MAURITIUS
COSMETICS LTD.

Annual Report 2023

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TRIBUTE

After more than 50 years of existence we remember them and continue to follow their values and determination.

In loving memory of:

Sir Dewoonarain Dookun

Lady Henriette Dookun

Deo Rajah Dookun

Dear Shareholder,

The Board of Directors has the pleasure of submitting the Annual Report of Mauritius Cosmetics Limited together with the Audited Financial Statements for the year ended December 31, 2023.

This report was approved by the Board of Directors on April 2, 2024.

Mr Jadoo Hermann Dookun
Chairman

Mr Aymeric Hermann Dookun
Managing Director

Notice of Meeting

Notice is hereby given that the 59th Annual Meeting of the Shareholders of the Company will be held at its Registered Office, Bonne Terre, Vacoas on Monday June 24, 2024 at 10.00 hours, for the following purposes:

Agenda

1. To approve the minutes of proceedings of the last Annual Meeting of the Shareholders held on June 20, 2023.
2. To consider the Annual Report of the Company for the year ended December 31, 2023.
3. To receive the Auditors' Report.
4. To consider and approve the Group's and the Company's audited Financial Statements for the year ended December 31, 2023.
5. To take note of the dividend declared by the Directors for the financial year ended December 31, 2023.
6. To fix the remuneration of the Directors.
7. To consider the appointment of Auditors for the financial year ending December 31, 2024 and to authorize the Board of Directors to fix their remuneration.
8. To ratify the resolutions passed by the Directors during the year, if any.
9. Shareholders' question time.
10. Any other business.

By order of the Board

St James Secretaries Limited
Company Secretary

Date: April 2, 2024

CORPORATE
INFORMATION

CRAFTED WITH PRECISION, INSPIRED BY NATURE

We believe in the power of nature's bounty, harnessing its essence to create cosmetics that not only enhance beauty but also respect the environment.

Corporate Information

Directors

Mr Jadoo Hermann Dookun (Chairman)
Mr Aymeric Hermann Dookun
Mr Uwe Hollmichel
Mr Navind Kumar Dookun
Mr Assish Kumar Ghanshyam Singh Jugmohun
Mr Anil Kumar Shiwpursad
Mr Seedheshwar Mojee
Mr Khooshiramsing Bussawah
Mr Preetam Chuttoo
Mrs Nisha Proag-Dookun (appointed on June 20, 2023)

Secretary

St James Secretaries Limited
5th Floor, C&R Court
49 Labourdonnais Street
Port Louis
Republic of Mauritius

Bankers

Bank One Ltd
The Mauritius Commercial Bank Ltd
Absa Bank (Mauritius) Limited
Bank of Baroda
State Bank of Mauritius Limited
MauBank Ltd

Auditors

Moore Mauritius
6th Floor, Newton Tower
Sir William Newton Street
Port Louis
Republic of Mauritius

Managing director

Mr. Aymeric Hermann Dookun

Registered office

Bonne Terre
Vacoas
Mauritius
Zip code: 73304

Statutory Disclosures

The Directors are pleased to present the annual report and the audited financial statements of **Mauritius Cosmetics Limited** (the "Company") and its subsidiaries (the "Group") for the year ended December 31, 2023. The financial statements are set out on Pages 55 to 128.

Principal activities

The Company's principal activities are:

1. The manufacture of toothpaste, cosmetic products, creams, household products, toiletries and perfumes;
2. The distribution, retail and export of consumer goods;
3. The rental of investment properties; and
4. The investment in equity instruments.

Results for the year

Turnover of the Group for the year ended December 31, 2023 is Rs.566,400,313 (2022: Rs.499,932,038). The Group reported a profit before taxation of Rs.97,776,349 (2022: Rs.10,158,211) for the year ended December 31, 2023.

Turnover of the Company for the year ended December 31, 2023 is Rs.110,459,016 (2022: Rs.106,860,443). The Company reported a profit before taxation of Rs.66,486,102 (2022: Rs.9,024,029) for the year ended December 31, 2023.

Dividends

Dividends of Rs.5,000,000 (Rs.0.10 per share) were proposed for the financial year ended December 31, 2023 (2022: Rs.3,600,000 – Rs.0.10 per share).

Statutory Disclosures

Directors

The names of directors of the Company and each Subsidiary at the end of the accounting year are:

Directors	Mauritius Cosmetics Limited (Company)	Bonne Terre Management Co Ltd	Healthy Goods Limited	MDC (LOGISTICS) LTD (formerly MDC (Indian Ocean) Ltd)	Elite (Indian Ocean) Ltd	The MDC (Mauritius) Ltd	New Grove Shopping Centre Ltd
Mr Jadoo Hermann Dookun	Chairman	Chairman	Chairman	Chairman	Chairman	Chairman	
Mr Aymeric Hermann Dookun	√	√	√	√	√	√	
Mr Uwe Hollmichel	√					√	
Mr Assish Kumar Ghanshyam Singh Jugmohun	√						
Mr Navind Kumar Dookun	√						
Mr Anil Kumar Shiwpursad	√		√	√	√		√
Mr Seedheshwar Mojee	√		√	√	√		√
Mr Khooshiramsing Bussawah	√						
Me Preetam Chuttoo	√						
Mrs Nisha Proag-Dookun (appointed on June 20, 2023)	√						
Mr Rakesh Damree					√		
Mrs Marie-Claire Belinda Clarence Tourneur					√		
Mr Jean Alain Berthelot					√		√
Mrs Marie Angele Genevieve Pompeia				√			

Statement of directors' responsibilities in respect of the financial statements

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

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether the Mauritian Companies Act 2001 and International Financial Reporting Standards (IFRS) have been complied with, subject to any material departures being disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The External Auditors are responsible for reporting on whether the financial statements are fairly presented.

Directors' remuneration and benefits

	2023	2022
	Rs.	Rs.
Director fees paid during the year amounted to:		
Full time executive directors (2023: 3 & 2022: 3)	**375,000**	375,000
Non-executive directors (2023: 5 & 2022: 4)	**625,000**	575,000
	1,000,000	950,000

Detailed Director fees are shown on Page 29

Statutory Disclosures

Directors' shares interests

Shares held by the Directors are as follows:

Company

	% held in Mauritius Cosmetics Limited	
	Direct Interests	Indirect Interests
	%	%
Mr Jadoo Hermann Dookun	13.047	76.042
Mr Aymeric Jadoo Hermann Dookun	0.023	-
Mr Anil Kumar Shiwpursad	0.052	-

Major shareholders

	Number of Shares	% Holding	Amount
		(Direct)	Rs.
Deramann Limited	31,632,488	63.265	316,324,880
Paul Hermanus Eck Ltd	6,388,263	12.777	63,882,630
Mr Jadoo Hermann Dookun	6,523,471	13.047	65,234,710
Others	5,455,778	10.911	54,557,780
	50,000,000	100	500,000,000

Directors' service contracts

The Directors have no service contracts with the Company.

Contracts of significance

There were no contracts of significance during the year to which the Company or one of its subsidiaries is a party and in which a Director is or was materially interested, either directly or indirectly.

Donations & CSR contribution

Donations & CSR Contribution made by the Company during the year December 31, 2023, amounted to Rs.145,873 (2022: Rs.22,500).

Auditors' fees

Auditors' fees and other services for the year ended December 31, 2023, to Moore Mauritius were as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Audit fees	**895,000**	800,000	**520,000**	490,000
Other services*	**20,000**	20,000	**20,000**	20,000
	935,000	820,000	**540,000**	510,000

*The non-audit work is performed by a separate team that holds the necessary expertise and is independent of the Audit Review Team. Their objectivity and independence are safeguarded as the non-audit services are carried out by different teams under the supervision of different partners/managers.

Approved by the Board of Directors on April 02, 2024

And signed on its behalf by:

Mr Aymeric Hermann Dookun
Director

Mr Seedheshwar Mojee
Director

CORPORATE GOVERNANCE

LEADERSHIP THAT INSPIRES GREATNESS

Guided by visionary leadership, Mauritius Cosmetics LTD sets new standards of excellence in the beauty industry.

Corporate Governance Report

Mauritius Cosmetics Limited (MCL) is a public company incorporated in 1966. It is quoted on the Development Enterprise Market (DEM) of the Stock Exchange of Mauritius (SEM) and is a Company engaged in manufacturing, property rental, investment and real estate development.

Since starting its operation in 1966, MCL has been producing toothpaste under licence first from a German family-owned company "Blendax Werke GmbH" (BWG). BWG was acquired by an USA multi-national "Procter & Gamble Inc" (PGI) that ceased worldwide sales of our flagship toothpaste brand "Blendax" because of low sales except in Mauritius where it was the market leader. PGI let our license expire by December 2015. Since, the Company is manufacturing and distributing its own toothpaste brands, namely 'Ultradent', 'Dentaweiss' and 'Dentamax'. MCL also manufactures cosmetic products such as 'Kamill' creams and lotions, perfumes, eau de Colognes and eau de toilettes, soap & detergents namely LE ROBUSTE and CALLINEA, liquid wash with brand name IZEE, insect repellents and lastly 'Poliboy Werke' furniture care. These products are manufactured either under licence, using purchased formulae or are self-developed. MCL is also a licenced supplier of GM products & Sultane de Saba, both from France amenities for hotels.

Over the past years, MCL has largely expanded while regularly introducing new manufacturing technologies and state-of-the-art equipment, to stay on the cutting edge of production.

Best processes and quality control

MCL upholds a tradition to offer the best products to consumers by employing only the finest materials, equipment, and personnel. The Company also confirms its superior standards by employing the strictest quality assurance programs at all levels of operation, from manufacturing to packaging.

MCL has been awarded the ISO 9001:2015 certification by AFNOR (Association Française de Normalisation) in 2016. MCL has also been certified ISO 22716:2007 – Good Manufacturing Practices in June 2018 by AFNOR. Furthermore, some of our products are Ecocert certified.

Our mission

'Excellence through quality and responsibility'

Our mission is to meet shareholders' profit expectations and to provide job security for all employees by manufacturing and providing innovative and high-quality products.

We aim to position ourselves as business leaders by continuously improving our processes, productivity, safety, and quality.

We adhere to certain principles and standards that will ensure our people are qualified and appropriately trained to meet our high expectations. In return, we reward our employees for their contribution in meeting our business goals.

We are committed to the Mauritian population by being a responsible employer, through wise investments and by choosing environmentally friendly products and manufacturing processes.

We evaluate and measure our success by regular communication with our customers, employees and shareholders to ensure their satisfaction and uphold loyalty.

Compliance statement

The Board confirms that the Company is classified as a Public Interest Entity as it satisfies the definition criterion as laid down in the First Schedule of the Financial Reporting Act 2004. Accordingly, the Company is required to comply with the provisions of the National Code of Corporate Governance for Mauritius (2016) (hereinafter the "Code") as stipulated under Section 75 of the Financial Reporting Act 2004.

The Board of Directors and the Management of MCL are committed to ensuring and maintaining the highest standards of corporate governance and ethical business conduct across all aspects of the Company's operations and decision-making processes. They also recognise the need to adapt and improve the principles and practices in the light of their experience, regulatory requirements, and investor expectations.

Important documents governing the Company's corporate governance practices include, amongst other rules and regulations, its Constitution, the Code of Corporate Governance for Republic of Mauritius, Board Committee Charters, the Mauritian Companies Act 2001, the Securities Act 2005 and Listing Rules and Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

We confirm as directors of the Company that throughout the year ended December 31, 2023 to the best of our knowledge and as far as applicable, the Company has complied with the principles of the Code based on the size and complexity of the Group.

Principle 1: Governance Structure

The Board of MCL is responsible for leading and controlling the organisation and meeting all legal and regulatory requirements.

The Group operates within a clearly defined governance framework which provides for delegation of authority and clear lines of responsibility while enabling the Board to retain effective control. As such, the Board is ultimately accountable and responsible for the performance and affairs of the Group.

In order to fulfil its obligations, the Board has set up the following sub committees:

- Corporate Governance
- Audit and Risk Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

All committees are chaired by an Independent Non-Executive Director.

A reporting mechanism is in place to ensure that matters affecting the affairs and reputation of the Group are escalated to the Board by the Chairpersons of these Committees.

Organisational And Governance Structure

Principle 1: Governance Structure (Cont'd)

Board Charter

The Board is of the view that the responsibilities of the Directors should not be confined in a board charter and has consequently resolved not to adopt a charter for the year under review.

It is governed by the Company's constitution and the prevailing legislation, rules, and regulations. If needs arise in the future the Company shall work towards the implementation of a Board Charter.

Code of Ethics

MCL is committed to the highest standards of integrity and ethical conduct in dealing with all its stakeholders. The principles consist of – honesty, impartiality, confidentiality, the creation of values for shareholders, the value of human resources, good accounting and management principles and practices, timely communication with shareholders, the transparency and completeness of information and the protection of environment.

The Company is in process of preparing a Code of Ethics in line with recommendations of the Code of Corporate Governance and same will be available soon.

Company's Constitution

The Constitution of the Company is in conformity with the provisions of the Mauritius Companies Act 2001 and the Listing Rules of the Stock Exchange of Mauritius (SEM).

A copy of the Constitution is available at the registered office of the Company, Bonne Terre, Vacoas. Any person requesting a copy can do so upon written request to the Company secretary.

The Group currently has a website: www.deramann.com. It is working towards publishing the requirements of the National Code of Corporate Governance. The documents will include the following:

- The Company's Constitution
- The Code of Ethics
- Organizational Chart
- Statement of Accountabilities

Company Secretary

The Company holds a service agreement with St James Secretaries Ltd for corporate secretarial services. All directors have access to the advice and services of the Company Secretary. The Company Secretary is responsible to the Board for ensuring proper administration of board proceedings. The Company Secretary provides guidance to Directors on matters of company law and with regard to their responsibilities in the statutory environment in which the Company operates.

St James Secretaries Ltd is a completely independent company and is directed by a Board of directors comprised of professionals who value and take to heart every activity that they are involved on behalf of their clients.

Principle 2: The Structure of the Board and its Committees

Board Diversity

The Board fully appreciates that having a balanced board is critical to ensure satisfactory performance within a framework of good governance in serving the interests of all the stakeholders of the Company. The Board has attempted to create the right balance and composition in such a way as to best serve the Company. The Board has an appropriate mix of experience and diverse professional background, and all directors wholly endorse the belief in diversity as same will provide better decisions that will positively impact the operations of the Company.

The Board of Directors of the Company is composed of ten members and is committed to achieving success of the Company by building a sustainable business for the long term and generating the highest return on shareholders' investment.

The Board of Directors is the ultimate governing body and has full powers over the affairs of the Company. The Board of MCL has attempted to create the right balance and composition in such a way as to best serve the Company. The Board is a unitary board.

The Board is made up of 3 executive directors and 7 non-executive directors, of which 3 are independent directors. *The Board has a appointed a female director during the year and is considering appointing more ladies in the future, for a more equitable gender balance at Board level.*

All the Directors of the Company are resident directors, except for Mr Uwe Hollmichel.

Directors' Profiles

All the directors of the Company are also the directors of Paper Converting Co. Ltd, which is listed on the DEM of the Stock Exchange of Mauritius.

MR JADOO HERMANN DOOKUN (61 years)
Chairman – Non Executive Director

Born in 1962, Jadoo Dookun terminated his secondary education at Lycée Labourdonnais before leaving for the United States where he studied international business. He joined the Deramann group of companies in early 1984 and has over the years acquired substantial experience in various sectors ranging from manufacturing to the distribution of consumer goods. He was appointed as Managing Director of the Group since 2007 after the demise of his brother Deo Rajah Dookun. He is currently the Chairperson of the Group.

MR AYMERIC JADOO HERMANN DOOKUN (31 years)
Executive Director

After completing his high school education in Australia, Aymeric Dookun attended Schiller International University in Heidelberg where he studied International Business and Marketing. On his return in Mauritius, he was nominated as Chief Marketing Officer for the Deramann Group and was appointed to the Board of Directors in 2014. He is currently the Managing Director of the Group.

MR UWE HOLLMICHEL (67 years)
Independent Non–Executive Director

Uwe holds a degree from the Heidelberg Economic School. He started his career at Deutsche Bank AG Germany in 1974 and is a branch manager and director for over 25 years. One of his main concerns in both professional and personal field is *Corporate Social Responsibility* and *the Sustainable use of Nature and Human beings*. He is the president of one of the major sport clubs in Heidelberg, advisor, independent consultant and board member of several companies, non-governmental, cultural and social organisations in the city of Heidelberg and in the metropolitan region Rhein-Neckar, Germany.

DR ASSISH KUMAR GHANSHYAMSINGH JUGMOHUN (52 years)
Non-Executive Director

Dr Assish Kumar Jugmohun is a holder of a Doctorate in Business Administration (DBA) (Mauritius), MBA (General Management) from South Africa. In addition, he also has an MSc (Human Resources Management) (Mauritius) and a BSc (Mathematics and Statistics) (South Africa). He is presently continuing his post-doctoral research in the field of Performance Management System, Reward and Training. He has been shouldering responsibilities at managerial level in the sugar and financial sector in Mauritius.

MR NAVIND KUMAR DOOKUN (64 years)
Non-Executive Director

Mr Navind Kumar Dookun has a vast experience of over 25 years in the cultivation of sugarcane and other crops and is an elected member of Managing Committee of The Mauritius Sugarcane Planters' Association. He is also a member of the Mauritius Chambers of Agriculture. Mr Dookun is a Director of the West Indian Oil Company Ltd which is the owner of 2 petroleum outlets, and he is also a member of The Petroleum Retails Association. Apart from being a member of the Board of MCL, he is also involved in various social and cultural activities.

MR ANIL KUMAR SHIWPURSAD (65 years)
Executive Director

Mr Anil Kumar Shiwpursad was born in 1958. After completing his secondary education, he did some courses in leadership and management and also courses in shipping line. He joined the Deramann Group of companies in 1976 where he has occupied various positions such as shipping manager, procurement manager and assistant managing director. He was appointed as Director of MCL in 2013.

Directors' Profiles

MR SEEDHESHWAR MOJEE
(48 years)
Executive Director

Mr Seedheshwar Mojee is a graduate of the Association of Chartered Certified Accountants. He started his working career in the audit field where he worked in various audit firms for 8 years. He also worked as accountant for nearly 3 years before joining the Deramann Group of companies in 2007 as financial controller. He was appointed as Director of MCL in 2013.

MR VINOD KHOOSHIRAMSING BUSSAWAH (61 years)
Independent Non – Executive Director

Mr Bussawah is a finance professional with over 25 years' experience at senior management level with reputed organisations in Mauritius and the region. He was the Officer in Charge - Finance and Administration at The Mauritius Chamber of Agriculture for twelve years, following which he was appointed as Country Manager for ACCA Mauritius where he spent nine years in making ACCA the most sought-after professional qualification in the field of finance. He was also the General Manager of LCA Mauritius for more than three years. Vinod has gained his experience in the manufacturing sector by working as General Manager of Crestanks Ltd, a leading water tank manufacturer in Uganda. He is an FCCA (Fellow Chartered Certified Accountant) and holds an MBA Finance and a Diploma in Corporate Governance. Mr Bussawah is a member of Mauritius Institute of Directors (MIOD) and a registered professional accountant with Mauritius Institute of Public Accountants (MIPA).

MR PREETAM CHUTTOO
(51 years)
Independent Non–Executive Director

Mr Preetam Chuttoo is the Holder of an LLB (Hons) 1st Class 2nd Division from the University of London. He was awarded the best external student of the University of London for the years 2004 and 2005. In 1993, he started his career in the Judiciary and he practiced as Attorney-at-Law since 2008. He served in various Courts including District Court of Grand Port, Intermediate Court and Supreme Court of Mauritius. He has the right of audience before District Courts, the Industrial Court, the Bankruptcy Division of the Supreme Court and the Master's Court. He has considerable experience at local and international level including the Judicial Committee of the Privy Council.

MRS NISHA PROAG-DOOKUN
(50 years)
Non-Executive Director – Appointed on June 20, 2023

Founder and Director of SILEO Corporate Services Ltd, Nisha is an Associate of the Chartered Institute of Company Secretaries and Administrators and a Corporate Governance Practitioner, with over 25 years' experience in the Global Business and domestic markets, extending from corporate secretarial, administration, governance and training.

Driven by a high sense of professional ethics, client service and good governance, Nisha is currently acting as company secretary on a diverse portfolio, ranging from small private companies to Public Interest Entities and listed companies.

Principle 2: The Structure of the Board and its Committees (Cont'd)

Board Meeting and Attendance

Board Meetings are convened by notice given with the approval of the Chairman and the Managing Director. A detailed agenda, management reports and other explanatory statements are circulated in advance to the directors to facilitate meaningful, informed and focused decisions at meetings. Board meetings can also be called at short notice to address specific urgent business needs.

Under the Company's constitution, a quorum for a Board Meeting shall be fixed by the Board and, if not so fixed, shall be a majority of the Directors. The Chairman has a casting vote whilst every director has one vote. Other than the Directors, key management personnel and outside consultants are also invited to attend the Board meetings when deemed appropriate.

Directors are expected to attend Board meetings, Committee meetings on which they served and the Annual Meeting of shareholders. Any Director who is unable to attend a meeting is expected to notify either the Company Secretary or the Chairman of the appropriate Committee of his absence.

Board Deliberations

During the year under review, the main deliberations by the Board of Directors included the following:

- Approval of the audited Annual report and financial statements for the year ended December 31, 2022.
- Approval of the audited abridged financial statements for the year ended December 31, 2022.
- Approval of the unaudited quarterly results of the Company.
- Ongoing review of the strategy of the Group.
- Approval of various banking facilities availed.
- Approval of significant contracts pertaining to banking facilities, etc.
- Approval of increase in capital by way of a Bonus Issue.
- Review of the performance of the Company and Group.
- Review of Group's operations as reported by Managing Director.
- Approval of declaration of dividend.

Corporate Governance Committee

The committee consists of five members out of which there is one Independent Non-Executive Director (Chairperson), two Executive Directors and two Non-Executive Directors. It is chaired by an independent Non-Executive Director, in compliance with the Code of Corporate Governance.

The Committee operates within a written charter and combines the functions of the Corporate Governance Committee. The Committee establishes/assists in the establishment of the Company's governance policies (including policies that govern potential conflicts of interest) and monitors as well as advises the Company as to compliance with those policies.

Principle 2: The Structure of the Board and its Committees (Cont'd)

Corporate Governance Committee (Cont'd)

The members of the Corporate Governance Committee are as follows:

1.	Mr Uwe Hollmichel	Independent Non-Executive Director, Chairperson
2.	Mr Seedheshwar Mojee	Executive Director
3.	Mr Anil Kumar Shiwpursad	Executive Director
4.	Mr Navind Kumar Dookun	Non-Executive Director
5.	Mr Assish Kumar Jugmohun	Non-Executive Director

The terms of reference of the Corporate Governance Committee are as follows:

- Review the Constitution and structure of the Company in the light of the Code of Corporate Governance;
- Assist the Board in the implementation of the Code of Corporate Governance and review all governance documents before submission to the Board for approval;
- Have the responsibility for the Board appraisal process; and
- Ensure that the Company's Annual Report complies with the provisions of the Code of Corporate Governance.

Audit and Risk Committee

The Audit and Risk committee has been set up in line with the Code of Corporate Governance.

It consists of two Non-Executive Directors and one Independent Non-Executive Director (Chairperson).

The members of the Audit and Risk Committee are as follows:

1.	Mr Vinod Khooshiramsingh Bussawah	Independent Non-Executive Director, Chairperson
2.	Mr Navind Kumar Dookun	Non-Executive Director
3.	Mr Assish Kumar Jugmohun	Non-Executive Director

The terms of reference of the Audit and Risk committee are as follows:

- Review the effectiveness of the Company's Internal Control and risk management system;
- Monitor and supervise the effective functioning of the internal audit process;
- Oversee the process for selecting the external auditors, assess the continuing independence of the external auditors and approve the audit fees;
- Ensure compliance by the Company with legal and regulatory requirements and business ethics; and
- Review the integrity of the quarterly financial statements and recommend their adoption to the Board of Directors prior to filing and publication.

Principle 2: The Structure of the Board and its Committees (Cont'd)

Audit and Risk Committee (Cont'd)

One of the functions of the Audit and Risk Committee is to assess and review on a regular basis the independence of the external auditor. As part of its role, the Committee ensures that the external auditor's objectivity and independence is safeguarded to carry out their professional duties and responsibilities as auditors.

The Audit and Risk Committee meetings are also attended through an invitation by the Chief Executive Officer, the Financial Controller, and the External Auditor. The Company Secretary acts as the Secretary to the Committee.

Nomination and Remuneration Committee

This committee has been set up to:
- To enhance communication and consultation between staff and management;
- To promotes the spirit of cooperation between management and staff;
- To consider suggestions for continuous improvement in the group's operational efficiency; and
- To ensure staff welfare and recognition of staff concerns.

Its functions are as follows:
- Advise management on work matters of interest and of concern to staff;
- Determine, agree and develop the Company's policy on recruitment, remuneration and conditions of employment;
- Co-ordinate with the Board and formulate the committee's remuneration policy and specific remuneration packages;
- Act as a conduit for 2-way communication between staff and management and provide feedback both ways; and
- Share with Management suggestions and ideas to improve operational efficiency and staff welfare.

The members of the Nomination and Remuneration Committee are as follows:

1. Mr Assish Kumar Jugmohun — Non-Executive Director, Chairman
2. Mr Navind Kumar Dookun — Non-Executive Director

Corporate and Social Responsibility "CSR" Committee

The CSR Committee has been set up to ensure that the Group, as a socially responsible organisation towards the community and the environment, develops a strategy to use the CSR fund to help develop vulnerable groups in the society and the country at large.

The members of the CSR Committee are as follows:

1. Mr Navind Kumar Dookun — Non-Executive Director, Chairman
2. Mr Assish Kumar Jugmohun — Non-Executive Director
3. Mr Uwe Hollmichel — Independent Non-Executive Director
4. Mr Seedheshwar Mojee — Executive Director
5. Mr Anil Kumar Shiwpursad — Executive Director

Principle 2: The Structure of the Board and its Committees (Cont'd)

Attendance at Board & Committee Meetings

The attendance of the Directors of the Board and Committee meetings of the Company was as follows:

	Board	Audit and Risk Committee	Nomination & Remuneration Committee	Corporate Governance Committee	CSR Comittee
Number of meetings held	2	2	2	2	1

Category	Directors	Attendance				
Executive	Mr Aymeric Hermann Dookun	2/2	N/A	N/A	N/A	N/A
	Mr Seedheshwar Mojee	2/2	2/2	N/A	1/1	N/A
	Mr Anil Kumar Shiwpursad	2/2	N/A	N/A	2/2	N/A
Non-Executive	Mr Jadoo Hermann Dookun	2/2	N/A	N/A	N/A	N/A
	Mr Navind Kumar Dookun	2/2	2/2	2/2	2/2	1/1
	Mr Assish Kumar Jugmohun	2/2	2/2	2/2	2/2	1/1
	Mrs Nisha Proag-Dookun	1/1	N/A	N/A	N/A	N/A
Independent Non-Executive	Mr Uwe Hollmichel	2/2	N/A	2/2	2/2	1/1
	Mr Vinod Khooshiramsingh Bussawah	2/2	2/2	N/A	N/A	N/A
	Mr Preetam Chuttoo	1/1	N/A	N/A	N/A	N/A

Principle 3: Director Appointment Procedure

Appointment and re-election

The Board carefully considers the needs of the Company in appointing directors. The following factors are considered:

- Skills, knowledge and expertise required on the Board;
- Skills, knowledge and expertise of the proposed director;
- Previous experience as a director;
- Specific roles required on the Board such as chairman of a committee;
- Balance required on the Board such as gender and age;
- Independence where required;
- Amount of time the proposed director is able to devote to the business of the Board; and
- Conflicts of interests.

The Board may appoint any person to be director, either to fill a casual vacancy or as an additional director in so far that the total number of Directors will not at any time exceed the number fixed in accordance with the Company's constitution.

All Directors so appointed will hold office until the next following Annual meeting and will then be eligible for re-appointment.

The Board assumes responsibilities for succession planning and for the appointment and induction of new directors to the Board.

Professional Development

Directors are encouraged to keep themselves up to date with the latest workplace trends, the Company's environment and markets; and of changes and trends in the economic, political, social and legal climate generally.

Succession Planning

The Board considers its succession very carefully and assumes responsibility for succession planning. The Corporate Governance Committee is responsible for considering succession planning for directors and other senior executives in the course of its work, considering the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future.

Principle 4: Director Duties, Remuneration and Performance

Directors Duties

The Directors are aware of their legal duties and may seek independent professional or legal advice, at the expense of the Company, in respect of any aspect of their duties and responsibilities.

Statement and Remuneration Philosophy

The Company's policy is to set remuneration at a suitable level in order to motivate, attract and retain high calibre personnel and directors and to reward them in accordance with their individual as well as collective contribution towards the achievement of the Company's objective and performance, whilst taking into account current market conditions.

Directors' fees consist of a fixed fee which is approved by shareholders of the Company at the annual meeting. The Directors' remuneration for the year under review is as follows:

Category	Directors	Total	
		2023	2022
Executive	Mr Aymeric Hermann Dookun	100,000	100,000
	Mr Seedheshwar Mojee	150,000	150,000
	Mr Anil Kumar Shiwpursad	125,000	125,000
Non-Executive	Mr Navind Kumar Dookun	175,000	175,000
	Mr Assish Kumar Jugmohun	175,000	175,000
	Mrs Nisha Proag-Dookun (Appointed on June 20, 2023)	50,000	-
Independent Non-Executive	Mr Vinod Khooshiramsingh Bussawah	125,000	125,000
	Mr Preetam Chuttoo	100,000	100,000
	TOTAL	**1,000,000**	**950,000**

No director's fees has been paid to the other two directors.

Employee Share Option Scheme

The Company has no specific employee share option plan during the year under review.

Principle 4: Director Duties, Remuneration and Performance (Cont'd)

Interest Register and Conflict of Interest

Directors have a fiduciary duty to conduct themselves to ensure that there are no conflicts of interest. In their capacity as Directors, they must subordinate personal individual business, third-party and other interests to the welfare and best interests of the Group.

A conflict of interest occurs when a present transaction or relationship might conflict with a director's obligations owed to the Company and the Director's personal, business or other interests.

The Company applies the requirements of the DEM rules pertaining to the Disclosure of Corporate Transactions, including related party transactions. All Directors are expected to declare direct and indirect interests in the securities of the Company. The Company secretary maintains an interests register which is available for consultation by shareholders, upon written request to the Company Secretary. The interests of the Directors in MCL shares are shown on page 14.

Information, information Technology and information Security Governance

The Board is responsible for information governance within the group and the management of information technology and information security policies. The Board is currently working on the development of the applicable IT policies and procedures.

Board Information

It is the responsibility of the Board Chairman, with the assistance of the Company Secretary, to ensure that Board members receive all information necessary for them to perform their duties and that the Board has sufficient time for consultation and decision-making.

Through either the Board or the established committees, individual Board members Board have the power for obtaining all information from management and other stakeholders in the discharge of their fiduciary duties. The Board is subject to strict confidentiality rules with regards to information that they obtain as Directors and unless they are required to do so by law, Board members may not disclose any confidential information during or even after their time on the Board.

Board Appraisal

No board evaluation was conducted for the financial year under review; pursuant to the code the board affirms the value of board evaluation and agreed to the conduct of such exercise in the near future to evaluate its performance, that of its committees and its individual directors with the aim of improving effectiveness.

The Board of Directors feel the composition of the Board is stable and efficient in managing the affairs in managing the affairs of the Company.

Principle 5: Risk Governance and Internal Control

The Board of Directors is responsible for determining the overall strategic direction and the appropriate risk management strategy and policies of the Group. It sets the appropriate risk level and tolerance of the Group. The risk strategy covers all the major risk areas in which the Group has significant exposure. The risk management strategy is based on diversification and acceptable levels of exposure/limits to different asset classes, currencies, issuers, regions and risk levels. The risk strategy is periodically assessed relative to changes in market conditions and tactical reallocations. The management is responsible for implementing the risk strategy and policies approved by the Board of Directors. It oversees the day-to-day risk management issues in line with the approved strategy, policies and procedures. The Group has also set up a Risk Register for a clear identification of risks.

Risk management function

In order to seize market opportunities and leverage the potential for success, risk must be accepted to a reasonable degree. The risk policy is designed to steadily and consistently increase the corporate value, achieve its medium-term financial goals and sustain the Group's ongoing existence in the long term. It is an integral component of the Group's corporate policy.

Principle 5: Risk Governance and Internal Control (Cont'd)

Risk policy

The risk management measures to be taken are implemented within the operative entities and mapped and supported by means of operational systems. Nevertheless, there is a feedback loop between early risk identification and operational risk management. There is also interaction with the planning and control process.

Risk management is further explained below.

Risk Management

(i) Physical Risks

There are certain risks which are unavoidable such as riots, cyclones and other natural calamities. In order to mitigate these risks the following measures have been done:

- Adoption of cyclone warning procedures;
- Relevant insurance covers;
- Firefighting procedures and rescue services; and
- For risks of fraud and thefts etc these are mitigated through implementation of control procedures and CCTV cameras.

(ii) Financial Risk

The Company is exposed to a wide range of financial risks which include foreign currency risk, interest rate risk and credit risk.

Financial risk management is further explained in note 3 of the financial statements.

(iii) Operational Risk

These risks are monitored through the establishment of proper planning and control procedures to ensure that the risk of loss from inadequate or failed processes, people and from external events are mitigated.

(iv) Compliance Risk

There is a very low risk as the Company strives to comply with laws, regulations and policies that are applicable to the Company.

(v) Information Technology risk

Proper back up and access as well as password restrictions procedures have been implemented in order to mitigate this risk. Adequate measures have been taken to cater for any power cut supply through the implementation of Generators and UPS.

(vi) Reputational Risk

This risk arises because of the Company being unable to meet its professional obligation towards its stakeholders due to unintentional or negligent action.

The risk is mitigated by communicating regularly with its stakeholders and constantly striving to build strong business relationships.

Internal Controls

The Internal controls system of the Group includes all those sets of rules, policies, and procedures that have been implemented with the objectives that financial reports are reliable, that protection against fraud and malpractices is provided, that operations are effective and efficient, and that all activities comply with applicable laws and regulations.

Whilst the Board approves the Group's policies and ensures that risks are maintained within approved limits and any deviation is reported timely and duly authorized, the Audit and Risk Committee on the other hand reviews external audit reports on systems and controls in place to manage those risks. The Audit and Risk Committee is therefore, the authority responsible for ensuring that internal controls are in place and for the regular review of the Group's accounts and policies.

Principle 5: Risk Governance and Internal Control (Cont'd)

Internal audit function

There was no internal audit function within the Group during the year. However, the Group is considering either to contract out the internal audit function to an external accounting firm or to have its own dedicated team to oversee this function

Assurance on risk management processes

The Board places a degree of reliance on the external audit functions to report on any weaknesses in internal controls, issues with compliance and material misstatements in financial reporting and to make recommendations via the Audit & Risk Committee, the objective being to ensure the effective and efficient use of available resources and having confidence in the accuracy of information used in the preparation of financial statements.

The external auditors report directly to the Audit & Risk Committee on a regular basis for identification of any deficiency noted in internal processes and controls, compliance issues and any material misstatements noted in the financial reports.

Principle 6: Reporting with integrity

The Board is committed to present a fair, balanced and understandable assessment of the Group's financial, environmental, social and governance position, performance, and outlook in its annual report. The Company uses diverse mechanisms when reporting on its activities such as its annual report, Annual Meeting, website, emails, notice board in its premises, press articles and social media. It is therefore important that not only stakeholders be kept informed of the activities of the Company but also the public in general.

Corporate Social Responsibility and Donations

For its CSR contribution, the Group has directly paid its contribution to the Mauritius Revenue Authority. Donations made and CSR paid during the year amounted to Rs.145,873.

Environment Policy

Due to the nature of its activities, the Group's operation has no major impact on environment.

Safety and Health Issues

Management ensures compliance with the Occupational Safety and Health Act 2005 and other related legislative and regulatory frame works.

Related Party Transactions

As per the definition formulated specifically by the Group, parties are considered to be related if they have the ability, directly or indirectly, to control or exercise significant influence over the Company in making financial and operating decisions.

Related parties reported in the Annual Report include:

- Controlling shareholders, directors and senior management personnel of the Group; and
- Entities in which directors, controlling shareholders, and senior management personnel are employed.

As a general rule, all transactions with a related party must be carried out on terms and conditions that are at least as favourable to the Group as market terms and conditions.

Transactions between the Company and its related parties made during the year on an arms-length basis are disclosed in Note 30 to the Financial Statements.

Principle 6: Reporting with integrity (Cont'd)

Statement of Directors' Responsibilities

Directors acknowledge their responsibilities for:

- Adequate accounting records and for maintenance of effective internal control systems;
- Preparation of financial statements which fairly present the state of affairs of the Company at end of the financial year and the cash flows for that period, and which comply with International Financial Reporting Standards (IFRS);
- Ensuring that adequate accounting records and an effective system of internal controls and risk management have been maintained;
- Ensuring that appropriate accounting policies supported by reasonable and prudent judgments and estimates have been used consistently;
- Ensuring that the International Financial Reporting Standards have been adhered to. Any departure has been disclosed, explained and quantified in the financial statements; and
- Ensuring that the Code of Corporate Governance has been adhered to in all material aspects. Reasons for noncompliance have been provided, where appropriate.

The External Auditors are responsible for reporting on whether the financial statements are fairly presented.

Principle 7: Audit

The external Audit

Moore Mauritius were appointed as the external auditors for the financial year ended December 2023 at the Annual General Meeting held on June 20, 2023.

The external auditors did not carry out non-audit services to ensure that they maintain their independence. The fees paid to the external auditors are shown on page 13.

Meeting with Audit & Risk Committee

The external auditors met with the Chairman and members of the Audit & Risk Committee during the year, during which meetings, the financial statements of the Company, timeline of the audit, the audit approach, the accounting principles and critical policies adopted were discussed.

Evaluation of the Auditors

The Audit & Risk Committee evaluates the external auditor in fulfilling their duty annually, to make an informed recommendation to the Board for the reappointment of the external auditors. The Audit & Risk Committee assesses the qualifications and performance of the external auditors; the quality of the external auditors' communications with the Audit & Risk Committee and the external auditors' independence, objectivity and professional scepticism.

The key issues raised by the external auditors are discussed at the Audit & Risk Committee and management is invited to explain and take remedial measures.

Principle 8: Relations with shareholders and other key stakeholders

The Board is responsible for ensuring that an appropriate dialogue takes place among the organization, its shareholders and other key stakeholders.

Dialogue with stakeholders

The strategy adopted by the Board of the Company embodies the importance of establishing regular dialogues with stakeholders (e.g. employees, clients, suppliers, government authorities). The Company interacts regularly using emails, visits, advertisement and networking events.

Substantial Shareholders

The shareholders holding more than 5% of the stated capital of the Company after right issue exercise are as follows:

Substantial Shareholders	No. of shares	% Shareholding
Deramann Ltd	31,632,488	63.265
Paul Hermanus Eck Ltd	6,388,263	13.047
Jadoo Hermann Dookun	6,523,471	12.777

Shareholding Profile

The share ownership as at December 31, 2023 is set out below:

Defined Brackets	No. of shares	% Holding
1 – 10,000	667	2.907
10,001-100.000	83	3.728
100,001 -1,000,000	5	1.888
>1,000,000	4	91.477

Shares in Publics Hands

In accordance with Listing Rules of SEM, at least 10% of the shareholding of MCL is in the hands of the public.

Principle 8: Relations with shareholders and other key stakeholders (Cont'd)

Shareholders' Communication

The Board of Directors of MCL places great importance on open and transparent communication with all shareholders. It aims to keep them updated on all matters affecting the Company through regular announcements and disclosures in the annual report and the annual meeting of shareholders.

It also produces quarterly, half yearly and annual accounts as per statutory requirements and publishes them immediately once approved by the Board of Directors. These reports are also filed with the Stock Exchange of Mauritius (SEM).

Dividend Policy

The dividend payment is linked to the profit achieved during the year and to the financial performance of the Company and is subject to internal cash flow and the need for future capital investments.

Calendar of Events

Some key events are as follows:

• Financial year-end	December 31, 2023
• Annual Meeting	June 20, 2023
• 1st Quarter Ended March 31, 2023	Mid-May 2023
• 2nd Quarter Ended June 30, 2023	Mid-August 2023
• 3rd Quarter Ended September 30, 2023	Mid November 2023
• Declaration of Dividend	December 06, 2023
• Increase of Share Capital (Bonus Issue)	May 2023 and December 2023

Dealing in Company's shares

Except for the bonus issue, no Director dealt in the Company shares during the year under review. However, when there are dealings, Directors follow the principles of the model *code on securities transactions by directors* as detailed in Appendix 6 of the Stock Exchange of Mauritius listing rules.

Corporate Governance Report

Principle 8: Relations with shareholders and other key stakeholders (Cont'd)

Share Price Information

The shares of the Company are quoted on the DEM of the stock exchange. The share price of the Company over the year has been as follows:

Date	Share Price (Rs.)
December 23	19.10
November 23	19.90
October 23	20.00
September 23	22.00
August 23	20.90
July 23	20.80
June 23	20.80
May 23	20.90
April 23	20.90
March 23	24.90
February 23	21.90
January 23	22.00

Agreements

Shareholders' agreement

There is no shareholders' agreement.

Mr Aymeric Hermann Dookun
Director

Mr Seedheshwar Mojee
Director

Date: April 02, 2024

Statement of Compliance

Name of Company: Mauritius Cosmetics Ltd
Reporting Period: Year ended December 31, 2023

We, the undersigned being the Directors of Mauritius Cosmetics Ltd (the "Company") confirm that, to the best of our knowledge, the Company has complied with all of its obligations and requirements under the Code of Corporate Governance (the "Code") except for the following:

	Areas of non-application of the Code	Explanation for non-application
Principle 1	• Adoption of Board Charter and Code of Ethics	The Board is accountable to the stakeholders for the performance of the Company. It is responsible for the strategic direction of the Company and its primary objective of creating and building sustainable value for all its stakeholders.
	• Key governance documents (such as the Company's constitution, Code of Ethics, Board Charter) have not been published on the Group's website.	The Company is working towards publishing the relevant documents on the Group's website (www.deramann.com) by 2024.
Principle 4	• The Company currently does not have an information technology governance framework, an information policy and an information security policy that provides details on the policies and strategies that are in place.	The Board is in the process of developing an IT framework and the relevant policies which will be available on the website of the Company in 2024.
	• Evaluation of the effectiveness of the board and its individual directors.	The Company is in process of adopting a Board Evaluation programme which shall be effective as from year ending December 31, 2024.
Principle 7	There was no internal audit function within the Group during the year.	The Group is considering either to contract out the internal audit function to an external accounting firm or to have its own dedicated team to oversee this function.

On behalf of the board

Mr Aymeric Hermann Dookun
Director

Mr Seedheshwar Mojee
Director

Date: April 02, 2024

Certificate From The Secretary

We certify, to the best of our knowledge and belief, we have filed with the Registrar of Companies all such returns as are required of **Mauritius Cosmetics Limited** under Section 166(d)of the Mauritian Companies Act 2001.

St James Secretaries Limited
Corporate Secretary

Registered Office:

5th Floor, C&R Court
49 Labourdonnais Street
Port Louis
Republic of Mauritius

Date: April 02, 2024

FINANCIAL STATEMENTS

BUILDING FUTURES, INVESTING WISELY

The financial backbone of Mauritius Cosmetics LTD ensures stability, growth, and prosperity in our journey towards excellence.

Independent Auditor's Report

To the Shareholders of Mauritius Cosmetics Limited

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of Mauritius Cosmetics Limited and its subsidiaries (the ''Group''), and the Company's separate financial statements on pages 49 to 128 which comprise the statements of financial position as at December 31, 2023, and the statements of profit or loss, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 49 to 128 give a true and fair view of the financial position of the Group and of the Company as at December 31, 2023, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Basis for Opinion

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

Other information

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

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

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

Report on the audit of the Financial Statements (Cont'd)

Other information (Cont'd)

Corporate Governance Report

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

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

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

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

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

Report on the audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

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

Key audit matter	How our audit addressed the key audit matter
1. Valuation of investment properties Investment properties, which are significant assets in the Group's statement of financial position, are valued at Rs.1,457,249,249 as at December 31, 2023. The Group measures its investment properties at fair value. The fair values of investment properties are determined by external independent valuation specialists and management using valuation techniques which involves significant judgements and assumptions. Consequently, the valuation of investment properties has been idenified to be a key audit matter due to the significant judgements and estimates involved and its significance to the financial statements with gain or loss impacting profit or loss. Refer to notes 4 & 6 of the accompanying financial statements.	As part of our audit procedures to mitigate audit risk to an acceptably low level, we have: • Assessed the design and operating effectiveness of management controls and systems in place around the valuation of investment properties; • Appraised the valuation methodologies used and reviewed the appropriateness of key management assumptions by carrying out a benchmarking exercise based on our knowledge of the property industry; and • Verified on a sample basis the accuracy and relevance of the input data used within the fair value calculations; • Reviewed the disclosures about significant estimates and critical judgments made by management in the financial statements in respect of valuation of investment properties. We have also verified the adequacy of the disclosures in accordance with IAS 40 Investment Property and IFRS 13 Fair Value Measurements made in the financial statements. Based on our audit procedures, we consider investment properties to be reasonably valued, properly accounted for and accurately disclosed in the financial statements.

Report on the audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
2. Non-Current & Current Receivables Non-Current & Current Receivables for year ended December 31, 2023 totalled Rs.387,925,385 for the Company and Rs.214,615,971 for the Group. The main risks identified relate to the high value of the items and their recoverability and the proper application of IFRS 9 to these receivables. The Group's disclosure on the credit risk is included in the financial risk management paragraph on page 74 of the financial statements. Refer to notes 13, 13A & 13B of the accompanying financial statements.	Our audit procedures included: • The assessment of the design and implementation of key controls around the monitoring of recoverability. • We have evaluated relevance of Expected Credit Losses (ECL) computed under IFRS 9 and discussed with Management to ensure that there is no evidence of Management bias during the selection of forward-looking economic scenarios and forward-looking indicators of changes in credit risk used for the computation of the ECL. From the procedures performed, we have no matters to report.
3. Impairment of cash generating units, goodwill and investments in subsidiaries Management made an impairment assessment in accordance with IAS 36 over its cash generating units (CGU) and consequently on its investments held in its subsidiaries. Disclosures around the impairment assessment of subsidiaries and cash generating units are set out in notes 4, 7 and 8 of the financial statements. Impairment assessment involves the determination of the recoverable amounts of the asset or the CGU. This process comprises the utilisation of judgement and estimates including the estimation of future cash flow. Variations in the estimates and assumptions may result in significant impact on the reported results and relevant assets. Refer to notes 4, 7 & 8 of the accompanying financial statements.	Our audit procedures to over the impairment assessment included the following: • We reviewed management determination of CGUs for impairment assessment purpose. • We obtained management's impairment assessment and tested the arithmetical accuracy of the computations. • We assessed the adequacy of the disclosures made in the financial statements.

Report on the audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
4. Valuation of land and buildings under Property, Plant and Equipment (PPE) As set out in the critical accounting estimates and judgements on page 80 and in the notes on pages 82 to 86 of the financial statements, the Group measures its land and buildings at fair value and this represents a significant accounting estimate. PPE assets are measured initially at cost, with land subsequently measured at fair value. The valuation of property, plant and equipment was performed by independent Chartered Valuation Surveyors to ensure that the carrying value is not materially different from fair value at the Statement of Financial Position date. Refer to notes 4 & 5 of the accompanying financial statements.	As part of our audit procedures, we have: • Assessed the credentials of the independent property valuer. • Assessed the assumptions used in the valuation report submitted by the independent property valuer. • We have confirmed that the valuation was correctly accounted for and disclosed in the financial statements.
5. Borrowings At December 31, 2023, borrowings amounted to Rs.279,519,857 for the Group and Rs.211,940,937 for the Company. The main risks identified relate to the high risk value of the items and their repayment. Refer to note 18 of the accompanying financial statements.	As part of our audit procedures, we have: • Obtained confirmations from the Group's banks to confirm all significant borrowings, including amounts, tenure and conditions. • We have read the most up-to-date agreements between Mauritius Cosmetics Limited and its financiers to understand the terms associated with the facilities and the amount of facility available for drawdown. Where debt is regarded as non-current, we tested whether the Group has the unconditional right to defer payment such that there were no repayments required within 12 months from the balance date.

Report on the audit of the Financial Statements (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Independent Auditor's Report

To the Shareholders of Mauritius Cosmetics Limited (Cont'd)

Report on the audit of the Financial Statements (Cont'd)

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the Company or any of its subsidiaries, other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

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

Other matter

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

MOORE
Chartered Accountants

Arvin Rogbeer, FCA, FCCA
Signing Partner
Licensed by FRC

Port Louis,
Mauritius

Date: April 02, 2024

Statements of Financial Position

December 31, 2023

	Notes	THE GROUP 2023 Rs.	THE GROUP 2022	THE HOLDING COMPANY 2023 Rs.	THE HOLDING COMPANY 2022 Rs.
ASSETS					
Non-current assets					
Property, plant and equipment	5	**231,658,664**	171,414,609	**230,589,895**	158,871,872
Right-of-use assets	5A	**11,901,676**	9,915,068	**8,547,675**	7,776,734
Investment properties	6	**1,457,249,249**	1,471,384,013	**1,035,400,000**	1,076,740,952
Intangible assets	7	**1,337,411**	2,594,118	**25,728**	52,996
Investments:					
- Subsidiary companies	8	**-**	-	**128,753,139**	128,753,139
- Jointly controlled entity	9	**1,481,398**	2,001	**502,000**	2,001
- Financial assets at fair value through other comprehensive income	10	**50,353,621**	37,910,340	**50,353,621**	37,910,340
Reedeemable preference shares	13A	**27,000,000**	-	**27,000,000**	-
Other financial assets at amortised cost	13B	**18,528,457**	7,226,939	**285,068,722**	264,744,029
Deferred tax assets	11	**560,455**	561,626	**-**	-
		1,800,070,931	1,701,008,714	**1,766,240,780**	1,674,852,063
Current assets					
Inventories	12	**123,205,677**	113,798,810	**55,180,743**	61,310,946
Trade receivables	13	**137,167,710**	121,797,411	**13,825,715**	9,144,283
Other financial assets at amortised cost	13B	**58,919,804**	47,168,057	**62,030,948**	57,539,255
Other current assets	13C	**21,776,351**	29,169,779	**16,771,948**	12,525,687
Cash and cash equivalents	29(d)	**4,387,941**	2,306,641	**2,577,249**	771,304
		345,457,483	314,240,698	**150,386,603**	141,291,475
Non-current assets classified as held for sale	15	**-**	89,674,000	**-**	89,674,000
Total assets		**2,145,528,414**	2,104,923,412	**1,916,627,383**	1,905,817,538
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	16	**500,000,000**	360,000,000	**500,000,000**	360,000,000
Share premium	16	**212,724,323**	212,724,323	**212,724,323**	212,724,323
Other reserves	17	**267,721,227**	379,899,713	**191,898,653**	302,711,369
Retained earnings		**604,519,899**	515,134,838	**644,259,704**	584,789,521
Owners' interest		**1,584,965,449**	1,467,758,874	**1,548,882,680**	1,460,225,213
Non-controlling interests		**(20,516)**	(37,542)	**-**	-
Total equity		**1,584,944,933**	1,467,721,332	**1,548,882,680**	1,460,225,213
LIABILITIES					
Non-current liabilities					
Borrowings	18	**168,807,585**	183,131,324	**160,948,776**	170,568,923
Lease liabilities	5A(b)	**6,308,589**	5,841,219	**4,303,440**	4,599,819
Deferred tax liabilities	11	**34,392,576**	32,376,657	**34,392,576**	32,376,657
Other payables	20	**21,066,305**	-	**21,066,305**	-
Retirement benefit obligations	19	**8,685,619**	9,373,658	**2,507,515**	3,302,592
		239,260,674	230,722,858	**223,218,612**	210,847,991
Current liabilities					
Trade and other payables	20	**200,076,583**	200,856,979	**86,335,163**	90,544,219
Current tax liabilities	14(a)	**3,059,440**	2,791,622	**563,411**	563,411
Borrowings	18	**110,771,840**	107,697,206	**50,992,161**	49,056,630
Lease liabilities	5A(b)	**2,414,944**	1,859,415	**1,635,356**	1,306,074
Dividends	21	**5,000,000**	3,600,000	**5,000,000**	3,600,000
		321,322,807	316,805,222	**144,526,091**	145,070,334
Liabilities directly associated with non-current assets classified as held for sale	15	**-**	89,674,000	**-**	89,674,000
Total liabilities		**560,583,481**	637,202,080	**367,744,703**	445,592,325
Total equity and liabilities	Rs.	**2,145,528,414**	2,104,923,412	**1,916,627,383**	1,905,817,538

These financial statements have been approved for issue by the Board of Directors on April 02, 2024.

Mr Aymeric Hermann Dookun
Director

Mr Seedheshwar Mojee
Director

The notes on pages 55 to 128 form an integral part of these financial statements.
Auditor's report on pages 42 to 48.

Statements of Profit or Loss and Other Comprehensive Income

Year ended December 31, 2023

	Notes	The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Revenue	22	**566,400,313**	499,932,038	**110,459,016**	106,860,443
Operating profit		**46,097,308**	30,408,867	**9,781,601**	15,843,968
Other income	24	**4,876,941**	2,267,741	**9,876,941**	6,435,000
Non-recurring items	26	**-**	(4,474,110)	**-**	(7,078,475)
Fair value gain on investment property	6	**65,803,571**	-	**52,754,303**	-
Share of result/reversal of impairment of jointly controlled entities	9	**1,479,397**	-	**499,999**	-
Profit before finance costs	25	**118,257,217**	28,202,498	**72,912,844**	15,200,493
Finance costs	25	**(20,480,868)**	(18,044,287)	**(6,426,742)**	(6,176,464)
Profit before taxation	27	**97,776,349**	10,158,211	**66,486,102**	9,024,029
Taxation	14(b)	**(3,374,262)**	(2,407,047)	**(2,015,919)**	(2,483,018)
Profit for the year		**94,402,087**	7,751,164	**64,470,183**	6,541,011
Results attributable to:					
Owners of the parent		**94,385,061**	7,617,142	**64,470,183**	6,541,011
Non-controlling interests		**17,026**	134,022	**-**	-
		94,402,087	7,751,164	**64,470,183**	6,541,011
Earnings per share (Rs./Cts.)	28	**1.89**	0.21	**1.29**	0.18

The notes on pages 55 to 128 form an integral part of these financial statements.
Auditor's report on pages 42 to 48.

Statements of Comprehensive Income

Year ended December 31, 2023

	Notes	The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Profit for the year		**94,402,087**	7,751,164	**64,470,183**	6,541,011
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Currency translation differences	17	**(1,365,770)**	(2,319,227)	**-**	-
Items that will not be reclassified to profit or loss:					
Changes in fair value of equity instruments at fair value through other comprehensive income	(10 & 17)	**11,416,486**	1,295,000	**11,416,486**	1,295,000
Gain on revaluation of property, plant and equipment	5	**17,770,798**	-	**17,770,798**	-
Other comprehensive income for the year, net of tax		**27,821,514**	(1,024,227)	**29,187,284**	1,295,000
Total comprehensive income for the year		**122,223,601**	6,726,937	**93,657,467**	7,836,011
Total comprehensive income attributable to:					
Owners of the parent		**122,395,271**	6,898,607	**93,657,467**	7,836,011
Non-controlling interests		**(171,670)**	(171,670)	**-**	-
		122,223,601	6,726,937	**93,657,467**	7,836,011

The notes on pages 55 to 128 form an integral part of these financial statements.
Auditor's report on pages 42 to 48.

Statement of Changes in Equity

Year ended December 31, 2023

	Notes	Attributable to owners of the parent					Non-controlling interests	Total equity
		Share capital	Share premium	Other reserves	Retained earnings	Total		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) THE GROUP								
Balance at January 01, 2023		**360,000,000**	**212,724,323**	**379,899,713**	**515,134,838**	**1,467,758,874**	**(37,542)**	**1,467,721,332**
Issuance of share capital during the year	16	140,000,000	-	(140,000,000)	-	-	-	-
Profit for the year		-	-	-	94,385,061	94,385,061	17,026	94,402,087
Other comprehensive income for the year		-	-	27,821,514	-	27,821,514	-	27,821,514
Total comprehensive income for the year		-	-	27,821,514	94,385,061	122,206,575	17,026	122,223,601
Dividends	21	-	-	-	(5,000,000)	(5,000,000)	-	(5,000,000)
Balance at December 31, 2023	**Rs.**	**500,000,000**	**212,724,323**	**267,721,227**	**604,519,899**	**1,584,965,449**	**(20,516)**	**1,584,944,933**
Balance at January 01, 2022		**360,000,000**	**212,724,323**	**380,923,940**	**511,117,696**	**1,464,765,959**	**(171,564)**	**1,464,594,395**
Profit for the year		-	-	-	7,617,142	7,617,142	134,022	7,751,164
Other comprehensive income for the year		-	-	(1,024,227)	-	(1,024,227)	-	(1,024,227)
Total comprehensive income for the year		-	-	(1,024,227)	7,617,142	6,592,915	134,022	6,726,937
Dividends	21	-	-	-	(3,600,000)	(3,600,000)	-	(3,600,000)
		-	-	-	(3,600,000)	(3,600,000)	-	(3,600,000)
Balance at December 31, 2022	**Rs.**	**360,000,000**	**212,724,323**	**379,899,713**	**515,134,838**	**1,467,758,874**	**(37,542)**	**1,467,721,332**

The notes on pages 55 to 128 form an integral part of these financial statements.
Auditor's report on pages 42 to 48.

	Notes	Share capital	Share premium	Other reserves	Retained earnings	Total
		Rs.	Rs.	Rs.	Rs.	Rs.
(b) THE HOLDING COMPANY						
Balance at January 01, 2023		360,000,000	212,724,323	302,711,369	584,789,521	1,460,225,213
Issuance of share capital during the year	16	140,000,000	-	(140,000,000)	-	-
Profit for the year		-	-	-	64,470,183	64,470,183
Other comprehensive income for the year		-	-	29,187,284		29,187,284
Total comprehensive income for the year		-	-	29,187,284	64,470,183	93,657,467
	17	-	-	-	-	-
Dividends	21	-	-	-	(5,000,000)	(5,000,000)
Balance at December 31, 2023		**500,000,000**	**212,724,323**	**191,898,653**	**644,259,704**	**1,548,882,680**
Balance at January 01, 2022		360,000,000	212,724,323	301,416,369	581,848,510	1,455,989,202
Profit for the year		-	-	-	6,541,011	6,541,011
Other comprehensive income for the year		-	-	1,295,000	-	1,295,000
Total comprehensive income for the year		-	-	1,295,000	6,541,011	7,836,011
Dividends	21	-	-	-	(3,600,000)	(3,600,000)
		-	-	-	(3,600,000)	(3,600,000)
Balance at December 31, 2022		**360,000,000**	**212,724,323**	**302,711,369**	**584,789,521**	**1,460,225,213**

The notes on pages 55 to 128 form an integral part of these financial statements.
Auditor's report on pages 42 to 48.

Statements of Cash Flows

Year ended December 31, 2023

	Notes	The Group 2023	The Group 2022	The Holding Company 2023	The Holding Company 2022
		Rs.	Rs.	**Rs.**	Rs.
Cash flow from operating activities					
Cash generated from operations	29(a)	**37,884,424**	87,642,796	**14,924,304**	90,100,462
Interest paid		**(19,887,254)**	(17,528,283)	**(6,033,461)**	(5,905,030)
Tax paid	14(a)	**(1,778,113)**	(809,942)	**(786,189)**	-
Net cash generated from operating activities		**16,219,057**	69,304,571	**8,104,654**	84,195,432
Cash flow from investing activities					
Purchase of property, plant and equipment	5	**(3,006,471)**	(12,942,072)	**(2,791,301)**	(12,673,067)
Purchase of leased assets using own funds	29(b)	**(944,549)**	(2,041,566)	**(695,353)**	(2,041,566)
Expenditure on investment properties	6	**(3,772,687)**	(1,449,912)	**(820,115)**	(368,197)
Subscription of redeemable preference shares to related party	13(A)	**(27,000,000)**	-	**(27,000,000)**	-
Purchase of investment in financial assets		**(1,026,795)**	(34,230,000)	**(1,026,795)**	(34,230,000)
Proceeds from sale of investment properties (note 6)		**41,587,794**	-	**41,587,794**	-
Proceeds from sale of property, plant and equipment		**-**	512,643	**-**	-
Proceeds from disposals of investment in financial assets	29(b) (ii)	**-**	4,925,000	**-**	4,925,000
Net cash generated from/(used in) investing activities		**5,837,292**	(45,225,907)	**9,254,230**	(44,387,830)
Cash flow from financing activities					
Proceeds from borrowings		**71,503,530**	60,020,512	**26,157,398**	18,577,648
Payments on borrowings		**(85,209,328)**	(87,378,615)	**(37,587,821)**	(54,372,013)
Dividend paid to company's shareholders	21	**(3,600,000)**	(2,880,000)	**(3,600,000)**	(2,880,000)
Principal paid on lease liabilities	5A(b)	**(2,169,905)**	(1,228,135)	**(1,469,097)**	(724,094)
Interest paid on lease liabilities	5A(b)	**(329,435)**	(256,687)	**(172,622)**	(121,185)
Net cash used in financing activities		**(19,805,138)**	(31,722,925)	**(16,672,142)**	(39,519,644)
Increase/(decrease) in cash and cash equivalents		**2,251,211**	(7,644,261)	**686,742**	287,958
Movement in cash and cash equivalents					
At January 01,		**(6,872,706)**	771,555	**(2,289,658)**	(2,577,616)
Increase/(decrease)		**2,251,211**	(7,644,261)	**686,742**	287,958
At December 31,	29(e)	**(4,621,495)**	(6,872,706)	**(1,602,916)**	(2,289,658)

The notes on pages 55 to 128 form an integral part of these financial statements.
Auditor's report on pages 42 to 48.

Notes to the Financial Statements

Year ended December 31, 2023

1. General Information

The Mauritius Cosmetics Limited is a public company incorporated and domiciled in Mauritius with its shares listed on the Development & Enterprise Market (DEM) of the Stock Exchange of Mauritius. The principal activities of the Company is the manufacture of toothpaste, cosmetic products, household products toiletries, perfumes and rental of investment properties. The subsidiaries are mainly engaged in rental of investment properties and the distribution and retail of consumer goods. The address of its registered office is Bonne Terre, Vacoas, Mauritius.

The Board of Directors considers Deramann Limited, domiciled in Mauritius, as the holding entity of The Mauritius Cosmetics Limited.

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

2. Significant Accounting Policies

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

The financial statements include the consolidated financial statements of the parent company and its subsidiary companies (The Group) and the separate financial statements of the parent company (The Company). The financial statements are presented in Mauritian Rupees.

2.1 Basis of preparation

The financial statements of Mauritius Cosmetics Limited and its subsidiaries comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). Where necessary, comparative figures have been amended to conform with change in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

(i) Freehold land and buildings are carried at revalued amount;
(ii) Investment properties are stated at fair value;
(iii) Investments held for trading and relevant financial assets and financial liabilities are stated at their fair value; and
(iv) Relevant financial assets and financial liabilities are carried at amortised cost.

2. Significant Accounting Policies (Cont'd)

2.1 Basis of preparation (Cont'd)

New standards and amendments effective in the period on or after January 01, 2023

Standards and interpretations effective and adopted in the current year but with no material effect on the financial statements

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year. The expected impact of these amendments on the Company's financial statements is not material.

	Effective date: Years beginning on or after
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	January 01, 2023
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	January 01, 2023
Definition of accounting estimates: Amendments to IAS 8	January 01, 2023
IFRS 17 Insurance Contracts	January 01, 2023
International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12	Issued on May 23, 2023 with immediate effectiveness

New standards and amendments issued but not yet effective for years ending December 31, 2023

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after January 01, 2024 or later periods:

	Effective date: Years beginning on or after
Classification of Liabilities as Current or Noncurrent and Non-current Liabilities with Covenants - Amendments to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	January 01, 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	January 01, 2024
Lack of exchangeability – Amendments to IAS 21	January 01, 2025
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Postponed indefinitely

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

2. Significant Accounting Policies (Cont'd)

2.2 Property, plant and equipment

Land is stated at its fair value based on periodic valuations carried out by independent valuers. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Properties in the course of construction for production, or administrative purposes or for purposes not yet determined are carried at cost less any recognised impairment loss. Cost includes professional fees and for qualifying assets, borrowing costs capitalised. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Increases in the carrying amount arising on revaluation of land are credited to other comprehensive income and shown as revaluation surplus in shareholders' equity. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to profit or loss.

Depreciation is calculated on the straight-line method to write off their cost to their residual values over their estimated useful lives. It is applied at the following rates:

	Years
Building	50
Plant and machinery	5 - 10
Furniture, computer and equipment	5
Motor vehicles - Owned	5
Motor vehicles - Rights of use	5
Shop equipment	5
Special equipment	5 - 10

No depreciation is charged to land.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss. On disposal of revalued assets, the amounts included in revaluation surplus are transferred to retained earnings.

2. Significant Accounting Policies (Cont'd)

2.3 Investment properties

Investment property, held to earn rentals/or for capital appreciation or both, and not occupied by the Group is carried at fair value, representing open-market value determined periodically by independent valuers. Changes in fair values are included in profit or loss.

2.4 Intangible assets

(i) Computer software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised over their estimated useful lives (3-5 years).

Costs associated with maintaining computer software are recognised as expenses as incurred.

The amortisation period and amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period.

(ii) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested annually for impairment.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(iii) Formulae and development costs

Formulae costs represent payments in respect of formulae for new products. Formulae costs are amortised over 3 years.

2. Significant Accounting Policies (Cont'd)

2.5 Investment in subsidiaries

Separate financial statements of the investor

In the separate financial statements of the investors, investments in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns though its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the acquiree's net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree (if any) over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss as a bargain purchase gain.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. Significant Accounting Policies (Cont'd)

2.5 Investment in subsidiaries (Cont'd)

Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.6 Investment in jointly controlled entities

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Joint ventures are accounted for using the following method:

Separate financial statements of the investor

In the separate financial statements of the investors, investments in joint ventures are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

Investment in joint ventures are initially recognised at cost as adjusted by post acquisition charges in the Group's share of the net assets of the associate less any impairment in the value of individual investments.

When the Group's share of losses exceeds its interest in associate, the Group discontinues recognising further losses unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

2. Significant Accounting Policies (Cont'd)

2.6 Investment in jointly controlled entities (Cont'd)

Consolidated financial statements (Cont'd)

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted in the Group.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments are recognised in profit or loss.

2.7 Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

(i) Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

2. Significant Accounting Policies (Cont'd)

2.7 Financial assets (Cont'd)

(i) Amortised cost (Cont'd)

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of comprehensive income (operating profit).

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

(ii) Fair value through other comprehensive income

The Group has investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

2. Significant Accounting Policies (Cont'd)

2.8 Financial liabilities

Financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

- Bank borrowings and the Group's loan notes are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

2.9 Leases

Leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Identifying Leases

The *Group* accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;
(b) The Group obtains substantially all the economic benefits from use of the asset; and
(c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the *Group* obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise use of the asset, not those incidental to legal ownership or other potential benefits.

2. Significant Accounting Policies (Cont'd)

2.9 Leases (Cont'd)

Identifying Leases (Cont'd)

In determining whether the *Group* has the right to direct use of the asset, the *Group* considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the *Group* considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the *Group* applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option; and
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

2. Significant Accounting Policies (Cont'd)

2.9 Leases (Cont'd)

Identifying Leases (Cont'd)

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount; and
- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Company/Group to use an identified asset and require services to be provided to the Company/Group by the lessor, the Company/Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Accounting for leases - where Group is the lessor

Lease income from leases where the Group is a lessor is recognised in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining the lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting IFRS 16.

2. Significant Accounting Policies (Cont'd)

2.10 Borrowings costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised until such time as the assets are substantially ready for their intended use or sale.

Other borrowing costs are expensed.

2.11 Current and deferred income tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affect neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting date and are expected to apply in the period when the related deferred tax asset is realised or the deferred income tax liability is settled.

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

For the purpose 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 embodies in the investment property over time, rather than through sale.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined under the weighted average cost method. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

2. Significant Accounting Policies (Cont'd)

2.13 Non-current assets classified as held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than a continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

The Directors are committed to a plan to sell land to generate cash flows. Accordingly, this is presented as assets held-for-sale. Efforts to sell land start as soon as it is classified as held for sale. The exact timing of the sale is uncertain but a sale occurs within one year from its classification as held for sale except for delay caused by events or circumstance beyond the entity's control.

2.14 Share capital

Ordinary shares are classified as equity.

2.15 Borrowings

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred.

Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group/Company has an unconditional right to deter settlement of the liability for at least 12 months after the end of the reporting period.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.16 Retirement benefit obligations

Defined contribution plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Company operates a defined contribution retirement benefit plan for all qualifying employees. Payments to defined contribution plan are recognised as an expense when employees have rendered service that entitle them to the contributions.

2. Significant Accounting Policies (Cont'd)

2.16 Retirement benefit obligations (Cont'd)

Gratuity on retirement

The net present value of retirement gratuity payable under the Workers Right Act 2019 is calculated by the Directors and provided for. The obligations arising under this item are not funded.

2.17 Trade and other payables

Trade and other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using Mauritian rupees ('Rs'), the currency of the primary economic environment in which the entities operate ("functional currency"). The consolidated financial statements are presented in Mauritian rupees, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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

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

2.19 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2. Significant Accounting Policies (Cont'd)

2.20 Non-recurring items

Non-recurring items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

2.21 Revenue recognition

(a) Revenue from contracts with customers

(i) Sales of goods

Revenue derived from selling goods is recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

(ii) Rendering of Services

The Company carries out logistic/distribution services, with revenue recognised typically on an over time basis. This is because for such services rendered, the customer simultaneously receives and consumes the economic benefit provided by the Company's performance and the contracts would require payment to be received for the time and effort spent by the Company on progressing the contracts in the event of the customer cancelling the contract prior to completion for any reason other than the Company's failure to perform its obligations under the contract. The Company recognises revenue based on services delivered and represents a direct measurement of the value of services transferred to date in comparison with the remaining services to be provided under the contract (an output based method). This is considered a faithful depiction of the transfer of services as it depicts the entity's performance towards complete satisfaction of the performance obligation.

(iii) Rental income

Rental income from investment property is recognised in profit or loss on a straight line basis over the lease term, with revenue recognised typically on an over time basis.

Determining the transaction price

Revenue derived from selling goods is recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

2. Significant Accounting Policies (Cont'd)

2.21 Revenue recognition (Cont'd)

(a) Revenue from contracts with customers (Cont'd)

Allocating amounts to performance obligations

Revenue derived from selling goods is recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Practical Exemptions

The Group has taken advantage of the practical exemptions:

- Not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less; and
- Expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

(b) Other revenues earned by the Group is recognised on the following bases:

- Other income is recognised as it accrues unless collectability is in doubt.

(c) Other revenues earned by the Group are recognised on the following bases:

- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance); and
- Dividend income - when the shareholder's right to receive payment is established.

2.22 Dividend distribution

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

2.23 Segment reporting

Segment information presented relate to operating segments that engage in business activities for which revenues are earned and expenses incurred.

3. Financial Risk Management

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risk factors, including:

(a) Market risk;
(b) Credit risk;
(c) Liquidity risk; and
(d) Cash flow and fair value interest rate risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the Group's financial performance.

Risk management is carried out by treasury department under policies approved by the Board of Directors. Treasury identifies, evaluates and hedges financial risks in close cooperation with the operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and non-derivative financial instruments and investment of excess liquidity.

A description of the significant risk factors is given below together with the risk management policies applicable.

(a) Market risk

(i) Currency risk

The Group operates internationally and is therefore exposed primarily to foreign exchange risk in currencies such as the Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and labilities and net investments in foreign operations.

The Group managed its currency exposure primarily through borrowings in Euro. At December 31, 2023, 43% (2022: 40%) of the Group's borrowings were in Euro.

Management has set up a policy to require the Group to manage their foreign exchange risk exposure with treasury.

The Group has certain investments in foreign operation whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group foreign operations in Madagascar is managed primarily through borrowings denominated in the relevant foreign currencies.

At December 31, 2023 if the rupee had weakened/strengthened by 5% against the foreign currencies with all variables held constant, the group post tax profit/(loss) for the year would have been Rs.217,597 (2022: Rs.384,500) higher/lower mainly as a result of foreign exchange gains/losses on translation of Euro/USD/GBP denominated trade receivables, cash and cash equivalents and borrowings.

3. Financial Risk Management (Cont'd)

3.1 Financial Risk Factors (Cont'd)

(a) Market risk (Cont'd)

(i) Currency risk (Cont'd)

Currency profile

The tables below summarise the currency profiles of the Group and the Company's financial assets and liabilities:

(a)

	The Group				
	MUR	EURO	GBP	USD	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.
As at December 31, 2023					
Trade receivables	**137,167,710**	**-**	**-**	**-**	**137,167,710**
Other financial assets at amortised cost	**77,448,261**	**-**	**-**	**-**	**77,448,261**
Cash in hand and at bank	**4,386,531**	**209**	**-**	**1,201**	**4,387,941**
	219,002,502	**209**	**-**	**1,201**	**219,003,912**
Borrowings	**160,197,907**	**119,381,518**	**-**	**-**	**279,579,425**
Lease liabilities	**8,723,533**	**-**	**-**	**-**	**8,723,533**
Trade & other payables	**198,087,419**	**1,089,004**	**-**	**900,160**	**200,076,583**
	367,008,859	**120,470,522**	**-**	**900,160**	**488,379,541**
As at December 31, 2022					
Trade receivables	121,797,411	-	-	-	121,797,411
Other financial assets at amortised cost	47,168,057	-	-	7,226,939	54,394,996
Cash in hand and at bank	2,264,089	187	487	41,878	2,306,641
	171,229,557	187	487	7,268,817	178,499,048
Borrowings	173,971,124	116,857,406	-	-	290,828,530
Lease liabilities	7,700,634	-	-	-	7,700,634
Trade & other payables	198,867,815	1,089,004	-	900,160	200,856,979
	380,539,573	117,946,410	-	900,160	499,386,143

3. Financial Risk Management (Cont'd)

3.1 Financial Risk Factors (Cont'd)

(a) Market risk (Cont'd)

(i) Currency risk (Cont'd)

Currency profile(Cont'd)

(b)

	The Holding Company				
	MUR	EURO	GBP	USD	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.
As at December 31, 2023					
Trade receivables	**13,825,715**	**-**	**-**	**-**	**13,825,715**
Other financial assets at amortised cost	**132,618,533**	**-**	**-**	**214,481,137**	**347,099,670**
Cash in hand and at bank	**2,575,839**	**209**	**-**	**1,201**	**2,577,249**
	149,020,087	**209**	**-**	**214,482,338**	**363,502,634**
Borrowings	**91,508,805**	**119,381,518**	**1,058**	**1,049,556**	**211,940,937**
Lease liabilities	**5,938,796**	**-**	**-**	**-**	**5,938,796**
Trade & other payables	**81,998,638**	**4,336,525**	**-**		**86,335,163**
	179,446,239	**123,718,043**	**1,058**	**1,049,556**	**304,214,896**
As at December 31, 2022					
Trade receivables	9,144,283	-	-	-	9,144,283
Other financial assets at amortised cost	99,038,383	-	-	223,244,901	322,283,284
Cash in hand and at bank	728,752	187	487	41,878	771,304
	108,911,418	187	487	223,286,779	332,198,871
Borrowings	102,768,147	116,857,406	-	-	219,625,553
Lease liabilities	5,905,893	-	-	-	5,905,893
Trade & other payables	88,555,055	1,089,004	-	900,160	90,544,219
	197,229,095	117,946,410	-	900,160	316,075,665

3. Financial Risk Management (Cont'd)

3.1 Financial Risk Factors (Cont'd)

(a) Market risk (Cont'd)

(ii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified in the statements of financial position as available-for-sale financial assets. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of the investments on the Group's equity.

The analysis is based on the assumption that the fair value had increased/decreased by 5%.

	Impact on equity			
	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
	+/-5%	+/-5%	**+/-5%**	+/-5%
Financial assets at fair value through other comprehensive income	**622,164**	1,776,250	**622,164**	1,776,250

(b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties are accepted.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

3. Financial Risk Management (Cont'd)

3.1 Financial Risk Factors (Cont'd)

(b) Credit risk (Cont'd)

The table below shows the percentage balances of its major counterparties at the end of the reporting period.

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	%	%	**%**	%
10 major counterparties	**65**	58	**72**	86
Others	**35**	42	**28**	14
	100	100	**100**	100

(c) 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 delivery of cash or another financial assets. Prudent liquidity risk management implies maintaining sufficient cash in hand, marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

THE GROUP **At December 31, 2023**	**Less than 1 year** **Rs.**	**Between 1 and 5 years** **Rs.**	**Over 5 years** **Rs.**	**Total** **Rs.**
Bank loans	**25,758,874**	**152,962,105**	**4,115,346**	**182,836,325**
Import loans from banks	**71,503,530**	**-**	**-**	**71,503,530**
Redeemable preference shares	**4,500,000**	**11,730,134**	**-**	**16,230,134**
Lease liabilities	**2,414,944**	**6,308,589**	**-**	**8,723,533**
Bank overdrafts	**9,009,436**	**-**	**-**	**9,009,436**
Trade and other payables	**200,076,583**	**-**	**-**	**200,076,583**

3. Financial Risk Management (Cont'd)

3.1 Financial Risk Factors (Cont'd)

(c) Liquidity risk (Cont'd)

THE GROUP At December 31, 2022	Less than 1 year Rs.	Between 1 and 5 years Rs.	Over 5 years Rs.	Total Rs.
Bank loans	33,997,347	150,677,715	16,245,122	200,920,184
Import loans from banks	60,020,512	-	-	60,020,512
Redeemable preference shares	4,500,000	16,208,487	-	20,708,487
Lease liabilities	1,859,415	5,841,219	-	7,700,634
Bank overdrafts	9,179,347	-	-	9,179,347
Trade and other payables	200,856,979	-	-	200,856,979

THE HOLDING COMPANY At December 31, 2023	Less than 1 year Rs.	Between 1 and 5 years Rs.	Over 5 years Rs.	Total Rs.
Bank loans	**16,142,398**	**137,312,626**	**4,116,265**	**157,571,289**
Loan from related parties	**-**	**7,789,751**	**-**	**7,789,751**
Import loans from banks	**26,169,598**	**-**	**-**	**26,169,598**
Redeemable preference shares	**4,500,000**	**11,730,134**	**-**	**16,230,134**
Lease liabilities	**1,635,356**	**4,170,986**	**132,454**	**5,938,796**
Bank overdrafts	**4,180,165**	**-**	**-**	**4,180,165**
Trade and other payables	**86,335,163**	**-**	**-**	**86,335,163**
At December 31, 2022				
Bank loans	24,475,156	130,313,363	16,245,122	171,033,641
Loan from related parties	-	7,801,951	-	7,801,951
Import Loans from banks	17,020,512	-	-	17,020,512
Redeemable preference shares	4,500,000	16,208,487	-	20,708,487
Lease Liabilities	1,306,074	4,599,819	-	5,905,893
Bank overdrafts	3,060,962	-	-	3,060,962
Trade and other payables	90,544,219	-	-	90,544,219

3. Financial Risk Management (Cont'd)

3.1 Financial Risk Factors (Cont'd)

(d) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings as shown in the financial statements are exposed to interest rate risks as it borrows mainly at variable rates.

The Group's operating cash flows are exposed to interest risk as it borrows at variable rates. At December 31, 2023, if interest rates on rupee & Euro- denominated borrowings had been 10% higher/lower with all variables held constant, post-tax loss for the year would have decreased/ increased by Rs.10.3 M (2022: Rs.5.1 M) for the Group and Rs.7.6 M (2022: Rs.3.8 M) for the Company mainly as a result of higher/lower interest rate expense on floating rate borrowings.

The Group manages its interest rate risk by close market monitoring.

3.2 Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments classified as available-for-sale.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If fair value is based on unobservable inputs, it is classified as level 3.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3. Financial Risk Management (Cont'd)

3.3 Capital Risk Management

The Group's objectives when managing capital are:

- To safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for the shareholders and benefit for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown in the statements of financial position) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, non-controlling interests, retained earnings, and revaluation and other reserves) other than amounts recognised in equity relating to cash flow hedges, and includes some forms of subordinated debt.

During 2023, the Group's strategy was to reduce the debt-to-capital ratio to a reasonable level in order to secure access to finance at a reasonable cost.

The debt-to-capital ratios at December 31, 2023 and December 31, 2022 were as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Total debt (note 18)	**279,579,425**	290,828,530	**211,940,937**	219,625,553
Lease liabilities (note 5A(b))	**8,723,533**	7,700,634	**5,938,796**	5,905,893
Less: cash in hand and at bank (note 29 (d))	**(4,387,941)**	(2,306,641)	**(2,577,249)**	(771,304)
Net debt (note 29 (c))	**283,915,017**	296,222,523	**215,302,484**	224,760,142
Total equity	**1,584,944,933**	1,467,721,332	**1,548,882,680**	1,460,225,213
Debt-to-capital ratio	**18%**	20%	**14%**	15%

The changes in net debt to equity ratio from 20% in 2022 to 18% in 2023 and from 15% in 2021 to 14% in 2023 for the Group and the Company respectively are mainly attributable to repayment of loans during the year.

There were no changes in the Group's approach to capital risk management during the year.

4. Critical accounting estimates and judgements

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

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

(a) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(b) Depreciation policies

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Group would currently obtain from disposal of the asset if the asset were already of the age and in the condition expected at the end of its useful life.

The Directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

(c) Asset lives and residual values

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

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

The fair value of securities not quoted in an active market may be determined by the Group using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Group would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4. Critical accounting estimates and judgements (Cont'd)

4.1 Critical accounting estimates and assumptions (Cont'd)

(e) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the profit or loss. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group had engaged valuation specialists, Elevante Property Services Ltd, a chartered valuation surveyor, to determine fair value at December 31, 2021. The Directors are of opinion that the fair value at December 31, 2023 is not materially different to the valuation performed by the valuation specialists in year 2021.

The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long term vacancy rate.

(f) Revaluation of land and buildings under property, plant and equipment

The land and buildings were valued at December 31, 2016 by valuation specialists on open market value basis. The Group had engaged valuation specialists, Elevante Property Services Ltd, a chartered valuation surveyor, to determine fair value at December 31, 2021. The Directors are of opinion that the fair value at December 31, 2023 is not materially different to the valuation performed by the valuation specialists in year 2021.

(g) Impairment of assets

Goodwill is considered for impairment at least annually. Property, plant and equipment, and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. The impairment loss is first allocated to goodwill and then to the other assets of a cash-generating unit.

Cash flows which are utilised in these assessments are extracted from formal five-year business plans which are updated annually. The Group utilises the valuation model to determine asset and cash-generating unit values supplemented, where appropriate, by discounted cash flow and other valuation techniques.

4. Critical accounting estimates and judgements (Cont'd)

4.1 Critical accounting estimates and assumptions (Cont'd)

(h) Limitations of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Group's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty.

(i) Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties the Directors reviewed the Group's investment property portfolio and concluded that certain of 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 sales. Therefore, in determining the Group's deferred taxation on investment properties, the Directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted for certain of the Group's investment properties. As a result, the Group has not recognised deferred taxes on changes in fair value of such investment properties.

(j) Going concern

The Group's made an assessment of its ability to continue as a going concern taking into account impact of Covid-19 as per note 34 and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

5. Property, plant and equipment

(a) THE GROUP	Freehold land and buildings	Plant & Machinery (Owned)	Furniture, Computer and Equipment	Motor vehicles - (Owned)	Special equipment	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST/VALUATION						
At January 01, 2023						
- cost	-	74,870,009	53,684,515	20,315,438	8,926	148,878,888
- valuation	167,657,164	-	-	-	-	167,657,164
	167,657,164	74,870,009	53,684,515	20,315,438	8,926	316,536,052
Additions	1,728,285	637,108	641,078	-	-	3,006,471
Revaluation Gain (note 17)	3,455,273	-	-	-	-	3,455,273
Transfer from Investment Property	57,315,370	-	-	-	-	57,315,370
Transfer to Investment Property	(11,000,010)	-	-	-	-	(11,000,010)
Disposal	-	-	-	(1,000)	-	(1,000)
At December 31, 2023						
- cost	**-**	**75,507,117**	**54,325,593**	**20,314,438**	**8,926**	**150,156,074**
- valuation	**219,156,082**	**-**	**-**	**-**	**-**	**219,156,082**
	219,156,082	**75,507,117**	**54,325,593**	**20,314,438**	**8,926**	**369,312,156**
DEPRECIATION						
At January 01, 2023	14,054,726	62,876,719	48,821,360	19,359,712	8,926	145,121,443
Charge for the year (note 27)	2,611,803	2,071,015	1,735,756	430,000	-	6,848,574
Revaluation adjustment (note 17)	(14,315,525)	-	-	-	-	(14,315,525)
Disposal adjustment	-	-	-	(1,000)	-	(1,000)
At December 31, 2023	**2,351,004**	**64,947,734**	**50,557,116**	**19,788,712**	**8,926**	**137,653,492**
NET BOOK VALUE						
At December 31, 2023	**216,805,078**	**10,559,383**	**3,768,477**	**525,726**	**-**	**231,658,664**

5. Property, plant and equipment (Cont'd)

(b) THE GROUP	Freehold land and buildings	Plant & Machinery (Owned)	Furniture, Computer and Equipment	Motor vehicles - (Owned)	Special equipment	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST/VALUATION						
At January 01, 2022						
- cost	-	74,870,009	52,774,110	20,779,238	8,926	148,432,283
- valuation	155,625,497	-	-	-	-	155,625,497
	155,625,497	74,870,009	52,774,110	20,779,238	8,926	304,057,780
Additions	12,031,667	-	910,405	-	-	12,942,072
Disposal	-	-	-	(463,800)	-	(463,800)
At December 31, 2022						
- cost	**-**	**74,870,009**	**53,684,515**	**20,315,438**	**8,926**	**148,878,888**
- valuation	**167,657,164**	**-**	**-**	**-**	**-**	**167,657,164**
	167,657,164	**74,870,009**	**53,684,515**	**20,315,438**	**8,926**	**316,536,052**
DEPRECIATION						
At January 01, 2022	11,406,645	60,812,720	45,366,703	19,273,087	8,926	136,868,081
Charge for the year (note 27)	2,648,081	2,063,999	3,454,657	548,825	-	8,715,562
Disposal adjustment	-	-	-	(462,200)	-	(462,200)
At December 31, 2022	**14,054,726**	**62,876,719**	**48,821,360**	**19,359,712**	**8,926**	**145,121,443**
NET BOOK VALUE						
At December 31, 2022	**153,602,438**	**11,993,290**	**4,863,155**	**955,726**	**-**	**171,414,609**

5. Property, plant and equipment (Cont'd)

(c) THE HOLDING COMPANY

	Freehold land and buildings	Motor vehicles-(Owned)	Plant & Machinery (Owned)	Furniture, computer and equipment	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
COST/VALUATION					
At January 01, 2023					
- cost	-	4,308,939	65,398,728	32,296,162	102,003,829
- valuation	156,501,072	-	-	-	156,501,072
	156,501,072	4,308,939	65,398,728	32,296,162	258,504,901
Transfer from investment property (note 6)	57,315,370				57,315,370
Additions	1,728,285		637,108	425,908	2,791,301
Revaluation gain (note 17)	3,455,273	-	-	-	3,455,273
	219,000,000	4,308,939	66,035,836	32,722,070	322,066,845
At December 31, 2023					
- cost	**-**	**4,308,939**	**66,035,836**	**32,722,070**	**103,066,845**
- valuation	**219,000,000**	**-**	**-**	**-**	**219,000,000**
	219,000,000	**4,308,939**	**66,035,836**	**32,722,070**	**322,066,845**
DEPRECIATION					
At January 01, 2023	12,141,304	3,360,830	55,666,293	28,464,602	99,633,029
Charge for the year (note 27)	2,174,221	430,000	2,071,015	1,484,210	6,159,446
Revalaution adjustments (note 17)	(14,315,525)	-	-	-	(14,315,525)
At December 31, 2023	**-**	**3,790,830**	**57,737,308**	**29,948,812**	**91,476,950**
NET BOOK VALUE					
At December 31, 2023	**219,000,000**	**518,109**	**8,298,528**	**2,773,258**	**230,589,895**

5. Property, plant and equipment (Cont'd)

(d) THE HOLDING COMPANY

	Freehold land and buildings	Motor vehicles-(Owned)	Plant & Machinery (Owned)	Furniture, computer and equipment	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
COST/VALUATION					
At January 01, 2022					
- cost	-	4,308,939	65,398,728	31,654,762	101,362,429
- valuation	144,469,405	-	-	-	144,469,405
	144,469,405	4,308,939	65,398,728	31,654,762	245,831,834
Additions	12,031,667		-	641,400	12,673,067
At December 31, 2022					
- cost	**-**	**4,308,939**	**65,398,728**	**32,296,162**	**102,003,829**
- valuation	**156,501,072**	**-**	**-**	**-**	**156,501,072**
	156,501,072	**4,308,939**	**65,398,728**	**32,296,162**	**258,504,901**
DEPRECIATION					
At January 01, 2022	10,050,668	2,930,852	53,602,294	27,011,281	93,595,095
Charge for the year (note 27)	2,090,636	429,978	2,063,999	1,453,321	6,037,934
At December 31, 2022	**12,141,304**	**3,360,830**	**55,666,293**	**28,464,602**	**99,633,029**
NET BOOK VALUE					
At December 31, 2022	**144,359,768**	**948,109**	**9,732,435**	**3,831,560**	**158,871,872**

5. Property, plant and equipment (Cont'd)

(e) During the year 2021, the Group appointed Elevante Property Services Ltd, an external Independent Chartered Quantity Surveyor and Valuer to carry out a valuation of its land and buildings, results of which were higher than these shown in the financial statements. However, due to the prevailing Covid-19 crisis, the Directors, as a prudence basis, decided not to show any revaluation gain in the financial statements. During the year under review, management made an assessment of same, given that the Directors believe that the revalued value is not materially different from the carrying value of year 2023 and the book value of land and building have been adjusted to the revalued amount and the resultant surplus has been credited to revaluation surplus in shareholders' equity.

Details of the Group's freehold land and buildings measured at fair value and information about the fair value hierarchy are as follows:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Level 2	Level 2	**Level 2**	Level 2
		Rs.	Rs.	**Rs.**	Rs.
Freehold land and building	**Rs.**	**216,805,078**	153,602,438	**219,000,000**	144,359,768

There were no transfers between levels during the year.

The fair value of the freehold land was derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per arpent.

(f) If land and buildings were stated on the historical cost basis, the amount would be as follows:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Cost		**131,763,787**	131,763,787	**134,491,339**	132,763,054
Accumulated depreciation		**(72,716,169)**	(70,080,904)	**(66,215,105)**	(64,040,884)
Net book value	**Rs.**	**59,047,618**	61,682,883	**68,276,234**	68,722,170

(i) Borrowings are secured on the assets of the Group including property, plant and equipment.

(ii) Depreciation charge of Rs.6,848,574 (2022: Rs.8,715,562) for the group and Rs.6,159,445 (2022: Rs.6,037,934) has been charged in operating expenses.

5A. Right of use assets

(a) THE GROUP

	Motor Vehicles	Plant and Machinery	Total
	Rs.	**Rs.**	**Rs.**
COST			
At January 01, 2022	6,550,400	-	6,550,400
Additions (note 29(b)(i))	1,145,000	6,715,966	7,860,966
At December 31, 2022	7,695,400	6,715,966	14,411,366
Additions (note 29(b)(i))	1,940,000	2,197,353	4,137,353
At December 31, 2023	**9,635,400**	**8,913,319**	**18,548,719**
AMORTISATION			
At January 01, 2022	3,031,404	-	3,031,404
Charge for the year (note 27)	1,017,163	447,731	1,464,894
At December 31, 2022	4,048,567	447,731	4,496,298
Charge for the year (note 27)	1,426,412	724,333	2,150,745
At December 31, 2023	**5,474,979**	**1,172,064**	**6,647,043**
NET BOOK VALUE			
At December 31, 2023	**4,160,421**	**7,741,255**	**11,901,676**
At December 31, 2022	3,646,833	6,268,235	9,915,068

THE HOLDING COMPANY

	Motor Vehicles	Plant and Machinery	Total
	Rs.	**Rs.**	**Rs.**
COST			
At January 01, & December 31, 2022	4,235,400	6,715,966	10,951,366
Additions (note 29(b)(i))	-	2,197,353	2,197,353
At December 31, 2023	**4,235,400**	**8,913,319**	**13,148,719**
AMORTISATION			
At January 01, 2022	2,401,738	-	2,401,738
Charge for the year (note 27)	325,163	447,731	772,894
At December 31, 2022	2,726,901	447,731	3,174,632
Charge for the year (note 27)	535,080	891,332	1,426,412
At December 31, 2023	**3,261,981**	**1,339,063**	**4,601,044**
NET BOOK VALUE			
At December 31, 2023	**973,419**	**7,574,256**	**8,547,675**
At December 31, 2022	1,508,499	6,268,235	7,776,734

5A. Right of use assets (Cont'd)

(b) LEASE LIABILITIES

(i) THE GROUP

Year 2023	Motor Vehicles Rs.	Plant and Machinery Rs.	Total Rs.
At January 01,	**3,252,314**	**4,448,320**	**7,700,634**
Additions (note 29(b)(i))	**1,690,804**	**1,502,000**	**3,192,804**
Interest expense (note 25)	**205,357**	**124,078**	**329,435**
Lease payments	**(1,247,902)**	**(1,251,438)**	**(2,499,340)**
At December 31,	**3,900,573**	**4,822,960**	**8,723,533**
Analysed as follows:			
- Current	**1,133,134**	**1,281,810**	**2,414,944**
- Non-current	**2,767,439**	**3,541,150**	**6,308,589**
	3,900,573	**4,822,960**	**8,723,533**

(ii) Year 2022	Motor Vehicles Rs.	Plant and Machinery Rs.	Total Rs.
At January 01,	3,109,369	-	3,109,369
Additions (note 29(b)(i))	819,400	5,000,000	5,819,400
Interest expense (note 25)	187,209	69,478	256,687
Lease payments	(863,664)	(621,158)	(1,484,822)
At December 31,	3,252,314	4,448,320	7,700,634
Analysed as follows:			
- Current	894,778	964,637	1,859,415
- Non-current	2,357,536	3,483,683	5,841,219
	3,252,314	4,448,320	7,700,634

5A. Right of use assets (Cont'd)

(b) LEASE LIABILITIES (Cont'd)

(ii) THE HOLDING COMPANY

Year 2023	Motor Vehicles Rs.	Plant and Machinery Rs.	Total Rs.
At January 01,	**1,457,573**	**4,448,320**	**5,905,893**
Additions (note 29(b)(i))	**-**	**1,502,000**	**1,502,000**
Interest expense (note 25)	**48,544**	**124,078**	**172,622**
Lease payments	**(390,281)**	**(1,251,438)**	**(1,641,719)**
At December 31,	**1,115,836**	**4,822,960**	**5,938,796**
Analysed as follows:			
- Current	**353,546**	**1,281,810**	**1,635,356**
- Non-current	**762,290**	**3,541,150**	**4,303,440**
	1,115,836	**4,822,960**	**5,938,796**

(ii) Year 2022	Motor Vehicles Rs.	Plant and Machinery Rs.	Total Rs.
At January 01,	810,587	-	810,587
Additions (note 29(b)(i))	819,400	5,000,000	5,819,400
Interest expense (note 25)	51,707	69,478	121,185
Lease payments	(224,121)	(621,158)	(845,279)
At December 31,	1,457,573	4,448,320	5,905,893
Analysed as follows:			
- Current	341,437	964,637	1,306,074
- Non-current	1,116,136	3,483,683	4,599,819
	1,457,573	4,448,320	5,905,893

5A. Right of use assets (Cont'd)

(a) Nature of leasing activities (in the capacity as lessee)

The Group and the Company leases a number of vehicles and machines on lease. The leases comprises of only fixed payments over the lease terms.

(b) Variable lease payments

The percentages in the table below reflect the current proportions of lease payments at December 31, 2023. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the balance sheet date to lease payments that are variable.

	Vehicles and Machineries leases - Year 2023			
	No. of vehicles/ machineries	Fixed payments	Variable payments	Sensitivity
		%	%	Rs.
The Holding Company	4	100%	-	N/A
Other subsidiaries	4	100%	-	N/A
The Group	8	100%	-	N/A

	Vehicles and Machineries leases - Year 2022			
	No. of vehicles/ machineries	Fixed payments	Variable payments	Sensitivity
		%	%	Rs.
The Holding Company	3	100%	-	N/A
Other subsidiaries	3	100%	-	N/A
The Group	6	100%	-	N/A

(c) The total interest relating to lease liabilities included under finance cost amounted to **Rs.329,435** (2022: Rs.256,687) for the Group and **Rs.172,622** (2022: Rs.121,185) for the Company.

(d) The total cash outflows for leases in 2023 was **Rs.2,499,340** (2022: Rs.1,484,822) for the Group and **Rs.1,641,719** (2022: Rs.845,279) for the Company respectively.

6. Investment properties

	The Group		The Holding Company	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Fair value				
At January 01 ,	**1,471,384,013**	1,469,945,856	**1,076,740,952**	1,076,372,755
Exchange differences	**204,338**	(11,755)	**-**	-
Additions	**3,772,687**	1,449,912	**820,115**	368,197
Disposals	**(37,600,000)**	-	**(37,600,000)**	-
Transfer from property, plant and equipment (note 5)	**11,000,010**	-	**-**	-
Transfer to property, plant and equipment (note 5)	**(57,315,370)**	-	**(57,315,370)**	-
Fair value gain recognised in profit or loss (note 26)	**65,803,571**	-	**52,754,303**	-
At December 31,	**1,457,249,249**	1,471,384,013	**1,035,400,000**	1,076,740,952

(a) During the year 2021, the Group appointed Elevante Property Services Ltd, an external Independent Chartered Quantity Surveyor and Valuer to carry out a valuation of its investment properties, results of which were higher than those shown in the financial statements. However, due to the prevailing Covid-19 crisis, the Directors, as a prudence basis, decided not to show any fair value gain in the financial statements in the year 2021. In year 2023, management made an assessment of same, given that the Directors believe that the revalued value of year 2021 is not materially different from the carrying value of year 2023, the book value of land and building have been therefore adjusted to the revalued amount and the resultant fair value gain has been credited to the profit or loss statement.

(b) Details of the Group's investment properties and information about the fair value hierarchy are as follows:

	Level 2			
	The Group		The Holding Company	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Freehold land	**936,373,431**	1,179,445,631	**799,364,831**	786,891,352
Building on freehold land	**520,875,818**	291,938,382	**236,035,169**	289,849,600
	1,457,249,249	1,471,384,013	**1,035,400,000**	1,076,740,952

There were no transfers between levels during the year.

6. Investment properties (Cont'd)

(c) If investment properties were stated on the historical cost basis, the amount would be as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
At cost	**385,030,571**	382,707,796	**373,351,820**	410,131,705

(d) The following amounts have been recognised in the profit or loss:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
- Rental income (note 22)	**44,828,299**	40,401,178	**29,262,987**	28,375,524
- Operating expenses relating to investment properties	**(7,070,930)**	(5,843,962)	**(7,070,930)**	(5,843,962)
	37,757,369	34,557,216	**22,192,057**	22,531,562

(e) Leasing arrangement - Lessor

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate.

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

Minimum lease payments receivable on leases of investment properties are as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Within 1 year	**32,154,812**	33,998,345	**22,351,878**	23,535,411
Between 1 and 5 years	**37,105,571**	40,172,467	**17,092,936**	14,489,458
Later than 5 years	**2,940,000**	4,410,000	**-**	-
	72,200,383	78,580,812	**39,444,814**	38,024,869

7. Intangible assets

(a) THE GROUP

	Formulae costs	Computer software	Goodwill on acquisition	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**
COST				
At January 01, 2022, December 31, 2022 & December 31, 2023	**12,777,427**	**2,253,092**	**16,351,969**	**31,382,488**
AMORTISATION				
At January 01, 2022	12,777,426	2,000,806	12,581,408	27,359,640
Charge for the year (note 27)	-	199,291	-	199,291
Impairment losses (note 26)	-	-	1,229,439	1,229,439
At December 31, 2022	12,777,426	2,200,097	13,810,847	28,788,370
Charge for the year (note 27)	-	27,268	-	27,268
Impairment losses (note 26)	-	-	1,229,439	1,229,439
At December 31, 2023	**12,777,426**	**2,227,365**	**15,040,286**	**30,045,077**
NET BOOK VALUE				
At December 31, 2023	**1**	**25,727**	**1,311,683**	**1,337,411**
At December 31, 2022	1	52,995	2,541,122	2,594,118

7. Intangible assets (Cont'd)

THE HOLDING COMPANY	Computer software	Formulae costs	Total
	Rs.	Rs.	Rs.
COST			
At January 01, 2022	136,337	12,777,427	12,913,764
Additions	-	-	-
At December 31, 2022 & **December 31, 2023**	**136,337**	**12,777,427**	**12,913,764**
AMORTISATION			
At January 01, 2022	56,074	12,777,426	12,833,500
Charge for the year (note 27)	27,268	-	27,268
At December 31, 2022	83,342	12,777,426	12,860,768
Charge for the year (note 27)	27,268	-	27,268
At December 31, 2023	**110,610**	**12,777,426**	**12,888,036**
NET BOOK VALUE			
At December 31, 2023	**25,727**	**1**	**25,728**
At December 31, 2022	52,995	1	52,996

(b) Amortisation charge of **Rs.27,268** (2022: Rs.199,291) for the Group and **Rs.27,268** (2022: Rs.27,268) for the Company has been included in operating expenses.

(c) The Group has pledged all its intangible assets to secure general banking facilities granted to the Group.

(d) Formulae costs represent payments in respect of formulae for new products.

(e) The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

At December 31, 2023, based on the impairment tests, management recognised an impairment of **Rs.1,229,439** in its cash generating units ("CGUs") (2022: Rs.1,229,439) to which goodwill had been allocated. The recoverable amounts of the CGUs are determined from value in use calculations.

8. Investments in subsidiary companies

		Unquoted	
		2023	2022
	Cost	Rs.	Rs.
(a)	**At January 01, & December 31,**	**128,753,139**	128,753,139

(b) The subsidiaries details and the % shareholding are as follows:

Name of Company	Class of shares held	Year end	Stated capital	Cost of Investment (before impairment losses)	Proportion of direct ownership interest		Proportion of indirect ownership interest		Country of incorporation and operation	Main business
					2023	2022	2023	2022		
			Rs.	Rs.	% Holding	% Holding	% Holding	% Holding		
The MDC (Mauritius) Ltd****	Ordinary shares	December 31,	58,251,000	94,539,789	**100**	100	**-**	-	Mauritius	Investment properties
Elite Indian Ocean Ltd	Ordinary shares	December 31,	4,499,000	10,728,440	**100**	100	**-**	-	Mauritius	Distribution of consumer goods
MDC (Logistics) Ltd	Ordinary shares	December 31,	10,001,000	10,001,000	**100**	100	**-**	-	Mauritius	Distribution of consumer goods
Big Discount Limited*	Ordinary shares	December 31,	1,000,000	1,000,000	**100**	100	**-**	-	Mauritius	Retail of consumer goods
Healthy Goods Ltd*	Ordinary shares	December 31,	10,000,000	10,000,000	**100**	100	**-**	-	Mauritius	Distribution of consumer goods
Big Technologies Ltd***	Ordinary shares	December 31,	100,000	50,000	**50**	50	**-**	-	Mauritius	IT Consulting
Big D Property Ltd	Ordinary shares	December 31,	50,000	50,000	**100**	100	**-**	-	Mauritius	Investment properties
New Grove Shopping Centre Ltd*	Ordinary shares	December 31,	8,000,000	2,300,000	**100**	100	**-**	-	Mauritius	Retail of consumer goods
Bonne Terre Investissements SARL*	Ordinary shares	December 31,	240,000	250,000	**99**	99	**-**	-	Madagascar	Investment properties
Kripa Ipex Ltd***	Ordinary shares	December 31,	10,000	5,100	**51**	51	**-**	-	Mauritius	Retail of consumer goods
Parts held in Société										
Société du Jardin de la Compagnie**	Share of interest	December 31,	11,000,010	10,890,010	**99**	99	**-**	-	Mauritius	Rental of parking spaces
			103,151,010	139,814,339						

8. Investments in subsidiary companies (Cont'd)

(b) The subsidiaries details and the % shareholding are as follows (Cont'd):

*These companies have not prepared audited financial statements as they qualify as small private companies under the Mauritius Companies Act 2001, and as such, are not required to have their financial statements audited. The consolidated financial statements of Mauritius Cosmetics Limited incorporate the management accounts of these subsidiaries, normally prepared by the Directors.

**The non-controlling interest in Société du Jardin de la Compagnie is not material to the entity.

***These companies have been defunct or in the process of winding up during the year 2023.

****Per Section 249 of the Companies Act 2001, Unipack ltd, MDC International Ltd, Happy Goods Ltd and Bercher Products, all 100% directly owned subsidiaries of MCL Ltd have been amalgamated on November 30, 2023, to "MDC Mauritius Ltd" ("MDCML"). "MDCML" being the surviving company.

(c) Impairment of subsidiaries

Investments in subsidiaries have been valued at cost less impairment by the Directors. At the reporting date, the Directors have assessed the investments in subsidiary companies and in their opinion these investments have not suffered any impairment except for Kripa Ipex Ltd and Big Technologies Ltd.

9. Investments in jointly controlled entity

(a) Joint Venture

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
At January 01,	**2,001**	1	**2,001**	1
Additions (note 9(e))	**-**	2,000	**-**	2,000
Share of profit/Reversal of impairment	**1,479,397**	-	**499,999**	-
December 31,	**1,481,398**	2,001	**502,000**	2,001

9. Investments in jointly controlled entity (Cont'd)

(b) The results of the following joint ventures, all of which are unlisted, have been included in the financial statements:

Company name	Year end	Nature of business	Country of incorporation and operation	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit/(Loss)	Proportion of ownership interest	
										Direct	Indirect
				Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	%	%
2023											
Bonne Terre Management Company Ltd	**December 31,**	**Management services**	**Mauritius**	**599,747**	**1,155,798**	**2,036,959**	**6,463,915**	**25,452,000**	**2,363,161**	**50.0**	**-**
YPSILON GROUP:											
- Ypsilon Assets Co Ltd	**December 31,**	**Real estate services**	**Mauritius**	**4,000**	**25,355,756**	**62,380**	**25,355,756**	**-**	**(12,560)**	**50.0**	**-**
- Deramann Consumer Goods	**December 31,**	**Trading company**	**Mauritius**	**4,950,601**	**442,809**	**1,080,132**	**6,527,754**	**848,261**	**(2,216,372)**	**-**	**50.0**
2022											
Bonne Terre Management Company Ltd	December 31,	Management services	Mauritius	17,910,266	2,101,476	29,189,326	6,263,063	25,452,000	2,381,875	50.0	-
YPSILON GROUP:											
- Ypsilon Assets Co Ltd	December 31,	Real estate services	Mauritius	4,000	7,179,679	49,820	7,179,679	-	(47,790)	50.0	-
- Deramann Consumer Goods	December 31,	Trading company	Mauritius	4,950,601	442,809	1,080,132	6,527,754	848,261	(2,216,372)	-	50.0

(c) The above Jointly controlled entity is accounted for using the equity method.

9. Investments in jointly controlled entity (Cont'd)

(d) Results for the year and accumulated losses not recognised were as follows:

		Results for the year		Accumulated losses	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Bonne Terre Management Company Ltd		**2,363,161**	2,381,875	**-**	(16,440,644)
Ypsilon Assets Co Ltd		**(12,560)**	(47,790)	**(60,350)**	(47,790)
Deramann Consumer Goods Ltd		**(2,216,372)**	(2,216,372)	**(4,432,744)**	(2,216,372)
Total	**Rs.**	**134,229**	117,713	**(4,493,094)**	(18,704,806)

(e) Reconciliation of summarised financial position

Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements.

2023		Deramann Consumer Goods*	Ypsilon Assets Co Ltd*	Bonne Terre Management Co. Ltd*
		Rs.	**Rs.**	**Rs.**
Operating net liabilities (Rs.)		**-**	**(47,790)**	**595,634**
(Loss)/profit for the year (Rs.)		**(2,216,372)**	**(12,560)**	**2,363,161**
Closing net liabilities (Rs.)		**(2,216,372)**	**(60,350)**	**2,958,795**
Ownership interest (%)		**50**	**50**	**50**
		(1,108,186)	**(30,175)**	**1,479,398**
Profit/(loss) not recognised		**1,110,186**	**30,175**	**-**
Carrying value*	**Rs.**	**2,000**	**-**	**1,479,398**

9. Investments in jointly controlled entity (Cont'd)

2022	Deramann Consumer Goods*	Ypsilon Assets Co Ltd*	Bonne Terre Management Co. Ltd*
			Rs.
Operating net liabilities	**-**	**-**	**2,214,154**
(Loss)/profit for the year	**(2,216,372)**	**(47,790)**	**(1,618,520)**
Closing net liabilities	**2,216,372**	**47,790**	**595,634**
Ownership interest (%)	**50**	**50**	**50**
	1,108,186	**23,895**	**297,817**
Share of losses not recognised	**(1,106,186)**	**(23,895)**	**(297,816)**
Carrying value*	**2,000**	**-**	**1**

*The carrying value of the investments have been limited to Rs.1,481,397 (2022: Rs.2,001). The Group's share of loss is limited to initial investment cost.

10. Financial assets at fair value through other comprehensive income

(i) Equity investments at fair value through other comprehensive income

	The Group and The Holding Company	
	2023	2022
	Rs.	Rs.
At January 01,	**37,910,340**	2,385,340
Additions	**1,026,795**	34,230,000
Change in fair value recognised in other comprehensive income (note 17)	**11,416,486**	1,295,000
At December 31,	**50,353,621**	37,910,340

10. Financial assets at fair value through other comprehensive income

(ii) Fair value through other comprehensive income financial assets include the following:

		The Group and The Holding Company	
		2023	2022
		Rs.	Rs.
(i) Unquoted:			
Ecocentre Limitée (Preference)		**175,200**	**175,200**
Jungle Blue advertising (Ordinary)		**130,640**	**130,640**
Les Lycées Associés Ltée (Ordinary)		**21,500**	**21,500**
Les Lycées Associés Ltée (Preference)		**129,000**	**129,000**
Dacom Ltd (Ordinary)		**1,929,000**	**1,929,000**
Abacus Bond Investment		**1,026,795**	**-**
	Rs.	**3,412,135**	**2,385,340**

		2023	2022
		Rs.	Rs.
(ii) Quoted:			
Paper Converting Company Ltd (Ordinary)		**46,941,486**	**35,525,000**
TOTAL		**50,353,621**	**37,910,340**

(iii) Financial assets measured at fair value through other comprehensive income include the Group's equity investments not held for trading and debt securities held to collect and sell. The Group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these investments.

(iv) The fair value of the unquoted securities are based on expected cash flows discounted using a rate based on the market interest rate and the risk premium specific to the unlisted securities.

(v) Financial assets at fair value through other comprehensive income are denominated in Mauritian Rupees.

(vi) This investment is classified as level 3 fair value hierarchy under the fair value estimation and there is no movement as compared to prior year. As at reporting date, management considers the fair values of the investments to approximate the costs.

11. Deferred income tax

Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2022: 17%).

(a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income taxes and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity.

The following amounts are shown in the statements of financial position:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Deferred tax assets		**(560,455)**	(561,626)	**-**	-
Deferred tax liabilities		**34,392,576**	32,376,657	**34,392,576**	32,376,657
	Rs.	**33,832,121**	31,815,031	**34,392,576**	32,376,657

(b) The movement on the deferred income tax account is as follows:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
At January 01,		**31,815,031**	30,305,487	**32,376,657**	29,893,639
Charged/(credited) to profit or loss (note 14(b))		**2,017,090**	1,509,544	**2,015,919**	2,483,018
At December 31,	**Rs.**	**33,832,121**	31,815,031	**34,392,576**	32,376,657

(c) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows:

		The Group		
(i) Year 2023		**At January 01,**	**Charged/ (Credited) to profit or loss**	**At December 31,**
		Rs.	**Rs.**	**Rs.**
Asset Revaluation		3,674,399	-	**3,674,399**
Accelerated tax depreciation		31,481,328	1,845,206	**33,326,534**
Retirement benefit obligations		(1,332,948)	171,884	**(1,161,064)**
Provision credit loss allowance		(2,007,748)	-	**(2,007,748)**
Net deferred tax liabilities	**Rs.**	31,815,031	2,017,090	**33,832,121**

11. Deferred income tax (Cont'd)

(ii) Year 2022

	The Group		
	At January 01,	(Credited)/ charged to profit or loss	At December 31,
	Rs.	Rs.	Rs.
Asset revaluation	3,674,399	-	**3,674,399**
Accelerated tax depreciation	29,820,039	1,661,289	**31,481,328**
Retirement benefit obligations	(1,181,203)	(151,745)	**(1,332,948)**
Provision credit loss allowance	(2,007,748)	-	**(2,007,748)**
Net deferred tax liabilities Rs.	30,305,487	1,509,544	**31,815,031**

(iii) Year 2023

	The Holding Company		
	At January 01,	(Credited)/ charged to profit or loss	At December 31,
	Rs.	Rs.	Rs.
Asset Revaluation	3,674,399	-	**3,674,399**
Accelerated tax depreciation	31,320,917	1,831,286	**33,152,203**
Provision credit loss allowance	(2,007,748)		**(2,007,748)**
Retirement benefit obligations	(610,911)	184,633	**(426,278)**
Net Deferred tax liabilities Rs.	32,376,657	2,015,919	**34,392,576**

(iii) Year 2022

	The Holding Company		
	At January 01,	(Credited)/ charged to profit or loss	At December 31,
	Rs.	Rs.	Rs.
Asset Revaluation	3,674,399	-	**3,674,399**
Accelerated tax depreciation	28,835,215	2,485,702	**31,320,917**
Provision credit loss allowance	(2,007,748)		**(2,007,748)**
Retirement benefit obligations	(608,227)	(2,684)	**(610,911)**
Net Deferred tax liabilities Rs.	29,893,639	2,483,018	**32,376,657**

11. Deferred income tax (Cont'd)

(e) Unused tax losses at the end of the reporting date that were available for offset against future profits were as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Unused tax losses	**34,041,729**	33,441,247	**8,805,436**	86,120

No deferred tax asset has been recognised in respect of the above tax losses due to unpredictability of future profit streams. The tax losses expire on a rolling basis over 5 years.

12. Inventories

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Raw materials (at cost)	**25,538,087**	25,304,941	**25,538,087**	25,304,941
Finished goods (at net realisable value)	**71,511,026**	54,410,875	**3,486,092**	3,237,111
Work in progress (at cost)	**1,106,908**	2,743,042	**1,106,908**	2,743,042
Packing materials (at cost)	**25,049,656**	30,025,852	**25,049,656**	30,025,852
	123,205,677	112,484,710	**55,180,743**	61,310,946
Goods in transit	**-**	1,314,100	**-**	-
	123,205,677	113,798,810	**55,180,743**	61,310,946

(a) The carrying amounts of finished goods are arrived at as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
At cost	**131,410,350**	126,515,629	**56,907,989**	63,038,192
Fall in value of inventories	**(8,204,673)**	(12,716,819)	**(1,727,246)**	(1,727,246)
At net realisable value Rs.	**123,205,677**	113,798,810	**55,180,743**	61,310,946

12. Inventories (Cont'd)

(b) The movement on the fall of value in inventories is as follows:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
At January 01,		**12,716,819**	9,580,665	**1,727,246**	1,727,246
Stock written off		**(5,712,146)**	(1,963,846)	**-**	
Fall in value of inventories charged to Profit & Loss (note 27)		**1,200,000**	5,100,000	**-**	-
At December 31,	Rs.	**8,204,673**	12,716,819	**1,727,246**	1,727,246

(c) The cost of inventories recognised as expense and included in supplies and services amounted to **Rs.419,513,370** (2022: Rs.394,843,004) for the Group and **Rs.49,170,245** (2022: Rs.67,059,149) for the Company.

(d) Loans and bank overdrafts amounting to **Rs.191,845,761** (2022: Rs.210,099,531) for the Group and **Rs.161,750,535** (2022: Rs. 174,094,603) for the Company are secured on the assets of the Group including inventories.

13. Trade receivables

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Trade receivables		**173,450,688**	161,571,776	**25,635,995**	20,954,563
Provision for credit allowance		**(36,282,978)**	(39,774,365)	**(11,810,280)**	(11,810,280)
Trade receivables - net	Rs.	**137,167,710**	121,797,411	**13,825,715**	9,144,283

(i) Impairment of trade receivables

The Group and the Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

13. Trade receivables (Cont'd)

(i) Impairment of trade receivables (Cont'd)

The expected loss rates are based on the payment profiles of sales over a period of 36 months before December 31, 2023 or January 01, 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP of the Country in which it sells its goods to the most relevant factors and accordingly the historical loss rate based on expected changes in these factors.

On that basis, the loss allowance as at December 31, 2023 and January 01, 2023 was determined as follows for trade receivables:

THE GROUP	**2021**	**2022**	**2023**	**Average**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Expected loss rate	11.51%	10.26%	8.66%	9.98%
Credit sales (Rs.)	328,366,009	367,456,721	459,126,643	384,983,124
Loss allowance	37,799,570	37,712,826	39,774,365	38,428,920

THE COMPANY	**2021**	**2022**	**2023**	**Average**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Expected loss rate	22.45%	18.23%	14.55%	16.69%
Credit sales (Rs.)	52,608,649	78,484,919	81,196,029	70,763,199
Loss allowance	11,810,280	11,810,280	11,810,280	11,810,280

The closing loss allowances for trade receivables as at December 31, 2023 reconcile to the opening loss allowances as follows:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Loss allowance as at January 01,		**39,774,365**	37,712,826	**11,810,280**	11,810,280
Loss allowance recognised in profit or loss during the year (note 27)		**600,000**	2,061,539	**-**	-
Receivables written off during the year as uncollectible		**(4,091,387)**	-	**-**	-
At December 31,	Rs.	**36,282,978**	39,774,365	**11,810,280**	11,810,280

(ii) Trade and other receivables are denominated in Mauritian rupee as shown in note 3.1(a).

(iii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

13A. Reedeemable preference shares

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Cummulative redeemable preference shares - Class C (note (a) & 30)	**27,000,000**	-	**27,000,000**	-

(a) Cummulative redeemable preference shares - Class C

The Company subscribed to Paper Converting Company Ltd ("PCCL"), a related company, 1,080 cumulative redeemable preference shares at Rs.25k per share as at December 31,2023 amounting to Rs.27 M, for the purpose of financing a paper factory mill in Tanzania. The shares are redeemable at the option of the shareholder which option shall be exercising during a 72 month period as from October 02, 2023 to October 01, 2029 and pay dividends at the repo rate of 4.5% + 2% annually.

13B. Other financial assets at amortised cost

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Receivable from related parties (note 31)	**77,366,261**	54,304,996	**347,059,670**	322,243,284
Refundable deposit	**40,000**	40,000	**40,000**	40,000
Other receivables at amortised cost	**42,000**	50,000	**-**	-
	77,448,261	54,394,996	**347,099,670**	322,283,284
Credit loss allowances	**-**	-	**-**	-
Rs.	**77,448,261**	54,394,996	**347,099,670**	322,283,284

Analysed as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Current	**58,919,804**	47,168,057	**62,030,948**	57,539,255
Non-Current	**18,528,457**	7,226,939	**285,068,722**	264,744,029
Rs.	**77,448,261**	54,394,996	**347,099,670**	322,283,284

13B. Other financial assets at amortised cost (Cont'd)

(a) The financial assets at amortised cost are interest free, unsecured and repayable on demand.

(b) Fair values of financial assets at amortised cost

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. Directors consider the carrying amount of non current receivables to approximate their fair value.

(c) Impairment and risk exposure

(i) Financial assets at amortised cost did not include any loss allowance as at December 31, 2023.

(ii) Financial assets at amortised cost are denominated in Mauritian rupee and Euro as shown in note 3.1.

(iii) There is no exposure to price risk as the investments will be held to maturity.

13C. Other current assets

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Tax deducted at source (note 14(a))	**5,219,166**	4,530,407	**3,820,649**	3,034,460
VAT recoverable	**2,333,727**	2,733,559	**350,169**	-
Prepayments	**10,384,568**	19,816,682	**757,983**	1,729,852
Receivable from suppliers	**3,403,890**	-	**3,403,890**	-
Other receivables (see note (a) below)	**435,000**	2,089,131	**8,439,257**	7,761,375
Rs.	**21,776,351**	29,169,779	**16,771,948**	12,525,687

(a) These amounts generally arise from transactions outside the usual operating activities of the Group. Collateral is not normally obtained.

14. Taxation

(a) Amounts recognised in the statements of financial position:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
At January 01,	**(1,738,785)**	(1,836,619)	**(2,471,049)**	(2,145,772)
Tax paid during the year	**(1,089,354)**	(809,942)	**-**	-
Over provision in previous year credited to profit or loss (14(b))	**(35,962)**	63,888	**-**	-
	(2,864,101)	(2,582,673)	**(2,471,049)**	(2,145,772)
Current tax on the adjusted profit for the year at 15%-20% (2022: 15%-20%)	**1,300,227**	1,159,806	**-**	-
CSR contribution-current year	**92,907**	237,428	**-**	-
Tax paid under the Tax deducted at source system	**(688,759)**	(553,346)	**(786,189)**	(325,277)
At December 31,	**(2,159,726)**	(1,738,785)	**(3,257,238)**	(2,471,049)
Analysed as follows:				
- Other current assets: Tax deducted at source (note 13C)	**5,219,166**	4,530,407	**3,820,649**	3,034,460
- Current tax liabilities	**(3,059,440)**	(2,791,622)	**(563,411)**	(563,411)
	2,159,726	1,738,785	**3,257,238**	2,471,049

(b) Amounts recognised in the statements of profit or loss:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Current tax on the adjusted profit for the year at 15%-20% (2022: 15%-20%)	**1,300,227**	1,159,806	**-**	-
CSR contribution	**92,907**	237,428	**-**	-
Over provision in previous year credited to profit or loss (14(b))	**(35,962)**	(499,731)	**-**	-
Deferred income taxes (note 11(b))	**2,017,090**	1,509,544	**2,015,919**	2,483,018
Charge for the year	**3,374,262**	2,407,047	**2,015,919**	2,483,018

14. Taxation (Cont'd)

(c) Tax reconciliation

The tax on the Group's and the Company's profit before taxation differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Profit before taxation	**97,776,349**	10,158,211	**66,486,102**	9,024,029
Tax calculated at a rate of 15%-20% (2021: 15%-20%)	**14,666,451**	1,523,731	**9,972,914**	1,353,603
Income not subject to tax	**(16,099,508)**	(3,487,035)	**(12,623,604)**	(2,265,305)
Expenses not deductible for tax purposes	**1,753,365**	3,046,927	**1,921,485**	911,702
Tax losses on which no deferred tax were recognised	**979,919**	76,183	**729,205**	-
Over provision in previous year	**(35,962)**	(499,731)	**-**	-
Irrecoverable Tax Deducted at Source	**-**	-	**-**	-
CSR contribution	**92,907**	237,428	**-**	-
Deferred tax (note 11 (b))	**2,017,090**	1,509,544	**2,015,919**	2,483,018
Tax charge	**3,374,262**	2,407,047	**2,015,919**	2,483,018

15. Non-current assets classified as held for sale

(a) Investment property held for sale:

		The Group and The Holding Company	
		2023	2022
		Rs.	Rs.
At January 01,		**89,674,000**	89,674,000
Transfer to PCCL Properties		**(89,674,000)**	-
At December 31,	Rs.	**-**	89,674,000

(b) Liabilities directly associated with non-current assets classified as held for sale:

		2023	2022
		Rs.	Rs.
Deposit received on building from related party (note 30)	Rs.	-	89,674,000

16. Stated capital

	The Group and The Holding Company			
	Number of ordinary shares	Ordinary shares	Share Premium	Total
		Rs.	Rs.	Rs.
At January 01, 2022	18,000,000	180,000,000	212,724,323	392,724,323
Proceeds from shares issued (note (ii))	18,000,000	180,000,000	-	180,000,000
At December 31, 2022	**36,000,000**	**360,000,000**	**212,724,323**	**572,724,323**
Proceeds from shares issued (note (ii))	**14,000,000**	**140,000,000**	**-**	**140,000,000**
At December 31, 2023	**50,000,000**	**500,000,000**	**212,724,323**	**712,724,323**

(i) The Company has one class of shares and each share carries a right to:

(a) One vote on a poll at a meeting of the Company on any resolution;
(b) An equal share in Dividends authorised by the Board; and
(c) An equal share in the distribution of surplus assets of the Company.

(ii) The Directors resolve on February 03, 2023 to proceed with a bonus in the ratio of one (1) new ordinary shares for every three (3) ordinary shares held, totalling Rs.120,000,000 and made up of 12,000,000 new ordinary shares of Rs.10 each and on November 07, 2023 to proceed with a bonus in the ratio of one (1) new ordinary share for every twenty-four (24) ordinary shares held, totalling Rs.20,000,000 and made up of 2,000,000 new ordinary shares of Rs.10 each. The main purpose of the Bonus issue is to improve the liquidity of the Group's shares on the SEM.

17. Other reserves

(a) THE GROUP

	Revaluation and other reserves	Financial assets at FVOCI reserves	Currency translation reserves	Total
	Rs.	Rs.	Rs.	Rs.
At January 01, 2023	390,310,142	981,002	(11,391,431)	379,899,713
Bonus shares issue (note 16)	(140,000,000)	-	-	(140,000,000)
Currency translation differences	17,770,798	11,416,486	(1,365,770)	27,821,514
At December 31, 2023	**268,080,940**	**12,397,488**	**(12,757,201)**	**267,721,227**
Analysed as follows:				
- The Holding Company	179,501,162	12,397,491	-	191,898,653
- Subsidiary companies	88,579,778	(3)	(12,757,201)	75,822,574
Rs.	**268,080,940**	**12,397,488**	**(12,757,201)**	**267,721,227**

17. Other reserves (Cont'd)

THE GROUP

	Other reserves	Financial assets at FVOCI reserve	Currency translation reserve	Total
	Rs.	Rs.	Rs.	Rs.
At January 01, 2022	390,310,142	(313,998)	(9,072,204)	380,923,940
Currency translation differences	-	1,295,000	(2,319,227)	(1,024,227)
At December 31, 2022	**390,310,142**	**981,002**	**(11,391,431)**	**379,899,713**
Analysed as follows:				
- The Holding Company	301,730,364	981,005	-	302,711,369
- Subsidiary companies	88,579,778	(3)	(11,391,431)	77,188,344
Rs.	**390,310,142**	**981,002**	**(11,391,431)**	**379,899,713**

(b) THE HOLDING COMPANY

	Other reserves	Financial assets at FVOCI reserve	Total
	Rs.	Rs.	Rs.
At January 01, 2023	301,730,364	981,005	302,711,369
Issue of share capital (note 16)	(140,000,000)		(140,000,000)
Revaluation gain (note 5)	17,770,798		17,770,798
Changes in fair value of equity instruments at fair value through other comprehensive income (note 10)	-	11,416,486	11,416,486
At December 31, 2023 **Rs.**	**179,501,162**	**12,397,491**	**191,898,653**

	Revaluation surplus	Financial assets at FVOCI reserve	Total
	Rs.	Rs.	Rs.
At January 01, 2022	301,730,364	(313,995)	301,416,369
Changes in fair value of equity instruments at fair value through other comprehensive income (note 10)	-	1,295,000	1,295,000
At December 31, 2022 **Rs.**	**301,730,364**	**981,005**	**302,711,369**

17. Other reserves (Cont'd)

Other Reserves
The other reserves relates to the capital reserve and revaluation of property, plant and equipment.

Financial assets at FVOCI reserve
Financial assets at FVOCI reserve comprises gains/losses arising on financial assets at fair value through other comprehensive income.

Currency translation reserve
Foreign currency translation reserves is used to convert the results of a MCL's foreign subsidiary - Bonne Terre Investissements (Madagascar) to its reporting currency.

18. Borrowings

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Bank overdrafts (note 29 (e)) & (note (c))	**9,009,436**	9,179,347	**4,180,165**	3,060,962
Import loans from banks (note (c))	**71,503,530**	60,020,512	**26,169,598**	17,020,512
Bank loans-secured (note (c))	**182,836,325**	200,920,184	**157,571,289**	171,033,641
Loan from related parties (note 30) & (note (d))	**-**	-	**7,789,751**	7,801,951
Redeemable preference shares - Class A (note (a))	**15,055,134**	19,519,938	**15,055,134**	19,519,938
Redeemable preference shares - Class B (note (b))	**1,175,000**	1,188,549	**1,175,000**	1,188,549
	279,579,425	290,828,530	**211,940,937**	219,625,553
Analysed as Follows:				
Non-current				
Bank loans-secured	**157,077,451**	166,922,837	**141,428,891**	146,558,485
Loan from related parties (note 30)	**-**	-	**7,789,751**	7,801,951
Redeemable preference shares - Class A	**10,555,134**	15,019,938	**10,555,134**	15,019,938
Redeemable preference shares - Class B	**1,175,000**	1,188,549	**1,175,000**	1,188,549
	168,807,585	183,131,324	**160,948,776**	170,568,923
Current				
Bank overdrafts (note 29 (e))	**9,009,436**	9,179,347	**4,180,165**	3,060,962
Bank loans-Secured	**25,758,874**	33,997,347	**16,142,398**	24,475,156
Import loans from banks	**71,503,530**	60,020,512	**26,169,598**	17,020,512
Redeemable preference shares - Class A	**4,500,000**	4,500,000	**4,500,000**	4,500,000
	110,771,840	107,697,206	**50,992,161**	49,056,630
Total borrowings **Rs.**	**279,579,425**	290,828,530	**211,940,937**	219,625,553

18. Borrowings (Cont'd)

(a) *Redeemable Preference shares- Class A

The Company issued 1,178 cumulative redeemable preference shares at Rs.25k per share as at December 31, 2021 amounting to Rs.27 M. The shares are redeemable at the option of the shareholder which option shall be exercising during a 3 month period as from December 31, 2020 to September 30, 2026 and pay dividends at repo rate + 2% annually.

(b) *Redeemable Preference shares- Class B

The Company issued 47 cumulative redeemable preference shares at Rs.25k per share as at December 31, 2021 amounting to Rs.1.1 M. The shares are subject to a minimum investment period of 5 years be exercising during a 3 month period as from December 31, 2020 to September 30, 2026 and pay dividends at repo rate + 2% annually.

(c) The bank borrowings are secured by fixed and floating charges on the assets of the Group including property, plant and equipment, investment property and inventories (notes 5, 6 and 12). Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default. There are no other restrictions imposed on the Group or on the Company by lease arrangements other than in respect of the specific assets being leased.

The rates of interest are as follows:

— Bank overdraft vary from 7.25% to 8.45%.
— Bank loans vary between 6.75% to 8.45%
— Import loans vary from 7.25% to 8.45%.

(d) Loan from Group companies in 2022 was Rs.7,789,751 (2022: Rs.7,801,951) for the Company are unsecured, interest free and repayable after one year.

(c) The exposure of the Group's and the Company's borrowings to interest rate changes and the contractual repricing dates are as follows:

		6 months or less	6 - 12 months	1 - 5 years	Over 5 years	Total
		Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
At December 31, 2023						
Total borrowings	**Rs.**	**279,579,425**	**-**	**-**	**-**	**279,579,425**
At December 31, 2022						
Total borrowings	Rs.	290,828,530	-	-	-	290,828,530

18. Borrowings (Cont'd)

(ii) THE HOLDING COMPANY

		6 months or less	6 - 12 months	1 - 5 years	Over 5 years	Total
		Rs.	Rs.	Rs.	Rs.	Rs.
At December 31, 2023						
Total borrowings	**Rs.**	**211,940,937**	**-**	**-**	**-**	**211,940,937**
At December 31, 2022						
Total borrowings	Rs.	219,625,553	-	-	-	219,625,553

(d) The maturity of non-current borrowings is as follows:

(i)

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
After one year and before five years		**164,692,239**	166,886,202	**156,833,430**	154,323,801
After five years		**4,115,346**	16,245,122	**4,115,346**	16,245,122
	Rs.	**168,807,585**	183,131,324	**160,948,776**	170,568,923

(ii) Non-current borrowings can be analysed as follows:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
After one year and before five years					
- Bank loans		**152,962,105**	150,677,715	**137,313,545**	130,313,363
- Loan from Related Companies		**-**	-	**7,789,751**	7,801,951
- Redeemable preference shares		**11,730,134**	16,208,487	**11,730,134**	16,208,487
	Rs.	**164,692,239**	166,886,202	**156,833,430**	154,323,801
After five years					
- Bank loans		**4,115,346**	16,245,122	**4,115,346**	16,245,122
- Redeemable preference shares		**-**	-	**-**	-
	Rs.	**4,115,346**	16,245,122	**4,115,346**	16,245,122

18. Borrowings (Cont'd)

(f) The carrying amounts of non-current borrowings are not materially different from their fair values.

(g) The carrying amounts of short term borrowings approximate their fair values.

(h) The carrying amounts of the Group's and the Holding Company's borrowings are denominated in the following currencies:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Mauritian rupee		**167,876,392**	173,971,124	**100,236,330**	102,768,147
Euro		**111,703,033**	116,857,406	**111,703,033**	116,857,406
GBP		**1,058**	-	**1,058**	-
USD		**516**	-	**516**	-
	Rs.	**279,579,425**	290,828,530	**211,940,937**	219,625,553

19. Retirement benefit obligations

Retirement benefits comprise mainly of retirement gratuity payable under the Workers' Rights Act 2019 and other benefits.

(i) Movement in retirement gratuity:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
At January 01,		**9,373,658**	9,212,088	**3,302,592**	3,302,592
Benefits paid		**(1,133,909)**	(273,852)	**(1,133,909)**	(273,852)
Total current service cost charged in profit or loss (note 23(b))		**445,870**	435,422	**338,832**	273,852
At December 31,	**Rs.**	**8,685,619**	9,373,658	**2,507,515**	3,302,592

(ii) It has been assumed that the rate of future salary increases will be equal to the discount rate.

20. Trade and other payables

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Trade payables		**10,129,015**	11,135,228	**370,858**	2,215,700
Amounts due to related parties (note 30)		**153,918,063**	146,416,134	**82,532,216**	72,033,667
Trade terms payable		**13,578,610**	18,148,724	**-**	-
Other payables and accruals		**43,517,200**	25,156,893	**24,498,394**	16,294,852
	Rs.	**221,142,888**	200,856,979	**107,401,468**	90,544,219

Analysed as follows:

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Non Current	**21,066,305**	-	**21,066,305**	-
Current	**200,076,583**	200,856,979	**86,335,163**	90,544,219
	221,142,888	200,856,979	**107,401,468**	90,544,219

The carrying amounts of trade and other payables approximate their fair values.

21. Dividend payable

		The Group and The Holding Company	
		2023	2022
		Rs.	Rs.
(a)	At January 01,	**3,600,000**	2,880,000
	Declared during the year**	**5,000,000**	3,600,000
	Paid during the year	**(3,600,000)**	(2,880,000)
	At December 31,	**5,000,000**	3,600,000

**The Directors declared a dividend in respect of the year ended December 31, 2023 at Rs.0.1 per ordinary share amounting to a total of Rs.5,000,000.

22. Revenue

(a) The following is an analysis of the Group and the Holding Company's turnover for the year.

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Sales of goods		**521,168,716**	459,126,643	**81,196,029**	78,484,919
Rendering of services		**403,298**	404,217	**-**	-
Rental Income		**44,828,299**	40,401,178	**29,262,987**	28,375,524
Revenue from Contract with Customers	Rs.	**566,400,313**	499,932,038	**110,459,016**	106,860,443

(b) Primary geographic markets

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Mauritius		**562,528,748**	494,447,986	**106,587,451**	101,376,391
Other countries		**3,871,565**	5,484,052	**3,871,565**	5,484,052
	Rs.	**566,400,313**	499,932,038	**110,459,016**	106,860,443

(c) Timing of revenue recognition:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
At a point in time		**521,168,716**	459,126,643	**81,196,029**	78,484,919
Over time		**45,231,597**	40,805,395	**29,262,987**	28,375,524
	Rs.	**566,400,313**	499,932,038	**110,459,016**	106,860,443

23. (a) Employee benefit expenses

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
- Mauritius cosmetics Limited	**11,254,238**	7,762,734	**11,254,238**	9,785,783
- Other subsidiary companies	**20,021,458**	19,464,631	**-**	-
Rs.	**31,275,696**	27,227,365	**11,254,238**	9,785,783

23. (b) Employee benefit expenses

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Employee benefit expense can be analysed as follows:				
Wages and salaries	**29,066,415**	25,600,912	**10,165,010**	8,835,261
Social security costs	**1,333,045**	923,937	**630,231**	530,116
Other post-retirement benefits (note 19)	**445,870**	435,422	**338,832**	273,852
Pension costs-defined contribution plans	**430,366**	267,094	**120,165**	146,554
Rs.	**31,275,696**	27,227,365	**11,254,238**	9,785,783

24. Other income

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Dividend income from related companies (note 30)	**-**	435,000	**5,000,000**	6,435,000
Profit on disposal of Investment property	**3,987,794**	-	**3,987,794**	
Profit on disposal of property, plant and equipment	**-**	511,043	**-**	-
Others sundry income	**889,147**	1,321,698	**889,147**	-
Rs.	**4,876,941**	2,267,741	**9,876,941**	6,435,000

25. Finance costs

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Interest expense:				
- Bank and other loans repayable by instalments	**19,102,789**	16,123,794	**5,480,108**	4,760,155
- Bank overdrafts	**475,539**	368,487	**244,427**	108,873
- Lease liabilities (note 5A(b))	**329,435**	256,687	**172,622**	121,185
- Dividend on redeemable preference shares	**308,926**	1,036,002	**308,926**	1,036,002
	20,216,689	17,784,970	**6,206,083**	6,026,215
- Net foreign exchange losses/(gains)	**264,179**	259,317	**220,659**	150,249
Net finance costs Rs.	**20,480,868**	18,044,287	**6,426,742**	6,176,464

26. Non recurring items

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Impairment losses- goodwill (note 7)	**-**	(1,229,439)	**-**	-
Creditors' written back	**-**	3,833,804	**-**	-
Marketing and other preliminary expenses in foreign subsidiary from related company	**-**	(13,752,217)	**-**	(13,752,217)
Recharge of marketing and other preliminary expenses in foreign subsidiary to related company (note 30)	**-**	5,884,758	**-**	5,884,758
Additional proceeds from sales of shares	**-**	788,984	**-**	788,984
Rs.	**-**	(4,474,110)	**-**	(7,078,475)

27. Profit before taxation

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Profit before taxation is arrived at after				
(i) crediting:				
Dividends from subsidiary company (note 24)	**-**	435,000	**5,000,000**	6,435,000
Rental income from investment properties (note 22)	**44,828,299**	40,401,178	**29,262,987**	28,375,524
Profit on disposal of property, plant and equipment	**-**	(511,043)	**-**	-
Creditors' written back (note 26)	**-**	3,833,804	**-**	-
Recharge of marketing and other preliminary expenses in foreign subsidiary to related company (note 26)	**-**	5,884,758	**-**	5,884,758
(ii) and charging:				
Depreciation on property, plant and equipment (note 5)	**6,848,574**	8,715,562	**6,159,446**	6,037,934
Amortisation on right-of-use assets (note 5A)	**2,150,745**	1,464,894	**1,426,412**	772,894
Amortisation of intangible assets (note 7)	**27,268**	199,291	**27,268**	27,268
Provision for credit allowance (note 13(i))	**600,000**	2,061,539	**-**	-
Fall in value of inventories (note 12)	**1,200,000**	5,100,000	**-**	-
Cost of inventories recognised as expenses (note 12)	**419,513,370**	394,843,004	**49,170,245**	67,059,149
Impairments losses:				
- Goodwill (note 26)	**1,229,439**	1,229,439	**-**	-
Employee benefit expenses (note 23)	**31,275,696**	27,227,365	**11,254,238**	7,762,734

28. Earnings per share

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Earnings attributable to equity holders of the Company		**94,385,061**	7,617,142	**64,470,183**	6,541,011
Number of ordinary shares in issue (note 16)		**50,000,000**	36,000,000	**50,000,000**	36,000,000
Earnings per share	Rs./Cts.	**1.89**	0.21	**1.29**	0.18

29. Notes to the statements of cash flows

(a) Cash generated from operations

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Profit before taxation		**97,776,349**	10,158,211	**66,486,102**	9,024,029
Adjustments:					
Profit on disposal of property, plant and equipment		**-**	(511,043)	**-**	-
Profit on disposal of Investment Property (note 6)		**(3,987,794)**	-	**(3,987,794)**	-
Depreciation on property, plant and equipment (note 5)		**6,848,574**	8,715,562	**6,159,446**	6,037,934
Amortisation of right-of-use assets (note 5A)		**2,150,745**	1,464,894	**1,426,412**	772,894
Amortisation of intangible assets (note 7)		**27,268**	199,291	**27,268**	27,268
Retirement benefit obligations (note 19)		**(688,039)**	161,570	**(795,077)**	-
Fair value gain on investment property (note 6)		**(65,803,571)**	-	**(52,754,303)**	-
Share of result of Jointly controlled entity		**(1,479,397)**	-	**(499,999)**	-
Exchange losses on borrowings		**2,626,604**	2,008,322	**2,626,604**	2,008,322
Exchange losses/(gains) on Investment properties (note 6)		**(204,338)**	11,755	**-**	-
Impairment losses:					
- Intangible Assets (note 7)		**1,229,439**	1,229,439	**-**	-
Dividend income (note 24)		**-**	-	**5,000,000**	6,435,000
Interest expense (note 25)		**20,216,689**	17,784,970	**6,206,083**	6,026,215
		58,712,529	41,222,971	**29,894,742**	30,331,662
Changes in working capital:					
- Inventories		**(9,406,867)**	(24,407,207)	**6,130,203**	(16,190,908)
- Trade receivables		**(15,370,299)**	(3,867,304)	**(4,681,432)**	15,729,971
- Other financial assets at amortised cost		**(23,053,265)**	13,676,912	**(29,816,386)**	(9,119,826)
- Other current assets		**7,393,428**	(7,430,295)	**(3,460,072)**	(4,619,544)
- Trade and other payables		**19,608,898**	68,447,719	**16,857,249**	73,969,107
Cash generated from operations	Rs.	**37,884,424**	87,642,796	**14,924,304**	90,100,462

29. Notes to the statements of cash flows (Cont'd)

(b) Non-cash transactions

The principal non cash transactions are as follows:

(i) Acquisition of right-to-use assets (Note 5A)

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Total acquisition of leased vehicles (note 5A)		**4,137,353**	7,860,966	**2,197,353**	7,860,966
Less: Amounts financed by leasing company (note 5A(b))		**(3,192,804)**	(5,819,400)	**(1,502,000)**	(5,819,400)
Acquired using own fund	Rs.	**944,549**	2,041,566	**695,353**	2,041,566

(ii) Disposal of asset held for sale

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Disposal		**89,674,000**	89,674,000	**89,674,000**	89,674,000
Less: non-cash consideration		**(89,674,000)**	-	**(89,674,000)**	-
Amount due from related party	Rs.	**-**	89,674,000	**-**	89,674,000

29. Notes to the statements of cash flows (Cont'd)

(c) Reconciliation of liabilities arising from financing activities

THE GROUP

(i) Year 2023

		January 01, 2022	Cash flows	Non-cash changes: Acquisition under finance lease	Non-cash changes: Foreign exchange movement/other non cash changes	December 31, 2023
		Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Bank Loans		200,920,184	(20,710,463)	-	2,626,604	**182,836,325**
Import Loans from banks		60,020,512	11,483,018	-	-	**71,503,530**
Redeemable Preference shares - Class A		19,519,938	(4,464,804)	-	-	**15,055,134**
Redeemable Preference shares - Class B		1,188,549	(13,549)	-	-	**1,175,000**
Lease liabilities - plant & machinery		4,448,320	(1,251,438)	1,502,000	124,078	**4,822,960**
Lease liabilities - vehicles		3,252,314	(1,247,902)	1,690,804	205,357	**3,900,573**
Liabilities arising from financing activities		289,349,817	(16,205,138)	3,192,804	2,956,039	**279,293,522**
Cash & cash equivalents and bank overdraft		6,872,706	(2,251,211)	-	-	**4,621,495**
Net debt	Rs.	296,222,523	(18,456,349)	3,192,804	2,956,039	**283,915,017**

THE GROUP

(i) Year 2022

		January 01, 2022	Cash flows	Non-cash changes: Acquisition under finance lease	Non-cash changes: Foreign exchange movement/other non cash changes	December 31, 2022
		Rs.	Rs.	Rs.	Rs.	**Rs.**
Bank Loans		249,523,575	(50,611,713)	-	2,008,322	**200,920,184**
Import Loans from banks		32,168,475	27,852,037	-	-	**60,020,512**
Redeemable Preference shares - Class A		24,118,365	(4,598,427)	-	-	**19,519,938**
Redeemable Preference shares - Class B		1,188,549	-	-	-	**1,188,549**
Lease liabilities - plant & machinery		-	(621,158)	5,000,000	69,478	**4,448,320**
Lease liabilities - vehicles		3,109,369	(863,664)	819,400	187,209	**3,252,314**
Liabilities arising from financing activities		310,108,333	(28,842,925)	5,819,400	2,265,009	**289,349,817**
Cash & cash equivalents and bank overdraft		(771,555)	7,644,261	-	-	**6,872,706**
Net debt	Rs.	619,445,111	(50,041,589)	11,638,800	4,530,018	**296,222,523**

29. Notes to the statements of cash flows (Cont'd)

THE HOLDING COMPANY

(iii) Year 2023		January 01, 2023	Cash flows	Non-cash changes: Acquisition under Finance Lease	Non-cash changes: Foreign exchange movement/other non cash changes	December 31, 2023
		Rs.	Rs.	Rs.	Rs.	Rs.
Bank Loans		171,033,641	(16,088,956)	-	2,626,604	**157,571,289**
Import Loans from banks		17,020,512	9,149,086	-	-	**26,169,598**
Redeemable Preference shares - Class A		19,519,938	(4,464,804)	-	-	**15,055,134**
Redeemable Preference shares - Class B		1,188,549	(13,549)	-	-	**1,175,000**
Lease liabilities - plant & machinery		4,448,320	(1,251,438)	1,502,000	124,078	**4,822,960**
Lease liabilities - vehicles		1,457,573	(390,281)	-	48,544	**1,115,836**
Loan from related parties		7,801,951	(12,200)	-	-	**7,789,751**
Liabilities arising from financing activities		222,470,484	(13,072,142)	1,502,000	2,799,226	**213,699,568**
Cash & cash equivalents and bank overdraft		2,289,658	(686,742)	-	-	**1,602,916**
Net debt	Rs.	224,760,142	(13,758,884)	1,502,000	2,799,226	**215,302,484**

(iv) Year 2022		January 01, 2022	Cash flows	Acquisition under Finance Lease	Foreign exchange movement/other non cash changes	December 31, 2023
		Rs.	Rs.	Rs.	Rs.	Rs.
Bank Loans		194,894,229	(25,868,910)	-	2,008,322	**171,033,641**
Import Loans from banks		23,904,676	(6,884,164)	-	-	**17,020,512**
Redeemable Preference shares - Class A		1,188,549	-	-	-	**1,188,549**
Redeemable Preference shares - Class B		24,118,365	(4,598,427)	-	-	**19,519,938**
Lease liabilities - plant & machinery		-	(621,158)	5,000,000	69,478	**4,448,320**
Lease liabilities - vehicles		810,587	(224,121)	819,400	51,707	**1,457,573**
Loan from related parties		6,244,815	1,557,136	-	-	**7,801,951**
Liabilities arising from financing activities		251,161,221	(36,639,644)	5,819,400	2,129,507	**222,470,484**
Cash & cash equivalents and bank overdraft		2,577,616	(287,958)	-	-	**2,289,658**
Net debt	Rs.	253,738,837	(36,927,602)	5,819,400	2,129,507	**224,760,142**

29. Notes to the statements of cash flows (Cont'd)

(d) Cash and cash equivalents

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Cash in hand and at bank	Rs.	**4,387,941**	2,306,641	**2,577,249**	771,304

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

(e) Cash and cash equivalents and bank overdrafts include the following for the purpose of the statements of cash flows:

		The Group		The Holding Company	
		2023	2022	**2023**	2022
		Rs.	Rs.	**Rs.**	Rs.
Cash and cash equivalents		**4,387,941**	2,306,641	**2,577,249**	771,304
Bank overdrafts (note 18)		**(9,009,436)**	(9,179,347)	**(4,180,165)**	(3,060,962)
	Rs.	**(4,621,495)**	(6,872,706)	**(1,602,916)**	(2,289,658)

30. Related party transactions

(a)	THE GROUP	Purchase of goods or services	Sale of goods or services	Management fees paid	Rental income	Dividend income	Loan payable to related companies	Amount owed by related parties	Amount owed to related parties	Recharge of expenses	Subscription of redeemable preference shares	Acquisition of shares
(i)	2023	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Trading transactions											
	Holding company	-	1,522,931	-	-	-	-	6,207,921	21,066,805	-	-	-
	Jointly controlled entity	-	3,892,799	17,244,000	600,000	-	-	41,377,283	3,368,406	-	-	-
	Entities over which Directors have significant influence/ common control	285,685,918	4,058,937	-	544,320	-	-	29,781,057	129,482,852	-	27,000,000	-
		285,685,918	9,474,667	17,244,000	1,144,320	-	-	77,366,261	153,918,063	-	27,000,000	-

(ii)	2022	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Trading transactions											
	Holding company	-	2,645,207	-	-	-	-	5,748,682	6,150,717	-	-	-
	Jointly controlled entity	-	14,340	17,244,000	600,000	435,000	-	19,370,893	2,686,048	5,884,758	-	-
	Entities over which Directors have significant influence/ common control	268,864,628	566,250	-	544,320	-	-	29,185,421	137,579,369	-	-	34,230,000
		268,864,628	3,225,797	17,244,000	1,144,320	435,000	-	54,304,996	146,416,134	5,884,758	-	34,230,000

30. Related party transactions (Cont'd)

(b)	THE HOLDING COMPANY	Purchase of goods or services	Sale of goods or services	Management fees paid	Rental income	Dividend Income	Loan payable to related parties	Amount owed by related parties	Amount owed to related parties	Recharge of expenses	Subscription of redeemable preference shares	Acquisition of shares
(i)	2023	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Trading transactions											
	Holding company	-	1,256,373	-	-	-	-	-	21,066,305	-	-	-
	Subsidiary companies	117,917	64,383,434	-	3,906,168	5,000,000	7,789,751	269,233,420	45,197,359	-	-	-
	Entities over which Directors have significant influence/ common control	-	2,579,802	-	544,320	-	-	59,283,043	15,586,194	-	27,000,000	-
	Jointly controlled entity	-	3,874,352	4,500,000	600,000	-	-	18,543,207	682,358	-	-	-
		117,917	72,093,961	4,500,000	5,050,488	5,000,000	7,789,751	347,059,670	82,532,216	-	27,000,000	-

(i)	2022	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Trading transactions											
	Holding company	-	2,617,542	-	-	-	-	-	22,706,377	-	-	-
	Subsidiary companies	23,946	58,003,787	-	3,906,168	6,000,000	7,801,951	306,669,253	36,322,989	-	-	-
	Entities over which Directors have significant influence/ common control	-	5,685	-	544,320	435,000	-	5,222,653	13,004,301	-	-	-
	Jointly controlled entity	-	5,670	4,500,000	600,000	-	-	10,351,378		5,884,758	-	34,230,000
		23,946	60,632,684	4,500,000	5,050,488	6,435,000	7,801,951	322,243,284	72,033,667	5,884,758	-	34,230,000

30. Related party transactions (Cont'd)

(c) (i) The above transactions have been made at arm's length, on normal commercial terms and in the normal course of business.

(ii) The amounts outstanding from related parties are unsecured and will be settled in cash.

(d) Key management personnel compensation, including Directors remuneration and benefits

	The Group		The Holding Company	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Board attendance fees	1,091,000	1,091,000	950,000	950,000

31. Holding company

The holding company of Mauritius Cosmetics Ltd is, Deramann Ltd, which is incorporated in Mauritius. The address of its registered office is Bonne Terre, Vacoas. The Company is controlled by Deramann Ltd which owns 63.265% of the Company 's shares. The remaining 27.38% of the shares is widely held.

32. Segmental information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker of the Group to allocate resources to the segments and to assess their performance. The strategy of the Group is to produce and sell consumer goods. Information reported to the Board is on an integrated basis, which is how decisions over resource allocation are made. The Group itself has only one product being consumer goods. As such, the Group considers there to be one operating segment being the production, import and sale of consumer goods.

33. Contingencies

At December 31, 2023 there were contingent liabilities arising in the ordinary course of business in respect of bank guarantees and fixed and floating charges on the assets of the Group. No provision has been made in the financial statements as the Directors anticipate that no material liabilities would arise in respect of the above.

34. Events after reporting period

There have been no other material events since the end of the reporting period which would require disclosure or adjustment to the financial statements for the year ended December 31, 2023.

Notes

Notes

Proxy form

I/We _____

of _____

being a shareholder of Mauritius Cosmetics Limited, do hereby appoint _____

of _____

failing him, _____

of _____

as my/our proxy to vote for me/us and on my/our behalf at the **59th Annual Meeting of Mauritius Cosmetics Limited** to be held at its Registered Office, Bonne Terre, Vacoas on **Monday June 24, 2024 at 10.00 hours** and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the resolutions as follows:

	FOR	AGAINST
1. To approve the minutes of proceedings of the last Annual Meeting of the shareholders held on June 20, 2023.		
2. To consider the Annual Report of the Company for the year ended December 31, 2023.		
3. To receive the Auditors' Report.		
4. To consider and approve the Group's and the Company's audited Financial Statements for the year ended December 31, 2023.		
5. To take note of the dividend declared by the Directors for the financial year ended December 31, 2023.		
6. To fix the remuneration of the Directors.		
7. To consider the appointment of Auditors for the financial year ending December 31, 2024 and to authorize the Board of Directors to fix their remuneration.		
8. To ratify the resolutions passed by the Directors during the year, if any.		
9. Shareholders' question time.		
10. Any other business.		

Signed this_____day of_____2024.

Signature(s)_____

Notes:

1. Should you be unable to attend the meeting, you are entitled to appoint a proxy to attend and vote in your stead. A proxy need not be a member of the Company. All instruments appointing a proxy must be deposited at the Registered Office of the Company, Bonne Terre, Vacoas not later than twenty-four hours before the day fixed for the holding of the meeting.
2. Please mark [X] in the appropriate box how you wish to vote. If no specific direction as to voting is given, the Proxy will exercise his/her own discretion as to how he/she votes.
3. For the purpose of this meeting and in compliance with Section 120 of the Companies Act 2001, the shareholders who are entitled to receive notice and attend the meeting shall be those shareholders whose names are registered in the Company's register as at May 24, 2024.

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