

INVESTCORP
(HOLDINGS) LTD

ANNUAL REPORT
2021


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This report may contain forward-looking statements with respect to Investcorp (Holdings) Ltd's future performance and prospects. While these statements represent our judgments and future expectations, several factors may cause actual results to differ materially from our expectations. Investcorp (Holdings) Ltd accepts no responsibility for any loss, of whatever nature, that may arise from use of the information in this report or your reliance on any of the information contained this report, including without limitation the forecast financial information provided.

Corporate profile

OUR MISSION

To make long-term investments in prime commercial income-generating real estate, maintained and managed by an experienced team of property professionals.

COMPANY OVERVIEW

Investcorp (Holdings) Ltd **("IHL" or the "Company")** was incorporated as a private limited company in Mauritius under the Companies Act 2001 on 9 June 2008 with registration number C08081082. On 8 March 2021, the Company was converted to a public company limited by shares.

IHL is an investment holding entity which invests directly or indirectly into completed, high quality commercial real estate assets with strong counterparty tenants and contracted rental escalations.

The Company was the holder of a lease over an area of 4,053 sqm at the Cybercity in Ebene, at the time of its formation and developed the plot of land into a six storey office building known as The Axis Building in Ebene Cybercity. The Company subsequently disposed of 4 floors in 2013 and kept the remaining two floors as an investment which it still holds today.

During the past year, IHL has acquired the shares of the following companies and added a significant number of new properties to its portfolio hence building a sizeable asset pool with the aim of generating returns for investors seeking a stable source of income from ethical investments in high quality income yielding property assets in Mauritius.

The Board of IHL **(the "Board")** and the respective Boards of the various subsidiaries, as mentioned above, resolved on 8 July 2021 to amalgamate these subsidiary companies with Investcorp (Holdings) Ltd. The amalgamation took effect on 1 December 2021 as per Certificate of Amalgamation dated 20 December 2021 from the Registrar of Companies.



CORPORATE INFORMATION

Registered Office
Lot 22, Bank Street
Ebene Cybercity, Ebene

Auditor
Deloitte
7th Floor, Standard Chartered Tower
1921 Bank Street
Cybercity, Ebene



Ibiza Investment Ltd	Ibiza City (Holding) Ltd	Ibiza Properties Ltd	HBL Development Ltd	Bonn Properties Ltd	Eight Sirs Investment Ltd	Hennessy Tower Development Ltd	AXIS Building
• G+7 storeys building • Leasehold land: 3,798.78 • Region: Ebene Cybercity	• Eagle House- 3 floors of a G+7 building • G+1 in a building at Ebene Cybercity	• G+7 Building • Leasehold land of 3,798.78 m² • Region: Ebene Cybercity	• 2 Buildings of 3 floors • Leasehold land of 8,105.77 m² • Region: Ebene Cybercity	• GF+2 floors of a building at Ebene Cybercity • Leasehold land of 7,495.75 m²	• 25 suites at Grand Bay • Leasehold land of 1,748 m²	• 5 floors of a building in Pope Hennessy Street, Port Louis • Freehold land of 554 m²	• First & Second floors of a 6-Storey building at Ebene Cybercity • Leasehold land of 4,053.35 m²

Legal Advisor
BLC Robert & Associates

SEM Authorised Representative and Sponsor
Perigeum Capital Ltd
Level 3, Alexander House,
35 Cybercity, Ebene

Bankers
SBM Bank (Mauritius) Ltd
MauBank Ltd
AfrAsia Bank Limited

INVESTMENT PORTFOLIO

Property	Location	GLA (sqm)
Hyvec House (Bonn Properties) Ground + 2 Floors	Ebene Cybercity	2,157
The Axis Building (2 Floors)	Ebene Cybercity	1,475
Sanne House (Lots 27 & 28)	Ebene Cybercity	4,367
Hyvec Business Park (Lots 15 A/3, 15 A/4 & 15 A/5)	Ebene Cybercity	12,306
Grand Bay Suites	Grand Bay	1,870
Hennessy Tower	Port Louis	1,770
Total		**23,945**





Megh Pillay, C.S.K.
Chairman

From the Chairman of the Board

Investcorp's core business is to own properties, generate rental income and achieve capital appreciation through judicious management of resources.

It currently owns and controls a select portfolio of high quality commercial real estate assets, a substantial portion of which is located in the prime business area of Ebene Cybercity.

The Company successfully raised Mur1.123 billion through an issue of Fixed Rate Secured Notes which was listed on the Official Market of the Stock Exchange of Mauritius during the year under review.

Information contained in the Financial Statements was approved by the Board and published in an abridged format in accordance with the SEM rules on 30th March 2022.

Property portfolio stood at 23,945 sqm of GLA (Gross Leasable Area) comprising of an equitable mix of legacy and newly completed buildings.

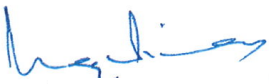
The Company had to contend with the exceptional circumstances created by the global Covid-19 pandemic, mandatory lock- downs, closing of international borders and a breakdown of the global supply chain.

Despite the adversity, overall building occupancy remained steady at 64.6% with a total revenue of Mur79 million.

Property Management was entrusted to Hyvec Property Investment Ltd, which leverages on the extensive technical resources and capabilities available within the positive results achieved in a most challenging year have revealed Investcorp's business resilience.

As the pandemic subsides, the world adapts to new protocols, borders re-open, and business picks up to attain pre-Covid growth rates, it is expected that demand for prime real estate shall bounce back. Building-cost escalation resulting from uncertainties in supply of materials is likely to continue unabated and impact on the property market. Having averted this cycle with the construction of most of its buildings completed before the pandemic, the Company is poised to be even more competitive with the rapidly changing landscape. A targeted 70% occupancy level for the forthcoming financial year 2022 is within its reach and net yield may be expected to rise.

I want to take this opportunity to thank my fellow Board Directors for their valuable support and active participation during the year under review. I would also like to express gratitude to the CEO, the DCEO and their Management team for their continued perseverance with passion for success, and finally our Noteholders who have established their trust in us for our very first foray into the capital markets.



23rd June 2022.

From the Executive Officers

We are pleased to present the Annual Report of the Company for the year ended 31st December 2021.

The year has been most eventful for the Company, marked by the completion of a capital raise through an issue of Fixed Rate Secured Notes and its subsequent listing a couple of months afterwards on the Official Market of the Stock Exchange of Mauritius.

Despite the negative tailwinds in the aftermath of the Covid-19 pandemic, the Company raised its occupancy level with a portfolio encompassing a sizeable portion of newly-built properties. The rapid growth was primarily attributed to its competitive office rental rates in a prime business area with a balanced workspace environment to meet the expectations of lessees searching to improve the overall working habitat for their employees. The strength of our leasing book is underpinned by the quality of our tenants which are large institutions and international corporates less likely to be affected by any cyclical economic downturn.

The Company earned Mur79 million during the financial year from the long term lease of properties owned in Ebene, Port Louis and Grand Bay and acquired Hennessy Tower Development Ltd which owns five floors of an established building in Port Louis together with its sitting tenants.

The Company ended the year with an EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) of Mur19.8 million before providing for the depreciation of the Right-of-use assets amounting to Mur 5.8 million.

The Company proceeded with an amalgamation with all its subsidiaries on 1 December 2021, remaining the only surviving entity. The objective to further simplify the structure and strengthen the balance sheet of the Company has been successfully achieved.

Since the year end, the Company has already signed additional lease agreements which would bring occupancy rate close to the targeted level for the year ending 2022.

The Board approved the conversion of the subordinated shareholder' loan amounting to a total of Mur655.3 million to Share Application Monies which in turn will be allotted into shares during the course of the Financial Year 2022.This will further strengthen our balance sheet.

The Company's performance continues to be monitored by CARE Ratings (Africa) Ltd, which, based on the strong fundamentals of the Company, issued an Investment Grade rating to our Fixed Rate Secured Notes issued during the year under review.

With an increasing occupancy level forecasted for year 2022 and an efficient cost containment strategy, we may confidently look forward to another satisfactory performance.



Bhanu P. (Raju) Jaddoo
Chief Executive Officer

23rd June 2022.



Christine Y. M. John Chuan
Deputy Chief Executive Officer

23rd June 2022.



Corporate Governance Report

Corporate governance is a system of structuring, operating and controlling a company and involves a set of relationships between all the company's stakeholders. Sound principles of corporate governance are essential to ensure fairness, integrity, transparency and to achieve a high level of stakeholders' trust and confidence in the organization.

The Board recognizes that the National Code of Corporate Governance 2016 (the "Code") is regarded as best practice, and therefore uses its best endeavours to ensure that the principles of good governance, as applicable in Mauritius, are adhered to, and form an integral part of the way in which the Company's business is conducted.

Shareholders

Holding Structure

The holding structure of the Company is as follows:

Blue Valley Ltd
100% owned by Mr Nawaz Khan Chady

100% Ordinary Shares

INVESTCORP (HOLDINGS) LTD



Board Chart

INVESTCORP (HOLDINGS) LTD

BOARD

Audit and Risk Committee

Shakil Moollan (Chairman)
Bernard Poinas
Chandradev Appadoo

Nomination and Remuneration Committee

Megh Pillay, C.S.K. (Chairman)
Imtihaz Mamoojee
Nawaz Khan Chady

Corporate Governance and Conduct Review Committee

Imtihaz Mamoojee (Chairman)
Megh Pillay, C.S.K.
Desmond Goh Ek Ping
Nilesh Dabysing

Organisational Chart

CEO

Deputy CEO

Finance and Administration

Property Management (Outsourced to Hyvec Property Investment Ltd)

Shareholders' Agreement affecting governance of the Company by the Board

During the year under review, the Company has not entered into any Shareholders' Agreement.

Dividend Policy

The Company intends to pay dividends to Shareholders when it accumulates surplus cash to do so. The amount of any dividend will be at the sole discretion of the Board and will depend on a number of factors, including expectation of future earnings, capital requirements, financial conditions, future prospects, laws relating to dividends, the Company's constitution and other factors that the Board deems relevant.

PRINCIPLE 1: GOVERNANCE STRUCTURE

The Board is ultimately accountable and responsible for the performance and affairs of the Company, whilst meeting the appropriate interests of its shareholders and stakeholders. To achieve this, the Board is responsible for establishing the objectives of the Company and setting a philosophy for investments, performance and ethical standards. In addition, the Board ensures that the Company complies with the relevant rules and regulations. Quarterly board meetings are held every year.

The Board collectively considers and implements the measures in respect of the Code and this is further strengthened by the presence of independent intermediaries like Auditors, who act as additional safeguards in meeting this principle. The main responsibilities of the Board include but are not limited to:

- Determining, agreeing and developing the Company's general policy on corporate governance in accordance with the Code.
- Preparing the Corporate Governance Report.
- Reviewing the terms and conditions of all service agreements between the Company and its service providers.
- Setting the strategic direction of the Company
- Approving the Company's objectives, strategies, business plans and budgets

The Board acknowledges that it should lead and control the organization and be collectively responsible for its long-term success, reputation and governance. In so doing, the Board assumes responsibility for meeting all regulatory and legal requirements.

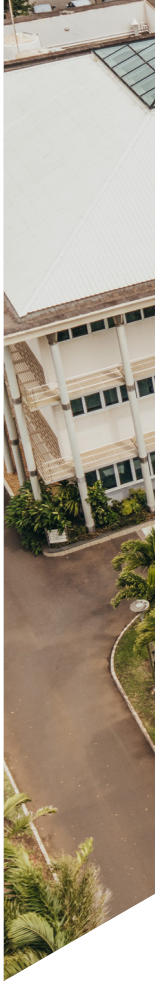
The Board is responsible and accountable for all decisions of the Company where the duties of the directors are carried out in line with the Mauritian Companies Act 2001. The Company has delegated the day-to-day management and operations of the Company's business to the Executive Management Team.

The Board is governed by its constitution which sets out the powers and duties of the directors, proceedings, operation and governance of the Board as well as the rules and regulations which it needs to abide along with other local laws and regulations. It has also adopted a board charter which sets out the composition, responsibilities, duties, procedures, powers, authority and accountability of the Board ensuring that the Company's governance processes and structures comply with the Mauritius Code of Corporate Governance and international best practice.

The Company's Organisational Chart is commensurate with the sophistication and scale of its Organizational structure. The Company has eleven directors in appointment.

The Board is satisfied that it has suitably discharged its responsibilities for the year under review, in respect of sound principles of Corporate Governance.

The Company is committed to providing shareholders and its stakeholders with timely and relevant information. The Company has designed a website which can be accessed at investcorp.mu. The website provides access to information about the Company as well as investor related information.







Role of the Chairperson, Chief Executive Officer, Non-Executive and Independent Directors

The Board is headed by the Chairperson, Mr Megh Pillay, C.S.K., an independent Non-executive Director. The role and function of the Chairperson is to preside over meetings of directors and to ensure that appropriate time is spent on the key issues facing the Company. The Chairperson ensures that:

- The Board meetings are chaired in an effective manner;
- Minutes of Board and Committee meetings are kept;
- The Committees function properly
- The performance of the Board members is evaluated every year. Such a process aids the Board to identify and deal with issues that may impede its effectiveness.
- Internal disputes and conflicts of interest concerning individual Board members and the possible resignation of such members as a result thereof are addressed; and
- The Board has proper contact with the executive management team members.

Given that the Chairperson has no directorship in other listed companies, he has sufficient time devoted to the Company. The Chairperson ensures that the corporate strategy and the related execution are aligned with operational efficiencies. He is also responsible for ensuring that the Directors receive accurate, timely and clear information and he encourages the active participation of all Board members in discussions and decisions. With his experience and strong knowledge of the Company, the Chairman is in an excellent position to oversee the affairs of the Company while ensuring that value is being created for all stakeholders.

The roles of the Chairman and Chief Executive Officer are separate and each of them has clearly defined responsibilities. These ensure a proper balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Mr Bhanu Pratabsingh (Raju) Jaddoo, in his capacity as Chief Executive Officer of the Company and supported by Mrs Christine Yeung Min John Chuan in her capacity as Deputy Chief Executive Officer, are responsible for the executive management of the Company's operations and for delivering on the long-term strategy and vision of the Company. They also ensure effective communication with all stakeholders.

Non-executive and Independent Directors play a vital role in facilitating the exercise of independent and objective judgement on corporate affairs and to ensure that constructive discussion takes place on key issues. All directors are bound by fiduciary duties and duties of care and skill.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Structure

The Board has a unitary structure and comprises of two executive directors, three non-executive directors and six independent non-executive directors. The independence of the non-executive members is determined as per the Code. The roles of the Chairman and the CEO are separate to ensure balance of power and authority. Board appointments are made upon recommendation of the Nomination and Remuneration Committee, which is responsible for the nominations and appointments. Board appointments are done through a transparent selection process, which ensures the right balance of skills, experience and competencies in order to achieve the objectives of the Company. The Directors do not have a relationship with the majority shareholder of the Company. Given the current size and activity of the Company, the Board is of the view that it is of sufficient size and balance.

Name & Date of Appointment	Gender	Country of Residence	Category	Directorships in other listed companies
Megh Pillay, C.S.K. 1 June 2017	M	Mauritius	Independent Chairperson	Nil
Jitendra Nathsingh Bissessur 29 March 2022	M	Mauritius	Independent Director	New Mauritius Hotels Ltd
Imtihaz Mamoojee 8 Feb 2017	M	Mauritius	Independent Director	Nil
Shakil Ibrahim Moollan 27 October 2020	M	Mauritius	Independent Director	Medine Ltd
Bernard Jean Poinas 7 October 2020	M	Mauritius	Independent Director	Nil
Desmond Goh Ek Ping 27 October 2020	M	Singapore	Independent Director	Nil
Nawaz khan Chady 31 August 2009	M	Mauritius	Non Executive Director	Nil
Chandradev Appadoo 27 October 2020	M	Mauritius	Non Executive Director	Nil
Nilesh Dabysing 13 March 2020	M	Mauritius	Non Executive Director	Nil
Bhanu P. (Raju) Jaddoo 29 September 2020	M	Mauritius	Executive Director	ABC Banking Corporation Ltd
Christine Yeung Min John Chuan 29 September 2020	F	Mauritius	Executive Director	Nil

Directors Profile



Mr Megh Pillay, C.S.K.

Mr. Megh Pillay, C.S.K., holds a track record of success in the transformation and management of several major state-owned enterprises. He has been twice Managing Director and CEO of Air Mauritius. Prior to that, he successively served as Chief Executive Officer of the Agricultural Marketing Board for five years and Mauritius Telecom for ten years. He was also CEO of the State Trading Corporation between 2010 and 2015. He holds a Master's degree from the Louisiana State University at Baton Rouge, USA as well as various professional qualifications.



Mr Desmond Goh Ek Ping

Mr. Desmond Goh Ek Ping is a seasoned businessman and innovation engineer. He has a strong technical background and has served on many company boards in South East Asia including, Famex international (Singapore), Asia Pacific International Schools (Cambodia), Venture Autoparts Group (Thailand) and Famex Automation Pte Ltd (Singapore). He recently conceptualized, designed and produced the world's first unmanned Automated Tray Return System as well as the latest cashless and fully robotic Food Centre.



Mr Shakil Ibrahim Moollan

Mr. Shakil Moollan has 20 years of experience as Partner in international accounting and audit firms and is also the Founder of Moollan & Moollan (Chartered Certified Accountants) in 2012. Founder of several business units forming the Moollan & Moollan Group, it provides turn key solutions to businesses for their financial administration.



Mr Jitendra N. Bissessur

Mr Jitendra Bissessur is the Chief Executive Officer of the Mauritius Investment Company Ltd (MIC) since March 2021. He was previously the Director of the Economic Research and Analysis and Statistics Department of the Bank of Mauritius (2018-2020) and worked as an Economist in the African Department of the International Monetary Fund (IMF) (2013-2014). He has been the Secretary of the Bank's Monetary Policy Committee (2014-2021). He has over 30 years of experience in the central banking field and is skilled in macroeconomic policy analysis and forecasting and statistical analysis.He holds a BA (Hons) in Mathematical Statistics from the University of Delhi, India, and a MSc in Applied Economics with specialization in banking and finance from the University of Mauritius.



Mr Imtihaz Mamoojee

Mr. Imtihaz Mamoojee is a Barrister since November 1994, specializing in civil, insurance, arbitration, commercial, corporate and banking law. He has wide experience in French civil law and common law. He currently heads Imtihaz Mamoojee Chambers. He was a past Vice-Chairman of the Motor Vehicle Insurance Arbitration Committee (MVIAC) under the aegis of the Ministry of Public Infrastructure. He holds a Bachelor's of Laws Degree from the University of Mauritius and has served on various company boards.



Mr Bernard Jean Poinas

Mr. Bernard Jean Poinas is a French national who is an experienced business developer for major European investment funds. The past 7 years he has been entrusted with large scale Shopping Mall developments including the management of 4 Intermarchés. Since 2015, he has been the principal business development agent for Kaufman & Broad in France. He now resides in Mauritius.



Mr Nawaz Khan Chady

Mr. Nawaz Khan Chady is the founder and Group CEO of the HYVEC Group of companies. He started a modest construction company some 30 years ago which he has built into a major property development power house, ranking 39th by Business Magazine's Top 100 Companies of the Republic of Mauritius latest ranking 2021 edition. He is a highly regarded business professional who has successfully diversified his group's activities into Fashion & Retail, Food & Restaurants, Building supplies through the representation of major global brands and more recently into Aviation and Hospitality.



Mr. Chandradev Appadoo

Mr. Chandradev Appadoo has over 35 years of experience at the State Bank of Mauritius Ltd, mostly at senior line level across retail and corporate banking, operations management, risk management, compliance with core competencies in Finance and company secretary. He served as an executive director on the Board of the bank from 2011 to 2017.



Mr Nilesh Dabysing

Mr. Nilesh Dabysing joined the HYVEC Group in January 2020 as Chief Executive Officer of the Property Division. He holds a Bachelor in Commerce [BCOM] with specialization in Sales and Marketing and an MBA. Nilesh started his career with the Mon Loisir Group, now IBL, in 2003 as Business Development Executive, and was mandated the task to develop the business in Africa. In 2007, he joined Rogers as Commercial Manager-Property Department which later became the Property Division of Rogers Group and was branded as Foresite Property and Operations in 2011. Through a merger in 2014, Nilesh joined EnAtt Ltd, a subsidiary of ENL as Asset Manager and was promoted to Head of Property Development in 2016.



Mr Bhanu P. (Raju) Jaddoo

Mr. Raju Jaddoo is a Corporate Finance and Investment Advisory professional with a focus on investment management and governance. He is a Fellow of the Institute of Chartered Accountants in England & Wales and an Associate member of the Institute since 1989. Mr. Jaddoo was the Secretary General of the Mauritius Chamber of Commerce and Industry (MCCI) from 2013 to 2018. From 2005 to 2010, Mr. Jaddoo was the Managing Director of the Board of Investment (now Economic Development Board). Prior to 2005, Mr. Jaddoo spent 15 years as a Partner, responsible for Financial Consulting at De Chazal Du Mee Chartered Accountants (now BDO Chartered Accountants).



Mrs Yeung Min (Christine) John-Chuan

Mrs. Christine John Chuan joined State Bank of Mauritius Ltd (SBM) since its inception in 1973 till July 2007. As a Team Leader with SBM, she led a cluster of branches in Retail Banking and eventually a portfolio of Large customers in Corporate Banking. In August 2007, she joined Barclays Bank Mauritius Ltd (now ABSA Mauritius Ltd) and spent 12 years as Senior Corporate Manager in the Corporate & International Banking Division where she was responsible for managing and sustaining a portfolio of Large Corporate customers, both in private and public sectors. She graduated from the University of Surrey, U.K. and holds a Master in Business Administration.



Board Meetings

The Board meetings are conducted in accordance with the Company's Constitution and the Mauritius Companies Act 2001 and are convened by giving appropriate notice to the directors. Detailed agenda, as determined by the Chairman, together with other supporting documents are circularised in advance to the directors to enable them to participate meaningfully in the decision-making process and make informed deliberations at Board meetings. In order to address specific urgent business needs, meetings are at times called at shorter notice. Furthermore, the directors have the right to request independent professional advice at the Company's expense.

The Chairperson ensures that (unless there are important reasons), all the members of the Board attend the general meetings. Where unanimity cannot be reached and the law, the Company's constitution or its charter do not prescribe a larger majority, all resolutions of the Board are adopted by a majority of the votes cast. In the event of a tie, the Chairperson of the Board has the deciding vote. At a meeting, the Board may only pass resolutions if the majority of the Board members are present or represented.

A Director of the Company who has declared his/her interest shall not vote on any matter relating to a transaction or proposed transaction in which he/she is interested and shall not be counted in the quorum present for the purpose of that decision.

A register of Directors' interests is maintained by the Company Secretary and is available to shareholders upon request to the Company Secretary. The directors confirm that the list is correct at each quarterly Board meeting.

During the year under review, the Board met four times. Decisions were also taken by way of resolutions in writing, agreed and signed by all directors then entitled to receive notice of the meeting.

The minutes of the proceedings of each Board meeting are recorded by the Company Secretary, and are entered in the Minutes Book of the Company. The minutes of each Board meeting are submitted for confirmation at the next meeting and these are then signed by the Chairman.

Board Committees

The composition of the Board committees are as follows:

Committee	Members appointed
Audit and Risk Committee	• Mr Shakil Moollan (Chairman) • Mr Bernard Poinas • Mr Chandradev Appadoo
Nomination and Remuneration Committee	• Mr Megh Pillay, C.S.K. (Chairman) • Mr Imtihaz Mamoojee • Mr Nawaz Khan Chady
Corporate Governance and Conduct Review Committee	• Mr Imtihaz Mamoojee (Chairman) • Mr Desmond Goh Ek Ping • Mr Megh Pillay, C.S.K. • Mr Nilesh Dabysing



Audit and Risk Committee

The Audit and Risk Committee, Nomination and Remuneration Committee and the Corporate Governance and Conduct Review Committee have been set up to assist the Board in the effective performance of its duties. All the committees are governed by their charters which have been approved by the board of directors and the charters are posted on the website of the Company. As the focal point, the Board is ultimately responsible and accountable for the performance and affairs of the Company. Committees are a mechanism for assisting the Board and its directors in discharging their duties through a more comprehensive evaluation of specific issues. Delegating authority to Board committees or management does not in any way absolve the Board of its duties and responsibilities. The key Terms of Reference for the respective committees are summarized below:

- The Committee shall review the quality and integrity of the financial statements of the Company including its annual and interim reports and any formal announcement relating to the Company's financial performance.

- The Committee shall report to the Board on significant financial reporting issues and judgements which these financial statements contain having regard to matters communicated to the Committee by the auditors.

- The Committee shall review and challenge where necessary:

- Any changes to significant accounting or significant adjustments resulting from the audit;

- Compliance with accounting standards, local and international, compliance with stock exchange and legal requirements;

- Methods used to account for significant or unusual transactions where different approaches are possible;

- Whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements taking into account the views of the external auditor;

- The basis on which the Company has been determined a going concern;

- Adequacy of internal controls

- Compliance with the financial conditions of any loan covenants

- The Committee shall be responsible for monitoring and evaluating the operational, financial and strategic risk of the Company.

The Committee shall meet at least four times a year. The Committee's responsibilities and duties are governed by the Audit and Risk Committee Charter that was approved by the Board and which will be reviewed at least each year. The Committee provides feedback to the Board following all meetings and the minutes of proceedings are submitted to the Board.

Committees are a mechanism for assisting the Board and its directors in discharging their duties through a more comprehensive evaluation of specific issues. Delegating authority to Board committees or management does not in any way absolve the Board of its duties and responsibilities.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee, is a committee of the Board of Directors of the Company established to assist the Board in discharging its responsibilities as follows:

- The Committee shall identify and screen candidates for appointment as Directors, Chief Executive and other senior executives from among qualified, fit and proper persons who are not disqualified from holding office.
- The Committee shall ensure that all procedures for selection and appointment of key Company officers are in compliance with the Company's statutes, the Companies Act and all other legislations and regulations applying to the Company's business.
- The Committee shall prepare the induction of new Board Members to provide them with an overview of the activities of the Company, its major business strategies, its risk areas, an organisation chart and to spell out their own role, duties and responsibilities and what is generally expected from them.
- The Committee shall ensure that the Board and Management are constantly updated about their relevant statutory, regulatory and legal duties.
- The Committee shall periodically review the structure, size and composition of the Board of Directors and Board Committees, to achieve a balance of mixed skills, knowledge, experience, interest to function as a unit with independence of mind and free from any conflict of interest in the pursuit of the Company's objectives.
- The Committee shall ensure that suitable plans are prepared for the orderly succession at the Board and Senior Management levels to maintain the right balance of knowledge, skills and experience in the Company to safeguard its business sustainability.
- The Committee shall formulate a clear and transparent policy to enable the Board to determine the appropriate level of remuneration of Directors and Board Committee members, Chief Executive, Deputy Chief Executive, taking into consideration time, skills and expertise required and deployed in the conduct of their duties and the estimated value generated thereby.
- Ensure that contractual terms on termination, and payments made, are fair to the individual and the Company.
- The Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The Committee shall meet on a quarterly basis. The Committee's responsibilities and duties are governed by the Nomination and Remuneration Charter that was approved by the Board and which will be reviewed at least each year.

Corporate Governance and Conduct Review Committee

The Corporate Governance and Conduct Review Committee has been set up by the Company to assist the Board in the adoption and implementation of sound corporate governance practices with the objective of facilitating efficient, entrepreneurial but prudent management in the pursuit of the Company's vision.

The Committee's main responsibilities are as follows:

- To determine, develop and recommend to the Board the company's general policy on Corporate Governance in accordance with the Code of Corporate Governance of Mauritius.
- To ensure that the reporting requirements on Corporate Governance, on an ongoing basis, are in accordance with the principles of the Code;
- To ensure that an adequate process is in place for the Board;
- To monitor the ethical conduct of the Company, its executives and senior officials;

- To review and recommend the implementation of structures and procedures to facilitate the Board's independence from management;
- To give recommendations on any potential conflict of interest or questionable situation of a material nature;
- To develop Charters for any new Committees established by the Board and review the Charters of each existing Committee and recommend any amendments or elimination to the Charters or Committees;
- To review all related party transactions and situations involving Board members and refer where appropriate to the Board or the shareholders general meeting;
- To ascertain that all disclosures made in the annual report are in compliance with all applicable laws, regulations and best corporate practice

The Committee shall meet at least once a year. The Committee's responsibilities and duties are governed by its Charter that was approved by the Board and which will be reviewed every year. The Committee provides feedback to the Board following all meetings.

Board Attendance at Meetings

The Board meets as and when required to discuss routine and other significant matters to ensure that the directors maintain overall control and supervision of the Company's affairs.

The following table gives the record of attendance at Board meetings and Committee meetings of the Company for the year under review:

	Board Meeting	Audit and Risk Committee	Corporate Governance and Conduct Review Committee	Nomination and Remuneration Committee
Mr Megh Pillay, C.S.K.	✓✓✓		✓	✓
Mr Imtihaz Mamoojee	✓✓✓✓		✓	✓
Mr Shakil Moollan	✓✓✓✓	✓✓✓✓		
Mr Bernard Poinas	✓✓✓✓	✓✓✓		
Mr Desmond Goh Ek Ping	✓✓✓✓		✓	
Mr Nawaz Khan Chady	✓✓✓✓			✓
Mr Chandradev Appadoo	✓✓✓✓	✓✓✓✓		
Mr Nilesh Dabysing	✓✓✓✓		✓	
Mr Bhanu P. (Raju) Jaddoo	✓✓✓✓	✓✓✓✓	✓	✓
Mrs Christine Yeung Min John Chuan	✓✓✓✓	✓✓✓✓	✓	✓

Contracts of Significance

During the year under review, there was no contract of significance to which the Company was a party and in which a director of the Company was materially interested either directly or indirectly, except as disclosed otherwise.

Directors' interest in the share capital of the Company as at 31 December 2021 are as follows:

Dealing in the Company's securities by directors is regulated and monitored as required by the SEM listing rules. The directors follow the principles of the model code on securities transactions by directors as detailed in Appendix 6 of the SEM Listing Rules.

No directors have any shares in the Company except Mr N. K. Chady who owns 100 % of the Shares.

Company Secretary

The Company Secretary, Mr Yves Meyepa, is a suitably qualified, experienced and competent company secretary that is appropriately empowered to fulfil duties and provide assistance to the Board.

The Company Secretary is responsible to the Board for ensuring that procedures and regulations are complied with and that directors are conversant with their duties and responsibilities. The Company Secretary provides the Board as a whole and directors individually with detailed guidance on the discharging of their responsibilities in the best interest of the Company.

The Board has considered the competence, qualifications and experience of the company secretary, and deemed it fit to continue in the role as company secretary for the Company.

The Company Secretary also acts as Secretary to the different board committees. The Company Secretary is subject to annual evaluation by the Board.

PRINCIPLE 3

Director Appointment Procedures

The Board, through the Nomination and Remuneration Committee, follows a rigorous, formal and transparent procedure to select and appoint new directors. The Nomination and Remuneration Committee leads the process according to the Company's Constitution and makes recommendations to the Board.

Shareholders are ultimately responsible for electing or removing Board members upon recommendation of the Nomination and Remuneration Committee. The directors have been appointed by the Board and submitted themselves for re-appointment at the Annual Meeting. Board members are selected to achieve a mix of skills and knowledge appropriate to the Company's business.

Succession Planning

The directors identified that suitable succession plans should be put in place in order to ensure progressive refreshing of the board. The Board is of the view that given the nature of the business, it is not imperative to have individuals with specific skills, and therefore, it should not be an issue to find new members to replace existing ones, if required.

Board Orientation and Induction

The Company has put in place procedures to ensure that newly appointed directors receive an induction upon joining the Board to familiarise them with the Company's operations, senior management and its business environment and to induct them in their fiduciary duties and responsibilities.

The Chairperson arranges for a meeting with any new director to brief him/her on the company's activities

and governance requirements and expectations. All new directors participate in an induction and orientation process. The Nomination and Remuneration Committee assumes the responsibilities for succession planning and shall make recommendation to the Board accordingly. The Board shall review the professional development and education of directors on an ongoing basis.

Professional Development and Training

Directors are encouraged to keep themselves up to date with the latest workplace trends and professional development. The Board conducts annual reviews to identify areas where the Board members require further training or education.

PRINCIPLE 4

Directors Duties, Remuneration and Performance

The directors of the Company are aware of their duties under the Companies Act 2001 and the Constitution of the Company and exercise sufficient care, diligence and skills for the good conduct of the business. The Board meets regularly (frequency depending on nature of business and operations) to discuss and approve the Company's operational, regulatory and compliance matters. The directors are provided appropriate notice and materials to help them in their decision-making.

Directors' interests

Directors inform the Company as soon as they become aware that they have an interest in a transaction. The Company Secretary keeps a register of directors' interests and ensures that the register is updated regularly. The interest register is available to the shareholders of the Company upon request to the Company Secretary.

Directors' Remuneration

Non Executive Directors	Directors' Remuneration - MUR
Mr Megh Pillay, C.S.K.	500,000
Mr Imtihaz Mamoojee	200,000
Mr Shakil Ibrahim Moollan	200,000
Mr Bernard Poinas	150,000
Mr Desmond Goh Ek Ping	150,000
Mr Nawaz Khan Chady	Nil
Mr Chandradev Appadoo	Nil
Mr Nilesh Dabysing	Nil

Fees and other financial benefits paid to Executive Directors during the year were as follows:

Directors		MUR
Mr Bhanu P. (Raju) Jaddoo	Executive Director	2,400,000
Mrs Christine Yeung Min John Chuan	Executive Director	1,500,000

The directors have not received remuneration in the form of share options or bonuses associated with the Company's performance.

Remuneration Philosophy

In relation to remuneration the Nomination and Remuneration Committee shall:

- Within the terms of the agreed Nomination and Remuneration Policy and in consultation with the Chairperson and or/the CEO, determine specific remuneration packages of the Board and senior management, including bonuses, incentive payments and share options or other share awards.
- Ensure the objective of the Nomination and Remuneration Policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The Nomination and Remuneration Policy should have regard to the risk appetite of the Company and alignment to the Company's long term strategic goals.
- Agree the policy for authorising claims for expenses from the directors.
- Review the on-going appropriateness and relevance of the Remuneration Policy.

Employee Share Option Plan

The Company does not have an employee share option scheme.

Related Party Transactions

The related party transactions have been set out in note 25 of the financial statements.

Directors' ethics and code of conduct

The Board of Directors is mindful of the interest of other stakeholders such as suppliers, clients and the public at large when running its operations and is committed to high standards of integrity and ethical conduct in dealing with them.

Furthermore, the Company and its employees must, at all times, comply with all applicable laws and regulations. The Company will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery. The Company does not permit any activity that fails to stand the closest possible public scrutiny.

All business conduct should be above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing the Company's operations. Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of someone at the highest level of the Company's hierarchy.

The Company is committed to the highest standards of integrity and ethical conduct when dealing with all its stakeholders. This commitment, which is actively endorsed by the Board, is based on a fundamental belief that business should be conducted honestly, fairly and legally. Given the size and activity of the Company, it does not have a significant footprint with regards to environmental, health and safety and social issues. No reporting is therefore required.

Information policy

The Board is ultimately responsible for information and technology ("IT") governance. The Board relies on the IT framework of the different service providers.

The Company Secretary ensures that the correct information flows within the Board and provides accurate, timely and clear information to the Board as and when required. The Directors ensure strict confidentiality with respect to information obtained while exercising their duties. The Company Secretary keeps all records of the Company and has proper information technology policies in place.

The Directors ensure strict confidentiality with respect to information obtained and shared while exercising their duties.

PRINCIPLE 5

Risk Governance and Internal Control

Risk Management is the discipline by which risks are identified, assessed, prioritized and managed. It is essential to understand the multiple dimensions of risks in order to manage them effectively, with the aim of increasing shareholder value and compliance with policies and laws.

The Directors are responsible for maintaining an effective system of internal control and risk management. The Board confirms that there is an ongoing process for identifying, evaluating and managing the various risks faced by the Company.

The Directors make an assessment of the Company's ability to continue as a going concern and same is disclosed in the financial statements every year.

Risk management is an integral part of the Company's strategic management and is the mechanism through which risks associated with the Company's activities are addressed. The key objectives of the risk management system include:

- the identification, assessment and mitigation of risks on a timely basis;
- the provision of timely information on risk situations and appropriate risk responses;
- the identification of potential opportunities which would result in increasing firm value; and
- the installation of a culture of risk management throughout the Company.

Internal audit

The Board does not consider that the Company needs to have an internal audit function given the size and nature of its business. Internal audit work will be outsourced to external audit firms on an ad hoc basis should the Audit Committee deem it necessary.



Internal control and risk management

The Company recognizes that proper risk management and internal control help organisations understand the risks they are exposed to, put controls in place to counter threats, and effectively pursue their objectives. They are therefore an important aspect of an organisation's governance, management and operations.

The Board has delegated to the Audit and Risk Committee its overall responsibility to translate its vision on risk management. In relation to Internal Control, the Audit and Risk Committee will:

1. Review the adequacy of the Company's systems of internal control, including internal financial control and business risk management and maintaining effective internal control systems;

2. Review the adequacy and security of the Company's arrangements for its employees and Contractors to raise concerns about possible wrongdoing in financial reporting or other matters;

3. Review the Company's procedures and controls for detecting fraud and the prevention of bribery;

4. Review significant transactions not directly related to the Company's normal business as the Committee might deem appropriate;

5. Review and investigate cases of employee conflicts of interest, misconduct, fraud, bribery or any other unethical activity by employees or the Company;

6. Safeguard Company's assets against unauthorised use or disposal.

The Company will engage in the abovementioned internal controls during the financial year ending 31 December 2022.

The financial risks to which the Company is exposed to are disclosed in note 23 of the Financial Statements. Risks are monitored via the risk management framework in terms of which management identifies risks, documents these in a risk matrix and assesses the probability of their occurrence as well as the potential impact of the risk on the organization. Each identified risk is then managed and, where possible, mitigated. Due to the dynamic nature of the economic environment in which the Company operates, risks and the impact thereof, change constantly. Accordingly, risk management is a dynamic and ongoing discipline which is continuously adapted to its environment. The risk management framework is presented to the risk committee on an annual basis.



Risk Category	Risk Description	Risk Mitigation
Macro economic risk	The value of the Company's assets may be affected by changes in taxation and a shift in broader national level economic activity, as recently experienced with the ongoing Covid-19 pandemic.	The Company is not dependent on external debt and the credit worthiness of the tenant mix of the Company can to a large extent withstand economic volatilities.
Credit/default risk	Business uncertainty could cause tenants to go out of business or fail to make timely lease payments as they fall due, thereby giving rise to a credit or default risk.	Collection of rentals are managed by strict advance rental collection policies effected via bank channels. The rentals are also long term leases with a number of reputable domestic and international blue chip clients.
Competition risk	Both rental income and property values may also be affected by other factors specific to the real estate market, such as competition from other property owners.	The quality, location and amenities provided within the portfolio of properties being offered on a construction cost reflective basis, allows for very competitive rentals.
Tenant concentration risk	Over exposure to key tenants could result in financial loss, should these tenants experience financial difficulties	There is a good current tenancy mix comprising of domestic banks, financial institutions and large international corporates deriving their cashflows from outside Mauritius with fairly long leases having different maturity dates



The Board ensures that there are effective and appropriate policies, procedures and controls in place which allow the board to meet its obligations, with particular regard to the nature, size and complexity of the business and includes a requirement for sample testing of the policies and procedures to ensure that they are robust. When a review of compliance is discussed by the Board, at appropriate intervals, the necessary action is taken to remedy any identified deficiencies and to provide adequate resources to ensure that these are subject to regular monitoring and testing, as required.

Whistleblowing Procedure

Having due regards to its size, the Board does not consider the need to have a whistleblowing procedure. It shall consider the merits of implementing a whistleblowing policy if the circumstances of the Company changes.

PRINCIPLE 6

Reporting with Integrity

The directors are responsible for preparing the audited financial statements of the Company that fairly present the state of affairs and financial position of the Company on a yearly basis in accordance with applicable law and regulations.

The Company recognizes the importance of being a responsible corporate citizen and operating in a socially responsible manner. In so doing, the Company takes into consideration the economic, environmental, ethical, social, and health factors affecting the communities in which it operates. Further, the Board is committed to ethical behavior in all its transactions.

The Board is responsible for the fair preparation and presentation of the accounts and ensures that the Company's accounts are prepared in accordance with the requirement of the International Financial Reporting Standards (IFRS) and all relevant legislation.

PRINCIPLE 7

Audit

Deloitte has been appointed as auditors of the Company since financial year ended 30 December 2020. The Audit Committee has satisfied itself that the external auditors are independent, experienced in the audit of companies in the same line of business and have the necessary resources to undertake audits of such companies. The Audit committee has discussed the accounting principles with the auditors.

The Audit and Risk committee oversees the relationship with the external auditors including:

1. Assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements, including the provision of any non-audit services;
2. Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the organisation, other than in the ordinary course of business, which could adversely affect the auditor's independence and objectivity.

In essence, the external auditors' independence is deemed to be impaired if the auditors provide a service which :

- results in auditing of own work by the auditors;
- results in the auditors acting as a manager or employee of the Company;
- puts the auditors in the role of advocate for the Company; or
- creates a mutuality of interest between the auditors and the Company. The Company addresses this issue through three primary measures, namely :
- disclosure of the extent and nature of non-audit services;
- the prohibition of selected services;
- prior approval by the audit committee of non-audit services. Other safeguards encapsulated in the policy include:
- the external auditors are required to assess periodically, in their professional judgement, whether they are independent of the Company;
- the audit committee ensures that the scope of the auditors' work is sufficient and that the auditors are fairly remunerated;
- the audit committee has primary responsibility for making recommendations to the Board on the appointment, re-appointment and removal of the external auditors.

The audit committee approved the external auditors' terms of engagement, scope of work, the annual audit and the applicable levels of materiality. Based on written reports submitted, the committee reviewed, with the external auditors, the findings of their work and confirmed that all significant matters had been satisfactorily resolved. The audit committee has satisfied itself as to the suitability of the external auditors for re-appointment for the ensuing year December 2022.

Given the size, complexity and nature of the business, the Board is of the view that the Company does not need an internal audit function and hence no internal audit committee has been set up. The Board relies on the system of internal controls developed jointly by the company secretary and its advisor as well as the external audit that is conducted annually.

Auditors' Remuneration

The fees payable (exclusive of VAT) to the auditors of the Company for audit services are as follows:

Audit Fees	2021 MUR	2020 MUR
At 30 June	1,300,000	2,400,000

PRINCIPLE 8

Relations with shareholders and other key stakeholders

The Board of Directors places great importance on clear disclosure, open and transparent channel of communication with all its shareholders. It endeavors to keep them regularly informed on matters pertaining to and affecting the Company.

Through the Company's website namely investcorp.mu, information is provided to all stakeholders on the activities of the Company. The policies and documents required by the Code will be made available on the website when releasing the annual report.

The annual meeting of the shareholders of the Company will be held on 30 June 2022 which will provide an opportunity to raise and discuss with the Board matters relating to the Company's performance and also to keep abreast of the overall strategy and goals.

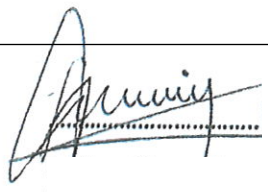
The Annual Report, including the Notice of the Annual Meeting of shareholders, is sent to each shareholder of the Company and the Notice of the Annual meeting is published on the Company's website within the prescribed time.

The net asset value per share of the Company as at 31 December 2021 was Mur83.67cts. The Company will regularly engage with its shareholders through the publication of its announcements, at the annual general meeting and by holding meetings.

Time Table of Important Events

Month	Events
March 2022	Publication of abridged audited financial statements for the year ended 31 December 2021
May 2022	Publication of abridged unaudited financial statements for the three months ended 31 March 2022
June 2022	Annual General Meeting
June 2022	Half-year end (six months ended 30 June 2022)
September 2022	End of third quarter (nine months ended 30 September 2022)
December 2022	Financial year end

Imtihaz Mamoojee
Chairman of the Corporate Governance and Conduct Review Committee



STATEMENT OF COMPLIANCE

Statement of compliance for the year ended 31 december 2021 (section 75 (3) of the financial reporting act)

Company : Investcorp (Holdings) Ltd
Reporting Period : Financial Year Ended 31 December 2021

We, the undersigned being the directors of Investcorp (Holdings) Ltd, the "Company", confirm that, to the best of our knowledge, the Company has partially complied with the Code. Due to the size, structure and nature of the business of the Company, many of the criteria stipulated in the Code are not deemed to be relevant to the Company and the reasons have been provided below:

	Areas of non-application of the Code	**Explanation for non-application**
Principle 1	Company's website	The Company's website does not include the Constitution, job descriptions of key senior governance officials, Statement of Major accountabilities and monitoring and review process of documents. All requisite information are however available from the Company upon request.
Principle 3	Succession planning	The Board is of the view that given the nature of the business, it is not imperative to have individuals with specific skills. Therefore, it should not be an issue to find new members to replace existing ones when required. The Board is also of the view that there are sufficient members on the Board, thereby ensuring that there are no disruptions in the proper functioning be felt should there be any unforeseen Board changes.
Principle 4	Corporate Governance section of website	The website of the Company has been recently set up, and information is still being uploaded for stakeholders' and the public's consultation. As at date, the Corporate Governance section of the company's website does not contain the Code of Ethics, Conflicts of Interest, Related Party transactions policies and the information, information technology and information security policies.. The requisite information will be uploaded in due course.
Principle 5	Whistleblowing procedure	Having due regards to its size, the Board does not consider the need to have a whistleblowing procedure. It shall consider the merits of implementing a whistleblowing policy if the circumstances of the Company changes.
Principle 7	Internal audit	The Board has reviewed the need for the Company to have an internal audit function, and is of the view that the Company does not need to have an internal audit function given the size and nature of its business. Internal audit work will be outsourced to external audit firms on an ad hoc basis should the Audit Committee deem it necessary

Bhanu P. (Raju) Jaddoo
Chief Executive Officer

Meyepa, Louis Sebastien Yves
Company Secretary

Christine Y. M. John Chuan
Deputy Chief Executive Officer

Investcorp (Holdings) Ltd
Secretary's certificate
For the year ended 31 December 2021

In accordance with section 166 (d) of the Mauritius Companies Act 2001, I certify that, to the best of my knowledge and belief, the Company has filed with the Registrar of Companies for the year ended 31 December 2021, all such returns as are required of the Company under the Mauritius Companies Act 2001.

.....

Meyepa, Louis Sebastien Yves
Company Secretary

Date: 31 March 2022



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 flows of the Company. In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures and explained in the financial statements; and
- Prepare the financial statements on the going concern basis.

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

The Directors are responsible for:

- Keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2001; and
- Safeguarding the assets of the Company and hence for taking reasonable steps for the prevention of frauds and other irregularities.

Directors

The name of the directors of the Company are given on Page 12.

Interest register

The Company Secretary maintains a Register of Interests in respect of all Directors and Senior Officers. This Register is kept up to date through written submissions made by a Senior Officer when appropriate and written declarations submitted by Directors and Senior Officers.

Directors' service contracts

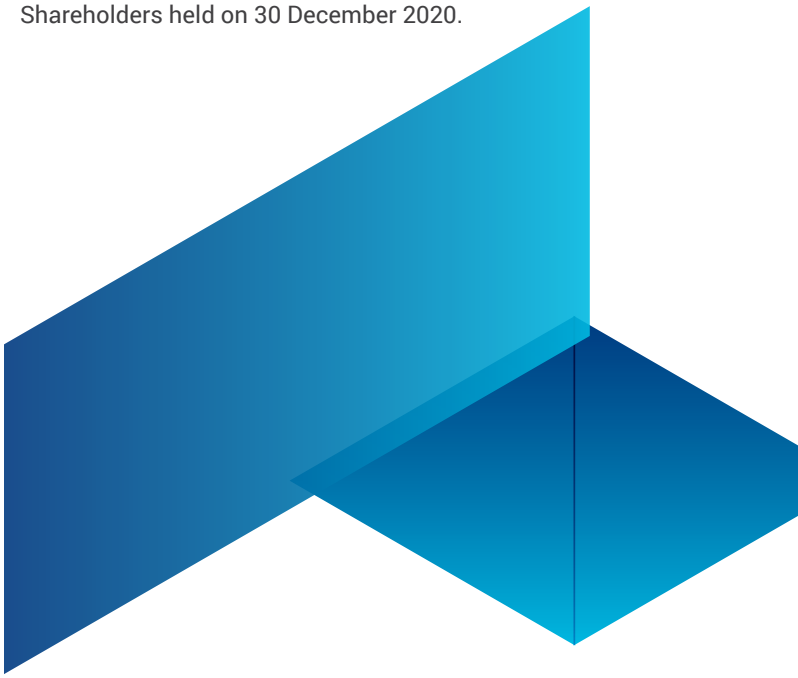
The Executive Directors have service contracts with the Company. Details of the Directors' remuneration and service contracts are set out on Page 21.

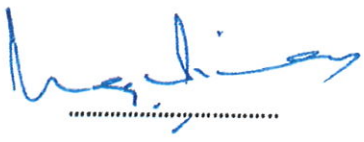
Contracts of significance

There was no contract of significance subsisting during the year to which the Company was a party and in which the Directors were materially interested.

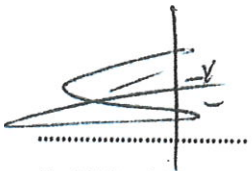
Auditors

The auditors, Deloitte, have indicated their willingness to act as auditors of the Company. A resolution for their appointment in accordance with section 200(1) of the Mauritius Companies Act 2001, as auditors was proposed at the Meeting of Shareholders held on 30 December 2020.





Mr Megh Pillay, C.S.K
Chairman



Mr Shakil Moollan
Chairman of Audit and Risk Committee

Deloitte.

7th-8th floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of Investcorp (Holdings) Ltd

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of **Investcorp (Holdings) Ltd** (the "Company") and its subsidiaries (the "Group") set out on pages 9 to 65 which comprise the consolidated and separate statements of financial position as at 31 December 2021, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2021, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the requirements of the Mauritius Companies Act 2001.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises of Corporate Information, Directors' Report, and the Secretary's Certificate, but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of directors for the consolidated and separate financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

Deloitte.

7th-8th floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of Investcorp (Holdings) Ltd (cont'd)

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

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

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

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

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

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

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

Use of this report

This report is made solely to the Company's shareholder, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder 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 shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte

Deloitte

Chartered Accountants

31 March 2022

LLK Ah Hee, FCCA

Licensed by FRC

Investcorp (Holdings) Ltd
Statements of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Notes	THE GROUP Year ended 31 December 2021 Rs	THE COMPANY Year ended 31 December 2021 Rs	THE GROUP Period from 1 December to 31 December 2020 Rs	THE COMPANY Year ended 31 December 2020 Rs
Rental income		**61,092,984**	**19,245,061**	9,005,379	5,436,660
Revenue from contract with customers	5	**17,974,042**	**13,030,284**	2,166,991	1,120,834
		79,067,026	**32,275,345**	11,172,370	6,557,494
Administrative expenses	6	**(33,153,218)**	**(18,227,065)**	(9,572,714)	(5,058,145)
Fair value gain on revaluation of investment properties and right of use assets	11, 12	**6,432,462**	**-**	29,200,000	29,200,000
Finance costs	7	**(38,396,940)**	**(17,903,646)**	(3,572,496)	(2,326,835)
Profit/(loss) before tax		**13,949,330**	**(3,855,366)**	27,227,160	28,372,514
Income tax	8	**-**	**-**	-	-
Profit/(loss) for the year		13,949,330	(3,855,366)	27,227,160	28,372,514
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the year		**13,949,330**	**(3,855,366)**	27,227,160	28,372,514
Basic/diluted earnings per share	27	**1.39**	**(0.39)**	959	999

Investcorp (Holdings) Ltd
Statements of financial position
As at 31 December 2021

	Notes	THE GROUP 31 December 2021 Rs	THE COMPANY 31 December 2021 Rs	THE GROUP 31 December 2020 Rs	THE COMPANY 31 December 2020 Rs
Assets					
Non-current assets					
Goodwill	9	**11,344,649**	-	11,344,649	-
Equipment	10	**182,785**	**182,785**	5,195,241	-
Investment properties	11	**1,613,350,000**	**1,613,350,000**	1,433,983,333	113,000,000
Right-of-use assets	12	**319,931,061**	**319,931,061**	319,742,533	-
Investments in subsidiaries	13	-	-	-	757,000,787
		1,944,808,495	1,933,463,846	1,770,265,756	870,000,787
Current assets					
Trade and other receivables	14	**78,086,005**	**78,086,005**	31,231,486	608,777
Amount due from related parties	25	**6,573,025**	**6,573,025**	16,502,473	21,255,018
Cash and bank balances	21	**43,633,658**	**43,633,658**	11,632,629	2,093,839
		128,292,688	**128,292,688**	59,366,588	23,957,634
Total assets		**2,073,101,183**	**2,061,756,534**	1,829,632,344	893,958,421
Equity and liabilities					
Capital and reserves					
Stated capital	15	**100,000,000**	**100,000,000**	100,000,000	100,000,000
Deemed interest reserves	16	-	-	213,154,596	213,154,596
Share Application monies	30	**655,293,857**	**655,293,857**	-	-
Amalgamation reserves	16	-	**5,314,693**	-	-
Retained earnings	16	**81,381,722**	**64,722,380**	67,432,392	68,577,746
Total equity		**836,675,579**	**825,330,930**	380,586,988	381,732,342
Non-current liabilities					
Borrowings	18	-	-	318,004,091	34,256,330
Lease liabilities	19	**26,447,503**	**26,447,503**	10,823,099	-
Subordinated debt	20	-	-	443,846,191	443,846,191
Secured notes	22	**1,123,000,000**	**1,123,000,000**	-	-
		1,149,447,503	**1,149,447,503**	772,673,381	478,102,521
Current liabilities					
Trade and other payables	17	**24,747,032**	**24,747,032**	106,036,693	2,141,904
Amount due to related parties	25	**60,473,831**	**60,473,831**	354,049,459	29,715,661
Borrowings	18	-	-	215,722,874	2,265,993
Lease liabilities	19	**1,757,238**	**1,757,238**	562,949	-
		86,978,101	**86,978,101**	676,371,975	34,123,558
Total liabilities		**1,236,425,604**	**1,236,425,604**	1,449,045,356	512,226,079
Total equity and liabilities		**2,073,101,183**	**2,061,756,534**	1,829,632,344	893,958,421

Approved by the Board of Directors on ..... and signed on its behalf by:

DIRECTORS

The notes set out on pages 14 to 65 form an integral part of these financial statements.

Investcorp (Holdings) Ltd
Statement of changes in equity
For the year ended 31 December 2021

THE GROUP	Stated capital	Retained earnings	Deemed interest reserves	Share Application monies	Total equity
	Rs	Rs	Rs	Rs	Rs
Stated capital	10,000	-	-	-	10,000
Reserves arising on consolidation	-	40,205,232	-	-	40,205,232
Profit and total comprehensive income for the year	-	27,227,160	-	-	27,227,160
Deemed Interest on subordinated loan (Note 20)	-	-	213,154,596	-	213,154,596
Issue of share capital	99,990,000	-	-	-	99,990,000
Balance at 31 December 2020	100,000,000	67,432,392	213,154,596	-	380,586,988
Profit and total comprehensive income for the year	-	**13,949,330**	-	-	**13,949,330**
Transfer	-	-	**(213,154,596)**	**213,154,596**	-
Transfer from subordinated debt (Note 20)	-	-	-	**442,139,261**	**442,139,261**
Balance at 31 December 2021	**100,000,000**	**81,381,722**	-	**655,293,857**	**836,675,579**



Investcorp (Holdings) Ltd
Statement of changes in equity
For the year ended 31 December 2021

THE COMPANY	Stated capital Rs	Retained earnings Rs	Amalgamation reserves Rs	Deemed interest reserves Rs	Share Application monies Rs	Total equity Rs
Balance at 1 January 2020	10,000	40,205,232	-	-	-	40,215,232
Profit and total comprehensive income for the year	-	28,372,514	-	-	-	28,372,514
Deemed interest on subordinated loan	-	-	-	213,154,596	-	213,154,596
Issue of shares	99,990,000	-	-	-		99,990,000
Balance at 31 December 2020	100,000,000	68,577,746	-	213,154,596	-	381,732,342
Loss and total comprehensive income for the year	-	**(3,855,366)**	-	-	-	**(3,855,366)**
Amalgamation reserves (Note 29)	-	-	**5,314,693**	-	-	**5,314,693**
Transfer	-	-	-	**(213,154,596)**	**213,154,596**	-
Transfer from subordinated debt (Note 20)	-	-	-	-	**442,139,261**	**442,139,261**
Balance at 31 December 2021	**100,000,000**	**64,722,380**	**5,314,693**	-	**655,293,857**	**825,330,930**

The notes set out on pages 14 to 65 form an integral part of these financial statements.

Investcorp (Holdings) Ltd
Statement of cash flows
For the year ended 31 December 2021

	Notes	THE GROUP Year ended 31 December 2021 Rs	THE COMPANY Year ended 31 December 2021 Rs	THE GROUP Period from 1 December to 31 December 2020 Rs	THE COMPANY Year ended 31 December 2020 Rs
Profit/(loss) before tax		**13,949,330**	**(3,855,366)**	27,227,160	28,372,514
Adjustments for:					
Depreciation and amortisation		**5,839,723**	**491,220**	707,819	-
Fair value gain on revaluation of investment properties and right of use asset		**(6,432,462)**	-	(29,200,000)	(29,200,000)
Finance costs		**38,396,940**	**17,903,646**	3,572,496	2,326,835
Operating cash flows before movements in working capital		**51,753,531**	**14,539,500**	2,307,475	1,499,349
(Increase) /decrease in trade and other receivables		**(45,253,263)**	**(19,169,881)**	4,985,154	(220,351)
(Decrease)/increase in trade and other payables		**(96,380,346)**	**3,234,787**	21,308,478	732,989
Cash (used in)/generated from operations		**(89,880,078)**	**(1,395,594)**	28,601,107	2,011,987
Income taxes paid		-	-	-	-
Net cash (used in)/generated from operating activities		**(89,880,078)**	**(1,395,594)**	28,601,107	2,011,987
Investing activities					
Acquisition of subsidiaries	13(a)	**493,570**	-	(98,736,336)	(100,000,000)
Amalgamation of subsidiaries	29	-	**(241,801,257)**	-	-
Net cash used in investing activities		**493,570**	**(241,801,257)**	(98,736,336)	(100,000,000)
Financing activities					
Finance costs		**(29,705,370)**	**(9,842,329)**	(3,193,203)	(2,326,835)
Proceeds from borrowings		-	-	10,008,416	(2,541,911)
Repayment of borrowings		**(532,132,718)**	**(36,522,323)**	-	-
Lease repayment		**(1,304,604)**	**(962,222)**	-	-
Net amounts advanced by related parties		**33,018,104**	**174,196,634**	-	4,924,668
Repayments of amounts due to related parties		**(356,789,788)**	**(852,029,367)**	(26,667,649)	-
Subordinated debt		**(113,103,723)**	**(113,103,723)**	-	-
Proceeds from issue of secured notes		**1,123,000,000**	**1,123,000,000**	-	-
Proceeds on issue of shares		-	-	99,990,000	99,990,000
Net cash generated from/(used in) financing activities		**122,981,901**	**284,736,670**	80,137,564	100,045,922
Net increase in cash and cash equivalents		**33,595,393**	**41,539,819**	10,002,335	2,057,909
Cash and cash equivalents at beginning of year		**10,038,265**	**2,093,839**	35,930	35,930
Cash and cash equivalents at end of year	21	**43,633,658**	**43,633,658**	10,038,265	2,093,839

The notes set out on pages 14 to 65 form an integral part of these financial statements.

Investcorp (Holdings) Ltd
Notes to the financial statements
For the year ended 31 December 2021

1. General information

Investcorp (Holdings) Ltd (the Company) and its subsidiaries (together "the Group") are limited by shares incorporated and registered in Mauritius. Its ultimate controlling party is Nawaz Khan Chady. The principal activity of the Company consists of investment holding.

These financial statements are presented in Mauritian Rupees (Rs) and are rounded to the nearest Rs.

2. Application of new and revised International Financial Reporting Standards (IFRSs)

In the current year, the Company has applied all the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 01 January 2021.

2.1 New and revised IFRSs and IFRICs applied with no material effect on the financial statements

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

IAS 1	Presentation of Financial Statements - Amendments regarding the definition of material
IAS 8	Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of material
IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding pre-replacement issues in the context of the IBOR reform
IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding replacement issues in the context of the IBOR reform
IFRS 7	Financial Instruments: Disclosures - Amendments regarding replacement issues in the context of the IBOR reform
IFRS 7	Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform
IFRS 9	Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform
IFRS 9	Financial Instruments - Amendments regarding replacement issues in the context of the IBOR reform

2.2 New and revised IFRSs and IFRICs in issue but not yet effective

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

IAS 1	Presentation of Financial Statements - Amendments regarding the reclassification of liabilities (effective 1 January 2023)
IAS 1	Presentation of Financial Statements - Amendment to defer the effective date of the January 2020 amendments (effective 1 January 2023)

2. Application of new and revised International Financial Reporting Standards (IFRSs) (cont'd)

IAS 1	Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies (effective 1 January 2023).
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding definition of accounting estimates (effective 1 January 2023)
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous (effective 1 January 2022)
IFRS 9	Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (fees in the '10 per cent' test for derecognition of financial liabilities) (effective 1 January 2022)

The directors anticipate that these amendments will be applied in the financial statements for the annual periods beginning on the respective dates as indicated above. The directors have not yet assessed the potential impact of the adoption of these amendments.

3. Significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as issued by IASB.

The financial statements have been prepared on the historical cost basis, except for the revaluation of investment property and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

The principal accounting policies adopted are set out below.

3. Significant accounting policies (Cont'd)

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

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

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

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

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

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

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

3. Significant accounting policies (Cont'd)

Basis of consolidation (Cont'd)

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. 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.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

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3. Significant accounting policies (Cont'd)

Amalgamation of entity under common control

The transactions between entities under common control are scope out of IFRS 3 and there is no authoritative literature for these transaction under IFRS. As a result, the Company adopted accounting principles similar to the pooling-of-interest method based on the predecessor values.

Separate financial statements

The carrying values of the assets and liabilities of the Company and its subsidiaries are carried forward at their pre-combination carrying values presented in the separate financial statements as of the date of the amalgamation, i.e 30 November 2021 in the standalone financial statements of the surviving Company. The shareholder's deficit taken from the amalgamating company at amalgamation date is accounted as a component of equity in retained earnings as amalgamation adjustment in the stand-alone financial statements of the surviving Company.

The comparatives financial information of the surviving Company have not been impacted upon accounting for the amalgamation. The current year financial information up to the date of the amalgamation presented in the separate financial statements of the Company represent the financial information on a standalone basis to reflect the transactions entered into as a separate company in accordance with the requirements of the Mauritius Companies Act 2001. Accordingly, the separate financial statements of the Company does not include the results of the amalgamated subsidiaries up to the date of the amalgamation. For company's purposes, comparatives are not restated and transactions are accounted for from the effective date of transfer.

The consolidated financial statements have been prepared and presented by including the financial information of the amalgamated entities on the basis that the business combination took place as from 1 January 2020

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that Standard.

3. Significant accounting policies (Cont'd)

Business combinations (Cont'd)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

Goodwill

Goodwill is initially recognised and measured as above.

Goodwill is not amortized but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. Significant accounting policies (Cont'd)

Revenue recognition

The Group recognises revenue from the following major sources:

- Lease income on operating leases
- Service charge fee income

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer/tenant and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Lease income on operating leases

The Group earns rental income on its investment properties, based on rental agreements that exist between the tenants and the Group. Rental income is recognised as per accounting policy set out in 'Leases' below.

Service charge fee income

The Group charges a monthly service fee to its tenants for the upkeep of the common area of the investment properties.

Leases

(a) *The Group as lessee*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.
The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

3. Significant accounting policies (Cont'd)

Leases (Cont'd)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(a) *The Group as lessee*

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of use

asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the statement of profit or loss and comprehensive income.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

3. Significant accounting policies (Cont'd)

Leases (Cont'd)

(b) *The Group as lessor*

The Group enters into lease agreements as a lessor with respect to its investment properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e., after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

Foreign currencies

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. Significant accounting policies (Cont'd)

Leases (Cont'd)

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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3. Significant accounting policies (Cont'd)

Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to IAS 12 is rebutted.

3. Significant accounting policies (Cont'd)

Taxation (Cont'd)

Deferred tax (Cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Corporate Social Responsibility (CSR)

The Group is subject to CSR and the contribution is at a rate of 2% on chargeable income of the preceding year.

However, effective as from 01 January 2017, further to change in the income tax legislation, the Group is required to contribute at least 50% of its CSR money to the National CSR Foundation through the Mauritius Revenue Authority. The remaining 50% of the CSR can be used by the Company in accordance with its own CSR Fund. Effective 01 January 2019, the contribution to the Mauritius Revenue Authority must be at least 75% or reduced up to 50% if prior approval of the National CSR Foundation is obtained.

Plant and equipment

Fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method at a rate of 20%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment property

Investment property, which is property held to earn rentals and/or capital appreciation is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

3. Significant accounting policies (Cont'd)

Investments in subsidiaries

In the Company's financial statements, investments in subsidiaries are stated at cost, less any impairment loss.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

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

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

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

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

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

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

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

(i) *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.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Classification of financial assets (Cont'd)

(i) *Amortised cost and effective interest method (Cont'd)*

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 (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group 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 asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss.

(ii) *Debt instruments classified as at FVTOCI*

Debt instruments classified as at FVTOCI and are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method (see (i) above) are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Classification of financial assets (Cont'd)

(ii) *Debt instruments classified as at FVTOCI (Cont'd)*

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment's revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

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

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(iii) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

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, lease receivables and trade receivables, 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 recognises lifetime expected credit losses (ECL) for trade receivables and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group'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 other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

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.

(i) Significant increase in credit risk

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 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Impairment of financial assets (Cont'd)

(i) Significant increase in credit risk (Cont'd)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1) the financial instrument has a low risk of default;
2) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Impairment of financial assets (Cont'd)

(iii) Credit-impaired 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 that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower;

b) a breach of contract, such as a default or past due event (see (ii) above);

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or

e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Impairment of financial assets (Cont'd)

(v) Measurement and recognition of expected credit losses (Cont'd)

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, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

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 Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognizes a collateralized 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 addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognised in profit or loss.

3. Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

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

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Derecognition of financial liabilities

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

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

3. Significant accounting policies (Cont'd)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Retirement benefit obligations

The present value of retirement benefits in respect of the Workers' Rights Act 2019 is recognised in the statement of financial position as a non-current liability. The obligation arising from this item is not funded.

Defined benefit costs are categorised as follows:

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

The Company presents the first two components of defined benefit costs in Profit or Loss.

No retirement benefit obligations have been recognised because management considers the amount to be immaterial as the employees were recruited during the last quarter of the year under review.

Contributions to the National Pension Scheme are expensed to the statement of profit or loss in the period in which they fall due.

Related party transactions

All transactions with related parties are at arm's length. Management considers all parties as defined in IAS 24 as related parties of the Company.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is a person or group that is responsible for allocating resources and assessing performance of the operating segments. The Group has determined the board as its chief operating decision-maker as it is the board that makes the Group's strategic decisions.

4. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

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

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of note 3). The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Significant increase in credit risk

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

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may 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.

Fair value measurements and valuation processes

Investment properties are measured at fair value for financial reporting purposes. In estimating the fair value of the assets, the Group engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

5. Revenue from contract with customers

Disaggregation of revenue

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Revenue by service line				
Service charge income	**6,111,802**	**1,177,945**	1,705,357	1,068,660
Other income	**11,862,240**	**11,852,339**	461,634	52,174
	17,974,042	**13,030,284**	2,166,991	1,120,834
Timing of revenue recognition				
Services transferred at a point in time	**11,862,240**	**1,177,945**	461,634	52,174
Services transferred over time	**6,111,802**	**11,852,339**	1,705,357	1,068,660
	17,974,042	**13,030,284**	2,166,991	1,120,834

6. Administrative expenses

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Salaries and wages	**7,600,215**	**5,180,643**	873,959	755,812
Management fee	**2,386,081**	**1,120,173**	628,509	628,509
Professional fees	**4,545,530**	**4,523,300**	1,624,305	1,527,500
Audit fee	**1,401,739**	**1,401,739**	2,400,000	600,000
Service charge expense	**2,506,763**	**773,681**	2,030,067	440,151
Depreciation	**5,839,723**	**491,220**	707,818	-
Bank charges	**2,274,532**	**1,816,995**	468,807	448,929
Directors fee	**1,022,417**	**1,022,417**	150,000	-
Other expenses	**1,965,115**	**163,073**	689,249	657,244
Rent and utilities	**3,611,103**	**1,733,824**	-	-
	33,153,218	**18,227,065**	9,572,714	5,058,145

7. Finance costs

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Interest on bank overdrafts and loans	29,705,370	9,842,329	3,572,496	2,326,835
Interest accrued on secured notes	7,999,452	7,999,452	-	-
Interest on lease IFRS16	692,118	61,865	-	-
	38,396,940	**17,903,646**	3,572,496	2,326,835

8. Income tax

The standard rate of corporation tax applied to reported profit is 17% (2020: 17%).

The Company has not recognised any deferred tax liability arising from temporary differences associated with investments in subsidiaries to the extent that the company is able to control the timing of the reversal of the differences and that the reversal will not occur in the foreseeable future

The charge for the year can be reconciled to the profit before tax as follows:

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Profit/(loss) before tax	**13,949,330**	**(3,855,366)**	27,227,160	28,372,514
Tax at the rate of 17%	**2,371,386**	**(655,412)**	4,628,617	4,823,327
Tax effect of income/(expense) not taxable in determining taxable profit	**(1,093,519)**	**655,412**	(4,964,000)	(4,964,000)
Tax effect of utilization of tax losses	-	-	768,020	140,673
Tax effect on other non-allowable items	**(1,277,867)**	-	(432,637)	-
Tax expense for the year	-	-	-	-

Tax losses

Year of tax loss	THE GROUP				THE COMPANY			
	Amount of tax loss	**Date of expiry**	**Amount of tax loss**	**Date of expiry**	**Amount of tax loss**	**Date of expiry**	**Amount of tax loss**	**Date of expiry**
	2021		**2020**		**2021**		**2020**	
	Rs		**Rs**		**Rs**		**Rs**	
2015	-	**Dec 20**	1,125,767	Dec 20	-	**Dec 20**	1,065,617	Dec 20
2016	**2,506,738**	**Dec 21**	2,506,738	Dec 21	**44,376**	**Dec 21**	44,376	Dec 21
2017	**9,699,508**	**Dec 22**	9,699,508	Dec 22	**477,941**	**Dec 22**	477,941	Dec 22
2018	**4,727,077**	**Dec 23**	4,727,077	Dec 23	-	**Dec 23**	-	Dec 23
2019	**8,856,769**	**Dec 24**	8,856,769	Dec 24	-	**Dec 24**	-	Dec 24
2020	**4,517,767**	**Dec 25**	4,517,767	Dec 25	**827,490**	**Dec 25**	827,490	Dec 25
2021	**35,237,339**	**Dec 26**			**8,065,094**	**Dec 26**		
	65,545,198		31,433,626		**9,414,901**		2,415,424	
Loss lapsed	**(2,506,738)**		(1,125,767)		**(44,376)**		(1,065,617)	
	63,038,460		30,307,859		**9,370,525**		1,349,807	

9. Goodwill

	THE GROUP Rs
Cost	
At 1 January 2020 and 31 December 2020	**11,344,649**
At 31 December 2021	**11,344,649**
Impairment losses	
Impairment loss for the year	-
At 31 December 2021	-
Carrying amount	
At 31 December 2021	**11,344,649**
At 31 December 2020	**11,344,649**

The carrying amount of goodwill as at 31 December 2021 and 2020 allocated to CGUs were as follows:

	Rs
Segment: Office - Bonn Properties Ltd	**5,469,714**
Segment: Hospitality - Eight Sirs Investment Ltd	**5,874,935**
	11,344,649

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. At 31 December 2020, based on impairment tests, management determined that its investments to which goodwill had been allocated had not been impaired.

The total amount of goodwill has been assessed as having indefinite useful life as the Group continues to derive benefits from its CGUs for which Goodwill is allocated.

Main basis and assumptions for testing goodwill impairment in CGUs to which goodwill is allocated:

	Basis for calculation goodwill impairment
Segment: Office - Bonn Properties Ltd	Discounted cash flows
Segment: Hospitality – Eight Sirs Investment Ltd	Discounted cash flows

Based on impairment tests, the goodwill attributable to the above CGUs amounting to Rs 11,344,649 are found not to be impaired and are not materially significant in comparison to the Group's total carrying amount of goodwill.

10. Equipment

THE GROUP	Furniture and fittings
	Rs
Cost	
At 1 January 2020	-
Acquisition of Subsidiaries	25,390,157
At 31 December 2020	25,390,157
At 31 December 2021	25,390,157
Accumulated depreciation	
At 1 January 2020	-
Acquisition of Subsidiaries	19,744,565
Depreciation for the year	450,351
At 31 December 2020	20,194,916
Depreciation for the year	5,012,456
At 31 December 2021	25,207,372
Carrying amount	
At 31 December 2021	182,785
At 31 December 2020	5,195,241

THE COMPANY	Furniture and fittings
	Rs
Cost	
At 1 January 2020 and 31 December 2020	-
Amalgamation of subsidiaries	25,390,157
At 31 December 2021	25,390,157
Accumulated depreciation	
At 1 January 2020 and 31 December 2020	-
Amalgamation of subsidiaries	24,785,091
Depreciation for the year	422,281
At 31 December 2021	25,207,372
Carrying amount	
At 31 December 2021	182,785
At 31 December 2020	-



11. Investment properties

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
At 1 January	**1,433,983,333**	**113,000,000**	83,800,000	83,800,000
Arising on consolidation of subsidiaries	**173,950,000**	-	1,320,983,333	-
Arising on amalgamation of subsidiaries	-	**1,500,350,000**	-	-
Increase in fair value during the year	**5,416,667**	-	29,200,000	29,200,000
At 31 December	**1,613,350,000**	**1,613,350,000**	1,433,983,333	113,000,000

The fair value of the investment properties at 31 December 2021 have been arrived at on the basis of a valuation carried out at that date by Prime Pillar Valuation Services Ltd, independent valuers not connected with the Company. The valuation conforms to International Valuation Standards.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. The fair value of the properties was determined through the use of the income, rent comparison and depreciated replacement cost approaches.

Investment properties and rights of use assets are measured at fair value in the statements of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

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



11. Investment properties (Cont'd)

	Valuation technique	Significant unobservable input(s)	Sensitivity
Office building located in Ebene, Mauritius	Income capitalization approach	Capitalization rate, taking into account the capitalization of rental income potential, nature of the property, and prevailing market condition, of 7% - 10%.	A slight increase in the capitalization rate used would result in a significant decrease in fair value, and vice versa.
Port louis	Income capitalization approach	Monthly market rent, taking into account the differences in individual factors, such as size, quality of finish between the comparable and the property, at an average of Rs 393 per square meter per month.	A significant increase in the market rent used would result in a significant increase in fair value, and vice versa.
Tourist residences located in Grand Bay, Mauritius	Depreciated replacement cost approach	The depreciated replacement cost (DRC) used per square foot is Rs 2,500.	An increase in the DRC would result in a comparable increase in fair value and vice versa.

The assets are pledged against secured notes issued by the company (2020: against banking facilities)

The property rental income earned by the Company from its investment properties amounted to Rs 61,092,984 (2020: Rs 9,005,379). No direct operating expenses were incurred during the year on the investment properties (2020: Rs Nil).

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on 11th March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. The market activity is impacted in all sectors. As at valuation date, the valuers have considered to attach less weight to previous market evidence for comparison purposes, to form opinions of value. Indeed, the current response to COVID-19 means that an unprecedented set of circumstances are faced on which to base a judgement. The valuation is therefore reported on the basis of 'material valuation uncertainty' per VPGA 10 of the RICs Valuation - Global Standards. Consequently, less certainty and a higher degree of caution should be attached to the valuation than would normally be the case, given the unknown future impact that COVID-19 might have on the real estate market. For the avoidance of doubt the material valuation uncertainty declaration does not mean that the valuation cannot be relied on as it only serves as a precaution and does not invalidate the valuation. There has been no change in the valuation methodology used for investment property as a result of COVID-19.

12. Right-of-use assets

	THE GROUP Rs	THE COMPANY Rs
Cost		
At 1 January 2020	-	-
Acquisition through business combination	320,000,000	-
At 31 December 2020	320,000,000	-
Amalgamation of subsidiaries	-	**320,000,000**
At 31 December 2021	**320,000,000**	**320,000,000**
Accumulated depreciation		
At 1 January 2020	-	-
Depreciation for the period	257,467	-
At 31 December 2020	257,467	-
Revaluation gain	**(1,015,795)**	-
Depreciation for the period	**827,267**	**68,939**
At 31 December 2021	**68,939**	**68,939**
Carrying amount		
At 31 December 2021	**319,931,061**	**319,931,061**
At 31 December 2020	**319,742,533**	-

The Group leases several plots of land. The initial lease terms range from 30 to 60 years with options to renew for another 60 years.

Refer to note 11 for fair value hierarchy.

	Most recent valuation date	Sector	Fair value hierarchy	Fair value as at 31/12/2021	Fair value as at 31/12/2020
				Rs	Rs
Lot 22 Ebene (Bonn Properties Ltd)	9-Dec-2021	Office	Level 3	**60,500,000**	60,500,000
Grand Bay Suites land (Eight Sirs Investment Ltd)	9-Dec-2021	Hospitality	Level 2	**32,200,000**	32,200,000
Lots 27 and 28 Ebene (HBL Development Ltd)	9-Dec-2021	Office	Level 3	**117,300,000**	117,300,000
Lot 15/A3 Ebene (Ibiza Investment Ltd)	9-Dec-2021	Office	Level 3	**55,000,000**	55,000,000
Lot 15/A4 Ebene (Ibiza Properties Ltd)	9-Dec-2021	Office	Level 3	**55,000,000**	55,000,000
				320,000,000	320,000,000
Acc Depreciation for the period				**(68,939)**	(257,467)
				319,931,061	319,742,533

12. Right-of-use assets (Cont'd)

The assets are pledged against secured notes issued by the company (2020: against banking facilities)

The fair value of the right of use assets at 31 December 2021 have been arrived at on the basis of a valuation carried out at that date by Prime Pillar Valuation Services Ltd, independent valuers not connected with the Company. The valuation conforms to International Valuation Standards.

Amounts recognised in profit or loss

	2021 Rs
Depreciation expense of right-of-use assets	827,267
Interest expense on lease liabilities	692,118

13. Investment in subsidiaries

THE COMPANY	2021 Rs	2020 Rs
At 1 January 2021	757,000,787	-
Additions made during the year	128,828,089	757,000,787
Effect of amalgamation	(885,828,876)	
At 31 December 2021	-	757,000,787

Details of the subsidiaries are as follows:

Name of company	Class of shares held	Main business	Country of incorporation	Direct ownership interest	Amount invested
Bonn Properties Ltd	Ordinary	Investment holding	Mauritius	100%	168,762,083
Eight Sirs Investment Ltd	Ordinary	Investment holding	Mauritius	100%	66,989,427
HBL Development Ltd	Ordinary	Investment holding	Mauritius	100%	35,296,061
Ibiza City (Holding) Ltd	Ordinary	Investment holding	Mauritius	100%	88,699,388
Ibiza Investment Ltd	Ordinary	Investment holding	Mauritius	100%	213,963,622
Ibiza Properties Ltd	Ordinary	Investment holding	Mauritius	100%	183,290,206
Hennessy Tower Development Ltd	Ordinary	Investment holding	Mauritius	100%	128,828,089
					885,828,876

Acquisition of subsidiary
During the year, the Company acquired 100% of the issued share capital of : Hennessy Tower Development Ltd

The principal reason behind the acquisition of the above company is to obtain benefits from investment properties held by the Company, which will generate rental income and capital appreciation for the Group.

The fair value of the identifiable assets and liabilities acquired on 30 June 2021 were:



13. Investment in subsidiaries (Cont'd)

(a) Acquisition of subsidiary (Cont'd)

	Hennessy Tower Development Ltd
	Rs
Investment property	173,950,000
Trade and other receivables	1,601,256
Amount due from related parties	23,088,655
Cash at bank/(bank overdraft)	493,570
Amount due to related parties	(63,214,159)
Trade and other payables	(7,091,233)
Total assets and liabilities assumed	128,828,089
Goodwill	-
Total consideration transferred	**128,828,089**
Satisfied by:	
Cash	-
Contingent consideration	128,828,089
	128,828,089

	Rs
Net cash outflow arising on acquisition:	
Cash consideration	-
Cash and cash equivalents acquired in subsidiaries	(493,570)
	(493,570)

The subsidiary contributed towards revenue and profits of the Group for the period between the date of acquisition and the reporting date as follows:

	Rs
Revenue	5,912,664
Profits	4,857,628

Investcorp (Holdings) Ltd
Notes to the financial statements
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13. Investment in subsidiaries (Cont'd)

(a) Acquisition of subsidiaries

The fair values of the identifiable assets and liabilities acquired on 30 November 2020 were:

	Bonn Properties Ltd	Eight Sirs Investment Ltd	IIBL Development Ltd	Ibiza City (Holding) Ltd	Ibiza Investment Ltd	Ibiza Properties Ltd	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Investment property	155,083,333	50,300,000	245,100,000	180,500,000	345,000,000	345,000,000	1,320,983,333
Plant and equipment	5,416,667	228,925	-	-	-	-	5,645,592
Rights of use asset	60,500,000	32,200,000	117,300,000	-	55,000,000	55,000,000	320,000,000
Trade and other receivables	3,347,917	380,357	4,300,000	8,290,102	4,745,902	14,763,936	35,828,214
Amount due from related parties	60,000,000	8,413,463	-	29,524,831	25,809,875	4,050,000	127,798,169
Cash at bank/(bank overdraft)	1,244,279	(1,947,981)	404,876	346,563	183,254	1,032,673	1,263,664
Amount due to related parties	(45,114,778)	(22,351,152)	(199,930,668)	(97,525,446)	(70,408,259)	(53,146,526)	(488,476,829)
Borrowings	(71,682,271)	-	(131,625,000)	(30,383,047)	(116,864,829)	(132,504,804)	(483,059,951)
Lease liabilities	(5,131,815)	(5,874,935)	-	-	-	-	(11,006,750)
Trade and other payables	(370,963)	(234,185)	(253,147)	(2,053,615)	(29,502,321)	(50,905,073)	(83,319,304)
Total assets and liabilities assumed	163,292,369	61,114,492	35,296,061	88,699,388	213,963,622	183,290,206	745,656,138
Goodwill	5,469,714	5,874,935	-	-	-	-	11,344,649
Total consideration transferred	168,762,083	66,989,427	35,296,061	88,699,388	213,963,622	183,290,206	757,000,787
Satisfied by:							
Cash	22,293,515	8,849,321	4,662,619	11,717,212	28,264,650	24,212,683	100,000,000
Contingent consideration	146,468,568	58,140,106	30,633,442	76,982,176	185,698,972	159,077,523	657,000,787
Total consideration	168,762,083	66,989,427	35,296,061	88,699,388	213,963,622	183,290,206	757,000,787

13. Investment in subsidiaries (Cont'd)

(b) Acquisition of subsidiaries (Cont'd)

	Bonn Properties Ltd	Eight Sirs Investment Ltd	HBL Development Ltd	Ibiza City (Holding) Ltd	Ibiza Investment Ltd	Ibiza Properties Ltd	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Net cash outflow arising on acquisition:							
Cash consideration	22,293,515	8,849,321	4,662,619	11,717,212	28,264,650	24,212,683	100,000,000
Cash and cash equivalents acquired in subsidiaries	(1,244,279)	1,947,981	(404,876)	(346,563)	(183,254)	(1,032,673)	(1,263,664)
	21,049,236	10,797,302	4,257,743	11,370,649	28,081,396	23,180,010	98,736,336

The subsidiaries contributed towards revenue and profits of the Group for the period between the date of acquisition and the reporting date as follows:

	Bonn Properties Ltd	Eight Sirs Investment Ltd	HBL Development Ltd	Ibiza City (Holding) Ltd	Ibiza Investment Ltd	Ibiza Properties Ltd	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Revenue	1,800,000	472,876	2,000,000	-	342,000	-	4,614,876
Profits	695,024	(399,111)	1,698,488	(1,933,477)	(374,170)	(832,112)	(1,145,358)

If acquisition of the subsidiaries had been completed on the first day of the financial year, the Group's revenue and profit would have been as follows:

	Bonn Properties Ltd	Eight Sirs Investment Ltd	HBL Development Ltd	Ibiza City (Holding) Ltd	Ibiza Investment Ltd	Ibiza Properties Ltd	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Revenue	10,400,000	604,139	12,000,000	29,234,353	360,000	-	52,598,492
Fair value gain on revaluation of investment properties	19,324,506	53,838,283	72,480,331	80,761,003	216,319,101	178,598,033	621,321,257
Profits	16,716,743	53,973,796	80,985,498	84,487,196	215,552,670	177,132,053	628,847,956

14. Trade and other receivables

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Trade receivables	**7,276,637**	**7,276,637**	69,168	69,168
Prepayments	**7,311,588**	**7,311,588**	1,066,553	-
Tax deducted at source	**4,673,435**	**4,673,435**	2,230,478	539,609
Value added tax	**55,824,345**	**55,824,345**	27,821,429	-
Other receivable	**3,000,000**	**3,000,000**	43,858	-
	78,086,005	**78,086,005**	31,231,486	608,777

15. Stated capital

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Issued and fully paid				
At 1 January - 10,000,000 (2020: 1000) ordinary shares at Rs 10 each	**100,000,000**	**100,000,000**	10,000	10,000
Issued during the year	-	-	99,990,000	99,990,000
At 31 December - 10,000,000 (2020: 10,000,000) ordinary shares at Rs 10 each	**100,000,000**	**100,000,000**	100,000,000	100,000,000

The Company has one class of ordinary shares which carry no right to fixed income.

16. Retained earnings and other reserves

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Retained Earnings/Accumulated losses	**81,381,722**	**64,722,380**	67,432,392	68,577,746
Amalgamation reserves	-	**5,314,693**	-	-
Deemed Interest reserves	-	-	213,154,596	213,154,596
	81,381,722	**70,037,073**	280,586,988	281,732,342

Amalgamation reserves of Rs5,314,693 arose on amalgamation of all subsidiaries (Note 29).
Deemed interest reserves arose on subordinated debt (Note 20).

17. Trade and other payables

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Trade payables	**5,512,867**	**5,512,867**	182,297	-
Deposits	**3,791,388**	**3,791,388**	80,748,300	793,300
Value added tax	**1,512,845**	**1,512,845**	1,057,935	8,252
Tax deducted at source	**3,539,850**	**3,539,850**	1,613,113	220,454
Minority share buy back	-	-	18,000,000	-
Other payables	**2,390,630**	**2,390,630**	4,435,048	1,119,898
Interest accrued on secured notes	**7,999,452**	**7,999,452**	-	-
	24,747,032	**24,747,032**	106,036,693	2,141,904

18. Borrowings

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Unsecured borrowings at amortised cost				
Bank overdrafts	-	-	1,594,364	-
Secured borrowing at amortised cost				
Bank loans	-	-	532,132,601	36,522,323
Total borrowings	-	-	533,726,965	36,522,323
Analysed as:				
Non-current	-	-	318,004,091	34,256,330
Current	-	-	215,722,874	2,265,993
			533,726,965	36,522,323

All the borrowings were repaid during the year out of the proceeds of the issue of secured bonds.

19. Lease liabilities

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs
Maturity analysis:			
Year 1	**2,445,764**	**2,445,764**	556,929
Year 2	**2,432,696**	**2,432,696**	568,227
Year 3	**2,414,638**	**2,414,638**	576,720
Year 4	**2,395,058**	**2,395,058**	607,336
Year 5	**2,368,071**	**2,368,071**	618,890
Year 6 Onwards	**26,952,122**	**26,952,122**	34,415,138
	39,008,349	**39,008,349**	37,343,240
Less: unearned interest	**(10,803,608)**	**(10,803,608)**	(25,957,192)
	28,204,741	**28,204,741**	11,386,048
Analysed as:			
Non-current	**26,447,503**	**26,447,503**	10,823,099
Current	**1,757,238**	**1,757,238**	562,949
	28,204,741	**28,204,741**	11,386,048

The lease liabilities arise on leases of plots of land on which the investment properties have been erected.

20. Subordinated debt

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Original amount	**657,000,787**	**657,000,787**	657,000,787	657,000,787
Addition during the year	**128,828,089**	**128,828,089**	-	-
Unpaid stated capital	**(60,000,000)**	**(60,000,000)**	-	-
Adjustment in IFRS16	**(17,431,296)**	**(17,431,296)**	-	-
Net asset value adjustment	**(53,103,723)**	**(53,103,723)**	-	-
Deemed interest credited to Statement of Changes in Equity	**(213,154,596)**	**(213,154,596)**	(213,154,596)	(213,154,596)
Transfer to share application monies	**(442,139,261)**	**(442,139,261)**	-	-
Net Present Value	-	-	443,846,191	443,846,191

The subordinated debt represents net amount due to Mr Nawaz Khan Chady, the ultimate shareholder for the acquisition of subsidiaries as set out in note 13.

Following a share purchase agreement between the Company and Mr Nawaz Khan Chady, the following terms and conditions are attached to the subordinated debts:

- The subordinated debt is repayable within a period not exceeding 10 years from the Effective Date either out of the proceeds of an issue of Non-Voting Redeemable Preference Shares or through the disposal of an asset belonging to the Company. It is also agreed that the payment of the Subordinated debt shall rank junior, and shall be subordinated, to any payment being made from time to time to the holders of the Non-Voting Redeemable Preference Shares.
- No interest shall accrue on repayment of the subordinated debt.

Management had used 4% p.a (2020:4% p.a) as deemed interest rate to calculate the net present value of the debt based on current bank lending rates.
As at 31 December 2021, the subordinated debt was transferred to share application monies.

21. Notes to the statement of cash flow

Cash and cash equivalents

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Cash and bank balances	**43,633,658**	**43,633,658**	11,632,629	2,093,839
Bank overdraft	-	-	(1,594,364)	-
	43,633,658	**43,633,658**	10,038,265	2,093,839

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdraft. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the reporting position as shown above.

21. Notes to the statement of cash flow (Cont'd)

Changes in liabilities arising from financing activities

The table below details changes in the Group's and Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flow as cash flows from financing activities.

THE GROUP	At 1 January 2021	Acquisition of subsidiaries	Cash flows	Other changes	31 December 2021
	Rs	Rs	Rs	Rs	Rs
Borrowings	533,726,965	-	(532,132,718)	(1,594,247)	-
Lease liabilities	11,386,048	-	(1,304,604)	18,123,297	28,204,741
Amount due to related parties	354,049,459	63,214,159	(356,789,788)	-	60,473,830
	899,162,472	63,214,159	(890,227,110)	16,529,050	88,678,571

THE COMPANY	At 1 January 2021	Amalgamation of subsidiaries	Cash flows	Other changes	31 December 2021
	Rs	Rs	Rs	Rs	Rs
Borrowings	36,522,323	-	(36,522,323)	-	-
Lease liabilities	-	11,673,802	(962,222)	17,493,161	28,204,741
Amount due to related parties	29,715,661	882,787,536	(852,029,367)	-	60,473,830
	66,237,984	894,461,338	(889,513,912)	17,493,161	88,678,571

THE GROUP	Arising from business combination	Cash flows	Other changes	31 December 2020
	Rs	Rs	Rs	Rs
Borrowings	483,059,951	10,008,416	40,658,598	533,726,965
Lease liabilities	11,006,750	-	379,298	11,386,048
	494,066,701	10,008,416	41,037,896	545,113,013

THE COMPANY	1 January 2020	Cash flows	Other changes	31 December 2020
	Rs	Rs	Rs	Rs
Borrowings	39,064,234	(4,868,746)	2,326,835	36,522,323

Other changes include interest accruals.

22. Secured notes

In November 2021, the company issued Fixed rate secured notes on the official market of the Stock Exchange of Mauritius.

THE GROUP AND COMPANY	2021 Rs
Fixed rates secured notes @ Rs1000 per note	1,123,000,000
Analysed as:	
Current Liabilities	-
Non Current Liabilities	1,123,000,000

The fixed rates secured notes bear interest at the rate of 5% p.a payable semi annually.
The notes are repayable 7 years as from the issue date.

23. Financial risk management

The Group's activities expose it to a variety of financial risks, namely market (interest rate risk), credit and liquidity risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.
The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities

Categories of financial instruments

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Financial assets				
At Amortized costs				
Trade and other receivables*	10,276,637	10,276,637	69,168	69,168
Amounts due from related parties	6,573,025	6,573,025	16,502,473	21,255,018
Cash and bank balances	43,633,658	43,633,658	11,632,629	2,093,839
Total financial assets	60,483,320	60,483,320	28,204,270	23,418,025
Financial Liabilities				
At Amortized costs				
Trade and other payables**	19,694,337	19,694,337	103,365,645	1,913,198
Subordinated debt	-	-	443,846,191	443,846,191
Amounts due to related parties	60,473,831	60,473,831	354,049,459	29,715,661
Bank loans	-	-	532,132,601	36,522,323
Bank overdraft	-	-	1,594,364	-
Lease liabilities	28,204,741	28,204,741	11,386,048	-
Secured notes	1,123,000,000	1,123,000,000	-	-
Total financial liabilities	1,231,372,909	1,231,372,909	1,446,374,308	511,997,373

*Trade and other receivables exclude prepayments, value added tax and tax deducted at source.
**Trade and other payables exclude value added tax and tax deducted at source.

23. Financial risk management (Cont'd)

The Board of directors reviews and agrees policies for managing each of the risks which are summarised below:

(a) Market risk

Market risk is the risk that changes in market prices – such as interest rates – will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group manages market risks by keeping costs low through various cost optimisation programs.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk as it borrows funds at floating interest rates.

Sensitivity analysis for variable rate instruments

The sensitivity analysis below has been determined based on the exposure to interest rates for the interest-bearing financial liabilities at the report date. The analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year.

If interest rates had been 25 basis points higher as at the balance sheet date on floating financial liabilities and all other variables were held constant, the Group's and company's profit for the year would have decreased as follows:

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Decrease in profit and equity	-	-	1,362,783	91,306

(c) Credit risk and expected credit losses

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. With respect to credit risk arising from a financial asset which comprise cash and cash equivalents and amounts receivable from related parties, the Group's exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date.

The maximum exposure to credit risk at the reporting date equal to the carrying amount of these assets as shown in the statement of financial position.

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Financial assets				
Trade and other receivables*	10,276,637	10,276,637	69,168	69,168
Amounts due from related parties	6,573,025	6,573,025	16,502,473	21,255,018
Cash and bank balances	43,633,658	43,633,658	11,632,629	2,093,839
	60,483,320	60,483,320	28,204,270	23,418,025

*Trade and other receivables exclude prepayments, value added tax and tax deducted at source.

23. Financial risk management (Cont'd)

Trade and other receivables

Credit risk is principally the risk that a tenant may default or not meet its obligations timeously. The financial position of the tenants is monitored on an ongoing basis. Allowance is made for specific doubtful debts when necessary and credit risk is therefore considered limited to the carrying amount of the financial assets at the end of the relevant financial year.

Amount due from related parties

The Group has policies in place to ensure that loans granted to related parties and other parties with an appropriate credit history so as to limit the amount of exposure to credit risk.

Cash and cash at bank

It is the Group's policy to deposit short-term cash investments with reputable financial institution.

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables). The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Contractual cash flows

The following are the contractual maturities of non-derivative financial liabilities of the Group and Company:

THE GROUP	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
	Rs	Rs	Rs	Rs	Rs
2021					
Interest bearing liabilities					
Secured notes	-	-	-	1,123,000,000	1,123,000,000
Lease liabilities	1,757,238	1,740,578	5,101,413	19,605,512	28,204,741
Non-interest bearing liability					
Trade and other payables*	19,694,337	-	-	-	19,694,337
Amounts due to related parties	60,473,831	-	-	-	60,473,831
	81,925,406	1,740,578	5,101,413	1,142,605,512	1,231,372,909

23. Financial risk management (Cont'd)

Liquidity risk (Cont'd)

THE COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
	Rs	Rs	Rs	Rs	Rs
2021					
Interest bearing liabilities					
Secured notes	-	-	-	**1,123,000,000**	**1,123,000,000**
Lease liabilities	**1,757,238**	**1,740,578**	**5,101,413**	**19,605,512**	**28,204,741**
Non-interest bearing liability					
Trade and other payables*	**19,694,337**	-	-	-	**19,694,337**
Subordinated debt	-	-	-	-	-
Amounts due to related parties	**60,473,831**	-	-	-	**60,473,831**
	81,925,406	**1,740,578**	**5,101,413**	**1,142,605,512**	**1,231,372,909**

THE GROUP	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
	Rs	Rs	Rs	Rs	Rs
2020					
Interest bearing liabilities					
Bank loans	214,128,510	67,498,743	185,218,128	65,287,220	532,132,601
Bank overdraft	1,594,364	-	-	-	1,594,364
Lease liabilities	562,949	99,073	263,636	10,460,390	11,386,048
Non-interest bearing liability					
Trade and other payables*	103,365,645	-	-	-	103,365,645
Subordinated debt	-	-	-	443,846,191	443,846,191
Amounts due to related parties	354,049,459	-	-	-	354,049,459
	673,700,927	67,597,816	185,481,764	519,593,801	1,446,374,308

THE COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
	Rs	Rs	Rs	Rs	Rs
2020					
Interest bearing liabilities					
Bank loans	2,265,993	2,441,886	8,941,222	22,873,222	36,522,323
Non-interest bearing liability					
Trade and other payables*	1,913,198	-	-	-	1,913,198
Subordinated debt	-	-	-	443,846,191	443,846,191
Amounts due to related parties	29,715,661	-	-	-	29,715,661
	33,894,852	2,441,886	8,941,222	466,719,413	511,997,373

*Trade and other payables exclude value added tax and tax deducted at source.

23. Financial risk management (Cont'd)

(e) Capital risk management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group actively and regularly reviews and manages its capital position to maintain a balance between its liability and equity level.

The management of the Group's capital position is undertaken by the management team. The latter ensures that the Group is adequately capitalised to meet economic requirements. The management team meets on a regular basis and manages capital by taking into account key considerations which may include business developments, regulatory requirements, gap profitability and market movements such as foreign exchange and interest rate.

The Group monitors capital using a ratio of 'adjusted net debt' to adjusted equity. For this purpose, adjusted net debt is defined as total liabilities, comprising of bank loan, bank overdraft and amount due to related parties less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Group's and Company's adjusted net debt to equity ratio at 31 December was as follows:

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Total liabilities	1,236,425,604	1,236,425,604	1,449,045,356	512,226,079
Less: Cash and cash equivalents	(43,633,658)	(43,633,658)	(11,632,629)	(2,093,839)
Adjusted net debt	1,192,791,946	1,192,791,946	1,437,412,727	510,132,240
Adjusted equity	836,675,579	825,330,930	380,586,988	381,732,342
Adjusted net debt to adjusted equity ratio	142.56%	144.52%	377.68%	133.64%

24. Events after the reporting period

There have been no material events after the reporting date up to the date the financial statements were authorised for issue that would require amendments or disclosure in the financial statements for the year ended 31 December 2021.

25. Related party transactions

THE GROUP

	Nature of relationship	At 31 December 2020	Amount at Acquisition	Loan to/(from) 2021	Transfer to Share application monies 2021	At 31 December 2021
		Rs	Rs	Rs	Rs	Rs
Cap Horn Ltd	Common beneficiary	(23,168,000)	629,800	23,168,000		629,800
Escale Mauricienne Restaurant Ltee	Common beneficiary	(188,750)	-	188,750		-
Executive Builders Ltd	Common beneficiary	(2,372,300)	560,000	2,372,300		560,000
Gleneagles Ltd	Common beneficiary	3,200,599	1,625,000	(3,200,599)		1,625,000
Grand Bay Paradise Ltd	Common beneficiary	526,648	-	(526,648)		-
Henessy Tower Development Ltd	Common beneficiary	(6,714,104)	-	6,714,104		-
Hyvec Consumer Goods Ltd	Common beneficiary	2,367,600	260,592	(2,232,792)		395,400
Hyvec Facilities Management	Common beneficiary	206,746	-	421,146		627,892
Hyvec Investment Ltd	Common beneficiary	(1,500,000)	-	1,500,000		-
Hyvec Partners Ltd	Common beneficiary	(215,404,924)	6,059,809	206,150,714		(3,194,401)
Ibiza City Ltd	Common beneficiary	3,119,072	-	(3,098,072)		21,000
Ibiza Development Ltd	Common beneficiary	9,320	-	(9,320)		-
Jumeirah Investment Ltd	Common beneficiary	(284,522)	311,150	284,522		311,150
Noodle Express Ltd	Common beneficiary	(165,212)	-	165,212		-
Sotratech Properties Ltd	Common beneficiary	(11,927,512)	266,583	11,927,512		266,583
Supertech Equipment Ltd	Common beneficiary	5,000,000	100,000	(5,000,000)		100,000
Bluefire Ltd	Common beneficiary	-	-	1,000,000		1,000,000
Hennessy Tower Ltd	Common beneficiary	-	13,700	-		13,700
Henessy Tower (Holdings) Ltd	Common beneficiary	-	1,022,500	-		1,022,500
Bonn Properties Ltd	Common beneficiary	-	3,105,000	(3,105,000)		-
Eight Sirs Investment Ltd	Common beneficiary	-	1,200,000	(1,200,000)		-
Ibiza Investment Ltd	Common beneficiary	-	675,000	(675,000)		-
Ibiza City (Holding) Ltd	Common beneficiary	-	890,000	(890,000)		-
Ibiza Properties Ltd	Common beneficiary	-	6,369,520	(6,369,520)		-
HBL Development Ltd	Common beneficiary	-	(599,200)	599,200		-
Nawaz Khan Chady	Director / Shareholder	(90,251,647)	(62,614,958)	95,587,175		(57,279,430)
		(337,546,986)	**(40,125,504)**	**323,771,684**	-	**(53,900,806)**
Subordinated debt – Nawaz Khan Chady	Director / Shareholder	**(443,846,191)**	**(128,828,089)**	**130,535,019**	**442,139,261**	-
		(781,393,177)	**(168,953,593)**	**454,306,703**	**442,139,261**	**(53,900,806)**

Investcorp (Holdings) Ltd
Notes to the financial statements
For the year ended 31 December 2021

25. Related party transactions (Cont'd)

THE GROUP

	Nature of relationship	Company at 31 December 2019	Amount at Acquisition	Loan to/(from) 2020	Amount owed by/(to) 2020
		Rs	Rs	Rs	Rs
Cap Horn Ltd	Common beneficiary	(114,000)	(23,054,000)	-	(23,168,000)
Escale Mauricienne Restaurant Ltee	Common beneficiary	-	(188,750)	-	(188,750)
Executive Builders Ltd	Common beneficiary	(872,300)	(1,500,000)	-	(2,372,300)
Gleneagles Ltd	Common beneficiary	-	3,213,490	(12,891)	3,200,599
Grand Bay Paradise Ltd	Common beneficiary	-	527,643	(995)	526,648
Henessy Tower Development Ltd	Common beneficiary	-	(6,905,346)	191,242	(6,714,104)
Hyvec Consumer Goods Ltd	Common beneficiary	-	2,575,700	(208,100)	2,367,600
Hyvec Facilities Management Ltd	Common beneficiary	-	677,335	(470,589)	206,746
Hyvec Investment Ltd	Common beneficiary	-	(1,500,000)	-	(1,500,000)
Hyvec Partners Ltd	Common beneficiary	(23,713,283)	(203,077,521)	11,385,880	(215,404,924)
Ibiza City Ltd	Common beneficiary	-	3,119,072	-	3,119,072
Ibiza Development Ltd	Common beneficiary	-	327,000	(317,680)	9,320
Jumeirah Investment Ltd	Common beneficiary	-	(284,522)	-	(284,522)
Noodle Express Ltd	Common beneficiary	-	-	(165,212)	(165,212)
Sotratech Properties Ltd	Common beneficiary	422,488	(12,350,000)	-	(11,927,512)
Supertech Equipment Ltd	Common beneficiary	5,000,000	-	-	5,000,000
Bluefire Ltd	Common beneficiary	-	(151,152)	151,152	-
Ibiza Investment Ltd	Common beneficiary	-	(4,287,627)	4,287,627	-
Investcorp (Holdings) Ltd	Common beneficiary	-	(13,816,020)	13,816,020	-
Ibiza Properties Ltd	Common beneficiary	-	28,678,127	(28,678,127)	-
Ibiza City (Holding) Ltd	Common beneficiary	-	(24,390,500)	24,390,500	-
Bonn Properties Ltd	Common beneficiary	15,530,000	-	(15,530,000)	-
Nawaz Khan Chady	Director / Shareholder	211,120	(108,291,589)	17,828,822	(90,251,647)
		(3,535,975)	(360,678,660)	26,667,649	(337,546,986)
Subordinated debt – Nawaz Khan Chady	Director / Shareholder	-	(443,846,191)	-	(443,846,191)
		(3,535,975)	(804,524,851)	26,667,649	(781,393,177)

25. Related party transactions (Cont'd)
THE COMPANY

	Nature of relationship	At 31 December 2020	Amount at Amalgamation	Loan to/(from) 2021	Transfer to Share application monies 2021	Other changes 2021	At 31 December 2021
		Rs	Rs	Rs	Rs	Rs	Rs
Cap Horn Ltd	Common beneficiary	(114,000)	629,800	114,000	-	-	629,800
Executive Builders Ltd	Common beneficiary	(872,300)	560,000	872,300	-	-	560,000
Gleneagles Ltd	Common beneficiary	-	1,625,000	-	-	-	1,625,000
Grand Bay Paradise Ltd	Common beneficiary	-	-	-	-	-	-
Henessy Tower Development Ltd	Common beneficiary	-	(12,317,026)	12,317,026	-	-	-
Hyvec Consumer Goods Ltd	Common beneficiary	-	(243,755)	639,155	-	-	395,400
Hyvec Facilities Management	Common beneficiary	(542,089)	627,892	542,089	-	-	627,892
Hyvec Investment Ltd	Common beneficiary	-	-	-	-	-	-
Hyvec Partners Ltd	Common beneficiary	(24,263,883)	3,560,044	17,509,438	-	-	(3,194,401)
Ibiza City Ltd	Common beneficiary	-	3,286,580	(3,265,580)	-	-	21,000
Investcorp (Holdings) Ltd	Common beneficiary	-	(775,089,684)	775,089,684	-	-	-
Jumeirah Investment Ltd	Common beneficiary	-	311,150		-	-	311,150
HBL Development Ltd	Common beneficiary	-	(599,200)	599,200	-	-	-
Sotratech Properties Ltd	Common beneficiary	422,488	2,175,554	(2,331,459)	-	-	266,583
Supertech Equipment Ltd	Common beneficiary	5,000,000	100,000	(5,000,000)	-	-	100,000
Bluefire Ltd	Common beneficiary	-	1,000,000	-	-	-	1,000,000
Hennessy Tower Ltd	Common beneficiary	-	13,700	-	-	-	13,700
Henessy Tower (Holdings) Ltd	Common beneficiary	-	1,022,500	-	-	-	1,022,500
Bonn Properties Ltd	Common beneficiary	13,866,020	(1,667,500)	(12,198,520)	-	-	-
Eight Sirs Investment Ltd	Common beneficiary	-	15,300,123	(15,300,123)	-	-	-
Ibiza Investment Ltd	Common beneficiary	-	(18,291,153)	18,291,153	-	-	-
Ibiza City (Holding) Ltd	Common beneficiary	-	(23,721,766)	23,721,766	-	-	-
Ibiza Properties Ltd	Common beneficiary	(50,000)	41,942,633	(41,892,633)	-	-	-
Nawaz Khan Chady	Director / Shareholder	(445,753,070)	36,502,212	(91,874,763)	442,139,261	1,706,930	(57,279,430)
		(452,306,834)	**(723,272,896)**	**677,832,733**	**442,139,261**	**1,706,930**	**(53,900,806)**

25. Related party transactions (Cont'd)

THE COMPANY	Nature of relationship	At 1 January 2020 Rs	Movement for the year Rs	At 31 December 2020 Rs
Bonn Properties Ltd	Common beneficiary	**15,530,000**	**(1,663,980)**	13,866,020
Cap Horn Ltd	Common beneficiary	**(114,000)**	**-**	(114,000)
Executive Builders Ltd	Common beneficiary	**(872,300)**	**-**	(872,300)
Hyvec Facilities Management Ltd	Common beneficiary	**-**	**(542,089)**	(542,089)
Hyvec Partners Ltd	Common beneficiary	**(23,713,283)**	**(550,600)**	(24,263,883)
Ibiza Properties Ltd	Common beneficiary	**-**	**(50,000)**	(50,000)
Sotratech Properties Ltd	Common beneficiary	**422,488**	**-**	422,488
Supertech Equipment Ltd	Common beneficiary	**5,000,000**	**-**	5,000,000
Nawaz Khan Chady	Director / Shareholder	**211,120**	**(445,964,190)**	(445,753,070)
		(3,535,975)	**(448,770,859)**	(452,306,834)

The amounts owed to and by related parties are interest free and unsecured and repayable on demand.

Other receivables

Included in other receivables:

THE GROUP AND COMPANY	Nature of relationship	At 1 January 2021 Rs	Movement for the year Rs	At 31 December 2021 Rs
Bluefire Ltd	Common beneficiary	**-**	**300,000**	**300,000**
Hyvec Facilities Management Ltd	Common beneficiary	**-**	**700,000**	**700,000**
Hyvec Partners Ltd	Common beneficiary	**-**	**750,000**	**750,000**
Pine Travel and Tours Ltd	Common beneficiary	**-**	**125,000**	**125,000**
Batismart Ltd	Common beneficiary	**-**	**300,000**	**300,000**
Supertech Equipment Ltd	Common beneficiary	**-**	**425,000**	**425,000**
		-	**2,600,000**	**2,600,000**

Secured notes

Included in secured bonds:

THE GROUP AND COMPANY	At 1 January	Movement	At 31 December
Nature of relationship	2021 Rs	for the year Rs	2021 Rs
Dependent of Director	**-**	**5,500,000**	**5,500,000**
Ultimate beneficiary	**-**	**4,000,000**	**4,000,000**
	-	**9,500,000**	**9,500,000**

25. Related party transactions (Cont'd)

Remuneration of key management personnel and directors

Directors' emoluments	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Executive directors' emoluments				
- Jaddoo Bhanu Pratabsingh	**3,161,903**	**3,161,903**	470,398	470,398
- Yeung Min John Chuan	**1,723,175**	**1,723,175**	256,048	256,048
	4,885,078	**4,885,078**	726,446	726,446
Non-executive directors' emoluments				
The following fees were paid to the following non-executive directors:				
- Meghanathan Pillay	**425,000**	**425,000**	-	-
- Imitihaz Mamoojee	**170,000**	**170,000**	-	-
- Poinas Bernard Jean	**127,500**	**127,500**	-	-
- Goh Ek Ping	**129,917**	**129,917**	-	-
- Shakil Moollan	**170,000**	**170,000**	-	-
	1,022,417	**1,022,417**	-	-
Total directors' emoluments	**5,907,495**	**5,907,495**	726,446	726,446

26. Segmental information

The Group reports on a segmental basis in terms of type of property. The Group has investments in office buildings and hospitality sector.

	Office Rs	Hospitality Rs	Elimination Rs	Total Rs
Rental income	59,370,350	1,722,634	-	61,092,984
Revenue from contract with customers	17,274,116	699,926	-	17,974,042
Fair value gain	5,773,518	658,944	-	6,432,462
Administrative expenses	(31,356,665)	(2,488,671)	-	(33,845,336)
Finance costs	(37,668,705)	(36,117)	-	(37,704,822)
Profit for the year	13,392,614	556,716	-	13,949,330
Total assets	1,988,985,239	84,115,943	-	2,073,101,182
Total liabilities	1,190,381,874	46,043,729	-	1,236,425,603

Other segment information

	Office Rs	Hospitality Rs	Elimination Rs	Total Rs
Depreciation and Amortisation	5,168,323	671,400	-	5,839,723
Capital additions	-	-	-	-

27. Earnings per Share

	THE GROUP 2021 Rs	THE COMPANY 2021 Rs	THE GROUP 2020 Rs	THE COMPANY 2020 Rs
Earnings				
Earnings attributable to owners of the company	**13,949,330**	**(3,855,366)**	27,227,152	28,372,510
Number of shares				
Weighted Average number of shares in issue at 31 December	**10,000,000**	**10,000,000**	28,395	28,395

28. COVID-19

The outbreak of Coronavirus, a virus causing potentially deadly respiratory tract infections and spreading in various jurisdictions, may negatively affect economic conditions regionally as well as globally, disrupt operations situated in countries particularly exposed to the contagion, affect supply chains or otherwise impact our businesses.

The board of directors is of the view that the significant doubt associated with the current uncertainties related to the COVID-19 virus currently does not result in a material uncertainty related to such events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. The financial statements are prepared on the going concern basis, which assumes that the Group and Company will continue in operational existence for the foreseeable future.

29. Amalgamation

On 1st December 2021, Investcorp (Holdings) Ltd amalgamated with all its subsidiaries with the Company remaining as the surviving entity. The amalgamation resulted in an amalgamation reserve of Rs5,314,693 which is shown in statement of changes in equity.



29. Amalgamation (Cont'd)

The details of the subsidiaries identifiable assets and liabilities amalgamated on 1 December 2021 are as follows:

	Bonn Properties Ltd	Eight Sirs Investment Ltd	IIBL Development Ltd	Ibiza City (Holding) Ltd	Ibiza Investment Ltd	Ibiza Properties Ltd	Hennessy Tower Development Ltd	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Investment properties	160,500,000	50,300,000	245,100,000	180,500,000	345,000,000	345,000,000	173,950,000	1,500,350,000
Equipment	416,667	188,399	-	-	-	-	-	605,066
Right of use assets	60,500,000	32,200,000	117,300,000	-	55,000,000	55,000,000	-	320,000,000
Trade and other receivables	4,120,133	108,198	1,810,451	8,207,257	12,445,663	30,805,882	809,763	58,307,347
Amount due from related parties	61,955,000	-	599,200	35,047,603	41,743,867	326,479	19,842,491	159,514,640
Cash at bank/(bank overdraft)	(91,577)	620,741	526,841	(83,805,080)	(101,230,574)	(57,918,706)	97,098	(241,801,257)
Amount due to related parties	(109,013,553)	(16,136,423)	(318,754,189)	(51,828,940)	(137,113,005)	(190,869,576)	(59,071,850)	(882,787,536)
Lease liabilities	(5,278,064)	(6,395,738)	-	-	-	-	-	(11,673,802)
Trade and other payables	-	(258,503)	(161,757)	(1,110,010)	(3,638,768)	(3,450,459)	(2,751,392)	(11,370,889)
Total assets and liabilities assumed	173,108,606	66,626,674	46,420,546	87,010,830	212,207,183	178,893,620	132,876,110	891,143,569
Reversal of investment in subsidiaries								(885,828,876)
Amalgamation reserves								5,314,693

30. Share Application monies

The subordinated debt balance (note 20) as at 31 December 2021 amounting to Rs655,293,857 has been converted to Share Application monies.
The share application monies will be converted into share capital in the year 2022.

31. Non cash transactions

Non cash transactions that occurred during the year include the acquisition of subsidiary for Rs128,828,089 (note 13a) and adjustments against shareholders debt for unpaid share capital of Rs60,000,000, adjustment for IFRS16 for Rs 17,431,296 and net asset value adjustment on acquisition of subsidiaries for 53,103,723 (note 20).
Other non cash transaction that occurred during the year consisted of the amalgamation of subsidiaries for Rs885,828,876 (note 29).

In 2020, non cash transactions consisted of acquisition of subsidiaries for Rs657,000,787 (note 13a)

32. Contingent liabilities

There is no claim against the Group and Company at the reporting date.

33. Immediate and ultimate beneficiary

The directors regards Blue Valley, a company incorporated in Mauritius, as the immediate holding company and Mr Nawaz Khan Chady as the ultimate beneficiary of the company.

34. Comparative information

Comparative information for 2020 for the group has been arrived at consolidating the company for year 2020 with the subsidiaries for the month of December 2020.

NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual Meeting of the Shareholders of Investcorp (Holdings) Ltd ("the Company") will be held at Lot 22, Bank Street, Hyvec House, Ebene Cybercity on Thursday, 30 June 2022 at 09:30 Mauritius Time to transact the following business:

1. Ordinary Resolution Number 1: Consideration and adoption of the Financial Statements, receiving of the Auditors' report and consideration of the Annual Report

IT IS RESOLVED THAT after having received and considered the Auditor's Report and the Annual Report, the Company's audited Financial Statements for the year ended 31 December 2021, be hereby adopted

2. Ordinary Resolution Numbers 2.1-2.10: Re-election of Directors

IT IS RESOLVED THAT the following directors who, accordingly retire and offer themselves for re-election in accordance with section 18.1 of the Company's Constitution be re-elected each by way of separate vote:

- 2.1 Mr. BISSESSUR Jitendra Nathsingh (Independent Director)
- 2.2 Mr. GOH Ek PING Desmond (Independent Director)
- 2.3 Mr. MAMOOJEE Imtihaz (Independent Director)
- 2.4 Mr. MOOLLAN Shakil Ibrahim (Independent Director)
- 2.5 Mr. POINAS Bernard Jean (Independent Director)
- 2.6 Mr. APPADOO Chandradev (Non- Executive Director)
- 2.7 Mr. CHADY Nawaz Khan (Non- Executive Director)
- 2.8 Mr. DABYSING Nilesh (Non- Executive Director)
- 2.9 Mr. JADDOO Bhanu Pratabsingh (Executive Director)
- 2.10 Mrs. JOHN CHUAN Yeung Min (Executive Director)

3. Ordinary resolution Number 3: Re-election of directors over 70 years old

IT IS RESOLVED THAT Mr Meghanathan Pillay be re-elected in accordance with section 138(6)(a) of the Companies Act 2001 of Mauritius as Independent Chairperson.

4. Ordinary Resolution Number 4: Re-appointment of Independent Auditor

IT IS RESOLVED THAT Deloitte Mauritius be re-appointed as auditors of the Company for the ensuing year.

5. Ordinary Resolution Number 5: Remuneration of Independent Auditor

IT IS RESOLVED THAT the Board of Directors be authorized to fix the remuneration of the Independent Auditors of the Company.

6. Ordinary Resolution Number 6: Remuneration of Non-Executive Directors

IT IS RESOLVED THAT the Board of directors be hereby authorized to determine the fees of the Company's Non-Executive Directors.

7. Ordinary Resolution Number 7: Authority of directors

IT IS RESOLVED THAT any director be and is hereby authorized to do all such things and sign all such documentation as is necessary to give effect to the resolutions set out in this notice, hereby ratifying and confirming all such things already done and documentation already signed.

By Order of the Board



Yves Meyepa
Company Secretary
Date: 24 June 2022



INVESTCORP
(HOLDINGS) LTD