to a gain on bargain purchase.

(i) **Consideration**

|                        | THE GROUP |
|------------------------|-----------|
|                        | Rs'000    |
| Consideration - Cash   | (28,900)  |
| Consideration payable* | (35,900)  |
| Total consideration    | (64,800)  |

\* Includes consideration payable deferred until November 30, 2024 amounting to Rs.8,357 million payable in two equal instalments.

Recognised amounts of identifiable assets acquired and liabilities assumed:

|                                      | THE GROUP      |
|--------------------------------------|----------------|
|                                      | Rs'000         |
| Property, plant and equipment        | 52,900         |
| Deferred tax assets                  | 300            |
| Inventories                          | 7,800          |
| Trade and other receivables          | 38,700         |
| Current tax assets                   | 15,800         |
| Cash and cash equivalents            | 46,700         |
| Trade and other payables             | (44,400)       |
| <b>Total identifiable net assets</b> | <b>117,800</b> |
| <b>Gain on business acquisition</b>  | <b>53,000</b>  |

The fair value of the trade receivables amounts to Rs.36.1m. The gross amount of trade receivables is Rs.48.3m and it is expected that the full contractual amounts can be collected.

**Net cash flow on acquisition of subsidiary**

|   | THE GROUP |
|---|-----------|
|   | Rs'000    |
| Cash consideration paid in cash                             | (28,900)  |
| Cash and cash equivalents acquired                          | 46,700    |
| Cash inflow on acquisition net of cash and cash equivalents | 17,800    |

The above acquisition will contribute to synergies and strategy of the group.

From the date of acquisition, Rongai Workshops & Transport Limited contributed Rs.255.1m of revenue and Rs.30.3m to profit before tax from continuing operations of the group. If the combination had taken place at the beginning of the year, revenue would have been Rs.388.3m and profit before tax would have been Rs.13.1m.

(b) **Subsidiary companies disposed during the year**

During the year, following restructuring of the Rogers Capital cluster, the consumer finance business, hire-purchase, loan services and insurance agent were transferred to a wholly owned subsidiary, Rogers Capital Credit Limited. The leasing business remained in Rogers Capital Finance Limited, however 51% of the shareholding of the entity, which was previously held by the group, was disposed to a new strategic partner. Effective May 9, 2023, the group lost control on RCFL, which is now considered to be an associate with Rogers holding 49% of the shareholding. The group realised a loss of Rs.1.5m on the transaction.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

44. ACQUISITION AND DISPOSAL OF SUBSIDIARY COMPANIES (CONT'D)

(ii) Year ended June 30, 2022

In 2022, the group incorporated the following subsidiaries:

|                               | <u>Group effective %<br/>holding</u> | <u>Main business</u>              |
|-------------------------------|--------------------------------------|-----------------------------------|
| <b>Land and investments:</b>  |                                      |                                   |
| ENL Rê Limited                | 100.00                               | Investment holding                |
| <b>Hospitality:</b>           |                                      |                                   |
| La Place du Village Limited   | 100.00                               | Training institution              |
| <b>Real estate:</b>           |                                      |                                   |
| Savannah Land Development Ltd | 100.00                               | Land and property developer       |
| Savannah Smart City Limited   | 100.00                               | Rental of offices                 |
| Telfair Apartments Limited    | 67.00                                | Property                          |
| <b>Commerce and industry:</b> |                                      |                                   |
| Suntricity Company Limited    | 75.00                                | Rental of equipment and machinery |

The above subsidiary companies have been incorporated as per the Companies Act 2001.

(ii) On December 8, 2021, ENL acquired 50.1% of the shares in EES (dominant at the date of acquisition) and the business assets of Soratech Limited ("SL" or the "acquiree") which includes all the assets required for the operation of the business of SL, employee benefits liabilities but excluding all other liabilities of SL. Employees were also transferred as part of this transaction. EES and SL were all owned by the same shareholder at the date of acquisition. As a result, ENL was identified as the acquirer.

The above transaction has been concluded to be a single transaction altogether and falls under the requirements of IFRS 3 - Business Combinations and resulting in a goodwill calculated as follows:

| <b>THE GROUP</b>               | <b>Rs'000</b> |
|--------------------------------|---------------|
| <b>Assets</b>                  |               |
| Intangible assets              | 32,396        |
| <b>Liabilities</b>             |               |
| Employee benefit liabilities   | (16,473)      |
| <b>Net assets acquired</b>     | <u>15,923</u> |
| Cash consideration             | 41,000        |
| Net assets at acquisition date | (15,923)      |
| Non-controlling interest       | 7,946         |
| <b>Goodwill</b>                | <u>33,023</u> |

Goodwill amounting to Rs.33m has been recognised under note 8 - 'Intangible assets'.

45. CONTINGENT LIABILITIES

Contingent liabilities as at June 30, 2023 are as follows:

- A subsidiary has acted as surety in respect of a guarantee of Rs.600m (2022: Rs.275m) given by one of its subsidiaries to the Mauritius Revenue Authority.
  - Some of the group's subsidiaries have pending legal matters amounting to Rs.21.80m (2022:Rs.25.0m), the outcome of which is uncertain.
  - A subsidiary of the group has provided a shortfall undertaking, equivalent to six month's interest payment of approximately Rs.28m (2022:Rs.28m) to bondholder representatives on behalf of another subsidiary company.
  - A subsidiary has provided a shortfall undertaking to MCB Leasing in respect of leasing facilities of Rs.0.7m contracted by one of its subsidiaries.
  - Some of the group's subsidiaries had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business amounting to Rs.3.913m (2022:Rs.2.124m).
- It is not anticipated that any material liabilities would arise out of the above as the possibility of the outflow of economic benefits is remote.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

46. CATEGORIES OF FINANCIAL INSTRUMENTS

**Accounting policy**

Financial assets and financial liabilities are recognised in the group's statements of financial position when the group has become a party to the contractual provisions of the instrument.  
The group's accounting policies in respect of the financial instruments are described in the respective notes to the financial statements.

(a) Financial assets by category

|   | <b>Financial assets at fair value through other comprehensive income</b> | <b>Financial assets at fair value through profit or loss</b> | <b>Other financial assets at amortised costs</b> | <b>Total</b>      |
|---|--|--|--|-------------------|
|   | <b>Rs'000</b>  | <b>Rs'000</b>  | <b>Rs'000</b>                                    | <b>Rs'000</b>     |
| <b>THE GROUP</b>  |  |  |  |                   |
| <b>Per Statements of financial position</b>                       |  |  |  |                   |
| <b>At June 30, 2023</b>   |  |  |  |                   |
| Financial assets at fair value through other comprehensive income | 615,721  | -  | -  | 615,721           |
| Financial assets at fair value through profit or loss             | -  | 41,032   | -  | 41,032            |
| Other financial assets at amortised costs                         | -  | -  | 1,865,958  | 1,865,958         |
| Loans and advances  | -  | -  | 633,400  | 633,400           |
| Trade receivables   | -  | -  | 2,228,035  | 2,228,035         |
| Cash and cash equivalents   | -  | -  | 5,725,091  | 5,725,091         |
| Total financial assets  | <u>615,721</u>   | <u>41,032</u>  | <u>10,452,484</u>                                | <u>11,109,237</u> |
| <b>At June 30, 2022</b>   |  |  |  |                   |
| Financial assets at fair value through other comprehensive income | 578,211  | -  | -  | 578,211           |
| Financial assets at fair value through profit or loss             | -  | 61,770   | -  | 61,770            |
| Other financial assets at amortised costs                         | -  | -  | 1,540,051  | 1,540,051         |
| Loans and advances  | -  | -  | 2,204,300  | 2,204,300         |
| Trade receivables   | -  | -  | 2,294,353  | 2,294,353         |
| Cash and cash equivalents   | -  | -  | 5,245,016  | 5,245,016         |
| Total financial assets  | <u>578,211</u>   | <u>61,770</u>  | <u>11,283,720</u>                                | <u>11,923,701</u> |
| <b>THE COMPANY</b>  |  |  |  |                   |
| <b>Per statements of financial position</b>                       |  |  |  |                   |
| <b>At June 30, 2023</b>   |  |  |  |                   |
| Financial assets at fair value through other comprehensive income | 90,613   | -  | -  | 90,613            |
| Financial assets at fair value through profit or loss             | -  | 41,032   | -  | 41,032            |
| Other financial assets at amortised costs                         | -  | -  | 1,894,084  | 1,894,084         |
| Trade receivables   | -  | -  | 4,363  | 4,363             |
| Amount receivable from group companies                            | -  | -  | 313,770  | 313,770           |
| Cash and cash equivalents   | -  | -  | 637,353  | 637,353           |
| Total financial assets  | <u>90,613</u>  | <u>41,032</u>  | <u>2,849,570</u>                                 | <u>2,981,215</u>  |

Classification within the fair value hierarchy for the financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss is disclosed under notes 12(b) and 12(c) respectively.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

46. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial assets by category (cont'd)

| THE COMPANY   | Financial assets                           |                                      |   | Total            |
|---|--|--------------------------------------|---|------------------|
|   | at fair value through comprehensive income | at fair value through profit or loss | Other financial assets at amortised costs |                  |
|   | Rs'000                                     | Rs'000                               | Rs'000                                    | Rs'000           |
| Per statements of financial position                              |  |                                      |   |                  |
| At June 30, 2022  |  |                                      |   |                  |
| Financial assets at fair value through other comprehensive income | 106,475                                    | -                                    | -   | 106,475          |
| Financial assets at fair value through profit or loss             | -  | 61,770                               | -   | 61,770           |
| Other financial assets at amortised costs                         | -  | -                                    | 1,908,187                                 | 1,908,187        |
| Trade receivables   | -  | -                                    | 3,899                                     | 3,899            |
| Amount receivable from group companies                            | -  | -                                    | 264,249                                   | 264,249          |
| Cash and cash equivalents   | -  | -                                    | 452,566                                   | 452,566          |
|   | <u>106,475</u>                             | <u>61,770</u>                        | <u>2,628,901</u>                          | <u>2,797,146</u> |

(b) Financial liabilities by category

| THE GROUP                                       | Financial liabilities at amortised costs |                   | Total             |
|---|--|-------------------|-------------------|
|   | Rs'000                                   | Rs'000            |                   |
| Per statements of financial position            |  |                   |                   |
| At June 30, 2022                                |  |                   |                   |
| Borrowings                                      | 31,775,982                               | 31,775,982        | 31,775,982        |
| Trade and other payables                        | 5,574,396                                | 5,574,396         | 5,574,396         |
| Liabilities related to contracts with customers | 1,039,517                                | 1,039,517         | 1,039,517         |
|   | <u>38,389,895</u>                        | <u>38,389,895</u> | <u>38,389,895</u> |
| At June 30, 2022                                |  |                   |                   |
| Borrowings                                      | 30,937,798                               | 30,937,798        | 30,937,798        |
| Trade and other payables                        | 4,903,969                                | 4,903,969         | 4,903,969         |
| Liabilities related to contracts with customers | 1,000,414                                | 1,000,414         | 1,000,414         |
|   | <u>36,842,181</u>                        | <u>36,842,181</u> | <u>36,842,181</u> |
| THE COMPANY                                     |  |                   |                   |
| Per statements of financial position            |  |                   |                   |
| At June 30, 2023                                |  |                   |                   |
| Borrowings                                      | 8,048,738                                | 8,048,738         | 8,048,738         |
| Trade and other payables                        | 94,190                                   | 94,190            | 94,190            |
| Liabilities related to contracts with customers | 10,921                                   | 10,921            | 10,921            |
| Amounts payable to group companies              | 143,757                                  | 143,757           | 143,757           |
|   | <u>8,297,606</u>                         | <u>8,297,606</u>  | <u>8,297,606</u>  |
| At June 30, 2022                                |  |                   |                   |
| Borrowings                                      | 6,968,772                                | 6,968,772         | 6,968,772         |
| Trade and other payables                        | 56,935                                   | 56,935            | 56,935            |
| Liabilities related to contracts with customers | 33,980                                   | 33,980            | 33,980            |
| Amounts payable to group companies              | 34,942                                   | 34,942            | 34,942            |
|   | <u>7,094,629</u>                         | <u>7,094,629</u>  | <u>7,094,629</u>  |

The fair value of financial instruments at amortised cost are not materially different from their carrying amount.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

47. FINANCIAL SUMMARY

(a) THE GROUP

Statements of profit or loss and other comprehensive income  
Continuing operations

|  | 2023             | 2022             |
|--|------------------|------------------|
|  | Rs'000           | Rs'000           |
| Revenue                                      | 20,851,806       | 17,816,089       |
| Profit before taxation                       | 3,445,245        | 1,729,686        |
| Income tax expense                           | (453,759)        | (128,472)        |
| Profit for the year                          | 2,991,486        | 1,601,214        |
| Post tax profit from discontinued operations | 11,300           | 24,600           |
| Other comprehensive income for the year      | 3,594,349        | 1,938,874        |
| Total comprehensive income for the year      | <u>6,597,135</u> | <u>3,564,688</u> |

Profit attributable to:

|                              |                  |                  |
|------------------------------|------------------|------------------|
| Owners of the company        | 1,705,340        | 829,477          |
| Non-controlling shareholders | 1,293,504        | 784,451          |
|                              | <u>2,998,844</u> | <u>1,613,928</u> |

Total comprehensive income attributable to:

|                              |                  |                  |
|------------------------------|------------------|------------------|
| Owners of the company        | 4,064,172        | 2,398,959        |
| Non-controlling shareholders | 2,532,963        | 1,165,729        |
|                              | <u>6,597,135</u> | <u>3,564,688</u> |

Dividend per share

|           |          |      |
|-----------|----------|------|
| - Interim | Rs. 0.50 | 0.35 |
| - Final   | Rs. 0.50 | 0.45 |

Earnings per share

|  |          |      |
|--|----------|------|
|  | Rs. 4.55 | 2.21 |
|--|----------|------|

Statements of financial position

ASSETS

|                    | 2023              | 2022              |
|--------------------|-------------------|-------------------|
|                    | Rs'000            | Rs'000            |
| Non-current assets | 76,326,255        | 69,014,735        |
| Current assets     | 14,958,603        | 13,829,159        |
| Total assets       | <u>91,284,858</u> | <u>82,843,894</u> |

EQUITY AND LIABILITIES

|                           |                   |                   |
|---------------------------|-------------------|-------------------|
| Capital and reserves      | 32,022,519        | 28,613,754        |
| Non-controlling interests | 17,545,828        | 14,990,877        |
| Total equity              | <u>49,568,347</u> | <u>43,604,631</u> |

LIABILITIES

|                              |                   |                   |
|------------------------------|-------------------|-------------------|
| Non-current liabilities      | 29,729,364        | 26,619,694        |
| Current liabilities          | 11,987,147        | 12,619,569        |
| Total equity and liabilities | <u>91,284,858</u> | <u>82,843,894</u> |

## 47. FINANCIAL SUMMARY (CONT'D)

| (b) THE COMPANY  | 2023      | 2022      |
|--|-----------|-----------|
|  | Rs'000    | Rs'000    |
| <b>Statements of profit or loss and other comprehensive income</b> |           |           |
| Revenue  | 452,897   | 349,919   |
| Profit before taxation   | 853,574   | 383,620   |
| Income tax expense   | (5,060)   | (2,523)   |
| Profit for the year  | 848,514   | 381,097   |
| Other comprehensive income for the year                            | 3,995,717 | 5,048,796 |
| Total comprehensive income for the year                            | 4,844,231 | 5,429,893 |
| Dividend per share   |           |           |
| - Interim  | 0.50      | 0.35      |
| - Final  | 0.50      | 0.45      |
| Earnings per share   |           |           |
|  | 2.26      | 1.02      |

**Statements of financial position**

| ASSETS              | 2023              | 2022              |
|---------------------|-------------------|-------------------|
|                     | Rs'000            | Rs'000            |
| Non-current assets  | 42,009,508        | 36,530,180        |
| Current assets      | 1,052,784         | 852,853           |
| <b>Total assets</b> | <b>43,062,292</b> | <b>37,383,033</b> |

**EQUITY AND LIABILITIES**

|                                     |                   |                   |
|-------------------------------------|-------------------|-------------------|
| Capital and reserves                | 34,211,926        | 29,761,320        |
| <b>LIABILITIES</b>                  |                   |                   |
| Non-current liabilities             | 6,662,229         | 6,636,898         |
| Current liabilities                 | 2,188,137         | 984,815           |
| <b>Total equity and liabilities</b> | <b>43,062,292</b> | <b>37,383,033</b> |

## 48. ULTIMATE HOLDING COMPANY

The holding company of ENL Limited is La Sablonniere Holding Limited, incorporated in Mauritius and its registered office is at ENL House, Vivéa Business Park, Moka. The ultimate holding entity of ENL Limited is Société Caredas, a société civile registered in Mauritius.

## 49. DISCONTINUED OPERATIONS

**Year ended June 30, 2023**

Rogers Capital Finance Ltd ("RCFL"), a wholly owned subsidiary, has a solid consumer finance and leasing reputation. On April 30, 2023, the group disposed 51% of the shares in Rogers Capital Finance Limited to a related party - Swan Wealth Management Ltd. As a result of the sale, the group lost control over Rogers Capital Finance Limited and retained a 49% equity interest in the latter. The group has accounted for the retained interest of 49% as an investment in associate since it has determined that it has significant influence.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

## 49. DISCONTINUED OPERATIONS (CONT'D)

## (i) Year ended June 30, 2023 (cont'd)

(a) Income or expenses recognised in the statements of profit or loss are as detailed below:

| THE GROUP   | RCFL<br>2023 | RCFL<br>2022 |
|---|--------------|--------------|
|   | Rs'000       | Rs'000       |
| Revenue from contracts with customers                           | 173,000      | 148,200      |
| Revenue   | 173,000      | 148,200      |
| Cost of sales*  | (67,300)     | (71,100)     |
| Gross Profit  | 105,700      | 77,100       |
| Administrative expenses   | (94,000)     | (65,400)     |
| Impairment of investment on subsidiaries and associated company | (400)        | (700)        |
| Profit from finance costs and other gains and losses            | 11,300       | 11,000       |
| Finance costs   | -            | -            |
| Profit before other gains and losses                            | 11,300       | 11,000       |
| Profit on disposal of group entities and other financial assets | -            | -            |
| Profit before taxation  | 11,300       | 11,000       |
| Taxation  | -            | (1,900)      |
| Profit for the year   | 11,300       | 9,100        |

\* Including interest expense - consumer finance business

**Attributable to:**

|                           |        |       |
|---------------------------|--------|-------|
| Owners of the parent      | 6,600  | 5,300 |
| Non-controlling interests | 4,700  | 3,800 |
| Profit for the year       | 11,300 | 9,100 |

**Basic earnings per share from discontinued operations:**

|   |       |       |
|---|-------|-------|
| Profit attributable to the owners of the parent | 6,600 | 5,300 |
|---|-------|-------|

Number of shares in issue

|  |             |             |
|--|-------------|-------------|
|  | 374,996,326 | 374,996,326 |
|--|-------------|-------------|

Rs.

Earnings per share

|  |      |      |
|--|------|------|
|  | 0.02 | 0.01 |
|--|------|------|

**Diluted earnings per share from discontinued operations:**

|   |       |       |
|---|-------|-------|
| Profit attributable to the owners of the parent | 6,600 | 5,300 |
|---|-------|-------|

Number of shares in issue

|  |             |             |
|--|-------------|-------------|
|  | 374,996,326 | 374,996,326 |
|--|-------------|-------------|

Rs.

Earnings per share

|  |       |       |
|--|-------|-------|
|  | 0.018 | 0.014 |
|--|-------|-------|

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

49. DISCONTINUED OPERATIONS (CONT'D)

(i) Year ended June 30, 2023 (cont'd)

(b) Following the deconsolidation of RCFL, the net assets and liabilities deconsolidated are as detailed below:

|   | 2023           |
|---|----------------|
|   | Rs '000        |
| <b>ASSETS</b>   |                |
| <b>Non current assets</b>   |                |
| Property, plant and equipment (inclusive of rights of use assets) | 103,700        |
| Intangible assets   | 23,700         |
| Loans and advances  | 1,918,700      |
| Deferred tax  | 44,100         |
| <b>Current assets</b>   |                |
| Trade receivables   | 6,900          |
| Financial assets at amortised costs                               | 474,200        |
| Bank balances and cash  | 65,700         |
| <b>Non current liabilities</b>                                    |                |
| Borrowings  | (739,200)      |
| Retirement benefit obligation                                     | (200)          |
| <b>Current liabilities</b>  |                |
| Borrowings  | (1,364,900)    |
| Trade and other payables  | (217,900)      |
| <b>Net assets disposed</b>  | <b>314,800</b> |

(c) Gain on disposal of RCFL:

|   | 2023             |
|---|------------------|
|   | Rs '000          |
| Consideration received for 51% of the shares in RCFL                        | 160,500          |
| Fair value of remaining 49% - accounted as investment in associated company | 154,300          |
| Net asset disposed  | 314,800          |
| Gain on disposal of subsidiary  | <b>(314,800)</b> |

(d) Net cash inflow on disposal of subsidiary by RCFL:

|   | 2023           |
|---|----------------|
|   | Rs '000        |
| Cash consideration received in cash and cash equivalent | 160,500        |
| Less cash and cash equivalents disposed of:             |                |
| Bank balances and cash                                  | (65,700)       |
| Bank overdraft  | 31,800         |
|   | <b>126,600</b> |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

49. DISCONTINUED OPERATIONS (CONT'D)

(i) Year ended June 30, 2023 (cont'd)

(c) The net cash flows incurred by RCFL are:

|                      | 2023          |
|----------------------|---------------|
|                      | Rs '000       |
| Operating activities | (316,700)     |
| Investing activities | (3,000)       |
| Financing activities | 388,900       |
| Net cash inflow      | <b>69,200</b> |

(ii) Year ended June 30, 2022

In May 2022, the group disposed 70% of its wholly owned subsidiary, Rogers International Distribution Services S.A.S (RIDS France), and its results are being presented as discontinued operations. RIDS France has a solid reputation in the textile sector and treats with the large buying houses. In order to maintain its competitive position in a market that depends on aggressive pricing, a strategic partnership has been made to derive economies of scale and lower operational costs.

(a) Income or expenses recognised in the statements of profit or loss are as detailed below:

|  | RIDS France<br>2022 |
|--|---------------------|
|  | Rs'000              |
| Revenue from contracts with customers  | 968,100             |
| Revenue  | 968,100             |
| Cost of sales*   | (851,700)           |
| Gross Profit   | 116,400             |
| Administrative expenses  | (108,700)           |
| Impairment losses on financial assets of subsidiaries and associated company | (2,400)             |
| Profit from finance costs and other gains and losses                         | 5,300               |
| Finance costs  | (2,600)             |
| Profit before other gains and losses   | 2,700               |
| Profit on disposal of group entities and other financial assets              | 21,900              |
| Profit for the year  | <b>24,600</b>       |

\* Including interest expense - consumer finance business

**Attributable to:**

|                           |               |
|---------------------------|---------------|
| Owners of the parent      | 19,931        |
| Non-controlling interests | 4,669         |
| Profit for the year       | <b>24,600</b> |

**Basic earnings per share from discontinued operations:**

|   |               |
|---|---------------|
| Profit attributable to the owners of the parent                               | 19,900        |
| Adjustments for other gains and losses attributable to owners of the parent   | 31            |
| Profit attributable to the owners of the parent before other gains and losses | <b>19,931</b> |

Number of shares in issue

|   |             |
|---|-------------|
| Earnings per share                                    | 374,996,326 |
| Earnings per share                                    | Rs. 0.05    |
| Earnings per share (excluding other gains and losses) | Rs. 0.05    |

## 49. DISCONTINUED OPERATIONS (CONT'D)

(ii) Year ended June 30, 2022 (cont'd)

**Diluted earnings per share from discontinued operations:**

Profit attributable to the owners of the parent  
Adjustments for other gains and losses attributable to owners of the parent  
Profit attributable to the owners of the parent before other gains and losses

|   |          |
|---|----------|
| Number of shares in issue                             | 16,300   |
| Earnings per share                                    | (14,500) |
| Earnings per share (excluding other gains and losses) | 1,800    |

(b) Following the deconsolidation of RIDS France, the net assets and liabilities deconsolidated are as detailed below:

| ASSETS  | 2022          |
|---|---------------|
|   | Rs'000        |
| <b>Non current assets</b>   | 9,000         |
| Property, plant and equipment (inclusive of rights of use assets) |               |
| <b>Current assets</b>   |               |
| Contract assets   | 2,000         |
| Trade receivables   | 131,200       |
| Financial assets at amortised costs                               | 20,000        |
| Bank balances and cash  | 32,100        |
| Other assets  | 12,300        |
| <b>Non current liabilities</b>                                    | (6,300)       |
| Borrowings  |               |
| <b>Current liabilities</b>  |               |
| Borrowings  | (300)         |
| Trade and other payables  | (183,700)     |
| <b>Net assets disposed</b>  | <b>16,300</b> |

(c) Gain on disposal of RIDS France:

Consideration received for 70% of the shares of RIDS France  
Fair value of remaining 30% - accounted as investment in associated company

|                                 |               |
|---------------------------------|---------------|
| Net asset disposed              | 27,900        |
| Release of translation reserves | (16,300)      |
| Gain on disposal of subsidiary  | 10,300        |
|                                 | <b>21,900</b> |

The gain on disposal is included in the profit or loss for the year from discontinued operations in the statement of profit or loss.

(d) Net cash outflow on disposal of subsidiary by RIDS France:

|   |                 |
|---|-----------------|
| Cash consideration received in cash and cash equivalent | 19,500          |
| Less cash and cash equivalents disposed of:             |                 |
| Bank balances and cash                                  | (32,100)        |
| Bank overdraft  | 100             |
|   | <b>(12,500)</b> |

## 49. DISCONTINUED OPERATIONS (CONT'D)

(ii) Year ended June 30, 2022 (cont'd)

(c) The net cash flows incurred by RIDS France are:

|                      |                |
|----------------------|----------------|
| Operating activities | 2022           |
| Investing activities | Rs'000         |
| Financing activities | 8,100          |
| Net cash outflow     | (14,200)       |
|                      | <b>(8,300)</b> |

## 50. GOING CONCERN

The group and the company have generated a profit of Rs.3bn and Rs.0.85bn respectively for the year ended June 30, 2023 (2022: Rs.1.6bn for the group and Rs.0.4bn for the company). As of that date, the group and the company have positive net assets of Rs.49.6bn and Rs.34.2bn respectively (2022: Rs.43.6bn for the group and Rs.29.8bn for the company).

At June 30, 2023, the company's current liabilities exceeded its current assets. The excess current liabilities position is mitigated by unutilised banking and other financing facilities available to the company.

Based on this evaluation, the directors have made an assessment of the company's ability to continue as a going concern taking into account all available information about the future, which is at least, but not limited to, twelve months from the date of approval of these financial statements and confirm that they have not identified events or conditions that may cast significant doubt in the company's ability to continue as a going concern.

## 51. EVENTS AFTER THE REPORTING DATE

(a) On July 1, 2023, Rogers Hospitality Operations Ltd, a subsidiary company, amalgamated with its wholly-owned subsidiaries companies, namely CCC LAH Limited, Seafood Basket Limited, Cap D'Abondance Ltd, Hotels Operations Company Ltd, Restaurants Operations Company Ltd and Seven Colours Spa Ltd, with the surviving company being Rogers Hospitality Operations Ltd. The transaction has no impact on the group.

(b) On September 8, 2023, a severe earthquake hit Morocco. The epicentre was about 70 kms in the south of Marrakech. There has been no material damage to Royal Palm Marrakech hotel, held by the group's associates - New Mauritius Hotels Limited, which has been remaining operational post-earthquake. Experts have been hired to conduct a thorough assessment of the damage, oversee the repair works and facilitate the process of insurance claims. No material financial losses are expected since the hotel is adequately covered for structural damage and business profits. There have been booking cancellations immediately after the earthquake of an estimated revenue of Rs.65m. On the other hand, bookings for December's price have started to pick-up. As at board date, management is still monitoring and assessing the potential impact.

(c) Following changes brought to the Finance (Miscellaneous Provisions) Act 2022 amended The Workers' Rights Act 2019 in July 2023, when computing gratuity on retirement for employees working 5-day week, the group is assessing the potential impact.



# About ENL

**ENL Limited** is the holding company of the ENL Group, a broad-based enterprise developing and managing a portfolio of more than 120 international and home-grown brands in industries as diverse as agribusiness, real estate, hospitality, logistics, finance & technology, commerce & manufacturing as well as land & investment.

## Active in 7

Business segments:



Land & Investment



Agribusiness



Finance & Technology



Real estate



Hospitality



Commerce & Manufacturing



Logistics



**+120**

international and home grown brands



**+100**

subsidiaries



**+7,300**

employees



**A proactive group**

Since 1821



**Deeply attached**

To human values, to ethics in Business and to Mauritius



**A large, strategically located**

Land bank of 21,500 arpents



**Listed on**

The Stock Exchange of Mauritius



**An influential player in**

The Mauritius economy



**+ 4,000**

Shareholders