Annual Report 2019

care

C-Care (Mauritius) Ltd (previously known as The Medical and Surgical Centre Limited) and its subsidiary care

Annual Report 2019

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Chairperson's statement

Hélène Echevin
Chairperson

Dear Shareholder,

On behalf of the Board of Directors of C-Care, I am deeply honoured to present C-Care's annual report for the financial year ended 30 June 2019.

The management contract between Fortis and CIEL Healthcare came to an end on 31 December 2018. Consequently, a new management team was set up in January 2019 and The Medical and Surgical Centre Limited ("MSCL") was subsequently rebranded as C-Care in April 2019.

Through C-Care, CIEL Group is now assuming the direct management of all its medical facilities in Mauritius. As part of the rebranding exercise, the Vision, Mission and Values of the Company were redefined, and new objectives were set for its long-term development. The strategy we have started to roll out is already giving promising results, as we can observe from the financial year under review which marks a return to profitability for our Company.

Our performance

The financial results indeed showed an improvement in our operational performance compared to the previous financial year. Our turnover has increased from Rs. 1.73bn (FY 2018) to Rs. 1.91 bn (FY 2019), whereas C-Care's profit after tax for the financial year ended 30 June 2019, has improved by Rs. 151M, compared to same period last year, and stood at Rs. 115M. This commendable accomplishment has mostly been driven by the improved performance of both Clinique Darné and Wellkin Hospital. Indeed, both facilities have had sustainable results owing to higher occupancy rates.

Our strategy

These results strengthen our confidence in the long-term strategy we are implementing for the Group with a view to achieve the excellence in healthcare and be the preferred choice for patients in Mauritius and in the region. Since January 2019, the new management team has been relentlessly focusing on the consolidation of our activities through our permanent pursuit of operational excellence.

Results are only possible with the contribution of committed teams. Having enough nursing staff remains an international challenge but we are focusing all our efforts to make recruitment and training a permanent process.

We have been focusing our efforts on introducing the new management practices which have started to streamline our internal processes, hence allowing us to provide our patients with better healthcare. It is in this context that we have introduced the Hospital Information System ("HIS") at Clinique Darné, which will facilitate in the mid-term the patients' journey while giving our staff the proper tool to follow up on their treatment. It is indeed a digital platform which enables medical teams to have secured access to patient medical files and history with the view to providing better treatment.

One of our key pain points in the patient journey was identified as being discharge time. Thus in both facilities, initiatives have been taken to facilitate internal administrative processes, such as the preparation of files upon discharge and a daily cash and insurance report to keep track of pending payments.

Our performance owes much also to the stronger synergies between Clinique Darné and Wellkin Hospital. While keeping their independence in terms of management, these two facilities tend to complement each other in terms of services leveraging on the unique strengths of each institution. All these measures are meant to upgrade our level of service to better focus on the needs of our patients and make sure they are satisfied with their experience.

To further enhance patient experience, C-Care has recently started the process of hospital quality accreditation which will continue to focus on streamlining processes and the International CHKS standard has been chosen and we expect to be accredited in few years from now.

Going forward

We are committed to adopting a holistic approach, coupled with a patient-centric culture, to continue to innovate and better meet the needs of our patients. By further improving our services and upgrading our facilities, we aim to become a regional hub for cutting-edge medical care. Our upcoming projects in the field of Paediatrics and Oncology represent two of the big avenues that we want to develop in the coming financial year.

We have several projects in the pipeline, some of which will be launched during the financial year 2019-2020. Our objective is to fully live our Values as well as our Vision and Mission in our day-to-day operations. We will continue to invest in order to remain the preferred choice for patients. Just last year, we have invested around 10% of the company turnover in medical and non-medical equipment e.g. NICU, OT Monitor, new stack for endoscopy, CT Scan, new HIS etc.

The C-Care Clinic, previously known as Clinique Darné North, situated at Grand-Baie La Croisette, has been rebranded and is about to be upgraded. Through this kind of initiative, C-Care aims to become more approachable and put people at the centre of everything it does.

C-Care has recently opened a few C-Lab collection points mainly at Tamarin and Cascavelle and is in line with our values which is being 'Approachable'. In the same perspective, C-Care will open a primary care center in Tamarin early 2020. We truly believe that a sound healthcare system plays a key role in developing societies and communities.

Appreciation

I would like to commend our leadership teams, our medical team and our Doctors, at every level of our organisation, for their support and commitment during the financial year ended 30 June 2019. By their daily work, they have set into motion the Board's Vision and Mission and taken ownership of their work. I would also like to thank our insurance partners for bringing bespoke policies to their clients, hence giving them access to the best healthcare services in Mauritius.

A special word of thanks to my fellow Directors for their guidance and advice during the year.

On behalf of our Board, I seize this opportunity to also extend our heartfelt thanks to our patients who have trusted our teams and our services.

....

Hélène Echevin
Chairperson

Dated this: 24 September 2019

OUR VISION

Excellence in Healthcare - To be the preferred choice for quality healthcare in the region, always innovating

OUR MISSION

Patient first - Delivering medical services and passionate care we can all be proud of

KEY FIGURES

2 HOSPITALS	1 DAY CARE CLINIC	2 LABORATORIES	40 MEDICAL SPECIALTIES	9 OPERATING THEATRES

OUR VALUES

Medical Expertise

Progressive

Approachable

People at Heart

263
OPERATING BEDS

1,400
MEDICAL, PARAMEDICAL AND NON-CLINICAL STAFF

50,000
EMERGENCY CASES HANDLED EVERY YEAR

35,000
ADMISSIONS EVERY YEAR

BOARD OF DIRECTORS

DIRECTORS

- Hélène Echevin, **Chairperson**
- André Ackerman
- L.J. Jérôme De Chasteauneuf
- Deonanan Makoond
- Sylvain Pascal
- Christine Sauzier
- Antoine Michel Thomas

BOARD COMMITTEES

CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

- Deonanan Makoond, **Chairperson**
- Hélène Echevin
- Christine Sauzier

AUDIT AND RISK COMMITTEE

- L.J. Jérôme De Chasteauneuf, **Chairperson**
- Sylvain Pascal
- Antoine Michel Thomas

OPERATIONAL EXCELLENCE COMMITTEE

- Hélène Echevin, **Chairperson**
- Clive Chung
- Harold Mayer
- Olivier Schmitt
- Dev Sewgobind
- Claire Wanquet

CHIEF EXECUTIVE OFFICER

- Olivier Schmitt

COMPANY SECRETARY

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

SHARE REGISTRY AND TRANSFER OFFICE

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

MCB Registry & Securities Limited
Ground Floor, Raymond Lamusse Building
9-11, Sir William Newton Street, Port Louis
Tel: +230 202 5640

REGISTERED OFFICE

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

BANKERS

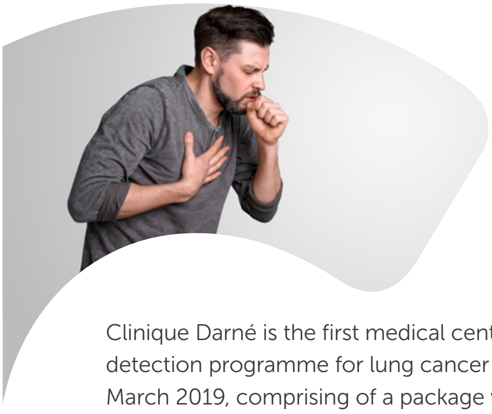
AfrAsia Bank Limited
Bank One Limited
The Mauritius Commercial Bank Limited

Operations Review

C-Care has recently been rebranded in April 2019. Previously known as The Medical and Surgical Centre Ltd (MSCL), C-Care (Mauritius) Ltd is the company holding of Clinique Darné, Wellkin Hospital, C-Care Clinic and regroups all the laboratories under C-Lab. Along with the rebranding, the Vision, Mission and Values have been redefined. Delivering quality care to our patients remains our top priority. The new brand identity consolidates this ambition of creating a whole ecosystem that favors the welfare of the patients and the medical team and is also meant to inspire our teams to keep surpassing themselves in the interest of better healthcare. This strongly demonstrates our long-term vision.

At C-Care, excellence in patient care is our priority.

By improving waiting time, patients' rating of experience and other key measures of high-performing hospitals, our goal is to provide safe, high-quality care to not only to our patients but also to the community. Following our rebranding that happened in April 2019, we have been redefining our Vision, Mission as well as our Values which are mainly Medical Expertise, Approachable, People at Heart and Progressive.



A STEP FORWARD TOWARDS EXCELLENCE IN HEALTHCARE

An Oncologic Palliative Care Unit has been implemented since January 2019 which is a first one in the private sector in Mauritius for metastatic and end of life cancer patients and is mainly handled by a pluri-disciplinary team.

Clinique Darné is the first medical centre in Africa to offer an early detection programme for lung cancer which has been launched in March 2019, comprising of a package with a special thoracic scan, a blood test and a detailed analysis of smoking habits, oncologist and tobacco cessation specialist at Clinique Darné. It aims at decreasing the mortality due to lung cancer in Mauritius by detecting earlier this deadliest cancer.

The new software solution, HIS, was launched in April 2019 at Clinique Darné and is intended to help Doctors and staff in providing a world class patient care through a comprehensive and user-friendly front-end to back office system. The main objectives are to reduce waiting time and provide easy access to medical data through a standardised business process among others.

To be at par with the Digital Era, free Wi-Fi has been installed throughout Clinique Darné. This not only enable patients and relatives to stay connected but also help us in increasing our productivity with the new HIS. Highly effective and efficient, nurses, doctors and other staff can now have easy access to data thus reducing turnaround time for processing information.

Following the implementation of the IT security program, Firewalls have been installed at Clinique Darné and C-Care Clinic at Grand-Baie in mid-July. This ensures a safer network security system that monitors, and controls incoming and outgoing network traffic based on predetermined security rules in line with General Data Protection Regulation (GDPR) effective since May 2018.

First Posterior Eye Surgery in Mauritius: A vitrectomy for an intraretinal hemorrhage with retinal detachment, was carried out by Dr. Remy Jullienne, ophtalmologist, using cuttingedge technology, through the Vitrectomy machine and an endolaser with a directional probe at Clinique Darné. This first posterior eye surgery was also made possible through the use of, the first in Mauritius, operative microscope with a built-in slit lamp. The patient had previously a severely altered vision and postoperatively, has regained an excellent eyesight.

For the 1st time in Mauritius, Medical Laboratory Professionals Week (Lab Week) has been celebrated in April 2019. Organised by the C-Lab team, the objective of this event was to increase awareness on the importance of laboratory professionals and their role in clinical diagnostics and medicine.

C-Lab is the only private lab in Mauritius to have a full automated histopathology setup for the examination of tissue to detect abnormal cells, e.g. cancer cells.

Newborn screening was launched in June 2019 and is a form of preventive health care in which babies are tested within the first few days of their life to detect evidence of disorders for which the principal symptoms may not yet be apparent.

One of the largest ovarian cysts was diagnosed and operated laparoscopically at Wellkin Hospital recently. CT scan performed detected abnormally large ovarian cyst measuring 40cm x 23cm x 18cm which was pressing against the patient's chest and other organs. It is an extraordinary achievement that the 40cm large cyst was removed completely and the contents did not split at all. The surgery was a success and the patient is in good health.

Live Laparoscopic Surgery
In order to enable professionals of the medical sector in Mauritius to discover more about this surgical technique, Wellkin Hospital organised a Live Laparoscopic Surgery Workshop which took place in May 2019. For the first time on the island, experts were able to witness four live laparoscopic operations performed on patients with inguinal and abdominal hernia.

COMMUNITY OUTREACH & CONTRIBUTIONS

Without community contribution, we wouldn't have a good quality of life. It's through our activities that we give back to society what was once given to us. We strongly believe that a positive impact on someone's life has a huge contribution.

Clinique Darné and Wellkin Hospital were proud to sponsor and participate in the Mega Health Camp in collaboration with the Rotary Clubs in November 2018. The Camp was held at the Bazaar de St Pierre, where around 600 inhabitants of St Pierre and Moka were screened.

Clinique Darné participated in a Community Outreach Program in collaboration with the Association of Urban Authorities and Municipality Council of Curepipe on 29 October 2018 whereby free Doctors Consultation and ECG were conducted as well as our Nutritionists were on site to provide for nutritional advice accordingly to more than 150 people.

Clinique Darné's annual sponsorship to provide free screening (lung test (VPAP) and Cardiac Echo) for Muscular Dystrophy Assocation (MDA) beneficiaries was held on 17 November 2018. Our nursing staff, medical team as well as our non-medical team were all present to make this event a successful one.

A mega blood donation camp was organised on 12 December on the premises of Clinique Darné. Over 100 staff members participated in this event for a noble cause. There We also witnessed significant participation from visitors and community around the clinic.

'One life One tree', a laudable initiative to protect and preserve the environment was launched on World Environment day, 5 June 2019 at Ferney La Vallée. For every baby born at Clinique Darné and Wellkin Hospital, an endemic tree is planted in the Forest of Ferney La Vallée to celebrate the birth of the baby. The tree planted in the forest is tagged with the baby's first name, date of birth. This is a unique, and first of its kind initiative in Mauritius, which is highly appreciated by patients at the Maternity of both the clinics.

A blood donation was organised in June 2019 at Grand Baie La Croisette at C-Care Clinic

To mark the World Heart Day 2018, a range of activities was organised from awareness building in malls to a CME (Doctor's Conference) in collaboration with the Cardiovascular Society of Mauritius. The Cardiac screening package was promoted throughout the Cardiac month of September.

Wellkin Hospital participated in a nationwide Breast Cancer Awareness by illuminating its building in pink from 22 – 29 Oct. By doing so, the hospital created an impact in a unique way. The aim of this initiative was to sentisize people about early breast cancer screening and extend support to those fighting breast cancer.

Ante-Natal Classes at Wellkin Hospital are held every last Friday of the month in a relaxed and friendly environment. Those childbirth classes are offered by experienced midwives to prepare, inform and education future mothers about all aspects of maternity and delivery.

Clinique Darné and Wellkin Hospital sponsored the first Indo-Mauritius Conclave, where around 100 international and local Doctors participated, both from the Urological Society of India and Mauritius to update their knowledge and exchange views about the latest developments in the field in August 2018.

Wellkin partners with NGO SEDAM Autism Association, Ciel Foundation to offer free diagnostic services to Autistic patients of Mauritius. On the occasion of Autism Awarness Day, 2 April 2019, our hospital was lit in blue.

SPONSORING EVENTS

- JIOI 2019
- AfrAsia Golf Tournament
- CIEL Ferney Trail
- Ocean Active Festival
- Grit Colin Mayer Tour
- ACTVOI 2018
- Rodrigues Royal Raid

EMPOWERMENT OF INTERNAL COLLEAGUES

Our Nurses are our pride. They are the pillar of patient experience and ensure quality patient centric care is provided to all.
Nurses' Day was celebrated on 19 May 2019.

Hand Hygiene Campaign was done at C-Care level.

Corporate Governance

Profile

Name

By way of a Special Resolution, the Company changed its name from The Medical and Surgical Centre Limited to C-Care (Mauritius) Ltd, as evidenced by a Certificate of Incorporation on Change of Name issued by the Registrar of Companies ("ROC"), Mauritius on 6 June 2019.

The Medical and Surgical Centre Limited

C-Care (Mauritius) Ltd

("C-Care" or the "Company")

Status

- Public company limited by shares incorporated on 17 July 1972 with ROC.
- Ordinary Shares of no par value listed on the Development and Enterprise Market ("DEM") of the Stock Exchange of Mauritius Ltd ("SEM") since August 2006.
- Reporting Issuer with the Financial Services Commission ("FSC") since the promulgation of the Securities Act 2005.
- Public Interest Entity as defined by the Financial Reporting Act 2004.

Business Activity

Provision of medical facilities under the umbrella of two private hospitals namely Clinique Darné ("CD") and Wellkin Hospital ("Wellkin") and a Day Care Centre, C-Care Clinic; medical laboratories; retail pharmacies; and nursing/clinical training.

COMPLIANCE WITH THE NATIONAL CODE OF CORPORATE GOVERNANCE FOR MAURITIUS (2016)

C-Care is committed to delivering high quality care services, long-term sustainable growth and shareholder returns. The Board of Directors of the Company ("the Board") recognises the importance of good governance in achieving these corporate objectives, in discharging its responsibilities to all stakeholders and in executing the broader role of the Company as a good corporate citizen.

This Corporate Governance Report outlines the Company's governance framework, policies and procedures as at 30 June 2019 (unless otherwise stated) in accordance with the main principles of the National Code of Corporate Governance for Mauritius (2016) (the "Code").

PRINCIPLE 1: GOVERNANCE STRUCTURE

Governance structure

The diagram below summarises the Company's actual governance framework which provides the roadmap to achieve the strategic objectives of the Company within compliance requirements and by balancing the interests of the stakeholders, minimising and avoiding conflicts of interest, and practising good corporate behaviour.

Annual Meeting of Shareholders

Company Secretary

Board of Directors

- Hélène Echevin, **Chairperson**
- André Ackerman
- L.J. Jérôme De Chasteauneuf
- Deonanan Makoond
- Sylvain Pascal
- Christine Sauzier
- Michel Thomas

Audit and Risk Committee ("ARC")

- L.J. Jérôme De Chasteauneuf, **Chairperson**
- Sylvain Pascal
- Michel Thomas

External auditor

- PricewaterhouseCoopers Ltd ("PWC")

Internal auditor

- Ernst & Young ("EY")

Corporate Governance, Nomination and Remuneration Committee ("ARC")

- Deonanan Makoond, **Chairperson**
- Hélène Echevin
- Christine Sauzier

Operational Excellence Committee ("OEC")

- Hélène Echevin, **Chairperson**
- Clive Chung
- Harold Mayer
- Olivier Schmitt
- Dev Sewgobind
- Claire Wanquet

C-Care

- Olivier Schmitt, **Chief Executive Officer**

Clinique Darné by C-Care | Wellkin Hospital by C-Care | C-Care Clinic | C-Lab

Executive Management

The role of the Board

A formally documented and approved Board Charter[1] outlines the composition, scope of authority, responsibilities, powers and functioning of the Board. In addition, the Board functions in accordance with the Constitution[2] of the Company, the provisions of the Companies Act 2001, the Code, the "DEM" Rules and other applicable laws, rules and regulations.

The Board:

- Provides leadership of the Company within a framework of prudent and effective controls.
- Sets strategic aims of C-Care and its subsidiary and ensures necessary resources are in place for these to be met.
- Reviews financial and business performance.
- Leads the development of the Company's culture, values and standards.

1. The Board Charter was approved by the Board on 12 November 2018 and can be found in the Investors' corner of the Company's website. The Board may at any times review and amend the present Board Charter by a simple majority decision of its members.

2. The Constitution of the Company is in conformity with the provisions of the Companies Act 2001 and the DEM Rules. There are no clauses deemed material enough for special disclosure. A copy is available upon written request to the Company Secretary or is available for consultation on the website of the Company.

Responsibilities and Accountabilities

Statement of Accountabilities/Division of responsibilities

The Board is accountable to the shareholders for the oversight of the Company's business and affairs and, as such, is responsible for the overall strategy, governance and performance of the Company.

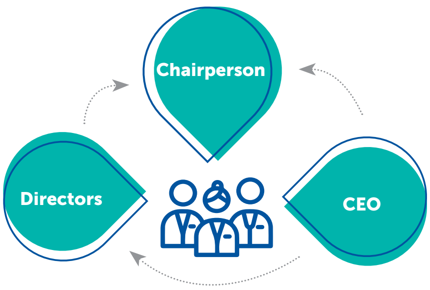
To clarify the roles and responsibilities of directors and management, and to assist the Board in discharging its responsibilities, the Company operates within a clearly defined governance framework, as illustrated above, which sets out the functions reserved to the Board and provides for the delegation of functions to Board Committees and to senior management as considered appropriate.

This governance framework has been designed to promote and foster accountability, both of the Board and senior executives, to the Company and its shareholders.

The roles of the Chairperson of the Board and the Chief Executive Officer ("CEO") are separate and clearly defined.

The Chairperson is responsible for effective leadership, operation and governance of the Board and its Committees. She ensures effective communication with shareholders, facilitates the contribution of the Independent/Non-Executive Directors and ensures constructive relations between Executive and Independent/Non-Executive Directors.

The Directors, together, act in the best interests of the Company via the Board and its Committees, devoting sufficient time and consideration as necessary to fulfil their duties.



The CEO is responsible for the management of the Group's business and for implementing the Group's strategy.

This combination seeks to ensure that no individual or group unduly restricts or controls decision-making.

Code of Business Conduct and Ethics, Values and Purpose Statement

The Company places the highest value on ethical and responsible behaviour and has adopted a Code of Conduct for all Directors, officers, employees and other related parties as to:

- The practices necessary to maintain confidence in the Company's integrity;
- Their legal obligations from time to time and the reasonable expectations of the shareholders;
- The responsibility and accountability of individuals for reporting and investigating unethical practices.

The Company is committed to conducting its business with honesty and integrity, and it expects all colleagues to maintain high standards in accordance with its corporate culture. An understanding of openness and accountability is essential in order to prevent illegal or unethical conduct or malpractice and to enable any such situations to be addressed should they ever occur.

With the support of its Board Committees, the Board regularly monitors and evaluates compliance with its Code of Ethics.

11 April 2019

The Company unveiled its new brand identity C-Care which is the umbrella brand for the 4 clusters namely Clinique Darné, Wellkin Hospital, C-Care Clinic in La Croisette, Grand-Baie and C-Lab.

As quoted by the CEO of the Company: "This new C-Care brand strengthens the links between our different healthcare facilities."

C-Care is our commitment to provide the best quality healthcare in Mauritius and in the region.

We listen carefully to our patients; we work as a team and leverage on the very best medical expertise and latest healthcare technology in a wide range of specialties.

We strive to constantly improve our services to live up to the trust that you place in our hands.

OUR VISION

Excellence in Healthcare - To be the preferred choice for quality healthcare in the region, always innovating.

OUR MISSION

Patient first - Delivering medical services and passionate care we can all be proud of.

OUR VALUES

- **Medical Expertise**
- **Approachable**
- **People at Heart**
- **Progressive**

The key documents articulating the governance structure of the Company are available in the Investors' corner of the Company's website accessible on: **www.c-care.mu**

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Size and Structure

As at date of this report, the Board of Directors comprised of 7 members as illustrated below:

1 **Executive Chairperson**

3 **Non-Executive Directors**

3 **Independent Directors**

= **Unitary Board Structure**

Board Tenure

- 0-2 years: 3
- 2-4 years: 1
- 4-6 years: 2
- 6+ years: 1

Board Balance

2 Ladies

5 Gentlemen

Skills and Experience of the Board

The Board possesses a wide range of expertise and experience in the following activities. The Corporate Governance, Nomination and Remuneration Committee ("CGNRC") of the Company reviews potential candidates to supplement the Board. This succession planning ensures the Board retains sufficient skills over time. Consideration is given to candidates who will maintain a balance of skills, diversity and experience, and who will continue to promote rigorous debate.

- Healthcare
- Legal
- Financial services (accounting, insurance, economics, commerce)
- Food sciences and technology, tourism planning

Board/Board Committee changes during the Calendar Year 2019

On 25 February 2019, Mr. Deonanan Makoond joined C-Care as an Independent Director. He succeeded to Dr. Guy Adam who stepped down from the Board following a tenure of more than nine years. On 23 August 2019, Mr. Deonanan Makoond was nominated Member/Chairperson of the CGNRC of C-Care.

On 11 July 2019, following the acquisition of the Fortis Healthcare International Limited's ("Fortis") stake in the Company by CIEL Limited and CIEL Healthcare Limited, the nominees of Fortis – Messrs. Ashish Bhatia and Rajiv Puri tendered their respective resignation letter.

On 23 August 2019, Mr. Sylvain Pascal was appointed Independent Director and Member of the Audit and Risk Committee of C-Care.

Composition of the Board and Profiles of the Directors as at date of this report

HÉLÈNE ECHEVIN

Executive Chairperson, appointed Director and Chairperson as from 5 June 2017

Age: 42

Nationality/Country of Residency: Mauritian/Mauritius

Committee memberships: Corporate Governance, Nomination and Remuneration Committee, Operational Excellence Committee (Chairperson)

Skills and Experience:

- Holder of a degree in Food Sciences and Technology from Polytech Engineering School, Montpellier, France and followed Management Executive Program at INSEAD.
- Joined CIEL Group in March 2017 as Chief Officer – Operational Excellence after 17 years of working experience in similar position and on 1 July 2019, was designated as Chief Executive Officer of CIEL Healthcare Ltd which regroups all healthcare activities of the CIEL Group including IMG (Uganda) and Hygeia (Nigeria).
- Member of the Board of Directors of CIEL Healthcare Ltd.
- Played a key role in developing the healthcare cluster of CIEL Group and leading CIEL's operational excellence journey.
- Been the first lady President of the Mauritius Chamber of Commerce in Industry in 2015/2016.
- Also a Member of the Board of Directors of Maurilait Ltd and MARENA.

Directorships in other listed companies of the SEM*: Sun Limited

ANDRÉ ACKERMAN

Non-Executive Director, appointed Director on 19 September 2018

Age: 49

Nationality/Country of Residency: South African/Uganda

Committee memberships: None

Skills and Experience:

- Chartered Accountant of South Africa and holder of a BSC Honours in Commerce as well as a Certificate in the Theory of Accountancy from the University of Johannesburg.
- Currently Chief Executive Officer of the International Medical Group Limited ("IMG"), Kampala, Uganda.
- Expert in business strategy and finance, with extensive executive manager and board member experience.
- Before joining IMG, he was the Chief Executive Officer of Lenmed.

Directorship in other listed companies of the SEM*: Not applicable

L.J. JÉRÔME DE CHASTEAUNEUF

Non-Executive Director, appointed Director on 10 June 2015

Age: 53

Nationality/Country of Residency: Mauritian/Mauritius

Committee memberships: Audit and Risk Committee (Chairperson)

Skills and Experience:

- Chartered Accountant of England and Wales and holder of a BSc Honours in Economics from the London School of Economics and Political Science.
- Joined CIEL Group in 1993 as Corporate Finance Advisor and became Head of Finance of the CIEL Group in 2000.
- Been closely involved with the corporate affairs of the CIEL Group and the major financial re-engineering for the development of the Group.
- Nominated Executive Director of CIEL on 14 February 2014 and subsequently as Group Finance Director on 1 January 2017.
- Nominee of CIEL on numerous boards of its subsidiary companies.

Directorships in other listed companies of the SEM*: Alteo Limited, CIEL Limited, Harel Mallac & Co. Ltd and Sun Limited

DEONANAN MAKOOND

Independent Director, appointed Director on 25 February 2019

Age: 67

Nationality/Country of Residency: Mauritian/Mauritius

Committee memberships: Corporate Governance, Nomination and Remuneration Committee (Chairperson)

Skills and Experience:

- Holder of a BA (Hons) in Economics and an MSC in Tourism Planning.
- Program Director of Eclosia Group.
- Chairman of the Financial Services Institute (FSI); the University of Technology of Mauritius (UTM); and the Business Mauritius Regional Energy Working Group.
- Member of the Research and Innovation Committee and the Research and Development Working Group of the Mauritius Research Council.
- Board Member of Rogers & Co Ltd and Les Moulins de la Concorde Ltée.
- Was previously the Chief Executive Officer of Business Mauritius, the coordinating body of the Mauritius private sector.
- Prior to joining Business Mauritius, been Director of the Joint Economic Council (1994-2015); Deputy Secretary-General of the Mauritius Chamber of Commerce and Industry (1991-1994); and Senior Economist at the Ministry of Economic Planning and Development (1975-1991).
- Co-chaired a number of joint Government/ Private Sector Committees, Task Force and Working Groups, namely the joint Public Private Business Facilitation Task Force, the Steering Committee on Global Financial Crisis, the Textile Emergency Support Team, the National Computer Proficiency Programme, the Collaborative Research and Innovative Grant Scheme and the National Skills Development Programme.
- Been a Director of the European Centre for Development Policy Management (ECDPM); a Member of the Board of Investment (2001-2014), Statistics Mauritius (2014-2018), Mauritius Africa Fund (2014-2018) and Financial Services Commission (2001-2015).

Directorships in other companies listed on the SEM*: Rogers and Company Limited and Les Moulins de la Concorde Ltée

SYLVAIN PASCAL

Independent Director, appointed Director on 23 August 2019

Age: 64

Nationality/ Country of Residency: Mauritian/Mauritius

Committee memberships: Audit and Risk Committee

Skills and Experience:

- Holder of a Master in Business Administration from the Witwatersrand Business School.
- Been the Managing Director of Medscheme (Mauritius) Ltd; and Finance and Administration Director of Island General Insurance Co. Ltd.
- Been the Executive Secretary of the Association of Private Health Plans and Administrators from June 2011 till June 2019.
- Non-Executive Director of Guardrisk Group in Mauritius and Spice Finance Ltd and Executive Director of Island Life Assurance Co. Ltd.
- Member of the Committee set up by the Ministry of Health to monitor and prepare National Health Accounts since inception in 2006.

Directorships in other companies listed on the SEM*: Not applicable

CHRISTINE MARIE ISABELLE SAUZIER

Non-Executive Director, appointed Director on 4 June 2014 and Chairperson as from 10 June 2015 up to 5 June 2017

Age: 53

Nationality/Country of Residency: Mauritian/Mauritius

Committee memberships: Corporate Governance, Nomination and Remuneration Committee

Skills and Experience:

- Holder of an LLB (Hons) from the University of Mauritius and a Licence en droit privé from the Faculté des Sciences Juridiques, Université de Rennes, France, Attorney-at-Law.
- Qualified Attorney-at-Law since 1994 having more than 15 years' experience in private practice and nearly 13 years as in-house lawyer.
- Group General Counsel, CIEL Group.
- Advising the Board on compliance, deal structuring and shareholder matters, while also liaising with international and local lawyers in drafting, reviewing, and negotiating commercial contracts and other legal documents.
- Been instrumental in dealings with the regulators like Bank of Mauritius, the FSC and with the SEM.
- Been involved in various Mergers & Acquisitions transactions for the Group with exposure to diverse industries like Banking, Hotels, Property, Healthcare, Private Equity, Textile, Agro Business, and Fiduciary.
- Been involved in cross border deals in various countries notably in Sub-Saharan Africa, Indian Ocean and Asia.

Directorships in other companies listed on the SEM*: IPRO Growth Fund Ltd and IPRO Funds Ltd (IPRO African Market Leaders Fund – Class (I2) Institutional Class)

MICHEL THOMAS

Independent Director, appointed Director on 25 May 2009

Age: 60

Nationality/Country of Residency: Mauritian/Mauritius

Committee memberships: Audit and Risk Committee

Skills and Experience:

- Holder of a Master of Laws (UK), Fellow of the Chartered Insurance Institute (UK), Associate member of the Chartered Institute of Arbitrators, Chartered Insurer (UK) and Member of the British Insurance Law Association.
- Chief Operations Officer (COO) as well as a board member of Swan General Limited.
- Responsible for the Short-Term Operations of the Swan Group.
- Principal areas of specialisation: Insurance and Reinsurance contract law including policy drafting.
- Has extensive experience and skill in the handling of complex liability claims including medical negligence/malpractice claims.
- Been working with international law firms and barristers on a variety of high value casualty and engineering claims as well as on reinsurance conflict of laws and coverage issues.
- Specialised in arbitration law and alternative dispute resolution (ADR) procedures.

Directorships in other companies listed on the SEM*: Swan General Ltd

** The Board of Directors of C-Care has decided to disclose only directorships in listed companies.*

The Board believes that it has an appropriate balance of Executive, Non-Executive and Independent directors with the adequate skills and experience, having regard to size and nature of the business; and therefore complies with the recommendations of the Code.

With her close involvement in the operations of the Company as the new Chief Executive Officer of the Healthcare cluster of CIEL Group, the Chairperson of the Company, Mrs. Hélène Echevin, assumes the role of an Executive Director; yet strives to bring independence of mind and honesty to her role as Chairperson of the Board of Directors of the Company, in the best interest of the Company and its stakeholders.

Company Secretary

By virtue of the service agreement entered into by CIEL Corporate Services Ltd, the Company and its controlling shareholder, CIEL Healthcare Limited, the duties and responsibilities of the Company Secretary are delivered by CIEL Corporate Services Ltd. The Company Secretary:

- Works closely with the Chairperson, CEO and Board Committee Chairs in setting the rolling calendar of agenda items for the meetings of the Board and its Committees.
- Ensures accurate, timely and appropriate information flows within the Board, the Committees and between the Directors and Senior Management.
- Provides advice on Board matters, legal and regulatory issues, corporate governance, Listing Rules compliance and best practice.

The role of the Chairperson and that of the Company Secretary are set out in more details in the Position Statement which has been adopted by the Board on 12 November 2018 and is available for consultation on the website of the Company **www.c-care.mu.**

Meetings of the Board

The Company plans and prepares the calendar of the Board and Board Committee meetings in advance to assist the Directors in scheduling their program. The agenda of the Board and Committee meetings are pre-circulated in advance with appropriate supporting documents.

The Board meets at least once every quarter. These meetings and the meetings of the Board Committees are held as scheduled, with additional meetings being convened to discuss specific issues which arise between these scheduled meetings.

In line with the Constitution of the Company, decisions taken at Board meetings are decided by a majority of votes, with each director having one vote; and the Chairperson shall not have a casting vote. Where resolutions need to be taken between Board meetings, a written proposal is circulated to all directors, and requires approval by a majority of directors to be validated.

The Board Committees report formally to the Board at each Board Meeting following any meeting of a committee.

Summary of Board Activities in the FY 2019

Topic	Key activities and discussions in 2018/19	Key priorities in 2019/20
Strategy	• Reviewed and approved the Company's strategy, its budget and business plan for the three consecutive years as from the FY 19-20; • Reviewed and approved the implementation process of the Cancer/North and West projects; and • Looked into the rebranding exercise of the Company.	• Focus on the delivery of the key projects in the implementation pipeline as per the standards and objectives set.
Financial and Risk Management	• Review of operations of the hospitals of C-Care on a quarterly basis; • Reviewed and approved the audited accounts for the FY 18; • Reviewed and approved FY 19 forecast and FY 20 budget and FY 21/FY 22 outline plan and budget; and • Ratification of the Corporate Sustainability Budget.	• Ensure delivery of the FY 20 budget in line with the targets set by the management team.
Governance	• Reviewed and approved the Data Privacy Policy and Personal Data Breach Policy; updated Terms of Reference for the CGNRC.	• Ensure adherence to the Code.
Other Board Matters	• Approved the appointment of the new Independent Directors/new Board Committees composition and restructuring of the management team; and • Review of bank signatories and signing instructions.	• Ensure succession plans are in place; • Undertake full appraisal of Board performance; and • Ensure the Board provides the support for the new management team.

Board Committees

The Board delegates specific duties to governance committees that provide an in-depth focus on specific areas, assisting the Board to discharge its responsibilities. Three distinct Board Committees namely the Audit and Risk Committee, the Corporate Governance, Nomination and Remuneration Committee and the Operational Excellence Committee have been established, each with specific terms of reference which have been approved by the Board of C-Care and are subject to review, when deemed necessary to ensure compliance with the Code, the Companies Act, applicable legislation and where appropriate, international best practices. The Terms of Reference of each Board Committee specify the relevant committee's constitution, mandate, relationship and accountability to the Board.

Committee	**Audit and Risk Committee ("ARC")**
Composition as at date	3 members: 1 Non-Executive Director 2 Independent Directors
Members as at date	Chair: L.J. Jérôme De Chasteauneuf, Non-Executive Director Other members: Sylvain Pascal, Independent Director Michel Thomas, Independent Director Mr. Rajiv Puri, Non-Executive Director, stepped down from the Committee on 11 July 2019.

Recommendation of the Code: The Chairperson of the ARC should be an Independent Director.

In his capacity as Non-Executive Chairperson of the ARC of C-Care, Mr. De Chasteauneuf with his financial experience, aims at bringing an independent mindset to the discussions and decisions taken up at the level of the Company.

Regular attendees by invitation	• Chief Executive Officer • Chief Operating Officer • Head of Finance • Data Protection Officer/Risk Officer • Internal auditor of the Company • Financial Controllers • Heads of other departments • External auditor of the Company } when deemed necessary
Quorum	2 members
Summarised Terms of Reference	• Reviewing the Company's interim and audited financial statements, accounting policies and any formal announcements relating to the Company's financial performance, before submission to the Board for approval. • Reviewing the effectiveness of the Company's internal control and risk management systems. • Overseeing relations with the external auditor. • Monitoring and reviewing the effectiveness of the Company's internal audit function; approving the appointment/termination of the internal auditor. • Maintaining lines of communication between the Board and the internal/external auditors.
Number of meetings held during the FY 30 June 2019	4 meetings
Summary of the ARC's key activities during the FY 30 June 2019	• Revised Terms of Reference – Gap Analysis and Defined agenda plan in line with the Code. • Financial review/Audited accounts for the FY 30 June 2018/Quarters ended. 30 September 2018/31 December 2018/31 March 2019; and Abridged versions of these accounts. • Key audit matters for FY 30 June 2018. • Management letter/Audit report from PwC. • New IFRS impact on accounts. • Major audit points for the FY 30 June 2019. • New HIS system and its implementation process. • Update on the outstanding balances pertaining to Doctors' fees. • Follow up on outstanding internal audit points remaining to be closed. • Internal audit plan for the FY 30 June 2019 from the newly appointed internal audit team, Ernst & Young ("EY"). • C-Care risk report. • Update on the implementation process of the projects to be covered by C-Care in compliance with the new EU GDPR regulations and Data Protection Act 2017 of Mauritius • Summary of material legal cases. • Review of the adequacy of the insurance coverage for the Company and its subsidiary.

Committee	Corporate Governance, Nomination and Remuneration Committee ("CGNRC")
Composition as at date	3 members: : 1 Executive Director 1 Non-Executive Director 1 Independent Director
Members as at date	Chair: Deonanan Makoond, Independent Director Other members: Hélène Echevin, Executive Director Christine Sauzier, Non-Executive Director Dr. Guy Adam, Independent Director, stepped down from the Committee on 25 February 2019. Mr. Ashish Bhatia, Non-Executive Director and Chairperson of the CGNRC, stepped down from the Committee on 11 July 2019.
Regular attendees by invitation	• Group Head of Human Resources, CIEL Group • Chief Executive Officer • Chief Operating Officer • Head of Human Resources • Head of other departments (when deemed necessary)
Quorum	2 members
Summarised Terms of Reference	• Determining, agreeing and developing the Company's and Group's general policies and strategies on corporate governance in accordance with the recommendations of the Code. • Reviewing the Board structure, size and composition and making recommendations to the Board with regards to any adjustments that are deemed necessary. • Determine specific remuneration packages for the medical and non-medical staff of the Company, including but not limited to basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentive pensions and other benefits.
Number of meetings held during the FY 30 June 2019	4 meetings
Summary of the CGNRC's key activities during the FY 30 June 2019	• Corporate Governance Report for the FY 30 June 2018. • Review of statutory documents in line with the Code: - Position Statements for senior governance positions (Chairperson of the Board and Company Secretary) - Board Charter - Conflict of Interest and Related Party Transaction policies - Share Dealing policy - Independence criteria • Updated Terms of Reference. • Implementation of the Medical Executive Committee at the level of C-Care and the updated governance structure of C-Care. • Updated organisational structure of C-Care including the CVs of the newly recruited key positions. • Annual increments for the calendar year 2019. • Performance Appraisal System/Remuneration policy with the introduction of a variable pay. • Appointment of new directors.

Committee	Operational Excellence Committee ("OPEX")
Composition as at date	6 members: Directors of C-Care, Members from the management team of C-Care and other key persons from CIEL Group
Members as at date	Chair: Hélène Echevin, Executive Director Other members: Harold Mayer, Chief Executive Officer of CIEL Textile Limited Dev Sewgobind, Group Head of Human Resources, CIEL Group Olivier Schmitt, Chief Executive Officer of C-Care/Chief Operating Officer of Wellkin Hospital Claire Wanquet, Chief Operational Excellence, C-Care Clive Chung, Director of Operations, Clinique Darné
Regular attendees by invitation	• Heads of other departments (when deemed necessary)
Quorum	3 members
Summarised Terms of Reference	• To constantly review, evaluate, benchmark the ultimate KPIs – Customer satisfaction/Quality of the teams/Financial results. • To constantly review, evaluate and enhance the root KPIs – People processes/Management; infrastructure/Corporate cultures and Values/Innovation and Digitalisation/Strategic business plan. • To review the sustainability plan. • To promote cross-fertilisation of best practices on operational excellence and root KPIs with other clusters of the CIEL Group.
Number of meetings held during the FY 30 June 2019	4 meetings
Summary of the OPEX key activities during the FY 30 June 2019	• Customer/Patient satisfaction processes. • Management infrastructure process and progress. • Top Management PPM. • Organigram of C-Care including the job objectives of the senior executives. • Vision/Mission and Values of C-Care.

The Company Secretary confirms that the Board and its Board Committees have fully complied with their terms of reference during the reporting period. The Chairpersons concur with regards to their respective committees.

Other Committees

The Board is supplemented with other in-house committees which have been set up and aligned at both hospitals of C-Care and governed by proper terms of reference. These sub-committees have a direct reporting line to the Medical Executive Committee which has been constituted at the level of C-Care and currently being chaired by the CEO of C-Care who ensures regular reporting at each Board Meeting of C-Care. The purpose of these sub-committees is to promote cross-synergies and best clinical governance practices across the units of C-Care.

Attendance at meetings

It is expected that all directors attend Board meetings, Committee meetings and the Annual Meeting of Shareholders unless they are prevented from doing so by prior commitments. Where directors are unable to attend meetings, they receive the papers for that meeting giving them the opportunity to raise any issues and give any comments to the Chairperson in advance of the meeting.

The following table shows the number of Board and Board committees meetings held during the financial year ended 30 June 2019 and the attendance record of the individual directors.

Board/Board Committee Member	Board Meetings	ARC Meetings	CGNRC Meetings	OPEX Meetings
Hélène Echevin, Chairperson	5 out of 5	-	4 out of 4	4 out of 4
Guy Adam[1]	3 out of 5	-	3 out of 4	-
Ashish Bhatia[2]	4 out of 5	-	4 out of 4	1 out of 4
L.J. Jérôme De Chasteauneuf	5 out of 5	4 out of 4	-	-
Deonanan Makoond[3]	2 out of 5	-	-	-
Rajiv Puri	4 out of 5	4 out of 4	-	-
Christine Sauzier	5 out of 5	-	3 out of 4	-
Michel Thomas	5 out of 5	4 out of 4	-	-

1. Dr. Guy Adam resigned as Director and Member of CGNRC of C-Care on 25 February 2019.

2. Mr. Ashish Bhatia resigned as Member of the OPEX on 24 January 2019.

3. Mr. Deonanan Makoond was appointed Director on 25 February 2019

Executive Management team

The Board delegates the responsibility for the day-to-day management of the Company to the CEO, who is assisted by the senior executives who report to him.

With the Operation and Management Agreement signed with Fortis Healthcare International Limited to operate, manage and market the services of both Clinique Darné and Wellkin Hospital coming to an end on 31 December 2018, the Board of C-Care decided to hand over the direct management of both CD and WH to the executive management team, effective as from 1 January 2019. In that respect, Mr. Olivier Schmitt, who was the Chief Operating Officer of CD, was appointed CEO of C-Care. Mr. Schmitt also assumes the role of Chief Operating Officer of Wellkin whilst the management of CD was being headed by Ms. Claire Wanquet.

In its endeavour to deliver the highest quality care provided by highly trained and skilled professionals coupled with the state-of-the art medical technology in a caring and friendly environment, management with the support of the Board, was actively implementing various projects. One of these is the extension of the building of CD and the setting up of a full-fledged Cancer Unit. To facilitate the team of C-Care in achieving its objectives, some organizational changes were brought forward, effective as from 1 July 2019, as summarised on the next page:

OLIVIER SCHMITT
Chief Executive Officer, C-Care
Chief Operating Officer, Wellkin Hospital

- Joined FCD as from 01 April 2018.
- Appointed Chief Executive Officer of C-Care and Chief Operating Officer of Wellkin Hospital as from 01 January 2019.
- Holder of an MBA and Engineering Degree in Biomedical/ Biomaterial sciences.
- Having a successful track record of more than 15 years in the French Private Hospitals.
- Wide experience in large private hospital operational management through the implementation of relevant re-organisational processes (operating theatres, inpatient services, logistics...).

Executive Team

CLAIRE WANQUET,
Chief Operational Excellence, C-Care

CLIVE CHUNG,
Director of Operations, Clinique Darné

KEVIN FOK,
Head of Finance, C-Care

SHALINI BUNWAREE-NAGDAN,
Head of Marketing and Sales, C-Care

The following documents are available for consultation on the website of the Company:
www.c-care.mu

- Profiles of the Directors
- Position statement of the Chairperson and Company Secretary
- Profiles of the executive management team of C-Care
- Terms of Reference of the Board committees

PRINCIPLE 3: DIRECTOR APPOINTMENT PROCEDURES

Appointment of Directors

Considering the existing composition of the Board and the requirement of new director to fill a vacancy or act as additional director, if any, the CGNRC reviews potential candidates in terms of their expertise, skills, attributes, personal and professional backgrounds. The Committee then recommends the said appointment to the Board for consideration. If the Board approves, the person is appointed as a Director of C-Care, subject to the approval of the shareholders at the next Annual Meeting of the Company.

During the year under review, the CGNRC recommended the nomination of Mr. Deonanan Makoond as Independent Director to the Board which has been subsequently approved.

Re-election of Directors

In compliance with the Company's Constitution, the Directors, including the Chairperson, will seek re-election at the forthcoming Annual Meeting of shareholders.

Director Independence

The Board considers that it is able to exercise its judgement in an independent and unfettered manner, provide independent and effective oversight of management and is highly effective in promoting the interests of shareholders as a whole. All members of the Board, whether independent Directors or not, exercise independent judgement in making decisions in the best interest of the Company.

To assist the Board in determining the independence status of its directors, in line with the Code, the relevant Independence criteria has been determined, documented and subsequently approved by the Board.

C-Care is compliant with the recommendation of the Code with at least two independent directors.

Time commitments

Though eligible to serve on multiple boards, the Directors of C-Care ensure that sufficient time and attention is given to the affairs of the Company.

Induction of Directors/Ongoing training and development

New Directors receive a comprehensive and tailored induction programme on joining the Board to facilitate them in understanding the Company and the key drivers of the business performance. The induction programme is coordinated by the Chairperson with the support of the Company Secretary.

Induction process:

Understand the Business

- Governance induction programme covering external governance matters (e.g. Laws, Rules and Regulations and Directors' Duties) and internal governance matters (e.g. Board and Committees and policies).
- Induction material, such as Board and Committee papers, Committees' Terms of Reference, Company profile, previous annual reports etc.
- Meeting with Chairperson and other Board members.

Meet the Management Team

- Meetings with the Executive Team and Senior Management from key departments.

Visit the Business

- Visit the Company's clinics.

Directors' Development and Training

All Directors have opportunity for ongoing development and support via:

- Reviews with the Chairperson to identify any training and development needs.
- Advice on governance, regulatory and legislative changes affecting the business or their duties as Directors from the Company Secretary.
- Access to independent professional advice at the Company's expense.

Succession planning

During the year ahead, the Board will continue to focus on succession planning to ensure the readiness of potential candidates for all key roles across the business. The Board is committed to good governance, culture and leadership, recognizing that these are key considerations for a strong sustainable business and that the tone comes from the top.

The CGRNC has been mandated to support the Board in having the right people and skills on board to ensure smooth continuous business operations in the best interest of the Company and its stakeholders.

PRINCIPLE 4: DIRECTORS' DUTIES REMUNERATION AND PERFORMANCE

Legal Duties

The Company Secretary is responsible for ensuring that directors are kept abreast of relevant legislative and regulatory developments as well as significant information impacting the Company's operating environment to help them in discharging their fiduciary and statutory duties ethically.

The Board is ultimately responsible for overseeing the Company's compliance with laws, rules, codes and relevant standards and procedures.

Conflicts of Interest/Related Party Transactions

In line with the requirements of the Companies Act and as stipulated in the Company's Constitution, Directors have a statutory duty to avoid situations in which they have, or may have, interests that conflict with those of the Company. The Company has in place procedures for managing conflicts of interest. Each Director notifies the Company of any situation in which he or she has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. Directors have a continuing duty to update any changes to their conflicts of interest status and the register is updated accordingly. Upon appointment, as part of the induction pack, new directors are prompted to complete detailed interest disclosures which are then subject to updates on an annual basis or when a change occurs. The Interest register is available for consultation upon written request to the Company Secretary.

The Company has also adequate procedures for the purpose of identification and monitoring of related party transactions. All transactions entered into with related parties during the financial year were in the ordinary course of business. There were no transactions with related parties during the year under review which were in conflict with the interest of the Company. The details of the related party transactions are discussed in detail in the 'Notes' section of the Financial Statements.

To ensure adherence to the recommendations of the Code, the Board has subsequently approved a Conflict of Interest/Related Party Transactions Policy.

Directors' dealings in the Company's securities

The Company has in place a Share Dealing policy under which, all Directors and employees are prohibited from dealing (or causing or encouraging a third party to deal) in the Company's shares at any time while they are in possession of price-sensitive information. The Company Secretary ensures that the Directors are made aware of these price-sensitive or closed periods.

As at 30 June 2019, none of the Directors of C-Care held any shares in the Company.

Information, Information Technology and Information Security Governance

Information Technology (IT) plays a critical role in helping the Company achieve its objectives and managing its risks. Integrating good governance into the Company's IT requirements ensures that the business practices are sustainable. This is facilitated by the following structures:

IT Steering Committee at the level of CIEL

Proactively manages IT risk and IT governance within a defined strategy, which aims to improve business outcomes across all the subsidiary companies of CIEL.

IT Policy of CIEL

Provides a governance and management foundation for C-Care to define its customised IT policy in line with its business operations.

IT Department of C-Care

The IT department is responsible for the IT governance strategy, which includes defining the information architecture, acquiring the necessary hardware and software to execute the Company's strategy, managing projects, ensuring continuous service and monitoring the performance of the IT systems.

With the support of the service-provider "EBIZ", C-Care recently implemented its new Hospital Information System (HIS), including key modules namely finance and procurement. Adequate training was provided, on an on-going basis, to the employees to facilitate in the adaptation of this new system. To ensure good governance and best practices, management has solicited the support of Currimjee Informatics Ltd as project manager and Ernst & Young to review all Standard Operating Procedures ("SOPs") which would be then clearly documented for reference by all employees.

The IT Department, supported by the Head of Finance, oversees all the IT projects of the Company with much focus on cost/time effectiveness. An amount, as determined by the immediate requirements of the Company, is budgeted annually to cater for any expenses pertaining to information technology.

In line with the new EU GDPR regulations and the Data Protection Act 2017 of Mauritius, the Board has approved the Data Privacy Policy and Personal Data Breach Policy; statutory documents which have then been relayed to each and every employee of C-Care for adherence. Management also has recourse to the expertise of the internal auditor, EY, to carry out a data privacy gap assessment exercise to assess the extent to which C-Care was compliant with the new laws and regulations as well as best practices. To address the shortfalls which have been highlighted from this exercise, a number of activities, as remedial actions, has been earmarked with a proper implementation roadmap. A project team, championed by the Data Protection Officer of C-Care, has then been set up to drive the implementation process of these projects with quarterly reporting to the ARC and subsequently to the Board.

Board Information

The Company provides the following information, *inter alia*, to the Board and Board-level Committees, which is given either as part of the meetings or by way of presentations and discussion material during the meetings.

- Annual business plans and budgets, capital budgets and other updates.
- Quarterly, half-yearly and annual financial results of the Company.
- Minutes of meetings of the Board Committees.
- Significant transactions and arrangements.

Other than the meetings which remain the key platform for the sharing of information, the Company Secretary, acting as a conduit between the management team and the Board of C-Care, is responsible for the flow of information to the Board and its committees.

The Directors have unrestricted access to all Company's information, records, documents and property. Directors are entitled, at the Company's expense, to seek professional advice about the affairs of the Company. This can be procured independently or co-ordinated through the Company Secretary.

Directors' and Officers' Liability Insurance

A Directors' and Officers' insurance has been established for all Directors and Officers to provide cover against their reasonable actions on behalf of the Company. A group cover has been subscribed by CIEL Limited covering its subsidiaries, including C-Care.

Board evaluation and development

One of the recommendations stipulated in the Code is the formal evaluation of the Board performance and that of its Committees.

In light of the above and to ensure compliance with the principles of the Code, the Company Secretary department of CIEL Corporate Services Ltd has worked on a common template for both the Board and Board Committees Evaluation which has then been adapted for the subsidiaries of CIEL Limited.

The CGRNC of C-Care looked into the set of questionnaires which has been tailor-made as per the operations of the Company and the existing Board Committees in place for C-Care prior to Board approval. The Company Secretary confirmed, as starting point, that the Board Assessment Questionnaire has been launched and the Board effectiveness review would be conducted on an annual basis. The main areas considered during the evaluation have been Board efficiency and effectiveness; Board-Management relationship; Effectiveness of Board processes and meetings; Size, Composition and Independence of the Board; and the Chairperson.

The Board Evaluation process is summarised as follows:

- Identify and agree on the relevant questions which have been validated by the CGRNC and approved by the Board.
- Prompt the Directors serving on the Board of C-Care to complete the survey which has been designed on Office 365 by sending a corresponding weblink.
- Receive and collate responses in a report. *To note that the anonymity of the respondents have been preserved throughout the process.*
- Identify areas for action.
- Present the report to the Board at the forthcoming Board Meeting scheduled in September 2019.

Once the Board has reviewed the report, an action plan to address the shortfalls which have been identified during this evaluation process would be defined with the objective of improving the Board's procedures and effectiveness.

The Company Secretary will subsequently launch the same process for each of the standing Board Committees.

Statement of remuneration

The Company acknowledges the importance of having a formal and transparent policy for developing executive remuneration. In that respect, a distinct Remuneration policy, as annexed to the Terms of Reference of the CGNRC, has been implemented which aims to attract, retain and motivate the employees by linking reward to performance.

The CGNRC has been delegated with the responsibility of looking into the proposed annual increments of the senior executives as well as the employed doctors of C-Care falling above the threshold of Rs. 300K. For the year under review, increments at Clinique Darné and Wellkin Hospital were determined by:

1) A statutory increase imposed by the Government of Mauritius.

2) Cost of living adjustment.

3) The individual performance as well as that of the Company.

Directors' Emoluments

For the financial year ended 30 June 2019, the following fees were paid/payable to the Independent Directors.

Fixed fee per year	Board Committees
Rs 200,000	Rs 25,000 per attendance

No fees were paid to the Executive/Non-Executive Directors.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Internal Control and Risk Management

The Board considers the assessment of risk and the identification of mitigating actions and internal control to be fundamental to achieving C-Care's strategic corporate objectives. Though the Board has overall responsibility for the Company's system of risk management and internal control, it has established an organizational structure with clearly defined lines of responsibility to identify, evaluate and manage principal risks faced by the Company as below:

Board

Audit and Risk Committee

Overall oversight of risk management and internal control framework

- Full quarterly review of effectiveness of risk management and internal control systems, Corporate Risk Register undertaken by the ARC with reporting to the Board.
- Update on changes to risk and internal control environment presented by the Risk Officer of C-Care with the assistance of the Group Risk Officer of CIEL to the ARC at each meeting.

Whistleblowing processes

Regular KRI reporting

Regular management presentation to the Board and ARC

Internal Audit reports

Corporate Risk Register

FIRST LINE OF ASSURANCE

- Operating within agreed policies and procedures.

SECOND LINE OF ASSURANCE

- Identify developments in risk and internal control environment.
- Develop and implement strategy, policies and procedures to manage risk.
- Maintain Corporate Risk Register.

THIRD LINE OF ASSURANCE

- Independently review quality of key internal controls and management assessment of risk.
- Challenge management to drive up quality.

Internal audits
Risk and Internal control analysis

During the year under review, the Risk Oversight Committee reviewed all principal risks in detail and provided oversight of how all the Company's inherent risks are managed. In addition, a risk register is maintained that ensures a 'top down' and 'bottom up' assessment of risks which is presented at each ARC meeting.

With the implementation of the Enterprise-wide Risk Management System, the Board acknowledges that this system has been designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Corporate Governance

Some of the prominent risks faced by the Company in its daily operational activities are summarised as:

Financial

Financial risks, market risks including currency risks and price risks, credit risks and liquidity risks as detailed under the 'Notes' section of the Financial Statements.

Operational

Risks of loss and/or opportunity foregone resulting from inadequate or failed internal processes, people and systems or from external events.

Compliance

Risks to which the Company is exposed for not complying with laws, regulations and policies.

Reputational

Risks of losses due to unintentional or negligent failure to meet a professional obligation towards stakeholders.

Climate

Risks resulting from climate change, affecting systems and regions. A changing climate is a threat to the quality and continuity of care provided at healthcare facilities due to more frequent and severe extreme weather events and increased health risks from a range of other climate hazards including food, water, vector-borne and zoonotic diseases and poor air quality. Hence, healthcare facilities are increasingly vulnerable to impacts from climate change without adaptation. The facilities within the Company are encouraged to train their healthcare professionals and equip their facilities to diagnose and treat new and emerging diseases and to respond to a wider range of climate-related public health emergencies.

Strategic

Risks relating to the uncertainties and untapped opportunities embedded in the corporate strategy.

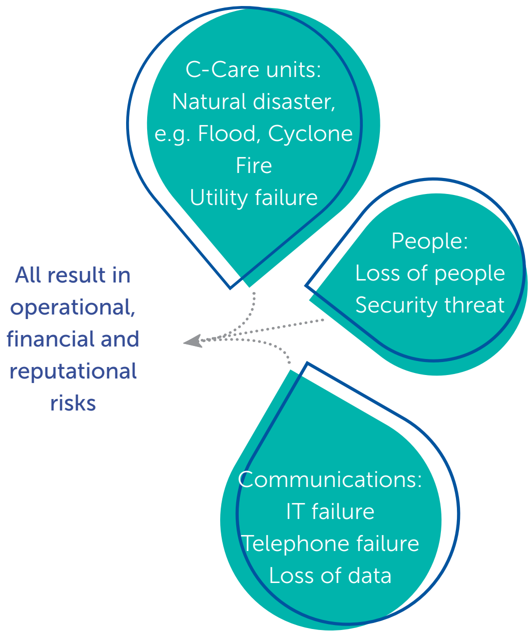
Medical malpractice

Any act or omission by a physician during treatment of a patient that deviates from accepted norms of practice in the medical community and causes an injury to the patient.

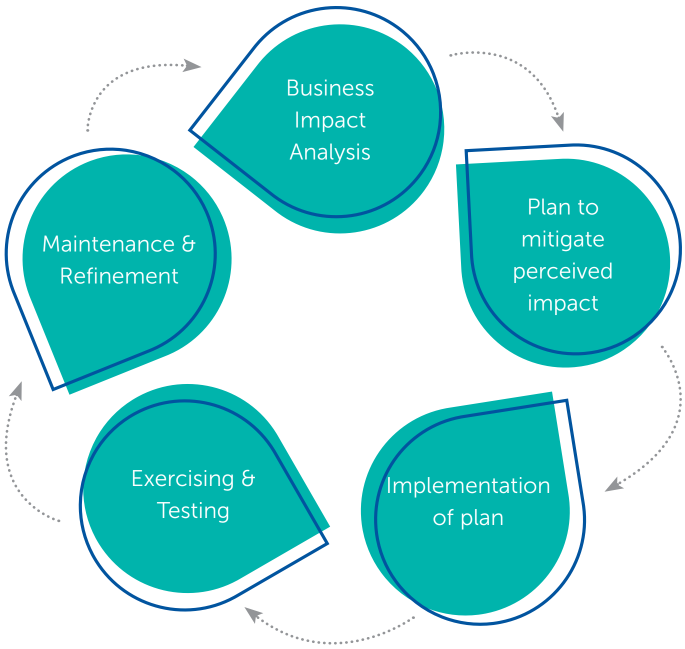
Business Continuity Plan

Management is being proactive by drafting a Business Continuity Plan ("BCP") to allow the operational units of the Company to continue to operate during or following a disruption. This is important as the Company aims to ensure that the units of C-Care remain world-class leaders in the healthcare industry, even in the event of a major incident.

What could go wrong?



The process of BCP at C-Care has been earmarked as follows:



Whistleblowing

Employees can confidentially and anonymously raise concerns that relate to fraud, unethical conduct or business practices and other concerns through the whistleblowing mechanism, either telephonically/through email or in person. Information on how to use the whistleblowing mechanism is provided in the whistleblowing policy. The Whistleblowing Policy has been reviewed during the year and communicated to all colleagues around the Company.

PRINCIPLE 6: REPORTING WITH INTEGRITY

The Board confirms that it considers the 2019 Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. This statement is acknowledged by a signed Statement of Directors' responsibilities which is included in the Annual Report.

Environment, Health and Safety

Being a healthcare service provider, C-Care recognises its role in providing a healthy, sound, safe and secure environment for all its patients, employees, visitors and any authorised parties on its premises. Environmental and safety implications are strongly considered before any operational and strategic decisions.

In compliance with the Health and Safety legislation, the Company has implemented the recommended policies and practices to ensure that the plants, machinery and equipment are safe to operate; information, instructions and training are provided to enable its employees to perform their duties efficiently and safely; its patients are treated and served in the best conditions; and continuous improvement in the performance of its Health and Safety management system are maintained.

Overview of the external environment

Competition

- Government heavy investment in health sector.
- Upgraded ENT and Eye Hospital.
- Construction of mediclinics and 7 health centres.
- NICU in major hospitals.
- Aegle Cancer Centre in Rose Belle.
- Private sector investment in healthcare.

Economic

- Government strategy to turn Mauritius into a medical hub.
- Budgetary measure to promote medical tourism.
- Public insurance.
- New GDPR regulations.

Technology

- Government investment in e-health project.
- Paperless administration.

Social

- Growing middle class with higher purchasing power.
- Ageing population: 20% of Mauritian population will be above 65 years by 2025.
- Declining birth rates: Mauritius on the verge of a demographic crisis.

Business Model

Our Outcome deliverables

- World-Class Clinical Results
- World-Class Patient Experience
- Sustainable Financial Results

What we will focus on for now to build our reputation

- Medical Programmes, Clinical Outcomes
- Build Centers of Excellence
- Deliver cost savings, eliminate waste and make efficiency improvements

Our Internal process priorities the processes we must excel at internally

- Optimise Processes and Clinical Pathways + nursing strategy
- Build strategic partnerships – with doctors and partner organisations
- Maintain quality standards and accreditations
- Marketing : Rebranding and sustaining the new brand
- Digitalisation of processes: Use IT as business enabler

Our people priorities

- Recruit, Retain and develop our talent
- Promote staff engagement and communicate effectively
- Patient-First Service Culture

Our values and behaviours

- Medical Expertise, Approachable, People at Heart, Progressive

Sustainability

Sustainability is a rapidly growing trend in the world of Healthcare with patients and other stakeholders being increasingly mindful of 'Green' living, reduction of plastic consumption and ethical recycling. The Company's commitment to social, environmental and economic sustainability is therefore central to its business culture and underpins all its activities.

The overseeing of the sustainable development of the Company is championed by CIEL Healthcare Limited. Discussions/debates are collectively taken up at the level of the holding company, CIEL Limited which has established a distinct Corporate Sustainability Committee to ensure compliance with the relevant sustainability policies and practices.

Donations

For the year under review, C-Care contributed Rs. 123,000 to Fondation CIEL Nouveau Regard, the CSR arm of the CIEL Group. Fondation CIEL Nouveau Regard has been involved over the past years in community development projects throughout the island, focusing on children in distress, including those who grow up in the streets and those facing difficult family situations.

No funds was allocated to any political parties.

A copy of the Corporate Governance Report, included in the full set of the Annual Report of the Company for the financial year ended 30 June 2019, is available for consultation on the Company's website: **www.c-care.mu**

PRINCIPLE 7: AUDIT

Internal audit

The Internal Audit function provides independent assurance to the Board and other key stakeholders over the adequacy and effectiveness of the Company's system of internal controls, the governance model and the Enterprise-wide Risk Management Framework. The function is the third line of assurance in the Company's risk control structure and has no operational responsibilities over the entities or processes it reviews.

The internal auditor of the Company is Ernst & Young ("EY"). To ensure that the internal auditor remains independent and sufficiently objective, and meets its responsibilities, the internal audit team reports functionally to the Audit and Risk Committee ("ARC") and administratively to the CEO of the Company. The internal auditor has unrestricted access to all company records and employees, including the Company's CEO, Head of Finance, as well as the Chair of C-Care's Board, and the Chair and members of the ARC.

During the year under review, the internal auditor presented their scope of work for the three years starting from the financial year 30 June 2019 as per their mandate. The audit plan has been reviewed and prioritised in terms of the degree of potential risks associated to the areas to be covered. The immediate focus of EY was on the Data Migration testing in parallel with the implementation process of the new ERP system. In its advisory capacity, EY proposed to accompany management in documenting the relevant policies and processes in line with the new HIS. EY was also assisting management in the implementation process to adhere to the Data privacy protocols.

Internal Audit Fees

Audit fees payable by the Company in respect of the internal audit for the year under review were as per table below:

	The Company	
	Rs.	Rs.
	2018/2019	2017/2018
Internal Audit fees to:		
BDO & Co	**200,000**	750,000
Fees paid for other services provided by:		
Ernst & Young	**1,706,500**	-

Note: Fees are exclusive of VAT

External audit

PricewaterhouseCoopers Ltd ("PwC") was appointed external auditor of the Company, in replacement of EY, at the last Annual Meeting of shareholders ("AMS") of the Company held in December 2017.

In accordance with Section 200 of the Companies Act 2001, PwC was re-appointed external auditor of the Company for the financial year ended 30 June 2019 at the last AMS of the Company held in December 2018.

The Board and the ARC are satisfied that PwC has adequate policies and safeguards in place to ensure that auditor objectivity and independence are maintained. A report on the audit of the Consolidated and Separate Financial Statements of C-Care, signed off by PwC, is included in the set of audited accounts confirming their opinion and independence.

To ensure compliance with the new and revised Auditor Reporting Standards, the auditor's report also includes the Key Audit Matters ("KAMs") which are those matters that, in the external auditor's professional judgement, are of the most significance in the audit of the financial statements. Potential KAMs as well as critical policies, judgements and estimates earmarked by the auditors during their audit review are discussed with the ARC members in the presence of the management team prior to finalising.

The Company Secretary also confirms that the ARC members meet with the external auditor, once a year, without management being present, to discuss the auditor's remit and any issues arising from the audit.

External Audit Fees

External audit fees payable during the year were as follows:

	The Company	
	Rs.	Rs.
	2018/2019	2017/2018
Audit fees to:		
PwC	**1,332,330**	1,132,500
Fees paid for other non-audit services provided by:		
PwC	**283,752**	2,324,875

Note: Fees are exclusive of VAT

The non-audit services paid to PwC for the FY 2017/2018 referred to the review of debtors and tax computation whilst the non-audit fees paid to PwC for the FY 2018/2019 were in respect of Training: Rs. 112,000; Taxation: Rs. 124,875; and CBRIS Filing: Rs. 46,877 – fees exclusive of VAT.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

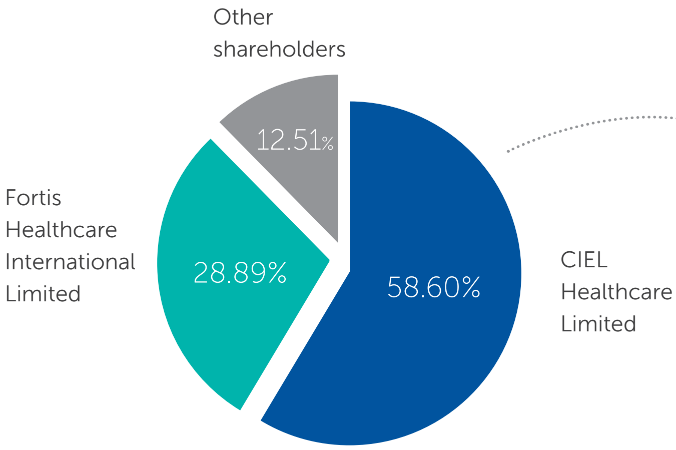
Shareholding

Register date
30 June 2019

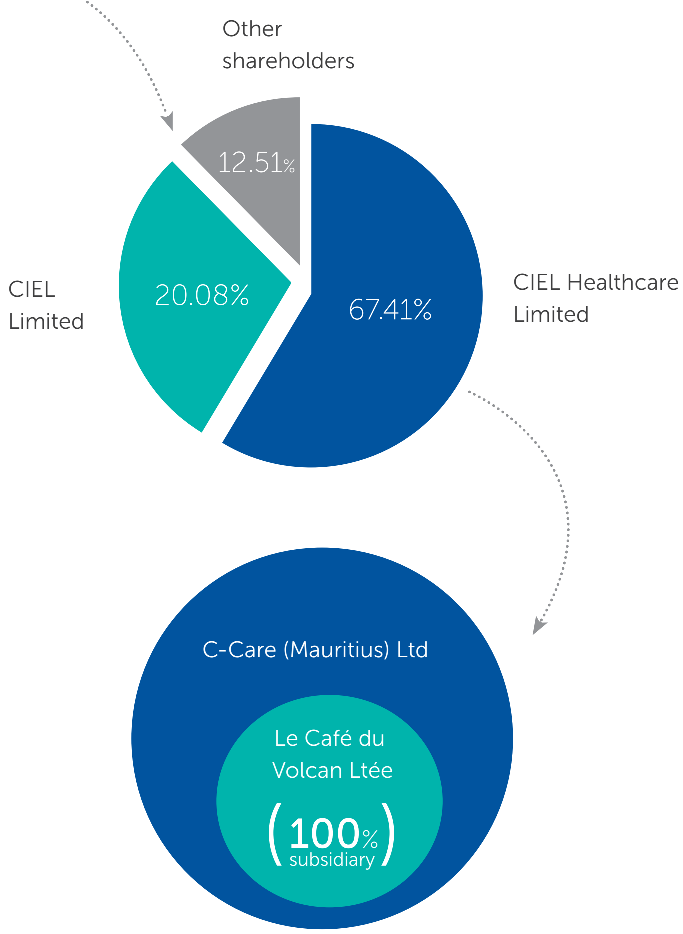
Issued share capital
569,940,822
No par value ordinary shares worth in total
Rs. 289, 801,318/-

Holding structure of C-Care

As at 30 June 2019



Post 30 June 2019*



* On 17 May 2019, CIEL Limited ("CIEL") issued a Cautionary Announcement expressing its wish as well as that of its subsidiary company, CIEL Healthcare Limited ("CHL"), to acquire the total stake of Fortis Healthcare International Limited ("FHIL") in C-Care, that is **164,670,801** no par value ordinary shares representing **28.89%** of the total shareholding of C-Care.

On 8 July 2019, CIEL released a Communiqué to inform its shareholders and the public in general that it has acquired **114,461,596** no par value ordinary shares of C-Care representing **20.08%** of the total shareholding of C-Care whilst CHL acquired the remaining FHIL stake in C-Care, that is **50,209,205** no par value ordinary shares such that the shareholding of CHL in C-Care has increased from **58.60%** represented by **334,004,488** no par value ordinary shares to **67.41%** represented by **384,213,693** no par value ordinary shares.

Common Directors

The common Directors within the holding structure of the Company, as at date, are as follows:

Name of Directors of C-Care	CIEL Healthcare Limited	CIEL Limited
Hélène Echevin	✓	–
L.J Jérôme De Chasteauneuf	✓	✓
Christine Sauzier	✓	–

Substantial Shareholders

The shareholders holding more than 5% of the issued share capital of the Company as at date are:

Shareholders	Number of shares owned	% Holding
CIEL Healthcare Limited	384,213,693	67.41%
CIEL Limited	114,461,596	20.08%

Shareholding profile

The share ownership and a breakdown of the category of shareholders as at 30 June 2019 was as below tables:

Number of shareholders	Size of shareholding	Number of shares owned	% Holding
86	1-500 shares	6,953	0.0012
21	501 - 1,000 shares	20,550	0.0036
45	1,001 - 5,000 shares	146,760	0.0258
27	5,001 - 10,000 shares	216,400	0.0380
27	10,001 - 50,000 shares	687,030	0.1205
9	50,001 - 100,000 shares	661,300	0.1160
8	100,001 - 250,000 shares	1,144,300	0.2008
3	250,001 - 500,000 shares	1,144,620	0.2008
15	> 500,001 shares	565,912,909	99.2933
234		**569, 940,822**	**100.00**

Number of shareholders	Category of shareholders	Number of shares owned	% Holding
197	Individuals	2,242,905	0.3935
6	Insurance and Assurance Companies	30,000,000	5.2637
12	Investment and Trust Companies	19,393,281	3.4027
3	Pension and Provident Funds	189,100	0.0332
23	Other Corporate Bodies	518,115,536	90.9069
241		**569,940,822**	**100.00**

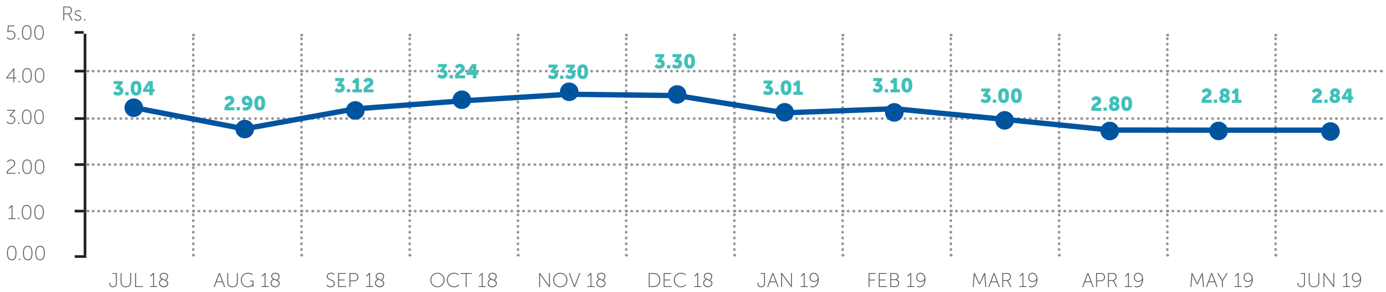
Shares in public hands

In accordance with the DEM rules of the SEM, more than 10% of the shareholding of C-Care is in the hands of the public.

Share Price Information

The price movement of the Company's ordinary shares which are listed on the DEM since August 2006 for the financial year ended 30 June 2019 is graphically represented as follows:

Share Price Information



Month

Shareholders' Relations and Communications

C-Care believes that regular and ongoing engagement with its key stakeholders, as categorised below and, in particular, its shareholders is extremely important for good corporate governance.

C-Care stakeholders

People

- Employees
- Patients
- Trade Unions
- Training institutions
- Communities

Operations

- Pharmaceutical regulatory authorities
- Healthcare industry
- Suppliers
- Government
- Customers
- Service providers
- Business partners

Corporate

- Shareholders
- Investors, healthcare analysts and social media
- Consultants
- Financial and Statutory authorities

The Board takes overall responsibility for maintaining a stakeholder-inclusive governance approach and for this purpose, ensures that appropriate channels of communication are established between the Company and its stakeholders. This is achieved principally through the Annual Report and accounts, the website of the Company and the Annual Meeting of Shareholders (AMS). In addition, official public announcements released by the Company are also posted on the website of the SEM, other than that of the Company. Management responds to material issues raised by stakeholders, as appropriate, in the ordinary course of business and the Board, as whole, is kept fully informed of the views and concerns of these major stakeholders.

The Board recognises that the AMS is the principal forum for dialogue with the shareholders of the Company. All directors, including the senior executives from the management team of C-Care as well as the external auditor, normally attend the AMS and are available to answer questions that shareholders may wish to raise.

C-Care aims to encourage its shareholders to receive communications by electronic means, helping to make the Company more environmentally friendly. The website is therefore capitalised as one of the most significant communication tools to provide the stakeholders with timely information on the Company's performance/deliverables.

Indicative calendar planning for the financial year ending 30 June 2020

September 2019	Publication of audited accounts for the year ended 30 June 2019
November 2019	Publication of unaudited accounts for the quarter ending 30 September 2019
December 2019	Annual Meeting of Shareholders
December 2019	Declaration of Interim Dividend*
January 2020	Payment of Interim Dividend*
February 2020	Publication of unaudited accounts for the six months ending 31 December 2019
May 2020	Publication of unaudited accounts for the nine months ending 31 March 2020
May/June 2020	Declaration of Final Dividend*
June/July 2020	Payment of Final Dividend*

** Subject to the approval of the Board of Directors*

Dividend

The Company has no formal dividend policy. Dividends are declared and paid subject to the profitability of the Company, its cash flow, its foreseeable investment, capital expenditure/working capital requirements or as otherwise decided by the Board.

No dividend was declared and paid during the financial year ended 30 June 2019.

Share Registry and Transfer Office

For enquiries about share transfer and registration and/or change in name or address, and/or questions about lost share certificates, share transfers or dividends, shareholders are kindly invited to contact the Company's Share Registry and Transfer Office:

MCB Registry & Securities Limited
Ground Floor, Raymond Lamusse Building
9-11 Sir William Newton Street, Port Louis
Tel: +230 202 5640

Shareholders' agreements

There is a Share Purchase Agreement in place between the two substantial shareholders of the Company namely CIEL Limited and CIEL Healthcare Limited.

Other Agreements

The Company holds the following agreements with:

- Azur Financial Services Limited for its treasury management services.
- CIEL Healthcare Limited for the provision of the following services either directly or through the support of CIEL Corporate Services Ltd:
  - ✔ Strategic support & Group Strategy and Harmonisation
  - ✔ Corporate Governance
  - ✔ Company Secretary
  - ✔ Legal Support
  - ✔ Corporate Finance
  - ✔ Corporate Sustainability
  - ✔ Communication Support
  - ✔ Human Resources Support
  - ✔ Payroll
- MCB Registry & Securities Ltd for the administration of the Company's Share Registry and Transfer department.
- National Insurance Co Ltd for the sublease of the land and the lease of the Hospital Building and Infrastructure in respect of Wellkin Hospital – the Lease and Sublease Agreement.

The Company did not enter into any other major agreements other than those in the ordinary course of business during the year under review. Same for the above, the Company is not aware of any agreement which affects the governance of the Company by the Board.

This report has been approved by the Board upon recommendation of the Corporate Governance, Remuneration and Nomination Committee.

....
Hélène Echevin
Chairperson

....
L. J. Jérôme De Chasteauneuf
Director/Chairman of the Audit and Risk Committee

Dated this: 24 September 2019

Other Statutory Disclosures

(Pursuant to Section 221 of the Companies Act 2001)

Nature of Business

C-Care (Mauritius) Limited is a public company incorporated and domiciled in Mauritius. The registered office of the Company is 5th Floor, Ebène Skies, Rue de l'Institut, Ebène. C-Care is a Mauritian private healthcare group, owning and operating the two main private healthcare facilities in Mauritius, namely Clinique Darné and Wellkin Hospital. C-Care also owns and manages C-Care Clinic and C-Lab.

Directorship of Subsidiary Company

Le Café du Volcan Ltée is wholly owned by the Company. It is responsible for the catering needs of the visitors and the staff in general of Clinique Darné.

Mrs Hélène Echevin and Mr Olivier Schmitt are the Directors of Le Café du Volcan Ltée.

During the year under review, none of the Independent, Executive and Non-Executive Directors who served as directors of the subsidiary company received any emolument from C-Care or its subsidiary.

Directors' Service Contracts

There was no service contract between the Company and its subsidiary and any of its Directors during the year under review.

Contract of Significance

No Director or any substantial shareholder was materially interested, either directly or indirectly, in a contract of significance entered into by the Company and its subsidiary.

Employee Share Option Scheme

The Company has no specific employee share option plan.

Appreciation

The Board expresses its appreciation and thanks to all those involved for their contribution during the year.

ON BEHALF OF THE BOARD

Hélène Echevin
Chairperson

L. J. Jérôme De Chasteauneuf
Director/Chairman of the Audit and Risk Committee

Dated this: 24 September 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors acknowledge their responsibilities for:

(i) Adequate accounting records and maintenance of effective internal control systems.

(ii) The preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the cash flows for that period and which comply with International Financial Reporting Standard (IFRS) and Companies Act 2001.

(iii) The use of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

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

The Directors report that:

(i) Adequate accounting records and an effective system of internal controls and risk management have been maintained.

(ii) Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently.

(iii) International Financial Reporting Standards have been adhered to. Any departure has been disclosed, explained and quantified.

(iv) The Code of Corporate Governance has been adhered to in all material aspects and reasons provided for non-compliance.

ON BEHALF OF THE BOARD

....
Hélène Echevin
Chairperson

....
L. J. Jérôme De Chasteauneuf
Director/Chairman of the Audit and Risk Committee

Dated this: 24 September 2019

COMPANY SECRETARY'S CERTIFICATE

In our capacity as Company Secretary of C-Care (Mauritius) Ltd ("the Company"), we hereby confirm that, to the best of our knowledge and belief, the Company has lodged with the Registrar of Companies as at 30 June 2019, all such returns as are required for a company in terms of the Companies Act 2001, and that such returns are true, correct and up to date.

CIEL Corporate Services Ltd
Company Secretary

Registered Office:
5th Floor, Ebène Skies
Rue de l'Institut
Ebène
Mauritius

Dated this: 24 September 2019

STATEMENT OF COMPLIANCE

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

Name of Public Interest Entity ("PIE"): C-Care (Mauritius) Limited

Reporting Period: 1 July 2018 to 30 June 2019

On behalf of the Board of Directors of C-Care (Mauritius) Ltd, we confirm, to the best of our knowledge that the PIE was compliant with the obligations and requirements under the National Code of Corporate for Mauritius (2016), save for the following exceptions:

Principles not complied with:

Principle 2: The Structure of the Board and its Committees

Board Committees:

1. The Chairperson of each of the Board Committees should not be the Chairperson of the Board.
2. The Chairperson of the Audit Committee should be an independent director.

Hélène Echevin
Chairperson

L. J. Jérôme De Chasteauneuf
Director/Chairman of the Audit and Risk Committee

Dated this: 24 September 2019

Independent Auditor's Report

Report on the Audit of the Consolidated and Separate Financial Statements

Our Opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of C-Care (Mauritius) Ltd (the "Company") and its subsidiary (together the "Group") and of the Company standing alone as at 30 June 2019, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

C-Care (Mauritius) Ltd's consolidated and separate financial statements set out on pages 56 to 101 comprise:

- The consolidated and separate statements of financial position as at 30 June 2019.
- The consolidated and separate statements of profit & loss and other comprehensive income for the year then ended.
- The consolidated and separate statements of changes in equity for the year then ended.
- The consolidated and separate statements of cash flows for the year then ended.
- The notes, comprising significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance to International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements" section of our report.

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

Independence

We are independent of the Group in accordance to the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

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

Report on the Audit of the Consolidated and Separate Financial Statements (Continued)

Key Audit Matters (Continued)

Key audit matters relating to the consolidated and separate financial statements	How our audit addressed the key audit matters
1. Recoverability of goodwill	
As detailed in Note 25 of the consolidated and separate financial statements, the Group's and the Company's goodwill is allocated to cash generating units (CGUs) that are identified as being the Wellkin Hospital and the Department of Cardiac Science and Critical Care. The valuation and recoverability of goodwill involves complex judgements and estimates, including projections of future income, terminal growth rate assumptions, and discount rates. These assumptions and estimates can have a material impact on the valuations and impairment decisions reflected in the consolidated and separate financial statements.	We have corroborated the justification of the CGUs defined by management for goodwill allocation.
	We tested the principles and integrity of the discounted cash flow models that supports the recoverable value calculations in order to assess the appropriateness of the methodology applied in the annual impairment assessments.
	We tested the reasonableness of the methodology and assumptions used including projections on future income (including a comparison of last year's forecast to actual results), terminal growth rate assumptions, discount rates and sensitivity analysis to determine the impact of those assumptions.
	We considered whether any possible change in the key assumptions required disclosures under IAS 36 – Impairment of Assets was required.
	We engaged our internal valuation experts to assist in the testing of the discount rates and terminal growth rates.
2. Deferred tax asset	
As disclosed in note 14 to the consolidated and separate financial statements as at 30 June 2019, the Group and the Company have recognised significant deferred tax assets of Rs. 91.7M in the consolidated and separate statements of financial position. The deferred tax assets arose from tax losses in Wellkin.	We have performed the following procedures in relation to Management's assessment of the recoverability of deferred tax assets: • We evaluated management's forecast of future profitability supporting the recognition of the deferred tax assets and their assessment of the key assumptions in light of current performance; • We have also analysed the tax position of the Group and the Company in the current year and challenged management on the non-recognition of deferred tax assets relating to tax losses of Rs. 250M.
The deferred tax assets was recognised to the extent of future projected taxable profits at the date of acquisition. The recoverability of deferred tax assets is judgemental and is based on a number of factors including whether there will be sufficient taxable profits in the future to support the recognition.	

Report on the Audit of the Consolidated and Separate Financial Statements (Continued)

Other Information

The directors are responsible for the other information. The other information comprises the corporate governance report, the statement of directors' responsibilities, the company secretary's certificate and the statement of compliance but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

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

In addition to the responsibilities described above and our work undertaken in the course of the audit, the Financial Reporting Act 2004 requires us to report certain matters as described below.

Corporate Governance Report

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

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

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

Report on the Audit of the Consolidated and Separate Financial Statements (Continued)

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

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

a) We have no relationship with or interests in the Company or its subsidiary other than in our capacity as auditor, tax and business advisors of the Company.

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

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

Other Matter

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

PricewaterhouseCoopers

Olivier Rey, licensed by FRC

Dated this: 24 September 2019

Financial Statement

Consolidated and separate statements of financial position

AS AT 30 JUNE 2019

		THE GROUP		THE COMPANY	
			Restated		**Restated**
	Notes	**2019**	2018	**2019**	2018
		Rs.	Rs.	**Rs.**	Rs.
ASSETS					
Non-current assets					
Property, plant and equipment	4	**806,658,189**	801,004,051	**806,464,889**	800,759,486
Intangible assets	5	**393,017,444**	361,393,768	**393,017,444**	361,393,768
Investment in subsidiary	6	**-**	-	**25,000**	25,000
Deferred tax assets	14	**91,663,043**	53,740,485	**91,663,043**	53,740,485
		1,291,338,676	1,216,138,304	**1,291,170,376**	1,215,918,739
Current assets					
Inventories	7	**80,105,601**	64,937,512	**79,875,963**	64,725,669
Trade and other receivables	8	**312,156,050**	260,486,203	**316,561,722**	262,703,681
Cash in hand and at banks	9	**126,930,843**	153,860,378	**123,813,344**	151,839,771
		519,192,494	479,284,093	**520,251,029**	479,269,121
Total assets		**1,810,531,170**	1,695,422,397	**1,811,421,405**	1,695,187,860
EQUITY AND LIABILITIES					
Equity					
Issued capital	10	**289,801,318**	289,801,318	**289,801,318**	289,801,318
Revaluation reserve	11	**265,454,220**	243,616,787	**265,454,220**	243,616,787
Retained earnings		**256,475,847**	107,511,099	**258,478,583**	108,293,727
Total equity		**811,731,385**	640,929,204	**813,734,121**	641,711,832
Non-current liabilities					
Other payables	15	**20,000,000**	40,000,000	**20,000,000**	40,000,000
Loans and borrowings	12	**402,589,652**	450,301,771	**402,589,652**	450,301,771
Employee benefit liabilities	13	**54,093,690**	92,305,192	**54,093,690**	92,305,192
		476,683,342	582,606,963	**476,683,342**	582,606,963
Current liabilities					
Trade and other payables	15	**469,793,421**	455,343,441	**468,680,920**	454,326,276
Loans and borrowings	12	**52,323,022**	16,542,789	**52,323,022**	16,542,789
		522,116,443	471,886,230	**521,003,942**	470,869,065
Total liabilities		**998,799,785**	1,054,493,193	**997,687,284**	1,053,476,028
Total equity and liabilities		**1,810,531,170**	1,695,422,397	**1,811,421,405**	1,695,187,860

These financial statements were approved by the Board of Directors on 24 September 2019

Hélène Echevin
Chairperson

L. J. Jérôme De Chasteauneuf
Director/Chairman of the Audit and Risk Committee

The notes on pages 56 to 101 form an integral part of these financial statements.

FOR THE YEAR ENDED 30 JUNE 2019

		THE GROUP		THE COMPANY	
			Restated		Restated
	Notes	**Year ended 30 June 2019**	Year ended 30 June 2018	**Year ended 30 June 2019**	Year ended 30 June 2018
		Rs.	Rs.	**Rs.**	Rs.
Revenue	16	**1,908,698,040**	1,736,941,987	**1,898,555,656**	1,726,405,289
Cost of sales		**(1,201,554,442)**	(1,159,740,435)	**(1,193,511,123)**	(1,153,303,278)
Gross profit		**707,143,598**	577,201,552	**705,044,533**	573,102,011
Other operating income	17	**8,525,217**	5,069,330	**8,525,217**	5,069,276
Administrative expenses		**(632,057,942)**	(592,339,591)	**(628,738,769)**	(588,260,801)
Operating profit/(loss)	18	**83,610,873**	(10,068,709)	**84,830,981**	(10,089,514)
Finance income	19	**3,511,268**	663,822	**3,511,268**	663,822
Finance costs	20	**(21,643,646)**	(23,446,891)	**(21,643,646)**	(23,446,891)
Profit/(Loss) before tax		**65,478,495**	(32,851,778)	**66,698,603**	(32,872,583)
Income tax expense	21(a)	**49,380,750**	(3,770,048)	**49,380,750**	(3,769,898)
Profit/(Loss) for the period		**114,859,245**	(36,621,826)	**116,079,353**	(36,642,481)
Other comprehensive Income:					
Other comprehensive Income not to be reclassified to profit or loss in subsequent periods:					
Revaluation gain on land and buildings	4	**26,310,160**	-	**26,310,160**	-
Tax effect of revaluation gain on land and buildings	14(b)	**(4,472,727)**	-	**(4,472,727)**	-
Re-measurement gain/(loss) on defined benefit obligations	13	**41,090,968**	(17,631,724)	**41,090,968**	(17,631,724)
Tax effect of re-measurement loss on defined benefit obligations	14(b)	**(6,985,465)**	2,997,393	**(6,985,465)**	2,997,393
		55,942,936	(14,634,331)	**55,942,936**	(14,634,331)
Total comprehensive income for the period, attributable to equity holders		**170,802,181**	(51,256,157)	**172,022,289**	(51,276,812)
Basic and diluted earnings/(loss) per share (Rs)	22	**0.20**	(0.06)		

The notes on pages 56 to 101 form an integral part of these financial statements.

Consolidated and separate statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2019

	Issued Capital (Note 10)	Revaluation reserve (Note 11)	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.
THE GROUP				
At 1 July 2017	289,801,318	243,616,787	158,767,256	692,185,361
Loss for the period (restated)	-	-	(36,621,826)	(36,621,826)
Other comprehensive income	-	-	(14,634,331)	(14,634,331)
Total comprehensive income (restated)	-	-	(51,256,157)	(51,256,157)
At 30 June 2018 (restated)	289,801,318	243,616,787	107,511,099	640,929,204
At 1 July 2018	**289,801,318**	**243,616,787**	**107,511,099**	**640,929,204**
Profit for the year	**-**	**-**	**114,859,245**	**114,859,245**
Other comprehensive income	**-**	**21,837,433**	**34,105,503**	**55,942,936**
Total comprehensive income	**-**	**21,837,433**	**148,964,748**	**170,802,181**
At 30 June 2019	**289,801,318**	**265,454,220**	**256,475,847**	**811,731,385**

	Issued Capital (Note 10)	Revaluation reserve (Note 11)	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.
THE COMPANY				
At 1 July 2017	289,801,318	243,616,787	159,570,539	692,988,644
Loss for the period (restated)	-	-	(36,642,481)	(36,642,481)
Other comprehensive income	-	-	(14,634,331)	(14,634,331)
Total comprehensive income (restated)	-	-	(51,276,812)	(51,276,812)
At 30 June 2018 (restated)	289,801,318	243,616,787	108,293,727	641,711,832
At 1 July 2018	**289,801,318**	**243,616,787**	**108,293,727**	**641,711,832**
Profit for the year	**-**	**-**	**116,079,353**	**116,079,353**
Other comprehensive income	**-**	**21,837,433**	**34,105,503**	**55,942,936**
Total comprehensive income	**-**	**21,837,433**	**150,184,856**	**172,022,289**
At 30 June 2019	**289,801,318**	**265,454,220**	**258,478,583**	**813,734,121**

The notes on pages 56 to 101 form an integral part of these financial statements.

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	THE GROUP		THE COMPANY	
		Year ended 30 June 2019	Year ended 30 June 2018 Restated	**Year ended 30 June 2019**	Year ended 30 June 2018 Restated
		Rs.	Rs.	**Rs.**	Rs.
Operating activities					
Profit/(loss) before tax		**65,478,495**	(32,851,778)	**66,698,603**	(32,872,583)
Non-cash adjustment to reconcile loss before tax to net operating cash flows:					
Depreciation of property, plant and equipment	4	**111,207,797**	113,806,386	**111,156,532**	113,757,380
Amortisation of intangible assets	5	**10,970,640**	7,654,941	**10,970,640**	7,654,941
Scrap/disposal of plant and equipment	4	**3,232,753**	(51,154)	**3,232,753**	(51,154)
Movement in employee benefit liability	13	**4,087,397**	2,485,246	**4,087,397**	2,485,246
Impairment of receivables	8	**117,361**	2,304,128	**117,361**	2,304,128
Finance income	19	**(3,511,268)**	(663,822)	**(3,511,268)**	(663,822)
Finance costs	20	**21,643,646**	23,446,891	**21,643,646**	23,446,891
Working capital adjustments					
- Inventories		**(15,168,089)**	10,604,617	**(15,150,294)**	10,556,341
- Trade and other receivables		**(51,631,840)**	(42,429,661)	**(53,975,393)**	(43,392,912)
- Trade and other payables		**12,460,102**	158,605,996	**12,520,125**	158,206,927
		158,886,994	242,911,790	**157,790,102**	241,431,383
Defined benefits paid	13	**(1,207,931)**	(1,377,335)	**(1,207,931)**	(1,377,335)
Tax refund	21(c)	**-**	2,663,805	**-**	2,663,805
Net cash flows from operating activities		**157,679,063**	244,198,260	**156,582,171**	242,717,853
Investing activities					
Interest received		**3,511,268**	663,822	**3,511,268**	663,822
Purchase of property, plant and equipment	4	**(93,784,528)**	(69,544,025)	**(93,784,528)**	(69,485,075)
Purchase of intangible asset	5	**(42,594,316)**	(342,650)	**(42,594,316)**	(342,650)
Proceeds from disposal of property, plant and equipment		**-**	305,000	**-**	305,000
Net cash flows used in investing activities		**(132,867,576)**	(68,917,853)	**(132,867,576)**	(68,858,903)
Financing activities					
Payment of finance lease liabilities	12	**(408,796)**	(380,861)	**(408,796)**	(380,861)
Repayment of other payables		**(20,000,000)**	(17,000,000)	**(20,000,000)**	(17,000,000)
Interest paid		**(19,809,127)**	(23,446,891)	**(19,809,127)**	(23,446,891)
Net cash used in financing activities		**(40,217,923)**	(40,827,752)	**(40,217,923)**	(40,827,752)
Net (decrease)/increase in cash and cash equivalents		**(15,406,436)**	134,452,655	**(16,503,328)**	133,031,198
Cash and cash equivalents at 1 July		**137,726,385**	3,273,730	**135,705,778**	2,674,580
Cash and cash equivalents at 30 June	9	**122,319,949**	137,726,385	**119,202,450**	135,705,778

The notes on pages 56 to 101 form an integral part of these financial statements.

1 CORPORATE INFORMATION

The financial statements of C-Care (Mauritius) Ltd (the "Company") and its subsidiary (the "Group") for the year ended 30 June 2019 were authorised for issue in accordance with a resolution of the Directors on 24 September 2019. C-Care (Mauritius) Ltd is a limited liability company incorporated and domiciled in Mauritius, whose shares are publicly traded on the Stock Exchange of Mauritius (Development Enterprise Market). The address of its registered office is 5th Floor, Ebene Skies, Rue de L'Institut, Ebène, Mauritius. The activities of the Group are to provide healthcare services and cafeteria sales at the clinic.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of C-Care (Mauritius) Ltd (the "Company") and its subsidiary (the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on a historical cost basis, except for land and buildings that have been measured at fair value. The consolidated financial statements are presented in Mauritian Rupees ('Rs'), and all values are rounded to the nearest rupee, except where otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of C-Care (Mauritius) Ltd and its subsidiary as at 30 June 2019.

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

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

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

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

ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (Continued)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interest.
- Derecognises the cumulative translation differences, recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings as appropriate.

2.2 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP AND THE COMPANY

The Group and Company have applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2018:

IFRS 15 'Revenue from contracts with customers'

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The adoption did not have a significant effect on the current or prior period.

IFRS 9 'Financial instruments'

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.

The adoption of IFRS 9 on 01 July 2018 resulted in changes in accounting policies for the recognition, classification, measurement and derecognition of financial instruments, impairment of financial assets and hedge accounting.

As permitted by the transitional provisions of IFRS 9, the Group elected not to restate comparative figures.

ACCOUNTING POLICIES (CONTINUED)

2.2 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP AND THE COMPANY (CONTINUED)

Classification and measurement of financial instruments

The measurement category and the carrying amount of financial assets and liabilities in accordance with IAS 39 and IFRS 9 are compared as follows:

Financial statement line items	Classification under IAS 39	Classification under IFRS 9	Amount Rs (Group)	Amount Rs (Company)
Trade and other receivables	Loans and receivables (amortised cost)	Financial assets at amortised cost	285,845,353	285,845,353
Cash and cash equivalents	Loans and receivables (amortised cost)	Financial assets at amortised cost	126,930,843	123,813,344
Trade and other payables	Other financial liabilities at amortised cost	Financial liabilities at amortised cost	489,793,421	488,680,920
Loans and borrowings	Other financial liabilities at amortised cost	Financial liabilities at amortised cost	454,912,674	454,912,674

Retained earnings of the Group and Company as at 1 July 2018 was not changed as the impact of the adoption of IFRS 9 is considered immaterial.

There are no other IFRS or IFRIC interpretations that are effective during the year that would be expected to have a material impact on the Group and the Company.

2.3 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT EFFECTIVE FOR THE FINANCIAL YEAR BEGINNING AFTER 1 JULY 2019 AND NOT ADOPTED EARLY.

IFRS 16 was issued in 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. As at the reporting date, the Company has non-cancellable operating lease commitments of Rs. 453M (2018: Rs. 488M) see Note 26. The Company expects to recognise right-of-use asset and lease liability of Rs. 791M on 1 July 2019. The Company will apply the standard from its mandatory adoption date of 1 January 2019. The Company intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.4 SIGNIFICANT ACCOUNTING POLICIES

(a) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Business combination and goodwill (CONTINUED)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration recognised as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments: Recognition and Measurement, is measured at fair value with the changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(b) Foreign currencies

The consolidated financial statements are presented in Mauritian Rupee. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency, which is the Mauritian Rupee.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them separately. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed every three years and management makes an assessment of revaluation of land and buildings to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment (CONTINUED)

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated on a straight line basis over the useful life of the assets as follows:

Freehold Buildings	Furniture and fittings	Equipment	Motor Vehicles
2%-10%	10%-25%	10%-50%	10%-25%

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Investment in subsidiary

Subsidiary is an entity (including structured entities) over which the Group has control. Subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date that control ceases.

Separate financial statements

Investments in subsidiary in the separate financial statements of the Company are carried at cost, net of any impairment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in profit or loss. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

NOTES (CONTINUED)
30 JUNE 2019

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Intangible assets (CONTINUED)

The estimated useful lives of intangible assets with finite useful lives are: Computer software **4 years**

(f) Financial instruments

(i) Financial assets recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

The Group's financial assets include cash in hand and at banks and trade and other receivables, which are classified as financial asset at amortised cost.

(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the statement profit or loss and other comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(iii) Subsequent measurement

The measurement at initial recognition did not change on adoption of IFRS 9. Subsequent to the initial recognition, loans and receivables were carried at amortised cost using the effective interest method.

(iv) Impairment of financial assets

The group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost was considered an indicator that the assets are impaired.

(v) Trade receivables

Trade receivables are amount due from customers for goods sold in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current asset. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore measure them subsequently at amortised cost using the effective interest method.

The carrying amount of trade and other receivables approximate their fair value.

The Group does not hold any collateral as security but for the hotel segment, there is an insurance cover against irrecoverable debts.

(vi) Impairment of trade receivables

The expected loss rates are based on the payment profiles of clients over a period of 18 months before 1 July 2018, or 1 July 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, Inflation and unemployment rate of Mauritius to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (CONTINUED)

In 2018, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified.

The creation and release of loss allowance for impairment receivables have been included in 'administrative expenses' in the statement of profit and loss and other comprehensive income. Amount charged to the allowance account are generally written off, when there is no expectation of recovery.

(vii) Financial liabilities recognition and derecognition

An entity shall recognise a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. A financial liability is derecognised when the debtor either discharges the liability by paying the creditor, normally with cash, other financial assets, goods or services; or is legally released from primary responsibility for the liability either by process of law or by the creditor.

(viii) Measurement

An entity shall classify all financial liabilities as subsequently at amortised cost except for:

a) Financial liabilities at fair value through profit or loss.

b) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

c) Financial guarantee contract.

d) Commitments to provide a loan at a below-market interest rate.

e) Contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies.

(f) Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (CONTINUED)

(viii) Measurement (CONTINUED)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1**
  Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2**
  Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3**
  Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as land and buildings. Involvement of external valuers is decided upon every 3 years. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group decides, after discussions with their external valuers, which valuation techniques and inputs to use for each case.

(g) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of diposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, Group estimates the asset's or cash–generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of non-financial assets (CONTINUED)

The following asset has specific characteristics for impairment testing:

Goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted at purchase cost on a first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(i) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less. Cash and cash equivalents are measured at amortised cost.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Retirement Benefit Obligations

The Group operates both a defined contribution plan and a defined benefit plan.

Defined benefits schemes

The Group participates in United Mutual Fund and the Swan Defined Contribution Scheme, a pension plan registered under the Private Pension Schemes Act 2012, the assets of which are held independently. The pension plan is funded by payments from the employees and the Group, taking into account the recommendations of independent qualified actuaries.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment.
- The date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'administration expenses' in consolidated statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements.
- Net interest expense or income.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Retirement Benefit Obligations (CONTINUED)

Other retirement benefits

The present value of other retirement benefits in respect of the Employment Rights Act 2008 is recognized in the statement of financial position as a non current liability. Actuarial gain or losses are recognised using the same policy as described above.

(k) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity or in other comprehensive income is recognised directly in equity or in other comprehensive income and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided using the liability method on taxable temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Taxes (continued)

Corporate Social Responsibility

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax shown within the Statement of Profit or Loss and Other Comprehensive Income and the income tax liability on the Statement of Financial Position.

The CSR charge for the current period is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

(l) Lease

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases which do not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

(m) Revenue recognition

The Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised.

(i) Sale of goods

Sales of goods are recognised when control of the products has transferred, being when the products are delivered to the customer, usually on delivery of the goods for pharmaceutical products and sales of food and beverages. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only passage of time is required before the payment is due.

(ii) Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered by reference to the stage of completion. Revenue is recognised as and when services are provided to the patient when control of the services are transferred to the customer at an amount that reflects the condition to which the company expects to be entitled in exchange for those services. At year end, ungenerated revenue from patients who were admitted prior to year end but not yet discharged at year end are recognised as revenue. Revenue from hospital services are considered as point in time except for rental of hospital rooms which are considered as over time.

ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue recognition (CONTINUED)

(iii) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other operating income due to its operating nature.

(iv) Interest income

Interest income is recognised as it accrues (taking into account the effective interest rate on the asset).

(n) Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating decision-maker. The Group presents segmental information using business segments as its primary reporting format.

(o) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if they have the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice versa, or where the Group is subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Employee benefits obligations

The cost of defined benefit pension plans and related provision, as disclosed in Note 13 to the financial statements requires the use of actuarial valuations. The actuarial valuation involves the use of significant estimate in respect of inter-alia, discount rate, future salary increases, mortality rate and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long term nature of these plans, such estimates are subject to significant uncertainty. The net employee liability at 30 June 2019 is Rs. 54M (2018: Rs. 92M). Further details are set out in Note 13.

Accounting treatment of the acquisition of Wellkin Hospital (Ex-Apollo Bramwell Hospital)

Management has made an assessment in accordance with the criteria set out in IFRS3 –Business Combinations-of whether the acquisition of Wellkin Hospital has to be considered as a business combination or an asset acquisition. The group concluded that the acquisition meets the definition of a business combination which consists of inputs and processes applied to those inputs that have the ability to create outputs.

Management determined that the inputs relate to equipment and human resources, processes relate to operational processes associated with healthcare services delivery and output relates to revenues from healthcare services delivery.

Estimated impairment of goodwill

In determining the carrying amount of goodwill, the Group carries out the test on impairment of goodwill on an annual basis. This exercise requires the value in use of the cash generating units to which goodwill is allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate present value.

These calculations use cash flow projections based on financial budgets approved by management. Cash flows are extrapolated using the estimated growth rates. Management does not expect that the growth rate to exceed the long term average growth rate in which the CGU operates. Management believe that any reasonably possible change in key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit. Management have reviewed the carrying amount of the goodwill at the end of the reporting period and is in the opinion, they have not been impaired. Further details are provided in Note 25.

Allowance for doubtful debts

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect amounts due according to the original terms of the receivables. The Group applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. Bad debts are written off in the year in which they are identified. When a trade receivable is uncollectible, it is written off against the allowance account of trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and marketing expenses in the statement of comprehensive income. Further details are provided in Note 8.

Revaluation of property, plant and equipment

The Group measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged independent valuation specialists to determine fair value. The valuations are strictly based on the definition of the open market value, taking full cognisance of transactions taking place in the locality. The key assumptions used to determine the fair value of the land and buildings are provided in Note 4.

Recognition of deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that is probable that taxable profit will be available against which losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Please refer to Note 14 for more details

4 PROPERTY, PLANT AND EQUIPMENT

(a)

THE GROUP	Freehold Land	Freehold Buildings	Furniture & Fittings	Equipment	Motor Vehicles	Asset in progress	Total
COST or VALUATION	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At 1 July 2017	103,700,000	338,650,000	97,425,059	596,474,829	26,653,743	-	1,162,903,631
Additions	-	-	1,478,219	63,765,806	-	4,300,000	69,544,025
Disposal	-	-	-	-	(300,000)	-	(300,000)
Adjusted against goodwill	-	-	(359,721)	(350,377)	-	-	(710,098)
At 30 June 2018	**103,700,000**	**338,650,000**	**98,543,557**	**659,890,258**	**26,353,743**	**4,300,000**	**1,231,437,558**
At 1 July 2018	**103,700,000**	**338,650,000**	**98,543,557**	**659,890,258**	**26,353,743**	**4,300,000**	**1,231,437,558**
Additions	**-**	**878,840**	**1,998,840**	**88,209,778**	**-**	**2,697,070**	**93,784,528**
Revaluation	**6,100,000**	**5,511,160**	**-**	**-**	**-**	**-**	**11,611,160**
Scrapped	**-**	**-**	**(463,365)**	**(17,011,326)**	**(376,100)**	**-**	**(17,850,791)**
Transfer from work in progress	**-**	**-**	**-**	**4,300,000**	**-**	**(4,300,000)**	**-**
At 30 June 2019	**109,800,000**	**345,040,000**	**100,079,032**	**735,388,710**	**25,977,643**	**2,697,070**	**1,318,982,455**
DEPRECIATION							
At 1 July 2017	-	-	19,754,400	283,736,459	13,182,416	-	316,673,275
Charge for the year	-	7,348,708	12,088,212	90,423,934	3,945,532	-	113,806,386
Disposal	-	-	-	-	(46,154)	-	(46,154)
At 30 June 2018	-	7,348,708	31,842,612	374,160,393	17,081,794	-	430,433,507
At 1 July 2018	**-**	**7,348,708**	**31,842,612**	**374,160,393**	**17,081,794**	**-**	**430,433,507**
Charge for the year	**-**	**7,350,292**	**12,111,449**	**87,960,788**	**3,785,268**	**-**	**111,207,797**
Scrapped	**-**	**-**	**(195,522)**	**(14,046,416)**	**(376,100)**	**-**	**(14,618,038)**
Revaluation adjustment	**-**	**(14,699,000)**	**-**	**-**	**-**	**-**	**(14,699,000)**
At 30 June 2019	**-**	**-**	**43,758,539**	**448,074,765**	**20,490,962**	**-**	**512,324,266**
NET BOOK VALUES							
At 30 June 2019	**109,800,000**	**345,040,000**	**56,320,493**	**287,313,945**	**5,486,681**	**2,697,070**	**806,658,189**
At 30 June 2018	103,700,000	331,301,292	66,700,945	285,729,865	9,271,949	4,300,000	801,004,051

Asset in progress of Rs. 2,697,070 (2018: Rs. 4,300,000) comprises medical equipments purchased before year end but not yet in use.

PROPERTY, PLANT AND EQUIPMENT(CONTINUED)

b

THE COMPANY	Freehold Land	Freehold Buildings	Furniture & Fittings	Equipment	Motor Vehicles	Asset in progress	Total
COST or VALUATION	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At 1 July 2017	103,700,000	338,650,000	97,327,750	595,779,855	26,653,743	-	1,162,111,348
Additions	-	-	1,478,219	63,706,856	-	4,300,000	69,485,075
Disposal	-	-	-	-	(300,000)	-	(300,000)
Adjusted against goodwill	-	-	(359,721)	(350,378)	-	-	(710,099)
At 30 June 2018	**103,700,000**	**338,650,000**	**98,446,248**	**659,136,333**	**26,353,743**	**4,300,000**	**1,230,586,324**
At 1 July 2018	**103,700,000**	**338,650,000**	**98,446,248**	**659,136,333**	**26,353,743**	**4,300,000**	**1,230,586,324**
Additions	**-**	**878,840**	**1,998,840**	**88,209,778**	**-**	**2,697,070**	**93,784,528**
Revaluation	**6,100,000**	**5,511,160**	**-**	**-**	**-**	**-**	**11,611,160**
Scrapped	**-**	**-**	**(463,365)**	**(17,011,326)**	**(376,100)**	**-**	**(17,850,791)**
Transfer from work in progress	**-**	**-**	**-**	**4,300,000**	**-**	**(4,300,000)**	**-**
At 30 June 2019	**109,800,000**	**345,040,000**	**99,981,723**	**734,634,785**	**25,977,643**	**2,697,070**	**1,318,131,221**
DEPRECIATION							
At 1 July 2017	-	-	19,726,866	283,206,330	13,182,416	-	316,115,612
Charge for the year	-	7,348,708	12,080,620	90,382,520	3,945,532	-	113,757,380
Disposal	-	-	-	-	(46,154)	-	(46,154)
At 30 June 2018	-	7,348,708	31,807,486	373,588,850	17,081,794	-	429,826,838
At 1 July 2018	**-**	**7,348,708**	**31,807,486**	**373,588,850**	**17,081,794**	**-**	**429,826,838**
Charge for the year	**-**	**7,350,292**	**12,103,853**	**87,917,119**	**3,785,268**	**-**	**111,156,532**
Scrapped	**-**	**-**	**(195,522)**	**(14,046,416)**	**(376,100)**	**-**	**(14,618,038)**
Revaluation adjustment	**-**	**(14,699,000)**	**-**	**-**	**-**	**-**	**(14,699,000)**
At 30 June 2019	**-**	**-**	**43,715,817**	**447,459,553**	**20,490,962**	**-**	**511,666,332**
NET BOOK VALUES							
At 30 June 2019	**109,800,000**	**345,040,000**	**56,265,906**	**287,175,232**	**5,486,681**	**2,697,070**	**806,464,889**
At 30 June 2018	103,700,000	331,301,292	66,638,762	285,547,483	9,271,949	4,300,000	800,759,486

Asset in progress of Rs. 2,697,070 (2018: Rs. 4,300,000) comprises medical equipments purchased before year end but not yet in use.

4. PROPERTY, PLANT AND EQUIPMENT(CONTINUED)

(c) The carrying amount of motor vehicles held under finance leases as at 30 June 2019 and 2018 were as follows:

THE GROUP AND THE COMPANY		
	Motor Vehicles	
	2019	2018
	Rs.	Rs.
Cost	**1,773,000**	2,107,500
Accumulated depreciation	**(1,753,833)**	(1,840,562)
Net book value	**19,167**	266,938

Leased assets are pledged as security for the related finance leases (Note 12).

There has been no addition during the year (2018: Nil) for assets held under finance leases.

Borrowings are guaranteed by fixed and floating charges over the assets of the Group.

(d) Revaluation of land and buildings

The revalued land and buildings consist of office and clinic premises. Management determined that these constitute one class of assets under IFRS 13, based on the nature, characteristics and risks of the property.

The group's land and building are stated at their revalued amounts. The land and building were valued in August 2019. The valuation was performed by an independent valuer Noor Dilmohamed & Associates, Certified Practising Valuer, who has the appropriate qualification and experience in the fair value measurement of properties in the relevant location. Valuation is performed by the valuer using on-market comparable method, i.e, it is based on latest available market prices, significantly adjusted for difference in nature, location or condition of the specific property.

Land	**2019**	2018
Significant unobservable valuation input:	Range (Rs.)	
Price per metre square	**4,250-5,000**	4,000-4,850

Buildings	**2019**	2018
Significant unobservable valuation input:	**Range (Rs.)**	Range (Rs.)
Price per metre square	**3,000-28,500**	11,000-16,000

Below is the fair value measurement hierarchy for assets as at 30 June,

THE GROUP AND THE COMPANY	Fair value measurement using		
	Level 1	Level 2	Level 3
2019			
Revalued land and buildings	**-**	**454,840,000**	**-**
2018			
Revalued land and buildings	-	435,001,292	-

The reconciliation is shown below:

	2019	2018
	Rs.	Rs.
At 1 July	**435,001,292**	442,350,000
Additions	**878,840**	-
Depreciation	**(7,350,292)**	(7,348,708)
Fair value movement	**26,310,160**	-
At 30 June	**454,840,000**	435,001,292

4. PROPERTY, PLANT AND EQUIPMENT(CONTINUED)

(d) Revaluation of land and buildings (CONTINUED)

The significant unobservable inputs used in the fair value measurement categorised within Level 2 of the fair value hierarchy together with a quantitative sensitivity analysis at 30 June 2019 and 2018 are shown below:

	Valuation technique(s) and key input(s)	Sensitivity used	Effect on fair value	
			2019	2018
Land	on-market comparables	1% increase in price	**1,098,000**	1,037,000
		1% decrease in price	**(1,098,000)**	(1,037,000)
Building	on-market comparables	1% increase in price	**3,450,400**	3,386,500
		1% decrease in price	**(3,450,400)**	(3,386,500)

(e) If land and buildings were stated at historical cost, the carrying amount would have been as

	THE GROUP AND THE COMPANY	
	2019	2018
	Rs.	Rs.
Cost	**283,316,145**	282,437,305
Accumulated depreciation	**(100,784,935)**	(93,434,643)
Net carrying amount	**182,531,210**	189,002,662

5 INTANGIBLE ASSETS

	THE GROUP				THE COMPANY			
	Goodwill	Computer software	Asset in progress	Total	Goodwill	Computer software	Asset in progress	Total
COST	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At 1 July 2017	342,884,792	21,978,757	-	364,863,549	342,884,792	21,851,757	-	364,736,549
Additions	-	342,650	-	342,650	-	342,650	-	342,650
Acquisition of business operations (Note 24)	7,682,137	-	-	7,682,137	7,682,137	-	-	7,682,137
At 30 June 2018	350,566,929	22,321,407	-	372,888,336	350,566,929	22,194,407	-	372,761,336
At 1 July 2018	**350,566,929**	**22,321,407**	**-**	**372,888,336**	**350,566,929**	**22,194,407**	**-**	**372,761,336**
Additions	**-**	**25,425,788**	**17,168,528**	**42,594,316**	**-**	**25,425,788**	**17,168,528**	**42,594,316**
At 30 June 2019	**350,566,929**	**47,747,195**	**17,168,528**	**415,482,652**	**350,566,929**	**47,620,195**	**17,168,528**	**415,355,652**
AMORTISATION								
At 1 July 2017	-	3,839,627	-	3,839,627	-	3,712,627	-	3,712,627
Charge for the period	-	7,654,941	-	7,654,941	-	7,654,941	-	7,654,941
At 30 June 2018	-	11,494,568	-	11,494,568	-	11,367,568	-	11,367,568
At 1 July 2018	**-**	**11,494,568**	**-**	**11,494,568**	**-**	**11,367,568**	**-**	**11,367,568**
Charge for the year		**10,970,640**	**-**	**10,970,640**		**10,970,640**	**-**	**10,970,640**
At 30 June 2019	**-**	**22,465,208**	**-**	**22,465,208**	**-**	**22,338,208**	**-**	**22,338,208**
NET BOOK VALUES								
At 30 June 2019	**350,566,929**	**25,281,987**	**17,168,528**	**393,017,444**	**350,566,929**	**25,281,987**	**17,168,528**	**393,017,444**
At 30 June 2018	350,566,929	10,826,839	-	361,393,768	350,566,929	10,826,839	-	361,393,768

For impairment assessment of goodwill, refer to Note 25.

Asset in progress of Rs. 17,168,528 (2018: Nil) comprises computer software purchased before year end but not yet in use.

6 INVESTMENT IN SUBSIDIARY

	THE COMPANY	
	2019	2018
	Rs.	Rs.
At 30 June	**25,000**	25,000

Details of the subsidiary company included in the Group financial statements are as follows:

Name	% holding	Class of shares held	Issued capital	Country of incorporation	Main business
			Rs.		
Le Café du Volcan Ltée	100%	Ordinary	25,000	Mauritius	Sale of food and beverages

At the reporting date, the directors have considered internal and external sources of information and have concluded that there are no indicators of impairment.

7 INVENTORIES

	THE GROUP		THE COMPANY	
		Restated		**Restated**
	2019	**2018**	**2019**	**2018**
	Rs.	Rs.	**Rs.**	Rs.
Drugs and consumables	**75,493,706**	60,197,047	**75,264,068**	59,985,204
Chemicals and X-ray films	**3,995,360**	4,197,961	**3,995,360**	4,197,961
Stationery	**616,535**	542,504	**616,535**	542,504
	80,105,601	64,937,512	**79,875,963**	64,725,669

There is an amount of Rs. 4,203,590 written down inventories recognised as an expense in the cost of sales (2018: Rs. 3,329,000).

8 TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2019	Restated 2018	**2019**	Restated 2018
	Rs.	Rs.	**Rs.**	Rs.
Trade receivables	**285,845,353**	256,173,144	**285,845,353**	256,173,144
Provision for impaiment	**(29,701,234)**	(29,583,873)	**(29,701,234)**	(29,583,873)
Net trade receivables	**256,144,119**	226,589,271	**256,144,119**	226,589,271
Other receivables	**33,223,362**	14,863,739	**32,729,625**	14,753,733
Prepayments	**22,340,854**	18,629,120	**22,340,854**	18,623,148
Amount receivable from related party (Note 23)	**447,715**	404,073	**5,347,124**	2,737,529
	312,156,050	260,486,203	**316,561,722**	262,703,681

TRADE AND OTHER RECEIVABLES (CONTINUED)

The fair value of trade and other receivables approximate their carrying amount due to their short term nature.

The maximum exposure to credit risk at the end of the reporting period is the carrying value of each class of receivables mention above.

Other receivables are unsecured, non-interest bearing and have an average term of 3 months. They include part payments made in respect of purchase of property, plant and equipment which have not yet been delivered at year end. Prepayment relates mainly to payments made in advance for insurance, licence fees and maintenance fees. For terms and conditions relating to related party, refer to Note 23. Trade receivables are unsecured, non-interest bearing and are generally on 60-day terms. Movement in the provision for impairment of receivables:

	THE GROUP AND THE COMPANY	
		Restated
	2019	2018
	Rs.	Rs.
At 1 July	**29,583,873**	37,095,069
Charge for the year	**117,361**	2,304,128
Write off during the year	**-**	(9,815,324)
At 30 June	**29,701,234**	29,583,873

At 30 June, the ageing analysis of trade receivables is as follows:

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 180 days past due	More than 365 days past due	More than 547 days past due	Total
2019	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Expected loss rate	**0.00%**	**0.00%**	**3.62%**	**11.31%**	**15.04%**	**55.39%**	**54.58%**	**10.39%**
Gross carrying amount - trade receivables	**85,565**	**50,251**	**28,540**	**55,777**	**34,585**	**20,909**	**10,218**	**285,845**
Provision for impairment of trade receivables	**-**	**-**	**(1,034)**	**(6,308)**	**(5,201)**	**(11,581)**	**(5,577)**	**(29,701)**
2018								
Expected loss rate	1.08%	4.51%	2.03%	10.21%	18.00%	7.03%	40.11%	11.55%
Gross carrying amount - trade receivables	71,759	40,290	25,377	29,280	23,995	21,453	44,019	256,173
Provision for impairment of trade receivables	(775)	(1,819)	(516)	(2,989)	(4,320)	(1,509)	(17,656)	(29,584)

As at 30 June 2019, amount receivable from related party was neither past due nor impaired (2018: Nil).

Trade receivables that are past due but not impaired relate to balances due from customers for whom there is no recent history of default.

9 CASH IN HAND AND AT BANKS

	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	Rs.	Rs.	**Rs.**	Rs.
Cash in hand and at banks	**126,930,843**	153,860,378	**123,813,344**	151,839,771

Cash at banks earn interest at floating rates based on daily bank deposit rates.

Cash at banks includes a balance of **Rs. 11,076,307** (2018: Rs. 1,833,761) which relates to deposit with a related party (Note 23).

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following as at 30 June:

	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	Rs.	Rs.	**Rs.**	Rs.
Cash in hand and at banks	126,930,843	153,860,378	123,813,344	151,839,771
Bank overdrafts (Note 12)	(4,610,894)	(16,133,993)	(4,610,894)	(16,133,993)
	122,319,949	137,726,385	119,202,450	135,705,778

At 30 June 2019, the Group had available **Rs. 95,389,106** (2018: Rs. 98,866,007) of undrawn bank overdraft facility.

10 ISSUED CAPITAL

	THE GROUP AND COMPANY			
Authorized, Issued and fully paid	**2019**	2018	**2019**	2018
Ordinary shares at no par value	**Number**	Number	**Rs.**	Rs.
At 30 June	**569,940,822**	569,940,822	**289,801,318**	289,801,318

11 REVALUATION RESERVE

The revaluation reserve is principally used to record changes in the fair value of land and buildings as a result of revaluation exercise performed by an independent valuer. An increase in fair value is recognised in other comprehensive income and accumulated in equity under the heading of 'revaluation surplus'. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

12 LOANS AND BORROWINGS

		Effective interest rate (%)	Maturity	THE GROUP AND COMPANY	
				2019	2018
Current				**Rs.**	Rs.
Bank overdraft	(b)	6.25%	-	**4,610,894**	16,133,993
Bank loan	(a)	4.65%	2020	**47,456,985**	-
Obligations under finance leases	(a)	7.65%-8%	2019/2020	**255,143**	408,796
				52,323,022	16,542,789
Non-current					
Obligations under finance leases	(a)	7.65%-8%	2020	**46,637**	301,771
Bank loan	(c)	4.65%	2027	**402,543,015**	450,000,000
				402,589,652	450,301,771
Total borrowings				**454,912,674**	466,844,560

(a) The Group has finance leases on certain motor vehicles with average lease terms of five years. At the end of the lease period, the Group has the option to purchase the vehicles at a residual value.

	THE GROUP AND COMPANY	
Finance lease liabilities - minimum lease payments	**2019**	2018
	Rs.	Rs.
Within one year	**268,999**	449,778
After one year and before five years	**46,198**	314,878
Total minimum lease payments	**315,197**	764,656
Future finance charges on finance leases	**(13,417)**	(54,089)
Present value of minimum lease payments	**301,780**	710,567
The present value of minimum lease payments may be analysed as follows:		
Within one year	**255,143**	408,796
After one year and before five years	**46,637**	301,771
	301,780	710,567

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default. The rates of interest on the leases vary between **7.65% - 8%** (2018: 7.65% - 8%).

LOANS AND BORROWINGS (CONTINUED)

	THE GROUP		THE COMPANY	
NET DEBT RECONCILIATION - The Group and Company	**2019** **Rs.**	2018 Rs.	**2019** **Rs.**	2018 Rs.
Cash and cash equivalent (Note 9)	**(126,930,843)**	(153,860,378)	**(123,813,344)**	(151,839,771)
Bank Overdrafts	**4,610,894**	16,133,993	**4,610,894**	16,133,993
Borrowings - repayable within one year	**47,456,985**	-	**47,456,985**	-
Borrowings - repayable after one year	**402,543,015**	450,000,000	**402,543,015**	450,000,000
Finance Lease - repayable within one year	**255,143**	408,796	**255,143**	408,796
Finance Lease - repayable after one year	**46,637**	301,771	**46,637**	301,771
Net debt	**327,981,831**	312,984,182	**331,099,330**	315,004,789

	Cash/bank overdraft	Finance Lease within 1 year	Finance Lease after 1 year	Borrowings due within 1 year	Borrowings due after 1 year	Total
THE COMPANY						
Net debt as at 30 June 2017	(2,674,580)	380,860	710,568	-	450,000,000	448,416,848
Cashflows	(133,031,198)	-	(380,861)	-	-	(133,412,059)
Other non-cash movements	-	27,936	(27,936)	-	-	-
Net debt as at 30 June 2018	**(135,705,778)**	**408,796**	**301,771**	**-**	**450,000,000**	**315,004,789**
Cashflows	**16,503,328**	**(408,787)**	**-**	**-**	**-**	**16,094,541**
Other non-cash movements	**-**	**255,134**	**(255,134)**	**47,456,985**	**(47,456,985)**	**-**
Net debt as at 30 June 2019	**(119,202,450)**	**255,143**	**46,637**	**47,456,985**	**402,543,015**	**331,099,330**
THE GROUP						
Net debt as at 30 June 2017	(3,273,730)	380,860	710,568	-	450,000,000	447,817,698
Cashflows	(134,452,655)	-	(380,861)	-	-	(134,833,516)
Other non-cash movements	-	27,936	(27,936)	-	-	-
Net debt as at 30 June 2018	(137,726,385)	408,796	301,771	-	450,000,000	312,984,182
Cashflows	15,406,436	(408,787)	-	-	-	14,997,649
Other non-cash movements	-	255,134	(255,134)	47,456,985	(47,456,985)	-
Net debt as at 30 June 2019	(122,319,949)	255,143	46,637	47,456,985	402,543,015	327,981,831

(b) Bank overdraft

The bank overdraft arose mainly on cheques drawn at year end that are subsequently cleared by the bank.

(c) Bank loan

In prior year, the Group has taken a loan of Rs. 450M mainly to finance the acquisition of Wellkin Hospital (Ex-Apollo Bramwell Hospital). The loan is for a period of 10 years with a moratorium period of 2 years. Interest is payable on a monthly basis on amount outstanding from the date of first distribution until end of moratorium period. The interest rate is variable and is market related.

13 EMPLOYEE BENEFIT LIABILITIES

(a) Pension scheme

The Group contributes in pension funds as follows:

The Group participates in the United Mutual Superannuation Fund, a pension plan registered under the Private Pension Schemes Act 2012, the assets of which are held independently. The pension plan is funded by payments from the employees and the Group, taking into account the recommendations of an independent actuary, Feber Associates Limited. After 31 December 2007, the Group shifted from a defined benefit plan to a defined contribution plan, with a residual defined benefit top up arrangement for those employees who were members of the previous defined benefit scheme.

The Group's obligations under the defined benefit plan are only for employees under the scheme up to 31 December 2007.

The Pension schemes and the other post-requirement benefits are governed by the Trust Deed dated 22 February 2007 which stipulates that BAI Group Pension Fund was established between British American Hospitals Enterprise Ltd (BAHEL) and trustees of BAI Group Pension Fund (BGPF). Following acquisition of Wellkin Hospital (Ex-Apollo Bramwell Hospital) by C-Care (Mauritius) Ltd, all employees of BAHEL who were in employment with the hospital as at 31 December 2016 were transferred to C-Care together with terms and conditions which were not less favorable than those enjoyed prior to the sale. Since January 2017, C-Care has continued to contribute to the BGPF on behalf of the employees.

The BAI Group Pension Fund has continued to be run by the Trustees of the Fund despite the events affecting the BAI Group in March/April 2015. There are two Defined-Benefit (DBBA and DBML) sections and one Defined-Contribution (DCUL) section.

The unfunded obligation relates to retirement gratuity in accordance with Employment Rights Act 2008. It entitles the employee at retirement to 15/26 of the final monthly benefit for each year of service.

(b) The amounts recognised in the statement of financial position are as follows:

	THE GROUP AND COMPANY	
	2019	2018
	Rs.	Rs.
Defined benefit obligation	**59,781,261**	99,488,173
Fair value of plan assets	**(5,687,571)**	(7,182,981)
Net defined benefit liability	**54,093,690**	92,305,192

(c) Movement in the liability recognised in the statement of financial position:

	THE GROUP AND COMPANY	
	2019	2018
	Rs.	Rs.
At 1 July	**92,305,192**	73,565,557
Net Assets extinguished following closure of DB Plan	**784,847**	-
Amount recognised in profit or loss (Note d)	**3,302,550**	2,485,246
Amount recognised in other comprehensive income (Note e)	**(41,090,968)**	17,631,724
Direct benefits paid	**(1,207,931)**	(1,377,335)
At 30 June	**54,093,690**	92,305,192

EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

(d) The amounts recognised in profit or loss are as follows:

	THE GROUP AND COMPANY	
	2019	2018
	Rs.	Rs.
Current service cost	**5,446,216**	10,958,438
Net interest cost	**4,726,009**	3,497,263
Curtailment and Settlement loss on obligation	**(6,869,675)**	(11,970,455)
Net benefit expense	**3,302,550**	2,485,246

(e) The amounts recognised in other comprehensive are as follows:

	THE GROUP AND COMPANY	
	2019	2018
	Rs.	Rs.
Actuarial losses on obligation arising from financial assumptions	**41,102,131**	(17,363,116)
Actuarial (losses)/gains on plan assets arising from financial assumptions	**(11,163)**	(268,608)
	41,090,968	(17,631,724)

(f) Movement in the fair value of plan assets are as follows:

	THE GROUP AND COMPANY	
	2019	2018
	Rs.	Rs.
At 1 July	**7,182,981**	7,878,517
Assets extinguished	**(1,099,641)**	-
Interest on plan assets	**807,373**	576,907
Benefits paid out of plan assets	**(1,191,979)**	(1,003,835)
Actuarial gain on plan assets	**(11,163)**	(268,608)
At 30 June	**5,687,571**	7,182,981

EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

(g) Changes in present value of the defined benefit obligation are as follows:

	2019	2018
	Rs.	Rs.
At 1 July	**99,488,173**	81,444,074
Liabilities extinguished following closure of DB Plan	**(314,794)**	-
Current service cost	**5,446,216**	10,958,438
Interest cost	**5,533,382**	4,074,170
Benefits paid	**(2,399,910)**	(2,381,170)
Curtailment and settlement gain on obligation	**(6,869,675)**	(11,970,455)
Actuarial (gain)/loss on obligation	**(41,102,131)**	17,363,116
At 30 June	**59,781,261**	99,488,173
Present value of the defined benefit obligation is as follows:		
Funded portion	**5,687,571**	7,182,981
Unfunded portion	**54,093,690**	92,305,192
Present value of defined benefit obligation	**59,781,261**	99,488,173

(h) The major categories of plan asset of the fair value of total plan assets are as follows:

	2019	2018
	Rs.	Rs.
Local		
• Equities	**1,569,770**	2,335,943
• Property	**-**	40,687
• Debt maturity >=12 months	**2,673,158**	2,415,762
• Cash & debts maturity, 12 months	**153,564**	907,053
Overseas (including direct holdings and related mutual funds)		
• Equities	**1,205,765**	1,258,454
• Debt maturity >=12 months	**85,314**	115,582
• Cash & debts maturity, 12 months	**-**	109,500
Total	**5,687,571**	7,182,981

(i) The principal actuarial assumptions used for accounting purposes were:

	2019	2018
	%	%
Discount rate	**4.34-6.01**	5.75
Future salary increases	**3**	5.5
Actuarial table for employee mortality	**PMA 92-PFA 92**	PMA 92-PFA 92

EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

(j) A quantitative sensitivity analysis for signifcant assumption as at 30 June 2019 and 2018 is shown as follows below:

Assumptions	Discount rate		Future salary increase		Life expectancy	
Sensitivity Level	1% increase Rs.	1% decrease Rs.	1% increase Rs.	1% decrease Rs.	1 year increase Rs.	1 year decrease Rs.
2019						
Impact on defined benefit obligation	**(11,008,356)**	**13,321,847**	**10,124,507**	**(8,333,879)**	**(704,435)**	**672,679**
2018						
Impact on defined benefit obligation	(18,843,426)	23,733,361	20,225,906	(16,232,626)	(633,605)	593,859

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The average duration of the defined benefit plan obligation at the end of the reporting period is **13 years** (2018: 9.2 yrs).

14 DEFERRED TAX (ASSETS)/ LIABILITIES

Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2018: 17%).

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

THE GROUP AND THE COMPANY	**2019**	2018
	Rs.	Rs.
At 1 July	**(53,740,485)**	(54,512,990)
(Under)/over provision of deferred tax (Note 21)	**487,677**	(1,134)
Deferred tax charge for the year	**(38,410,235)**	773,639
At 30 June	**(91,663,043)**	(53,740,485)

(b) Deferred income tax at 30 June relates to the following:

THE GROUP AND THE COMPANY	Statement of financial position		Statement of profit or loss		Statement of other comprehensive income	
	2019	2018	**2019**	2018	**2019**	2018
	Rs.	Rs.	**Rs.**	Rs.	**Rs.**	Rs.
Deferred tax liability						
Accelerated depreciation	**(17,742,720)**	(1,878,252)	**(20,824,872)**	(17,878,031)	**4,472,727**	-
	(17,742,720)	(1,878,252)	**(20,824,872)**	(17,878,031)	**4,472,727**	-
Deferred tax assets						
Retirement benefit obligation	**(5,617,836)**	(12,113,789)	**(489,512)**	(188,345)	**6,985,465**	(2,997,393)
Qualifying tax losses	**(62,577,675)**	(36,708,161)	**(25,869,512)**	18,526,021	**-**	-
Provision for expired drugs	**-**	(45,509)	**-**	-	**-**	-
Provision for stock write offs	**(884,038)**	-	**(838,529)**	-	**-**	-
Provision for doubtful debts	**(4,840,774)**	(2,994,774)	**(1,846,002)**	3,311,387	**-**	-
	(73,920,323)	(51,862,233)	**(29,043,555)**	21,649,063	**6,985,465**	(2,997,393)
Net deferred tax assets	**(91,663,043)**	(53,740,485)				
Deferred income tax raised/released			**(49,868,427)**	3,771,032	**11,458,192**	(2,997,393)

DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)

(c) The qualifying tax losses recognised relates to accumulated tax losses transferred to the Company on acquisition of Wellkin Hospital (Ex-Apollo Bramwell Hospital) which may be set off against future taxable income of the company. The directors have assessed the financial situation of the business and are of the view that **Rs. 365M** of tax losses will be utilised in the next 4 years. The tax losses can be carried forward till financial year 2021/2022. The tax losses not recognised as deferred tax asset is **Rs. 250M** (2018: Rs. 618M) which can be carried forward till financial year 2021/2022.

15 TRADE AND OTHER PAYABLES

		THE GROUP		THE COMPANY	
	Current	**2019**	2018	**2019**	2018
		Rs.	Rs.	**Rs.**	Rs.
(a)	Trade payables	**329,356,620**	226,811,239	**329,116,219**	226,105,065
(b)	Other payables and accruals	**135,507,613**	158,886,773	**134,635,513**	158,575,782
(c)	Amounts payable to related party (Note 23)	**4,929,188**	69,645,429	**4,929,188**	69,645,429
		469,793,421	455,343,441	**468,680,920**	454,326,276
	Non-Current				
(d)	Other payables	**20,000,000**	40,000,000	**20,000,000**	40,000,000
	Total Trade & Other Payables	**489,793,421**	495,343,441	**488,680,920**	494,326,276

(a) Trade payables are non-interest bearing and are normally settled on 60 days terms.

(b) Other payables and accruals are non-interest bearing. In addition to the above, they include mainly staff cost payable of **Rs. 19,315,633** (2018: Rs. 41,854,839), payable for utilities of **Rs. 3,253,000** (2018: Rs. 4,218,000), maintenance fees of **Rs. 811,163** (2018: Rs. 2,051,924) and professional fees of **Rs. 7,818,223** (2018: Rs. 3,437,251).

(c) For terms and conditions relating to related party, refer to Note 23.

(d) Other payables include as amount of Rs. 40M (Current: Rs. 20M & Non Current: Rs. 20M) which relates to acquisition of Wellkin Hospital and is payable in 3 yearly installments as from January 2018. The payable relates to the outstanding lease balance for medical equipment of the previous owner of Wellkin Hospital that the group has agreed to settle as part of the business acquisition.

16 REVENUE

2019	Healthcare services	Pharmacy: out patient	Sales of food and beverages	Total
THE GROUP				
Revenue	**1,816,216,802**	**78,316,088**	**14,165,150**	**1,908,698,040**
Timing of revenue recognition				
Over time	**284,470,225**	**-**	**-**	**284,470,225**
At a point in time	**1,531,746,577**	**78,316,088**	**14,165,150**	**1,624,227,815**
	1,816,216,802	**78,316,088**	**14,165,150**	**1,908,698,040**
THE COMPANY				
Revenue	**1,816,267,308**	**78,316,088**	**3,972,260**	**1,898,555,656**
Timing of revenue recognition				
Over time	**254,932,514**	**-**	**-**	**254,932,514**
At a point in time	**1,561,334,794**	**78,316,088**	**3,972,260**	**1,643,623,142**
	1,816,267,308	**78,316,088**	**3,972,260**	**1,898,555,656**
2018				
THE GROUP				
Revenue	1,630,675,276	92,218,361	14,048,350	1,736,941,987
Timing of revenue recognition				
Over time	254,932,514	-	-	254,932,514
At a point in time	1,375,742,762	92,218,361	14,048,350	1,482,009,473
	1,630,675,276	92,218,361	14,048,350	1,736,941,987
THE COMPANY				
Revenue	1,631,236,620	92,218,359	2,950,310	1,726,405,289
Timing of revenue recognition				
Over time	254,932,514	-	-	254,932,514
At a point in time	1,376,304,106	92,218,359	2,950,310	1,471,472,775
	1,631,236,620	92,218,359	2,950,310	1,726,405,289

17 OTHER OPERATING INCOME

	THE GROUP		THE COMPANY	
	2019	2018	**2019**	2018
	Rs.	Rs.	**Rs.**	Rs.
Rental income	**5,822,778**	5,018,176	**5,822,778**	5,018,122
Gain on disposal on motor vehicle	**-**	51,154	**-**	51,154
Miscellaneous items	**2,702,439**	-	**2,702,439**	-
	8,525,217	5,069,330	**8,525,217**	5,069,276

The miscellaneous items mainly relate to write refund received from insurance companies for breakdown of medical equipments.

18 OPERATING PROFIT/(LOSS)

		THE GROUP		THE COMPANY	
		2019	2018	**2019**	2018
		Rs.	Rs.	**Rs.**	Rs.
Included in cost of sales:					
Costs of sales		**790,094,636**	745,608,741	**782,051,317**	739,171,584
Staff costs	(a)	**411,459,806**	409,041,686	**411,459,806**	409,041,686
Included in administrative expenses:					
Staff costs	(a)	**259,003,265**	200,056,725	**254,870,467**	196,262,802
Depreciation on property, plant and equipment	4	**111,207,797**	113,806,386	**111,156,532**	113,757,380
Utilities		**89,366,753**	78,660,296	**89,366,753**	78,660,296
Management fees		**59,168,215**	93,701,286	**59,168,215**	93,701,286
Amortisation of intangible assets	5	**10,970,640**	7,654,941	**10,970,640**	7,654,941
Retirement benefit expense	13 (d)	**3,302,550**	2,485,246	**3,302,550**	2,485,246
Lease expenses		**408,796**	380,861	**408,796**	380,861

(a) Staff costs					
Wages and salaries		**637,382,381**	577,469,923	**633,424,943**	573,828,552
Social security cost		**20,186,247**	24,236,254	**20,159,833**	24,111,326
Pension cost		**12,894,443**	7,392,234	**12,745,497**	7,364,610
		670,463,071	609,098,411	**666,330,273**	605,304,488

19 FINANCE INCOME

	THE GROUP AND THE COMPANY	
	2019	2018
	Rs.	Rs.
Interest income	**3,511,268**	663,822

20 FINANCE COSTS

	THE GROUP AND THE COMPANY	
	2019	2018
	Rs.	Rs.
Finance charges paid under finance leases	**40,672**	71,627
Interest on bank overdraft	**677,974**	1,693,422
Interest on bank loan	**20,925,000**	21,681,842
	21,643,646	23,446,891

21 TAXATION

The major components of income tax expense for the year ended 30 June 2019 and 30 June 2018 are:

	THE GROUP		THE COMPANY	
	2019 Rs.	2018 Rs.	**2019 Rs.**	2018 Rs.
(a) **Statement of profit or loss and other comprehensive income**				
Deferred income tax charge:				
(Under)/over provision of deferred tax	**487,677**	(1,134)	**487,677**	(1,134)
Relating to origination and reversal of temporary differences	**(49,868,427)**	3,771,182	**(49,868,427)**	3,771,032
Income tax expense	**(49,380,750)**	3,770,048	**(49,380,750)**	3,769,898

(b) **Reconciliation of accounting profit to income tax expense:**

	THE GROUP 2019 Rs.	THE GROUP 2018 Rs.	THE COMPANY 2019 Rs.	THE COMPANY 2018 Rs.
Accounting profit before income tax	**65,478,495**	(32,851,778)	**66,698,603**	(32,872,583)
At statutory income tax rate of 17% (2018: 17%)	**11,131,344**	(5,584,802)	**11,338,763**	(5,588,339)
Expenses not deductible for tax purposes	**1,609,313**	841,548	**1,609,313**	841,548
(Under)/over provision of deferred tax	**487,677**	(1,134)	**487,677**	(1,134)
Tax losses	**(62,609,084)**	1,911,561	**(62,816,503)**	1,914,948
Deferred tax asset written off on provision for doubtful debts	**-**	3,703,090	**-**	3,703,090
Effect of restatement on income tax	**-**	2,899,785	**-**	2,899,785
At the effective income tax rate	**(49,380,750)**	3,770,048	**(49,380,750)**	3,769,898

Expenses not deductible for tax purpose include mainly legal and professional fees, bad debts written off and marketing expenses.

(c)

	THE GROUP AND COMPANY	
	2019	2018
Income tax payable/(receivable)	**Rs.**	Rs.
At 1 July	**-**	(2,663,805)
Refund during the year		2,663,805

22 EARNINGS PER SHARE

	THE GROUP	
		Restated
	2019	2018
	Rs.	Rs.
Profit/(Loss) attributable to equity holders	**114,859,245**	(36,621,826)
Average number of ordinary shares in issue	**569,940,822**	569,940,822
Profit/(Loss) per share (Basic and Diluted)	**0.20**	(0.06)

23 RELATED PARTY DISCLOSURES

THE GROUP	Sales of goods or services Rs.	Management fees expenses Rs.	Amount owed to related parties Rs.	Amount owed by related parties Rs.	Deposits with related parties Rs.
30 June 2019					
Entity with significant influence over the Group: Fortis Healthcare International Limited.	**-**	**42,349,282**		**-**	**-**
Fellow related party: Escorts Heart Institute and Research Centre Ltd.	**-**	**-**	**759,175**	**-**	**-**
Fellow related party: Ciel Healthcare Ltd.	**-**	**15,000,000**		**-**	**11,076,307**
Fellow related party: Reinette Facilities.	**41,307,822**	**-**	**4,170,013**	**447,715**	**-**
	41,307,822	57,349,282	4,929,188	447,715	11,076,307
30 June 2018					
Entity with significant influence over the Group: Fortis Healthcare International Limited.	-	90,627,155	60,745,233	-	-
Fellow related party: Escorts Heart Institute and Research Centre Ltd.	-	-	1,527,568	-	-
Fellow related party: Reinette Facilities.	28,833,392	-	5,935,128	404,073	-
Fellow related party: Ciel Healthcare Ltd .	-	15,000,000	1,437,500	-	-
Fellow related party: Azur Financial Services.	-	155,289	-	-	1,833,761
	28,833,392	105,782,444	69,645,429	404,073	1,833,761

RELATED PARTY DISCLOSURES (CONTINUED)

THE COMPANY	Sales of goods or services Rs.	Management fees Rs.	Amount owed to related parties Rs.	Amount owed by related parties Rs.	Deposits with related parties Rs.
30 June 2019					
Entity with significant influence over the Group: Fortis Healthcare International Limited.	**-**	**42,349,282**	**-**	**-**	**-**
Fellow related party: Escorts Heart Institute and Research Centre Ltd.	**-**		**759,175**	**-**	**-**
Fellow related party: Ciel Healthcare Ltd.	**-**	**15,000,000**	**-**	**-**	**11,076,307**
Fellow related party: Reinette Facilities.	**41,307,822**	**-**	**4,170,013**	**447,715**	**-**
Subsidiary: Café du Volcan	**3,279,775**	**1,800,000**	**-**	**4,899,409**	**-**
	44,587,597	**59,149,282**	**4,929,188**	**5,347,124**	**11,076,307**
30 June 2018					
Entity with significant influence over the Group: Fortis Healthcare International Limited.	-	90,627,155	60,745,233	-	-
Fellow related party: Escorts Heart Institute and Research Centre Ltd.	-	-	1,527,568	-	-
Fellow related party: Ciel Healthcare Ltd.	-	15,000,000	1,437,500	-	-
Fellow related party: Azur Financial Services	-	155,289	-	-	1,833,761
Fellow related party: Reinette Facilities	28,833,392	-	5,935,128	-	-
Subsidiary: Café du Volcan	3,511,652	1,800,000	-	2,737,629	-
	32,345,044	107,582,444	69,645,429	2,737,629	1,833,761

The transactions between related parties have been made on normal commercial terms and in the normal course of business. Outstanding balances at the end of reporting date are unsecured, interest free and settlement occurs in cash.

There has been no guarantee provided or received for any related party receivables or payables. For the year ended 30 June 2019, the Group has not recorded any impairment of receivables relating to amount owed by related parties (2018: Nil). The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(a) Key Management personnel compensation	**2019**	2018
	Rs.	Rs.
Salaries and short term employee benefits	**75,609,675**	50,083,189
Post retirement benefits	**1,724,517**	1,291,464
	77,334,192	51,374,653

24 BUSINESS COMBINATIONS

On 6 January 2017, the Company acquired the business operations of Ex-Apollo Bramwell Hospital ("ABH"), now known as Wellkin Hospital, which are run from premises located at Moka, Mauritius. It includes the acquisition of equipment, furniture and fittings, motor vehicles, hardware and software forming part of the IT Systems, consumable and inventories and patient data and employee database. The final consideration paid is Rs. 619M.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Wellkin Hospital as at the date of acquisition were:

	Fair value recognised on acquisition Rs.
Assets	
Plant and equipment	253,317,000
Intangible assets	18,607,900
Deferred tax assets	83,019,353
Inventories	27,525,916
	382,470,169
Liabilities	
Employee benefit obligations	21,047,609
Lease liability	77,000,000
	98,047,609
Total identifiable net assets at fair value	284,422,560
Goodwill arising on acquisition	335,376,817
Purchase consideration transferred	619,799,377
Purchase consideration transferred	619,799,377
Goodwill arising on acquisition	335,376,817

(a) Plant and equipment and intangibles have been revalued by an independent valuer which has the relevant expertise in the field.

(b) The deferred tax asset recognised relates to accumulated tax losses transferred to the Company on acquisition of Wellkin Hospital which may be set off against future taxable income of the company.

(c) The employee benefit obligations have been calculated by an independent qualified actuary as at 6 January 2017.

The goodwill of Rs. 335,376,817 is mainly attributable to future growth expectations of Wellkin Hospital, the assembled workforce and know how, customer relationships, expected synergies and economies of scale from combining the operations of Clinique Darné and Wellkin Hospital.

Transaction costs of Rs. 13,897,784 were expensed and are included in administrative expenses.

As the initial accounting of the business combination can be determined provisionally by the end of this accounting year, the goodwill calculation is based on provisional amounts and it has been adjusted for in the current financial year. The revised goodwill amount is as follows:

	Fair value recognised on acquisition Rs.
Assets	
Plant and equipment	252,606,901
Intangible assets	18,607,900
Deferred tax assets	83,019,353
Inventories	20,553,878
	374,788,032
Liabilities	
Employee benefit obligations	21,047,609
Lease liability	77,000,000
	98,047,609
Total identifiable net assets at fair value	276,740,423
Goodwill arising on acquisition	343,058,954
Purchase consideration transferred	619,799,377
Purchase consideration transferred	619,799,377
Goodwill arising on acquisition	343,058,954

25 IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations are allocated to

(i) The Department of Cardiac Sciences and Critical Care.

(ii) Wellkin Hospital, which arose on acquisition of ABH.

Carrying amount of goodwill

	Department of Cardiac Science and Critical Care	Wellkin Hospital	Total
2019	Rs.	Rs.	Rs.
Goodwill	**7,507,975**	**343,058,954**	**350,566,929**
2018			
Goodwill	7,507,975	343,058,954	350,566,929

The recoverable amount of Department of Cardiac Sciences and Critical Care Cash Generating Unit has been determined based on its fair value less cost to sell. These calculations use cash flow projections based on financial budgets approved by senior management covering a five-year period. The discount rate applied to the cash flow projections is **10.2 %** (2018: 12.3%). Management has used its past experience in determining the value of each assumption. As a result of the analysis, management did not identify any impairment.

Wellkin Hospital

The recoverable amount of Wellkin Hospital has been determined based on fair value less cost to sell calculation using the cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to cash flow projections is **8.88%** (2018: 11%). As a result of the analysis, management did not identify any impairment.

The key assumptions used for the impairment calculation are:

Operating profit margin

Operating profit margin is based on average values achieved in the year preceeding the start of the budget period.

Discount rate

Discount rate represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and specific risk of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on specifc circumtances of the Company and its oeprating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into consideration both debt and equity. The cost of equity is derived by using comparable industries data and adjust for the country risk and size for the company. The cost of debt is based on the interest bearing borrowings.

Growth rate estimates

Rates are based on management's best estimates of the Group's and industry's growth rate. Management has used a terminal rate of **3.9%** (2018: 5.7%).

IMPAIRMENT TESTING OF GOODWILL (CONTINUED)

	Department of Cardiac Science and Critical Care Rs 'M	Wellkin Hospital Rs'M
Sensitivity to changes in assumptions		
2019		
Discount factor +0.5% point	**(6)**	**(154)**
Discount factor -0.5% point	**24**	**189**
Growth rate +0.5% point	**7**	**159**
Growth rate -0.5% point	**(7)**	**(130)**
2018		
Discount factor +0.5% point	(132)	227
Discount factor -0.5% point	156	(167)
Growth rate +0.5% point	55	203
Growth rate -0.5% point	(54)	(150)

26 COMMITMENTS AND CONTIGENCIES

COMMITMENTS AND CONTIGENCIES

The Group has no capital commitment at end of reporting date (2018: Rs. Nil).

CONTINGENT LIABILITY

At 30 June 2019, the Group has contingent liabilities in respect of bank and other guarantees of **Rs. 2,015,000** (30 June 2018: Rs. 2,025,000).

A plaint with summons was served on the company by Metropolis Bramser Lab Services (Mtius) Ltd ("Metropolis") claiming compensation amounting to **Rs. 150M** (30 June 2018: Rs. 150M) for damages suffered as a result of inter alia an alleged wrongful termination of the contract between the company and Metropolis. The company is strongly disputing this claim and filed its plea (defence) before the Supreme Court of Mauritius on 12 July 2019. The case shall proceed to hearing. Based on the legal advice obtained, management and the board have reasonable grounds to expect that no material financial impact will arise for the company.

There are also some legal cases regarding medical negligence against the Company for which judgement are yet to be delivered. The potential aggregate claims for these legal cases amounts to **Rs. 213M** (30 June 2018: Nil).

COMMITMENTS AND CONTIGENCIES (CONTINUED)

OPERATING LEASE COMMITMENTS

Motor vehicles

The Group has operating lease agreements on motor vehicles with lease term of five years.

Rental of building

The Group leases hospital and office spaces under an operating lease agreement. The lease has varying terms, escalation clauses and renewable rights.

Future minimum rental payable under operating leases as at 30 June 2019 and 2018, are as follows:

	THE GROUP AND THE COMPANY	
	2019	2018
	Rs.	Rs.
Within one year	**60,846,159**	62,972,812
After one year but not more than five years	**241,833,345**	245,134,918
More than five years	**150,000,000**	180,000,000
	452,679,504	488,107,730

27 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal liabilities comprise of overdrafts, bank loans, finance leases and trade payables and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has trade and other receivables and cash and deposits that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Financial assets and liabilities which are accounted for at amortised cost, except for bank loans, approximates their fair values due to short term nature. Bank loans' carrying amount approximates fair value due to the interest rate being variable and market related.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprise three types of risk: interest rate risk, foreign exchange risk and other price risk, such as equity risk.

(ii) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's loss before taxation (through the impact of variable rate borrowing) and on equity. There is no tax impact on equity.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(ii) Interest rate risk (CONTINUED)

The Group	Increase/(decrease) basis points	Increase/(decrease) on profit before tax
		Rs.
30 June 2019		
Interest-bearing loans and borrowings	**+50**	**(2,274,563)**
	-50	**2,274,563**
30 June 2018		
Interest-bearing loans and borrowings	+50	(1,492,310)
	-50	1,492,310
The Company		
30 June 2019		
Interest-bearing loans and borrowings	**+50**	**(2,274,563)**
	-50	**2,274,563**
30 June 2018		
Interest-bearing loans and borrowings	+50	(1,482,207)
	-50	1,482,207

(iii) Foreign exchange risk

The Group has transactions mainly in Mauritian Rupee. All financial assets and liabilities are in Rupee except for cash balance of **Rs. 45,356** denominated in USD (2018: Nil) and **Rs. 991,572** denominated in EUR (2018: Rs. 4,910,119) and trade receivable balance of **Rs. 5,379,485** (2018: Rs. 12,504,706) which are denominated in EUR. Consequently, the Group's exposure to the risk that foreign exchange rate to Mauritian Rupee increases by 5%, assuming all other variable held constant,will have an effect of Rs. 320,801 on profit before tax (2018: Rs. 870,741). An equal and opposite effect will occur with a 5% decrease.

(iv) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for credit losses, estimated by the Group's management based on prior experience and the current economic environment. The Group has a dedicated debtors recovery team that monitors its debtors balances. Where applicable, the Group takes necessary legal actions in order to recover its balances from the debtors. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

With respect to credit risk arising from deposit and cash at bank, investment is made only with reputable financial institutions. The credit quality of the financial assets can be assessed by the historical information about the financial strengths of the financial institutions that the Group and the Company is dealing with. In the opinion of the directors, there is no associated risks as these are the reputable institutions in the industry. The Group's maximum exposure is the carrying amount of the financial assets as presented on the statement of financial position. As for financial guarantee, the maximum exposure is noted in note 27 (v). The Group and the Company held significant bank balances with Mauritian financial institutions whose economy is rated by an independent agency namely Moody's Investor Service. Its latest credit ratings were:

Rating Agencies	Rating	Outlook
Moody's Investor Centre	Baa	Positive Stable

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(v) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases.

The table below summarises the maturity profile of the Group and the Company's financial liabilities based on contractual undiscounted payment.

	On demand	< 3 months	3 to 12 months	>1 yr < 5 yrs	> 5 yrs	Total
THE GROUP	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
30 June 2019						
Trade and other payables	**-**	**449,793,421**	**20,000,000**	**-**	**-**	**469,793,421**
Interest-bearing loans and borrowings	**-**	**12,262,291**	**35,449,837**	**253,974,034**	**214,734,541**	**516,420,703**
Other payables	**-**	**-**	**-**	**20,000,000**	**-**	**20,000,000**
	-	**462,055,712**	**55,449,837**	**273,974,034**	**214,734,541**	**1,006,214,124**
30 June 2018						
Trade and other payables	-	455,343,441	-	40,000,000	-	495,343,441
Interest-bearing loans and borrowings	-	16,133,993	408,796	271,115,576	270,870,938	558,529,303
Other payables	-	-	-	1,985,000	-	1,985,000
	-	471,477,434	408,796	313,100,576	270,870,938	1,055,857,744
THE COMPANY						
30 June 2019						
Trade and other payables	**-**	**448,680,920**	**20,000,000**	**-**	**-**	**468,680,920**
Interest-bearing loans and borrowings	**-**	**12,262,291**	**35,449,837**	**253,974,034**	**214,734,541**	**516,420,703**
Other payables	**-**	**-**	**-**	**20,000,000**	**-**	**20,000,000**
	-	**460,943,211**	**55,449,837**	**273,974,034**	**214,734,541**	**1,005,101,623**
30 June 2018						
Trade and other payables	-	455,343,441	-	40,000,000	-	495,343,441
Interest-bearing loans and borrowings	-	16,133,993	408,796	271,115,576	270,870,938	558,529,303
Other payables	-	-	-	1,985,000	-	1,985,000
	-	471,477,434	408,796	313,100,576	270,870,938	1,055,857,744

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(vi) Fair values

Except where stated elsewhere, the fair values for both financial and non-financial assets and liabilities approximate their carrying values.

(vii) Capital Management

The primary objective of the Group, when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or sell assets to reduce debt.

The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position. The group's strategy was to maintain a gearing ratio of 60% for the year ended 30 June 2019 (2018: 60%). The gearing ratios at 30 June 2019 and 2018 were as follows:

	THE GROUP		THE COMPANY	
	2019 Rs'000	Restated 2018 Rs'000	**2019** Rs'000	Restated 2018 Rs'000
Debt (Note 12)	**454,912,674**	466,844,560	**454,912,674**	466,844,560
Cash in hand and at bank (Note 9)	**(126,930,843)**	(153,860,378)	**(123,813,344)**	(151,839,771)
Net debt	**327,981,831**	312,984,182	**331,099,330**	315,004,789
Equity	**811,731,385**	640,929,204	**813,734,121**	641,711,832
Total capital plus debt	**1,139,713,216**	953,913,386	**1,144,833,451**	956,716,621
Gearing ratio	**29%**	33%	**29%**	33%

28 SEGMENT INFORMATION

30 June 2019	Cafeteria	Healthcare	Total
	Rs.	Rs.	Rs.
Revenue	**14,165,150**	**1,894,532,890**	**1,908,698,040**
Operating profit/(loss)	**(1,220,108)**	**84,830,981**	**83,610,873**
Finance income	**-**	**3,511,268**	**3,511,268**
Finance cost	**-**	**(21,643,646)**	**(21,643,646)**
Segment assets			
Total assets	**3,878,815**	**1,806,652,355**	**1,810,531,170**
Segment liabilities			
Total liabilities	**957,142**	**997,842,643**	**998,799,785**
Other segment items			
Capital expenditure	**-**	**93,784,528**	**93,784,528**
Depreciation	**(51,265)**	**(111,156,532)**	**(111,207,797)**
30 June 2018			
Revenue	14,048,350	1,722,893,637	1,736,941,987
Operating profit/(loss)	20,805	(10,089,514)	(10,068,709)
Finance income	-	663,822	663,822
Finance cost	-	(23,446,891)	(23,446,891)
Segment assets			
Total assets	234,537	1,695,187,860	1,695,422,397
Segment liabilities			
Total liabilities	1,017,165	1,053,476,028	1,054,493,193
Other segment items			
Capital expenditure	58,950	69,485,075	69,544,025
Depreciation	(49,006)	(113,757,380)	(113,806,386)

The Group has determined its operating segments based on reports reviewed by the Chief Operating Officer that are used to make strategic decisions. An operating segment is a distinguishable component of an entity that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other operating segments. Management monitors segment performance mainly on the revenue generated per segment. The Group has identified the following operating segments:-

(i) Cafeteria sales
(ii) Healthcare services

Cafeteria sales relate to revenue generated by the subsidiary, Le Café du Volcan, only. It represents the only difference between Group and Company's segment.

Segment assets consist primarily of property, plant and equipment, inventories, trade and receivables and prepayments and include cash and cash equivalents. All non current assets are located in the country of domicile.

Segment liabilities comprise operating liabilities and include items such as taxation. Capital expenditure comprises additions to property, plant and equipment.

All revenues from external customers are attributable to the country of domicile. There is no single customer who generates more than 10% of the revenues of the Group and the Company. There is no foreign revenue.

29 EVENTS AFTER THE REPORTING DATE

In July 2019, CIEL Limited has acquired 114,461,596 ordinary no par value shares of C-Care (Mauritius) Ltd and CIEL Healthcare Limited has acquired 50,209,205 ordinary no par value shares of C-Care (Mauritius) Ltd. Post this transaction, CIEL Limited'shareholding in C-Care will amount to 20.08% and CIEL Healthcare Limited'shareholding will increase to 67.41%.

30 RESTATEMENT OF FINANCIAL STATEMENTS

In line with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, the Directors have booked the following prior year reclassifications:

(i) At 30 June 2018, Wellkin Hospital performed a full inventory count. Stock differences of Rs. 5,090,008 were not recorded in the accounts which resulted in an overstatement of inventory and understatement of cost of sales.

(ii) At 30 June 2018, receipts from debtors amounting to Rs. 11,967,553 were wrongly credited against provision for doubtful debts expenses instead of trade receivables, which resulted in an overstatement of trade receivables and an understatement of administrative expenses.

The above were corrected by restating each of the affected financial statements line items for the prior period as follows

	THE GROUP			THE COMPANY		
	As previously reported Rs.	Effect of restatement/ reclassification Rs.	As Restated Rs.	As previously reported Rs.	Effect of restatement/ reclassification Rs.	As Restated Rs.
Statement of financial position						
As at 30 June 2018						
Inventories	70,027,520	(5,090,008)	**64,937,512**	69,815,677	(5,090,008)	**64,725,669**
Trade and other Receivables	272,453,756	(11,967,553)	**260,486,203**	274,671,234	(11,967,553)	**262,703,681**
Statement of Profit or Loss and Other Comprehensive Income						
As at 30 June 2018						
Cost of Sales	(1,154,650,427)	(5,090,008)	**(1,159,740,435)**	(1,148,213,270)	(5,090,008)	**(1,153,303,278)**
Administrative Expenses	(580,372,038)	(11,967,553)	**(592,339,591)**	(576,293,248)	(11,967,553)	**(588,260,801)**

Basic and diluted earnings per share for the prior year have also been restated.

In line with IAS 1, 'Presentation of financial statements', the presentation of a third statement of financial position as at the beginning of the preceding period for the Group is not required as the restatement does not have an effect on the information in the statement of financial position at the begining of the preceding period.

Notice of Annual Meeting to Shareholders

Notice is hereby given that the Annual Meeting ("the Meeting") of the shareholders of C-Care (Mauritius) Ltd ("the Company") will be held at the Registered Office of the Company, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène on 13 December 2019 at 14.00 hours, to transact the following business:

1. To receive, consider and approve the Group's and the Company's Financial Statements for the financial year ended 30 June 2019, including the Annual Report and the Auditors' Report, in accordance with section 115(4) of the Companies Act 2001.

2. To appoint, as Director of the Company to hold office until the next Annual Meeting, Mr. Deonanan Makoond, who has been nominated by the Board of Directors on 25 February 2019.

3. To appoint, as Director of the Company to hold office until the next Annual Meeting, Mr. Sylvain Pascal, who has been nominated by the Board of Directors on 23 August 2019.

4. To re-elect, as Directors of the Company and by way of separate resolutions, to hold office until the next Annual Meeting, the following persons who offer themselves for re-election:

    4.1 Mrs. Hélène Echevin
    4.2 Mr. André Ackerman
    4.3 Mr. L. J. Jérôme De Chasteauneuf
    4.4 Mrs. Christine Sauzier
    4.5 Mr. Michel Thomas

5. To take note of the automatic re-appointment of PricewaterhouseCoopers Ltd as auditor of the Company for the financial year ending 30 June 2020, in accordance with section 200 of the Companies Act 2001 and to authorise the Board of Directors of the Company to fix their remuneration.

6. To ratify the remuneration paid to the auditor for the financial year ended 30 June 2019.

By Order of the Board

Reshma Curpen, ACIS
For and on behalf of
CIEL Corporate Services Ltd
Company Secretary

Dated this: 30 October 2019

Notes:

i. A shareholder of the Company entitled to attend and vote at the Meeting may appoint a proxy, whether a member or not, to attend and vote in his/ her stead. A proxy need not be a member of the Company.

ii. Proxy forms should be deposited at the Share Registry and Transfer Office of the Company, MCB Registry & Securities Limited, Ground Floor, Raymond Lamusse Building, 9-11, Sir William Newton Street, Port-Louis, not less than twenty-four hours before the start of the Meeting, and in default, the instrument of proxy shall not be treated as valid.

iii. A proxy form is included in the Annual Report and is also available at the Registered Office of the Company, 5th Floor, Ebène Skies, rue de l'Institut, Ebène.

iv. For the purpose of this Annual Meeting, the Directors have resolved, in compliance with section 120(3) of the Companies Act 2001, that the shareholders who are entitled to receive notice and vote at the Meeting, shall be those shareholders whose names are registered in the share register of the Company as at 13 November 2019.

v. The minutes of proceedings of the Annual Meeting of the shareholders held on 11 December 2018 are available for inspection at the Registered Office of the Company during normal trading office hours.

vi. The profiles and categories of the Directors appointed/re-elected are available in the Corporate Governance section of the Annual Report.

Application Form

Should you wish to receive by e-mail, future notice of shareholders' meetings, annual reports, accounts, credit advices and any other documents made available to you in your capacity as shareholder of C-Care (Mauritius) Ltd, thank you for filling the below section and return to:

C-Care (Mauritius) Ltd
C/o MCB Registry & Securities Ltd
Ground Floor, Raymond Lamusse Building,
9-11, Sir William Newton Street,
Port-Louis

Dear Sir/Madam,

Re: Authorisation to receive electronic communications

I/We, ...

Name of shareholder (primary shareholder in case of joint holding)

National Identity Card Number/Passport Number (for individuals)

Business Registration Number (for corporate bodies)

agree to receive by e-mail, notice of shareholders' meetings, annual reports, accounts, credit advices and other shareholder documents made available to me/us in my/our capacity as shareholder of C-Care (Mauritius) Ltd ("C-Care") and also agree to receive notification that documents such as annual reports and circulars have been posted on C-Care's website for consultation. I/We also agree to abide to the Terms and Conditions defined below.

Email address
Yours faithfully,

Name of signatory ....

Signature/s.. Contact number: .... Date: ....

Terms and Conditions:

- Upon approval of my/our request, issuance of paper notice of meetings, annual reports, accounts, credit advices and other shareholder documents shall be discontinued. However, in particular circumstances, I/we understand that C-Care reserves the right to send documents or other information to the shareholders in hard copy rather than by e-mail.
- C-Care cannot be held responsible for any failure in transmission beyond its control any more than it can for postal failures.
- My/Our instruction will also apply to any shares that I/we may hold jointly.
- In case of joint holders, the person named first in the share register will be eligible to fill in and sign this document.
- I/We shall be responsible for updating the designated e-mail address details, as and when necessary, to C-Care, C/o MCB Registry & Securities Ltd, Ground Floor, Raymond Lamusse Building, 9-11, Sir William Newton Street, Port-Louis.
- In case of companies, the person/s authorised will be eligible to fill in and sign this document, and, as a corporate shareholder, we shall ensure that the e-mail address provided shall easily be read by/accessible to employees responsible for our shareholding in C-Care and that any de-activation of the said e-mail address will be notified promptly to C-Care, C/o MCB Registry & Securities Ltd, Ground Floor, Raymond Lamusse Building, 9-11, Sir William Newton Street, Port-Louis.
- I/We further undertake to hold C-Care and/or its agents harmless in the execution of my/our present instructions and not to enter any action against the aforesaid parties and hereby irrevocably renounce to any rights I/we might have accordingly.
- The present authorisation shall remain valid until written revocation by me/us is sent to C-Care, C/o MCB Registry & Securities Ltd, Ground Floor, Raymond Lamusse Building, 9-11, Sir William Newton Street, Port-Louis.
- This instruction supersedes any previous instruction given to C-Care regarding the dispatch of the documents mentioned above.

Proxy Form

I/We ....

of .... being shareholder(s) of C-Care (Mauritius) Ltd

("the Company") do hereby appoint .... of

....or, failing him/her ....

....of ....

or, failing him/her, the Chairperson of the Meeting as my/our proxy to represent me/us and vote for me/us and on my/our behalf at the Annual Meeting of the shareholders of the Company ("the Meeting") to be held at the Registered Office of the Company, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène on 13 December 2019 at 14.00 hours, to transact, and at any adjournment thereof, the following business.

I/We direct my/our proxy to vote in the following manner (Please vote with a tick).

	RESOLUTIONS	FOR	AGAINST
1.	To receive, consider and approve the Group's and the Company's Financial Statements for the financial year ended 30 June 2019, including the Annual Report and the Auditors' Report, in accordance with section 115(4) of the Companies Act 2001.		
2.	To appoint, as Director of the Company to hold office until the next Annual Meeting, Mr. Deonanan Makoond, who has been nominated by the Board of Directors on 25 February 2019.		
3.	To appoint, as Director of the Company to hold office until the next Annual Meeting, Mr. Sylvain Pascal, who has been nominated by the Board of Directors on 23 August 2019.		
4.	To re-elect, as Directors of the Company and by way of separate resolutions, to hold office until the next Annual Meeting, the following persons who offer themselves for re-election:		
	4.1 Mrs. Hélène Echevin		
	4.2 Mr. André Ackerman		
	4.3 Mr. L. J. Jérôme De Chasteauneuf		
	4.4 Mrs. Christine Sauzier		
	4.5 Mr. Michel Thomas		
5.	To take note of the automatic re-appointment of PricewaterhouseCoopers Ltd as auditor of the Company for the financial year ending 30 June 2020, in accordance with section 200 of the Companies Act 2001 and to authorise the Board of Directors of the Company to fix their remuneration.		
6.	To ratify the remuneration paid to the auditor for the financial year ended 30 June 2019.		

Signed this .... day of .... 2019.

Signature/s ....

Notes:

i. Any member of the Company entitled to attend and vote at the Meeting, may appoint a proxy, whether a member or not, to attend and vote in his/her stead. A proxy need not be a member of the Company.

ii. If the instrument appointing the proxy is returned without an indication as to how the proxy shall vote on any particular resolution, the proxy will exercise his/her discretion as to whether, and, if so, how he/she votes. Proxy forms should be deposited at the Share Registry and Transfer Office of the Company, MCB Registry & Securities Limited, Ground Floor, Raymond Lamusse Building, 9-11, Sir William Newton Street, Port-Louis not less than twenty-four hours before the start of the Meeting, and in default, the instrument of proxy shall not be treated as valid.

C-Care (Mauritius) Ltd
5th Floor, Ebène Skies, Rue de l'Institut, Ebène, Mauritius
BRN No: C07002054
www.c-care.mu