EXPERTISE
WITH CARE

care

ANNUAL REPORT **2023**

THE 5 PILLARS OF OUR PATIENT PROMISE

RIGHT MEDICAL TREATMENT

We aim to provide our patients with the RIGHT MEDICAL TREATMENT

SAFETY

We aim to keep our patients SAFE from accidental or malevolent harm to their health, privacy and personal security

CARING

We aim to be ATTENTIVE and COMPASSIONATE towards our patients at all times

CLARITY AND HONESTY

We aim to communicate CLEARLY & HONESTLY to our patients at all times

SIMPLICITY

We aim to make everything appear as SIMPLE as possible to our patients at all times

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CHAIRPERSON'S AND CEO'S STATEMENTS

CHAIRPERSON'S AND CEO'S **STATEMENTS**

Guillaume Dalais
Chairperson

Hélène Echevin
CEO

Dear Shareholders,

On behalf of the Board of Directors, it is with great pleasure that we are sharing with you an overview of C-Care (Mauritius) Ltd's achievements for the year ended 30 June 2023.

The year has been rich in terms of operations and project execution. Furthermore, despite the continuous increase in operating costs and decrease in Covid related activities, the Group posted satisfactory results for the financial year, with an improvement of turnover from Rs. 2.9 bn to Rs. 3.1 bn This was mainly due to the successful execution of its strategy, with a particular focus on quality care and patient satisfaction.

Providing Quality Healthcare at All Times

As you already know, improving the patient experience remains at the heart of C-Care's priorities. The attainment of the Comprehensive Health Knowledge System (CHKS) accreditation in 2022 is a strong example of our engagement towards continuous quality improvement. We are committed to building on our efforts and extending it to our satellite clinics, C-Care Grand Baie & C-Care Tamarin, in the future.

Our commitment to patient experience is further highlighted by Pulse, our newly launched digital patient feedback tool. In order to gain a comprehensive understanding of patient experiences across all facets of our healthcare offering. this tool captures valuable insights both in person at clinics and automatically via SMS and emails. Currently in full operation for in-patient and outpatient services, we are working on expanding its reach to both emergency and laboratory services.

Furthermore, several C-Care facilities are currently undergoing renovation, to constantly improve patient experience from the moment they arrive at the clinic till the moment they are allowed to leave in healthier conditions.

> "**C-Care** facilities are currently undergoing renovation, to constantly **improve patient experience** from the moment they arrive at the clinic till the moment they are allowed to **leave in healthier conditions.**"

CHAIRPERSON'S AND CEO'S **STATEMENTS**

As part of our unwavering commitment towards delivering world-class quality care at all times, the past year has witnessed the successful completion of several projects in all of our clinics. Indeed, we inaugurated C-Care Darné - The House - in February 2023, a state-of-the-art centre that offers a broad range of medical treatments to our patients, including dental care, cosmetic surgeries as well as physiotherapy services.

The ongoing conversion of C-Care Darné Day Ward into semi-private rooms as well as the renovation of Maternity & Paediatric wards, will offer a more pleasant and warm experience to patients and visitors. Equipped with all amenities with an emphasis on care and comfort, these new rooms and premises reflect the overall personality and essence of C-Care Darné. Similarly, consultation rooms are being renovated to provide a warmer and immaculate setting for doctors and their patients. At last, the cafeteria has been modernised to better cater for the needs and well-being of the families of patients.

In addition, the brand-new C-Care Grand Baie in Mont Choisy now enables patients from the North to benefit from the latest range of medical services and facilities. These include state-of-the-art ambulatory services, rooms and operating theater as well as a CT scan in the emergency department.

The services provided by C-Care Wellkin have also been improved with the addition of three rooms in the maternity department and five dedicated private pediatric surgical beds, ensuring optimum comfort for our youngest patients. Furthermore, the renovated ophthalmology center boasts a comfortable setting designed to meet all eye care needs. Additionally, the common areas have undergone refurbishment works to improve care and enhance the comfort of all our patients.

Also, ICU and NICU beds at C-Care Wellkin have been upgraded with new bedside monitors connected with an individual central monitoring system, and to guide surgeons to better outcomes and diagnosis. We have also invested in a Rubina™ system designed to enhance laparoscopic surgeries.

In the financial year, C-Care completed the acquisition of DentCare Mauritius, a dental clinic endowed with the latest high-tech equipment. This acquisition will undoubtedly help us in improving the dental services we currently provide to all our patients.

In the Pipeline

Sustained improvements in our services are key if we wish to respond to the growing demand of the local population for world-class health service. As such, C-Care Tamarin is on the right track to open its doors by the end of 2023, at La Mivoie, in the heart of Black River. Once again, we wish to offer patients a larger and more comfortable space alongside a wider array of medical services.

While we look forward to completing the mentioned renovation projects at C-Care Darné, we would also like to announce that both C-Care Darné and C-Care Wellkin will soon be equipped with a hybrid catheterization laboratory, which will allow us to offer premium diagnostic and treatment options for the several thousands of patients suffering from heart and neuro diseases in Mauritius.

At the same time, we remain enthusiastic about the completion of our Cancer Center, a world class radiotherapy facility which will position C-Care as a reference in the region in terms of cancer treatment facilities, with its opening planned in the first quarter 2024.

Lastly, during the coming year, C-Care will be deploying its new mobile application, C-Care App. Crafted to elevate the patient experience, this innovative platform enables users to seamlessly schedule appointments, instantly access medical records, and includes the availability of personalised teleconsultations from any location. With an unwavering focus on delivering superior medical care, C-Care's App stands as a testament to our vision of redefining the health journey, ensuring convenience, and comprehensive support at every step.

Continuously Investing in our People

We would like to seize this opportunity to express how crucial it is for us at C-Care to nurture our people and help them achieve their full purpose and potential. Given that our staff remains at the heart of our operations, we have developed several programs to accompany them in their careers by providing them with continuous learning opportunities. GROW is one such initiative. Launched in August 2022, it is divided into two main categories, namely Leaders and Specialists, whose objectives consist of helping high-potential employees grow and progress in their careers.

Apart from regular assessments, we have also developed different Learning & Development Programs and actively encourage our staff to attend Continuous Medical Education sessions (CMEs), during which they are able to learn and discover the latest techniques and technologies used, internationally, in the industry.

Indeed, we believe in providing our staff with the appropriate tools and mindset for them to deliver the best results possible, irrespective of the situation. In the same way, the digitalisation of our services has been one of the focal elements to achieve this continuous transformation process. As such, 2022 saw the implementation and usage of Qualtrix, a quality and strategic monitoring tool, as part of our commitment towards continuous quality improvement in healthcare.

Main Challenges

Despite our positive performance, the financial year has nonetheless seen numerous challenges. Indeed, as many other sectors in Mauritius, we have also been subjected to inflationary pressures that have been felt world-wide. The purchasing power of the population as well as the availability of some drugs have thus been negatively impacted.

At the same time, access to experienced and qualified healthcare professionals remains our biggest challenge in the sector. Despite our best efforts to develop different training programs to address this challenge, we must recognise that it remains our primary focus.

Finally, given the dynamic and ever evolving nature of the sector, we cannot deny that we are facing growing competition with the creation of several private healthcare institutions. However, at C-Care, we have always believed that healthy competition only serves the benefits of the general population, and we fully plan on leveraging this opportunity to keep improving our medical services and stay true to our promise of being the most caring medical experts.

Thank You Note

Our success is attributed to the dedication and commitment of every member of our teams. We extend our heartfelt gratitude to our doctors, clinical staff, and non-clinical personnel for their unwavering dedication in providing world-class healthcare services to our patients.

We also wish to thank our partners and in particular, our insurance partners, for facilitating our patients' access to quality healthcare.

Before concluding, we wish to thank all Board members for their invaluable counsel, support, and guidance at all times, and especially in helping us discharge all of our duties as Chairperson and CEO of the leading private healthcare group in Mauritius.

Last but not the least, we would like to express our sincere gratitude to all of our patients for their continued trust in the unrivaled medical services provided by our teams. As we continue to scale greater heights together, rest assured that we will do our utmost in providing world-class healthcare in the region.

Guillaume Dalais
Chairperson

Hélène Echevin
CEO

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

- Guillaume Dalais, **Chairperson**
- Faisal Abbasakoor
- Hélène Echevin
- Yougendranath (Yogesh) Kissoondary
- Deonanan (Raj) Makoond
- Sylvain Pascal
- Sukhmeet Singh Sandhu
- Christine Sauzier
- Michel Thomas

BOARD COMMITTEES

Corporate Governance, Ethics, Remuneration and Nomination Committee

- Deonanan (Raj) Makoond, **Chairperson**
- Hélène Echevin
- Sukhmeet Singh Sandhu

Audit and Risk Committee

- Sylvain Pascal, **Chairperson**
- Yougendranath (Yogesh) Kissoondary
- Michel Thomas

CHIEF OPERATING OFFICERS

- Clive Chung,
  Chief Operating Officer: C-Care Darné
- Rudi Clarke,
  Chief Operating Officer: C-Care Wellkin
- Tina Sharma,
  Chief Operating Officer: C-Lab

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 questions about lost certificates, share transfers or dividends, please contact our Share Registry and Transfer Office:

MCB Registry & Securities Ltd
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
Telephone: +230 404 2200
Fax: +230 404 2201

BANKERS

- Absa Bank (Mauritius) Limited
- AfrAsia Bank Limited
- Bank One Limited
- The Mauritius Commercial Bank Limited

ANNUAL HIGHLIGHTS: **OUR YEAR IN REVIEW**

OUR PEOPLE, OUR PRIORITY

This year, we have made our staff and doctors a top priority, implementing initiatives like the GROW program to empower and nurture their personal and professional growth. Other endeavours include the first nursing CPD event at C-Care Wellkin in collaboration with the public and private sectors, celebrating nurse graduates with National Diplomas in Nursing, commemorating 70 years of C-Care Darné, and various Lab Week initiatives.

ANNUAL HIGHLIGHTS: **ONE YEAR IN REVIEW**

OUR YEAR IN REVIEW

In our commitment to enhancing medical services and infrastructure, several projects have been undertaken within the group. "The House" at C-Care Darné, a state-of-the-art facility regrouping the departments of Plastic and Cosmetic Surgery, Allied Health & Physiotherapy, and the Dentistry Hub, has been launched. C-Care Darné has also enhanced the Day ward, maternity, and paediatric wards for a more welcoming environment. C-Lab expanded with 8 new collection centers, totalling 21 across the island. C-Care Grand Baie has relocated into a brand new clinic in Mont Choisy La Destination, offering comprehensive healthcare services. C-Care Wellkin has seen infrastructure upgrades, including the ground floor revitalization and a refurbished Ophthalmology Center. Furthermore, C-Care acquired Dentcare, a leading dental care provider, offering comprehensive dental services as part of our holistic healthcare approach. Lastly, the construction of the new clinic at La Mivoie, Black River, is progressing for the upcoming relocation of C-Care Tamarin by the end of 2023.

COMMUNITY OUTREACH

"C-Care on the Road" initiatives represent our ongoing commitment to being a responsible corporate citizen, working hand in hand with the communities we operate in, and making a positive difference in the lives of those we touch, by providing free screenings, trainings, awareness talks and consultations. Our aim is to continue expanding these outreach efforts, forging stronger bonds with our communities, and creating a better, healthier, and more sustainable future for all.


CORPORATE
GOVERNANCE

CORPORATE
GOVERNANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2023

INTRODUCTION

Legal status:

- Public company limited by shares incorporated on 17 July 1972 with the Registrar of Companies, Mauritius ("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 and 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 C-Care Darné ("Darné") and C-Care Wellkin ("Wellkin"); two-Day Care Centres, C-Care Grand-Baie, and C-Care Tamarin; and medical laboratories under C-Lab.

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

The Board of Directors of C-Care ("the Board") is committed to the creation of long-term sustainable value for the benefit of the shareholders of the Company and wider stakeholders, and strong and robust corporate governance is integral in supporting this.

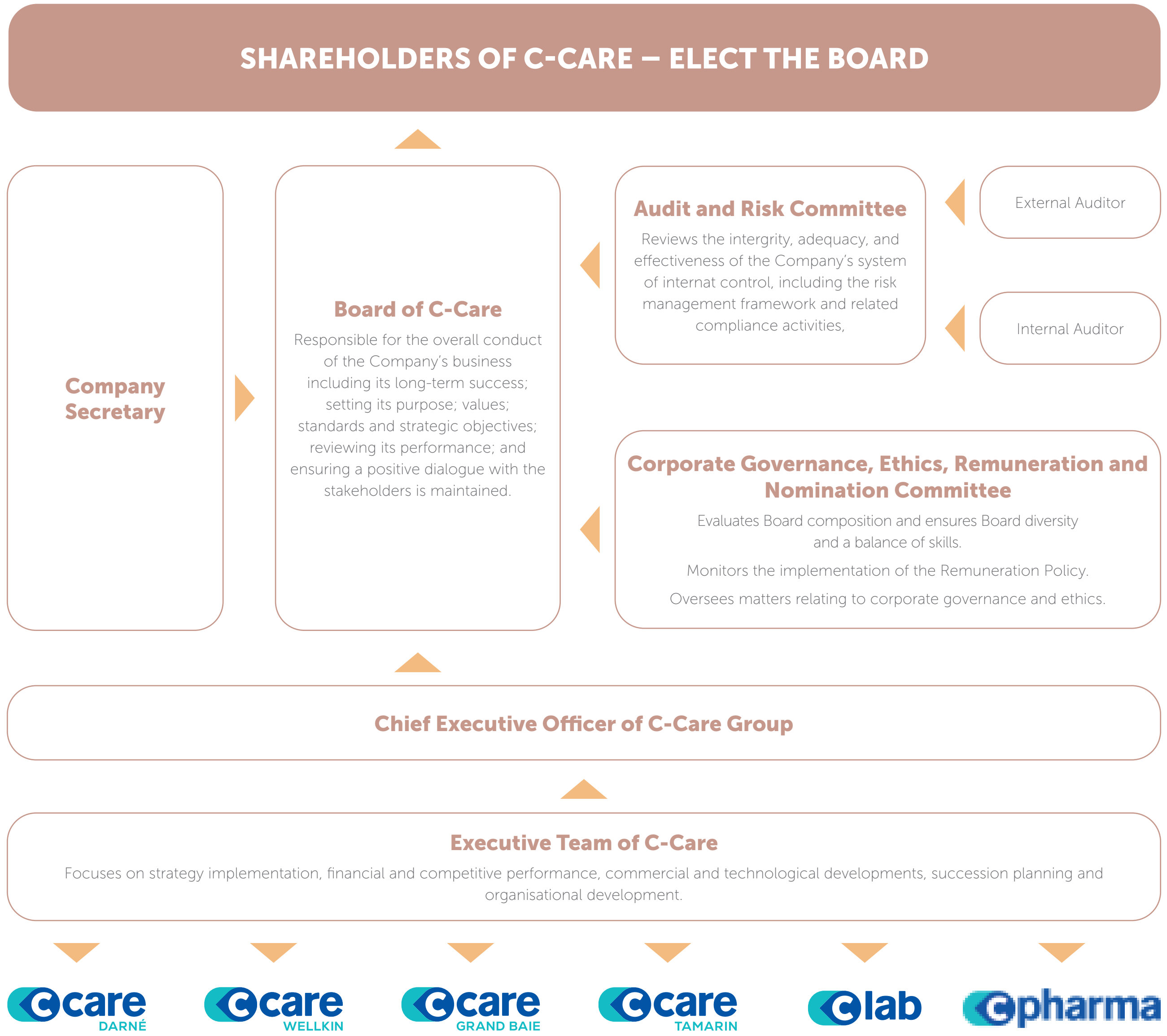
This Corporate Governance Report describes the key elements of C-Care's corporate governance framework. To the best of the Board's knowledge, for the year under review, the Company has adhered to the requirements and provisions of the eight principles in the National Code of Corporate Governance for Mauritius (2016) (the "Code") and has explained how these have been applied.

PRINCIPLE 1: GOVERNANCE STRUCTURE

Governance Structure of C-Care and the role of the Board

By putting in place the right governance framework, the Board has set a culture of integrity, transparency, and accountability that prevails throughout the Company and its subsidiaries (commonly known as the "Group").

The Board believes that such a framework is the roadmap to achieve the Group's strategic objectives within compliance requirements and by balancing the interests of the stakeholders, minimising, and avoiding conflicts of interest, and practising good corporate behaviour.



CORPORATE
GOVERNANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Other than the Board Charter[1] which details the composition, scope of authority, responsibilities, powers and functioning of the Board, the Board also ensures adherence to 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.

1. The Board Charter was updated and approved by the Board on 25 November 2022 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

The Board of C-Care retains full and effective control of the Company and is ultimately accountable and responsible for the performance of the Company. In discharging its responsibilities, the Board is supported by the Executive team, together with the various board committees and other governance forums and panels (in-house committees) which have been established at the facilities of C-Care.

C-Care has a clear division of responsibilities between its Chairperson and Chief Officers, each role is clearly defined and is quite distinct from one another.

The Chairperson is responsible for leading the Board, setting each meeting agenda, and ensuring the Board receives accurate, timely and clear information to monitor, challenge, guide and take sound decisions. He also promotes a culture of open debate between the Non-Executive/Independent Directors and the Executive team of C-Care.

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.

Role of the Executive team/Chief Officers:

Responsible for the day-to-day management of the Group and executing the strategy, once agreed by the Board; Creates a framework of strategy, values, organisation and objectives to ensure the successful delivery of results and allocates decision making and responsibilities accordingly; Manages the risk profile in line with the risk appetite identified and accepted by the Board; and Takes a leading role in the relationship with all external stakeholders and in promoting C-Care.

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

Conducting business in an honest, fair, and legal manner is a fundamental guiding principle in C-Care, which is actively endorsed by the Board and management, ensuring that the highest standards are maintained in all dealings with stakeholders. The Company's commitment to ethical standards is set out in its values and is supported by the Company's Code of Business Ethics which articulates the Company's policy regarding conflicts of interest, gifts & entertainment, donations, anti-bribery, insider trading, raising concerns, fair dealing, theft/misuse of the Company's property; the workplace culture; health and safety responsibility and quality of care; data privacy and data protection; reputation & goodwill; and environmental & social values.

This Code of Business Ethics has been updated and finetuned by the team of Human Resources of C-Care and thereafter approved by the Board of C-Care on 15 June 2021 upon the recommendation of its Corporate Governance, Ethics, Remuneration and Nomination Committee. It applies to Directors, Executives, management, employees, and any other person seen as representing or being associated with the Company. New staff members/Directors are briefed on this key document as part of their induction process.

Vision	**To be the most trusted healthcare partner in the region.**
Mission	**To deliver the most caring medical expertise, always putting our patients first.**
C-Care's values	**Medical Expertise; Caring, Innovative, Transparent.**

Shareholders of C-Care are invited to click on **https://c-care.com/mu/** to consult the key documents guiding the governance structure of the Company which have been uploaded on the Company's website under the Investors' corner.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES

The Company aims at maintaining a Board that comprises of directors with a broad range of skills, expertise and experience who can effectively understand and manage the issues arising in the Company's business, review and challenge the performance of management and optimise the Company's performance.

Board Size and Structure:
Unitary Board of 9 Directors

Executive Director: 1

Non-Executive Directors: 6

Independent Directors: 2

Tenure of Directorships:
- between 0 and 3 years – 4
- between 3 and 6 years – 3
- more than 6 years – 2

Gender Balance:
2 Ladies and 7 Gentlemen

Areas of expertise:
Healthcare, Legal, Financial services, Food sciences and technology, Tourism planning, Insurance

Number of Directors as per the Constitution:
Minimum shall be 3 and maximum shall be 12

Quorum for the Board as per the Constitution:
Shall be fixed by the Board and if not so fixed shall be a majority of the directors.
In case of equality of votes, the Chairperson does not have a casting vote.

Number of Board Meetings held during the year under review: 4

Decisions adopted by way of written resolution in lieu of holding Board Meeting for the FY 30 June 2023: 5

Directors	Gender	Age[1]	Board Attendance	Country of Residence	Category
Guillaume Dalais[2]	M	41	4/4	Mauritius	NEC
Faisal Abbasakoor	M	57	4/4	Mauritius	NED
Hélène Echevin	F	46	4/4	Mauritius	ED
Yogesh Kissoondary	M	43	4/4	Mauritius	NED
Raj Makoond	M	71	3/4	Mauritius	INED
Sylvain Pascal	M	68	4/4	Mauritius	INED
Sukhmeet Sandhu	M	61	4/4	Uganda	NED
Christine Sauzier	F	57	4/4	Mauritius	NED
Michel Thomas	M	64	4/4	Mauritius	NED

NEC – Non-Executive Chairperson **ED** – Executive Director **NED** - Non-Executive Director
INED - Independent Non-Executive Director

1. Age of each director is as at date of the report.

2. Mr. Guillaume Dalais was appointed Chairperson on 25 November 2022.

CORPORATE
GOVERNANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Key activities in the FY 2023:

Recurring agenda items

- Declaration of interests where applicable
- Reports from the Chairpersons of the respective Board Committees with respect to key agenda items debated at these committee meetings
- Review of operations/Update on C-Care projects

Strategy/Financial/Risk Management/Governance

- Approval of the audited accounts for the financial year ended 30 June 2022 and its abridged version as well as the unaudited quarterly/half-yearly accounts and the corresponding abridged versions
- Approval of dividend payment
- Forecasts/Budget
- Statutory documents/policies – Updated Board Charter/Revised Share Dealing and Conflict of Interest/Related Party Transaction policies/Never Events Operational Policy

Other Board Matters

- Banking facilities
- Bank account opening and updated list of bank signatories

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

GUILLAUME DALAIS

Non-Executive Director, appointed Director on 22 September 2020 and Chairperson as from 25 November 2022

Committee membership: None

Skills and Experience:

- Holder of a Master 2 from Ecole Supérieure de Gestion (now Paris School of Business) in Finance and Accounting, Paris, France; also completed HEC Paris Executive Education.
- Former experience in the investment Banking sector by working at Métier Investments & Advisory Services in South Africa and CIEL Capital Limited in Mauritius.
- Joined the CIEL Textile Group in 2010.
- Appointed Executive Director of the Knits Cluster of the CIEL Textile Group in 2012.
- Chief Executive Officer of the Knitwear cluster of the CIEL Textile Group from July 2016 to 30 June 2020.
- CEO of CIEL Properties since 01 July 2020.
- Deputy Group Chief Executive of CIEL since 01 January 2023.
- Also, a member of the Board of Directors of other companies in Mauritius, including those of CIEL Group.

Directorships in other listed companies of the SEM*: CIEL Limited, MIWA Sugar Limited and Sun Limited

FAISAL ABBASAKOOR

Non-Executive Director, appointed Director on 15 June 2022

Committee membership: None

Skills and Experience:

- Holder of MB BCh BAO (Hons.) BA from Trinity Medical School, University of Dublin, Ireland, other than FRCS (General Surgery), Certificate of Completion of Specialist Training, UK.
- Registered Specialist with both UK and Mauritius and since December 2006, been practicing as Consultant General and Colorectal Surgeon in Mauritius, extensively at Clinique Darné.
- Acquired adequate skills in a wide variety of General Surgical Specialties namely in General, Gastrointestinal, Hepatobiliary and Colorectal Surgery; Laparoscopic Surgery; Breast and Endocrine; Paediatric Surgery; Urology; Trauma/Orthopaedics and Vascular Surgery.
- Carried out various Research activities and published papers on key medical topics.
- Been presented with various distinctions and awards, including the Royal Free and University College Medical School Dean Award for outstanding clinical teaching.
- In 2006, submitted a Thesis on Anal intraepithelial neoplasia to the University of London for the degree of master's in surgery MS.
- Having worked at one of the World's most prestigious Colorectal hospitals – namely St Marks Hospital, London, UK.
- Is the President of Minimally Invasive Surgery Association, Mauritius as from 2022.

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

HÉLÈNE ECHEVIN

Executive Director, appointed Director and Chairperson as from 5 June 2017 and stepped down as Chairperson on 25 November 2022

Committee membership: Corporate Governance, Ethics, Remuneration and Nomination Committee

Skills and Experience:

- Holder of a degree in Engineering from Polytech Engineering School, Montpellier, France and followed a Management Executive Program at INSEAD.
- Chief Executive Officer of C-Care Group since 01 July 2019 which regroups all healthcare activities of the CIEL Group including C-Care (Mauritius) Ltd and C-Care Health (Uganda) Limited.
- Was the Executive Chairperson of the Company from 2017-2022.
- Joined CIEL Group in March 2017 as Chief Officer – Operational Excellence and since then has played a key role developing the healthcare portfolio and leading CIEL's operational excellence journey.
- Formerly worked for Eclosia Group and Harel Mallac Group and counts 22 years of experience in operations and project management, at both company and corporate levels.
- Was the first lady President of Mauritius Chamber of Commerce (MCCI) in 2015-2016.
- Sits on the Board of C-Care (International) Ltd and other subsidiary companies of CIEL Group.

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

BOARD OF DIRECTORS

YOGESH KISSOONDARY

Non-Executive Director, appointed Director on 22 September 2020

Committee membership: Audit and Risk Committee

Skills and Experience:

- Fellow of the Association of Chartered Certified Accountants (ACCA), holder of an Executive MBA as well as an Advance Certificate in an energy concerned economy from HEC – Paris, France and completed Level 2 of the Chartered Financial Analysts.
- Joined CIEL Group in May 2017 as Group Head of Corporate Finance. Leads investment and Mergers and Acquisitions strategies across the Group, other than project manages transition and integration plan for new acquisitions.
- Sits on the Board of Directors of various subsidiary companies of CIEL Group as Director/Alternate Director.
- Highly qualified entrepreneurial and operational finance professional with extensive experience in leading financial strategies to facilitate company's growth plans.

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

RAJ MAKOOND

Independent Director, appointed Director on 25 February 2019

Committee memberships: Corporate Governance, Ethics, Remuneration and Nomination 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 University of Technology of Mauritius (UTM).
- 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

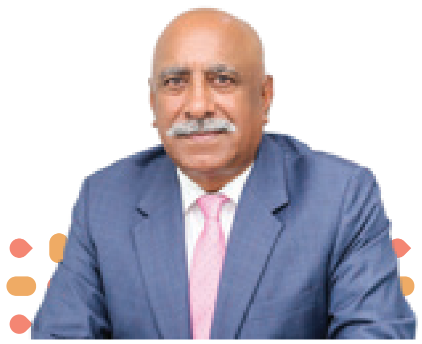
Independent Director, appointed Director on 23 August 2019

Committee memberships: Audit and Risk Committee (Chairperson)

Skills and Experience:

- Holder of a master in business administration from the Witwatersrand Business School.
- Been the Managing Director of Medscheme (Mauritius) Ltd.
- Been involved in various executive positions as well as directorships in the insurance sector.
- Been the Executive Secretary of the Association of Private Health Plans and Administrators from June 2011 till June 2019.
- Member of the Committee preparing National Health Accounts (under the aegis of the Ministry of Health) since inception in 2006.

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



SUKHMEET SINGH SANDHU

Non-Executive Director, appointed Director on 22 September 2020

Committee membership: Corporate Governance, Ethics, Remuneration and Nomination Committee

Skills and Experience:

- Dynamic and seasoned senior professional with 38 years' rich experience in Business Development, Business Operations, Hospital Administration, Sales & Marketing and Retail Value Management with two leading Indian Brands in their respective industry - Fortis Healthcare Limited and Tata Steel Limited.
- Has exposure of Indian and overseas markets in healthcare delivery domain. Took active part in Acquisition process of leading Indian brands like Escorts, Wockhardt and Hiranandani hospitals by Fortis. Led O&M strategy and business model for emerging markets with both greenfield and expansion formats.
- Currently Chief Executive Officer of C-Care Uganda Group.
- Formerly the Chief Executive Officer of Nairobi West Hospital – Kenya.
- Been the Head – International Operations, responsible for Expansion and International operations of Fortis Healthcare Limited and been the Chief Executive Officer of C-Care.

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

CHRISTINE SAUZIER

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

Committee memberships: None

Skills and Experience:

- Qualified Attorney-at-Law since 1994 having more than 15 years' experience in private practice and more than 16 years as in-house lawyer. 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.
- 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, Financial Services Commission 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.
- Been appointed Director on the Board of Bank of Mauritius and a member of the Monetary Policy Committee of Bank of Mauritius since 4 March 2020.
- Fellow Member and Board Member of The Mauritius Institute of Directors.
- Member of Business Mauritius Council.

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

MICHEL THOMAS

Non-Executive Director, appointed Director on 25 May 2009

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.
- Having 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.
- Been specialising 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.

CORPORATE
GOVERNANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Company Secretary

CIEL Corporate Services Ltd ensures the role of Company Secretary through a service agreement the Company holds with its controlling shareholder, C-Care (International) Ltd, represented by duly qualified professionals.

The Company Secretary:

- Ensures compliance with Board procedures and provides support to the Chairperson, to ensure Board effectiveness.
- Assists the Chairperson by organising induction and training programmes and ensuring that all Directors have full and timely access to all relevant information.
- Ensures the Board and its Committees has high-quality information, adequate time, and appropriate resources to function effectively and efficiently.
- Provides advice and keeps the Board updated on corporate governance developments.

Position Statement

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

Meetings of the Board

The Company plans and prepares the calendar of the Board and Board Committees' meetings in advance to assist the Directors in scheduling their program. Board and Committees' meetings are usually convened at least 7 days before the scheduled meeting dates whilst the relevant supporting documents are relayed to the Directors within 5 working days from the meeting dates. These include sufficient information from the management team on financial, business, and corporate issues to enable the Directors to be properly briefed on those items to be considered at the meetings.

The Board usually meets four times in a financial year and on ad hoc basis and, if required, measures exist to accommodate any resolutions that may have to be approved between meetings by way of written resolutions, signed by all the Directors in accordance with Clause 7 of the Eighth Schedule of the Companies Act 2001.

Board Committees

The Board of Directors delegates specific duties to governance committees that provide an in-depth focus on specific areas, assisting the Board to discharge its responsibilities. Two distinct Board Committees namely the Audit and Risk Committee, the Corporate Governance, Ethics, Remuneration and Nomination Committee have been established, each with specific terms of reference which have been approved by the Board 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.

A summary of the responsibilities of each Board Committee is shown in the table below:

Committee	Audit and Risk Committee ("ARC")	Corporate Governance, Ethics, Remuneration and Nomination Committee ("CGERNC")
Composition as at 30 June 2023	3 members: 2 Non-Executive Directors 1 Independent Non-Executive Director	3 members: 1 Executive Director 1 Non-Executive Director 1 Independent Non-Executive Director
Number of meetings	4	3
Members as at 30 June 2023/ Attendance at meetings	Sylvain Pascal, **Chairman** 3/4 Yogesh Kissoondary 4/4 Michel Thomas 4/4	Raj Makoond, **Chairman** 3/3 Hélène Echevin 3/3 Sukhmeet Sandhu 3/3
Regular attendees by invitation	• Chief Finance Officer of C-Care Group • Head of Finance Projects & Innovation of C-Care • Group Risk Officer of C-Care • Group Head of Risk and Compliance, CIEL Head Office When deemed necessary: • Internal auditor/ External auditor of the Company • CEO of C-Care Group	• Group Head of Human Resources, CIEL Head Office • Chief People & Continuous Improvement Officer of C-Care • Head of Human Resources of C-Care
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 auditors. • Monitoring and reviewing the effectiveness of the Company's internal audit function; approving the appointment/termination of the internal auditors. • Maintaining lines of communication between the Board and the internal/external auditors.	• 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.
Key activities during the FY 30 June 2023	• Financial review/Audited accounts for the FY 30 June 2022/Quarters ended 30 September 2022/31 December 2022/31 March 2023 and Abridged versions of these accounts • Management letter/ Audit report from PwC for the FY 30 June 2022 • Internal audit reports – Revenue and Debtors' Management; and Payroll Management • Deep Dive exercises – IT security and Training • Risk reporting • Update on GDPR/ Data Protection Act 2017 of Mauritius • Update on Frauds, thefts, and major incidents; Legal cases; and Whistleblowing cases	• Corporate Governance Report for the FY 30 June 2022 • Board Evaluation Survey Report for the FY 30 June 2022 and its corresponding remedial action plan • Update on Nursing Retention and Recruitment Strategy • New HR Budget Guidelines and its financial impact for the FY 2024 • Salary Increment and Performance Bonus for FY 2024 • PRGF implications • New recruits at Executive level of C-Care
Each Committee confirmed that it has discharged its responsibilities for the year under review in compliance with its terms of reference.		

Other Committees

C-Care's governance structure is supplemented with other in-house committees which have been set up and aligned at both Darné and Wellkin 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. The purpose of these sub-committees is to promote cross-synergies and best clinical and operational governance practices across the units of C-Care.

Executive/Senior Management team

The senior management team of C-Care serves an executive function and is the custodian of C-Care's strategy as approved by the Board and is responsible for its execution. The team provides the Board and the Board Committees with sound information, advice and recommendations on the organisational structure, objectives, strategies, plans and policies of C-Care to enable the Board and its Board Committees to make informed decisions.

Each member of the Executive team has been assigned with clearly defined job objectives reviewed by the CGERNC of C-Care and is subject to annual performance appraisal with measurable KPIs overseen by the CEO of C-Care Group. The members are as follows:

Chief Finance Officer of C-Care Group	Mr. Ravin Kistoo
Chief Operating Officer ("COO")	
C-Care Darné	Mr. Clive Chung
C-Care Wellkin	Mr. Rudi Clarke
C-Lab	Mrs. Tina Sharma
Chief People & Continuous Improvement Officer/ Group Risk Officer	Mrs. Annabelle Lonborg-Nielsen
Head of Strategy, Marketing and Communication	Mrs. Aurelie Aupee
Group Head of Clinical Affairs and Pharmacy	Mr. Fuad Salie
Head of Transformation and Digitalisation	Mr. Jean-Yves Bestel

You may click on **https://c-care.com/mu/** to view the following documents:

- Profiles of the Directors
- Position statement of the Chairperson and Company Secretary
- Profiles of the Executive 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 CGERNC of the Company reviews potential candidates in terms of their expertise, skills, attributes, personal and professional backgrounds for onward recommendation to the Board of C-Care.

Upon approval from the Board, new Directors hold office until the next Annual Meeting of Shareholders ("AMS") of the Company at which their appointment is submitted for approval by the shareholders of the Company.

For the financial year ended 30 June 2023, no new appointment of Director was done.

C-Care does not have a specific policy on over boarding of directors but with the support of the CGERNC, the Board ensures that its composition is adequately balanced and that the current directors have the range of skills, expertise, and experience to carry out their duties properly.

Re-election of Directors

Pursuant to the Company's Constitution, the Directors of C-Care, including the Chairperson, have no fixed term of appointment and are re-elected annually and individually by the shareholders at the AMS.

Director Independence

The CGERNC reviews the independence of the Directors concerned and all of them are considered independent in accordance with the Code and the Independence criteria of C-Care. The Independent Directors continue to make fruitful contributions and effectively challenge management. They are also free to discuss between themselves, on any Board matters, prior to the Board meetings.

C-Care is compliant with the recommendation of the Code with at least two Independent Directors.

Time commitments

All Directors are expected to attend all meetings of the Board and any committees of which they are members, as well as the AMS. By accepting their appointment as Director of C-Care, the Directors have confirmed that they are able to allocate sufficient time to the Company to discharge their responsibilities effectively.

Induction of Directors

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, including:

- Meetings with the Chairperson and other Board members as well as debrief from the Company Secretary.
- Induction pack detailing the fiduciary and statutory duties as Directors; relevant statutory documents and policies of the Company; Board and Board Committees' papers; and Company Profile.
- Visit the Company's clinics/ business units and meetings with the Chief Operating Officers and other members of the Executive team of C-Care.

Directors' Development and Training

All Directors have opportunity for ongoing development and support through:

- Reviews with the Chairperson to earmark any potential training needs, which are also assessed as part of the Board Effectiveness Survey.
- Regular updates/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.
- Regular and comprehensive presentations from management covering the business operations.

Succession planning

The CGERNC has the responsibility, as delegated by the Board, in reviewing succession plans, development and talent management for the senior management team as well as considering the balance, skills and diversity of the Board.

The said Committee is confident that the Board has the necessary mix of skills and experience to contribute to the Company's strategic objectives.

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.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Conflicts of Interest/Related Party Transactions

All Directors have a duty under the Companies Act 2001 to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. The Company's Constitution also includes provisions for dealing with directors' conflicts of interest in accordance with the Companies Act 2001. The Company has procedures in place, which it follows, to deal with such situations, namely:

- Declaration of Interest is a standing agenda item at each Board Meeting of the Company prompting each Director to notify 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 and the register is reviewed accordingly.
- Upon appointment, as part of the induction pack, new directors are requested to complete detailed interest disclosures which are then subject to updates on an annual basis or when a change occurs.
- In situations where Directors may have a direct or indirect interest that conflicts with the Company's interest, such Directors may attend the Board or Board Committee meeting but shall abstain from participating in the discussion and decision-making of this subject matter.

The Interest register is available for consultation upon written request to the Company Secretary.

Details of related party transactions which have been concluded in the ordinary course of business during the year under review is disclosed in the 'Notes' section of the Financial Statements.

The Company's Conflict of Interest/ Related Party Transactions Policy has been reviewed and finetuned in line with the recent changes brought forward in the DEM Rules and that of CIEL Limited's template to promote good governance and best practices and ensure group alignment.

Directors' dealings in the Company's securities

In line with the DEM rules, the Company's procedure on dealings in C-Care's shares prohibits directors and senior management of the Company from trading during price-sensitive or close periods which are communicated by the Company Secretary. This procedure is also governed by a clearly defined Share Dealing policy which has recently been updated further to the amendments brought forward in the DEM rules.

As at 30 June 2023, none of the Directors of C-Care held any ordinary 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.

The Head of Transformation and Digitalisation of C-Care, with the support of the respective team of the business units, Darné, Wellkin and C-Lab, ensures that there is an adequate system of checks and balances in place which curtails and protects the IT framework of C-Care. He also oversees all the IT projects of the Company with much focus on the patient experience and 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.

To improve on its IT systems and promote good governance and best IT practices, management adheres to the following processes/guidelines:

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.

Adequate training was provided to facilitate in the adaptation of the new HIS. Post implementation, feedback surveys were launched to gauge the experience of the HIS users, at Darné, Wellkin and C-Lab, to identify any anomalies/ shortfalls for onward remedial actions. To further enhance the IT experience of its personnel, the Company has solicited the support of Ernst and Young ("EY") to review all Standard Operating Procedures ("SOPs") which would then be clearly documented for reference. EY was also another source providing the relevant assurance to the Board on the design and operating effectiveness of the controls implemented over the IT processes at C-Care by highlighting any loopholes prone to risks through audit reviews. C-Care has also commissioned an audit to an overseas HIS provider, Dariel, to identify gaps between the current HIS implementation and what Dariel deems to be best practice for an HIS as well as information systems in general. Even though improvements areas were highlighted, the outcome was that the current HIS provided good enough foundation to support C-Care's short-and medium-term needs.

The IT team of C-Care also had recourse to the expertise of the external consultant, Elysium Security, in its endeavour to strengthen the IT security of the Company. Four main KPIs have been earmarked namely **Governance, Detection, Prevention and Response** to track progress/ security maturity level. Management has worked on a roadmap detailing the relevant remedial action points to be deployed to improve the maturity level with respect to each of the four main KPIs and this action plan was being monitored at CIEL Group level. An improvement in the maturity levels since November 2022 was noted with the implementation of some of the initiatives which were also in line with the CIEL Group average.

In compliance with the data protection laws - EU GDPR regulations and the Data Protection Act 2017 of Mauritius, the Board has approved the Data Privacy Policy and Personal Data Breach Policy to promote a privacy culture within the Company and its subsidiaries and to ensure that all business units as well as the employees protect the privacy of personal information of individuals/patients in their daily operating activities. In addition, EY carried 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; and came forward with some recommended actions. An implementation roadmap has then been defined as guideline and so far, management has succeeded in completing most of the projects recommended by EY. The implementation progress is reported quarterly at the ARC meetings. Moreover, management regularly runs awareness campaigns on GDPR and DPA, not only for the employees but also for the doctors, to minimise the number of data breaches.

Board Information

The Board ensures that it receives sufficient information from the management team through:

- Review of operations including financial highlights on a quarterly basis
- Annual business plans and budgets, capital budgets and other updates
- Minutes of meetings of the Board Committees
- Regular progress updates on the C-Care projects

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 coordinated through the Company Secretary.

Directors' and Officers' Liability Insurance

The Company has provided for both indemnities and Directors' and Officers' insurance in respect of their duties and responsibilities. A group cover has been subscribed by CIEL Limited covering its subsidiaries, including C-Care.

CORPORATE **GOVERNANCE REPORT**

FOR THE YEAR ENDED 30 JUNE 2023

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. The Board conducted a self-assessment covering the following areas: **Board efficiency and effectiveness; Board-Management relationship; Effectiveness of Board processes and meetings; Size, Composition, and Independence of the Board; and the Chairperson** and the process was run by the Company Secretary and is described as below:

1. Anonymous Survey

- The survey was run with the same questionnaire/same questions as used in 2019 for a fairer assessment/better insight of the improvement recorded from the last exercise.
- Each Board member was invited to complete the survey which has been designed on Office 365 through a corresponding weblink within a specific deadline.
- The anonymity of the survey respondents and their answers were strictly preserved.

2. Qualitative review

- The Company Secretary collated the responses and produced a report covering points of conformity, strengths as well as points of non-conformity and improvement opportunities which was presented to the Board at the Board Meeting held on 20 September 2022.

3. Outcome

- The main highlights of the report were as follows:
  - Response rate:75%
  - The Board of C-Care has been rated as **very effective.**

- From the feedbacks collected with the respect to the open-ended questions, the key improvement areas were identified as below:
  - Succession planning
  - Reinforcing strategic sessions and less micromanagement

- An action plan has been worked out with the CEO of C-Care Group and the management team to address the shortfalls/improvement areas identified. This plan has been validated by the Chairperson of the CGERNC of C-Care and submitted to the Board for approval at the Board Meeting of 25 November 2022, for onward implementation.

The Company Secretary confirmed that most of the remedial action points were already in place.

The next Board Evaluation Survey would be launched during the financial year ending 30 June 2024.

Statement of remuneration

The Company acknowledges the importance of having a formal and transparent policy for remunerating its employees, including the Executive team, the empaneled doctors, and the Directors' fees. In that respect, a distinct Remuneration policy, as annexed to the Terms of Reference of the CGERNC of the Company, has been implemented which aims to attract, retain, and motivate the employees by linking reward to performance.

For the year under review, the following factors have been taken into consideration when reviewing the remuneration packages:

- Collective Bargaining with the trade unions
- Statutory increase by the Government of Mauritius
- Cost of living adjustments
- Individual performance measured through a distinct People Performance Management System
- Financial performance of the Company

Directors' Emoluments

The fees paid/payable to the Directors of C-Care for the FY 30 June 2023 were as follows:

Name of Director	Fees paid/payable for the FY 30 June 2023 (Gross pay)
Raj Makoond, Independent	Rs 325,000
Sylvain Pascal, Independent	Rs 350,000
Michel Thomas, Non-Executive	Rs 300,000
Faisal Abbasakoor, Non-Executive	Rs 200,000

No fees were paid to the other Directors of C-Care.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Internal Control and Risk Management

Risks are inherent in every business and the challenge is in identifying and managing them so that they are managed, mitigated, transferred, avoided, or understood and accepted. Effective risk management is and has been an integral part of the overall achievement of the Company's strategic objectives.

The Board of C-Care acknowledges that it is ultimately responsible for establishing and maintaining appropriate risk management and internal control systems for the business of the Group and to assess their effectiveness on a regular basis. To achieve this, the Board ensures that there is a robust framework of ongoing risk management process in identifying, evaluating, and managing significant risk faced by the Company to promote its long-term success.

The Board has delegated the responsibility for overseeing the adequacy and effectiveness of risk management and internal controls to the ARC of C-Care.

The Company's governance structure of risk management is illustrated below:

Accountability for monitoring

Board of Directors	Responsible for the Company's system of corporate governance, strategy, risk management and financial performance
Audit and Risk Committee	Responsible for reviewing and approving the adequacy and effectiveness of the Company's risk management and internal controls
Risk Oversight Committee	Supports the Executive team in managing the Company's business and activities
Operating platforms/ Risk Champions	Responsible for identifying, assessing, implementing, and managing risks within their departments

Responsibility for implementing

The Risk Oversight Committee of C-Care headed by the Chief Risk Officer ("CRO") regularly monitors the inherent and residual risks of the Company, and the effectiveness of the controls in details. The CRO provides updates at the ARC meeting bi-annually on the evolution of these risks.

However, Never Events and/or Extreme Emerging Risks are reported immediately to the ARC chairperson.

For the financial year under review, Loss of Staff and IT Security have emerged as "extreme" risks for the Company and the corresponding mitigating measures actioned by management, amongst others, were summarised as follows:

Controls implemented to mitigate loss of staff:

1. Diversification of sourcing and recruitment initiatives
2. Better HR support to individuals to address sources of frustration (e.g., permits renewal, uniforms)
3. Improved HR collaboration with Union representatives
4. Collaborative manpower planning sessions to improve team efficiency
5. Operations review to mitigate staff being overworked
6. Improvement of work atmosphere
7. Review of the compensation and benefits framework towards retention
8. Improved transparency and fairness in application of HR policies

IT Security Controls implemented:

1. Implementation of E-mail security monitoring tools, Antivirus monitoring tools & Web Application firewalls.
2. Audit of current IT environment done by external party.
3. Audit done and recommendations underway 'Following cybersecurity maturity assessment by EY.
4. A roadmap has been finalised with external security specialist (Elysium) which will span over 2 years and initiatives tracked and monitored. Reported monthly to Head of Transformation & Digitalisation of C-Care and quarterly to ARC.

The previous Covid-19 risk has been downgraded to moderate level for the organisation.

In line with C-Care's continuous improvement journey, the organisation launched a digital Risk Management Tool, "Qualtrix". On Qualtrix, employees can report risks according to a defined risk universe, and input control measures and related key risk indicators. The system enables each department and business unit to generate its own risk register, which has an upstream and downstream escalation mechanism to the organisational risk register.

There are notification alerts for risk review periods, as well as a dashboard and heatmaps depicting inherent v/s residual risks, and the of the key risk indicators. The live dashboard is available to all leaders at any point in time.

The Qualtrix Risk Tool is one component of C-Care's integrated eQMS system. All risks identified from trends in Patient Feedback, Incidents & Complaints, and Internal Audits are also to trigger risks on the Risk Tool for scrutiny once the defined threshold has been reached.

Additionally, Risk Management Training for Risk Champions is being held internally, on a bi-annual basis at C-Care.

The Board receives updates on risk management and internal controls from the Chairperson of the ARC in his reporting who confirms that the ARC has reviewed the effectiveness of the system of internal controls and has ensured that any required remedial action on any identified weaknesses has been or is being deployed.

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.

The support of Ernst & Young ("EY"), in its capacity as internal auditor of the Company, has also been solicited to assess the maturity of the risk management practices at C-Care against the EY Risk Maturity Model covering the following areas:

- **Governance** – setting and disseminating risk policies and risk management; and Board oversight (including setting of risk appetite)
- **People & process** – identifying and assessing risks and controls; and documenting the risk management system.

The report was concluded as a satisfactory one with C-Care having an 'Established' status.

Management strongly believes that there is still room for further improvement and work is continuously in progress to finetune/strengthen the Risk Management Framework of C-Care with much emphasis on:

- Documenting the relevant processes and policies
- Categorising risks according to a defined risk universe
- Defining a risk appetite specific to C-Care
- Improvement opportunities in the use of data and analytics in risk assessment for emerging and existing risks
- Enhancing risk-related training deliverables to employees

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:** Risk 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 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.
- **Pandemic Risks:** Pandemic risk is driven by the combined effects of spark risk (where a pandemic is likely to arise) and spread risk (how likely it is to diffuse broadly through human populations). Pandemics can cause sudden, widespread morbidity and mortality as well as social, political, and economic disruption. The facilities of C-Care are likely to be impacted by a pandemic in terms of reduced occupancy in the event of confinements or overflow of patients if allowed to treat patients. Hence, hospitals within C-Care need to devise a plan to be prepared to deal with such cases.

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 which has been duly approved by the Board and communicated to all colleagues of the Company. A copy is also available on the website of the Company, is included in the induction pack for all new employees, and on C-Care's Document library - C-Care Portal.

PRINCIPLE 6: REPORTING WITH INTEGRITY

The Board acknowledges its responsibility in presenting a fair, balanced, and understandable assessment of the Company's financial, environmental, social and governance position, performance, and outlook in its annual report to ensure transparency to its shareholders. A Statement of Directors' responsibilities is signed off upon the approval of the audited financial statements and 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.

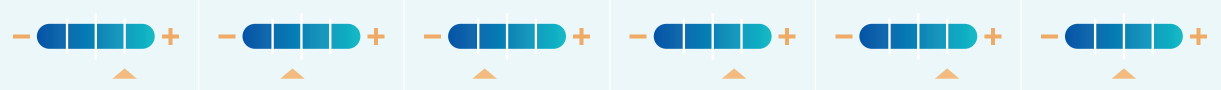
In compliance with the Health and Safety legislation, the Company has implemented the recommended policies and practices to ensure that the plants, machinery, and equipment are safe to operate; information, instructions and training are provided to enable its employees to perform their duties efficiently 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.

CORPORATE
GOVERNANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Overview of the external environment

	P	E	S	T	L	E
OPPORTUNITIES	• MoU signed with Government about treatment of patients currently sent abroad and zero interest medical loans for treatment in private clinics • Budget 21/22: Established framework to develop innovative activities, including medical, Biotech & Pharma Industries (EDB) • Double deduction for international expenses related to international accreditation for Private health institutions • Budget 22/23: Referral of priority eye surgery cases to private hospitals • Budget 22/23: Full costs borne for children diagnosed with Cancer in local or foreign hospitals	• GDP growth is expected to be around 5% • Healthcare spend is forecasted to increase by a CAGR of 8% over the next 5 years in Mauritius, still supported by strong interest for private healthcare • CPI is dropping (7.9% in May YoY) • Budget 22/23: Decrease (-7%) in price of Mogas	• Lifestyle diseases are omnipresent in the population • Population increasingly health conscious • Construction of a Renal Transplant Centre at the Jawaharlal Nehru Hospital • Budget 22/23: Premium Visa and advantages for inbound patients/ retirees	• 99% of population covered by mobile cellular telephony • 152.58 internet subscriptions per 100 inhabitants with 96.6% of broadband access • Covid & lockdowns have brought every generation to digital • Budget 22/23: ICTA to recognize e-signatures	• Budget 22/23: Human Tissue (Removal, Preservation and Transplant) Regulations 2022 to be amended to include in-vitro fertilisation • Dangerous Drugs (amendment) Bill 2022 to legalise use of medicinal cannabis • Streamlining of process for obtaining occupation & work permit • Companies engaged in the medical, biotechnology and pharmaceutical sector will be taxed at 3% instead of 15% • Budget 22/23: Listed companies required to have 25% women on their boards	• Business & administrations are driving forward the sustainability agenda • Carbon Trading Framework to be developed by BoM
THREATS	• Unknown impact of possible policy changes as result of general elections	• Headline Inflation rate for the 12 months ending Mar 2023 around 10.6% (BoM) expected to be around 6% in Dec 2023 (MCB Focus) • Unemployment is 6.7% for Q1 2023 (SoM) • Public health budget has increased to Rs 15.7 billion • Shortage of pharmaceuticals • Budget 22/23: "Revenu minimum garanti" of Rs 15,000	• Strong pressure on household purchasing power of the middle class (C-Care market) • Ageing population that has started to shrink • Low interest amongst young generation for medical careers (<10%) • Talents going abroad for better salaries • Public sector investment to increase public health coverage • Recruitment of 1,400 staff by the public sector for FY 23/24	• Budget 21/22: Introduction of Cyberknife Robotic Radiosurgery System for advanced cancer treatment will be installed in the New Cancer Centre • Budget 22/23: E-Health system to be implement in public hospital Jul 23 • Budget 22/23: Introduction of AI-enhanced ECG in public hospitals	• Regressive mark-up to be enforced on certain pharmaceutical product classes • Budget 22/23: Compulsory for all companies w. >250 employees to provide facilities for workplace-based childcare • New regulations regarding smoking in public places	• Medical Waste management remains a challenge
IMPACT						



Our outcome deliverables
- World-Class Clinical Results
- World-Class Customer Experience
- Sustainable Financial Results

What we will focus on for now to build our reputation:
- Medical programs & Clinical Outcomes
- Build Centres of Reference
- Giving back to the community
- Build/Consolidate an Employer Brand to attract & retain talents

Our internal process priorities – the processes we must excel at internally:
- Optimise Processes and Clinical Pathways + Nursing Strategy
- Build strategic partnerships locally and regionally
- Continuously abide to Quality accreditation (CHKS) & continuous patient safety
- Marketing: Sustaining the C-Care One Brand communication locally and regionally & focus on improving the customer experience
- Digitalisation of processes: Use IT as business enabler for productivity and efficiency or/and use it as a patient experience tool
- Optimise costs and improve operational efficiency through a volume game

Our people priorities:
- Recruit, retain and develop our talent
- Promote staff engagement and communicate effectively
- Develop a Patient-First Service Culture

Our values and behaviours:
- Medical Expertise
- Caring
- Transparent
- Innovative

Our Vision:
- To be the most trusted healthcare partner in the region

Sustainability
At C-Care, Sustainability is our responsibility and an integral part of how we do business. As a major healthcare provider in the region, we aim to improve the quality of life and service the increasing need for quality care as a conscious corporate citizen. C-Care is committed to making a positive impact on both the environment and society; and therefore, consistently striving to integrate sustainable practices into every aspect of its operations.

C-Care has a Sustainability Governance framework in place to guide and oversee the organisation's sustainability initiatives and practices.

The C-Care Sustainability Steering Committee serves to provide guidance, oversight, and strategic direction for sustainability projects and initiatives at C-Care. This committee plays a crucial role in driving sustainability efforts, ensuring they are aligned with the organization's values, goals, and long-term vision. This C-Care Sustainability Committee is conducted on a quarterly basis whereby the committee monitors the progress of Sustainability projects and ensures that the organisation is on track to meet its targets. The committee fosters engagement with stakeholders and ensures that the perspectives and concerns of various stakeholders are considered in sustainability decision-making. The committee ensures that sustainability becomes an integral part of the organization's overall business strategy, influencing decision-making processes across different departments.

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GOVERNANCE REPORT

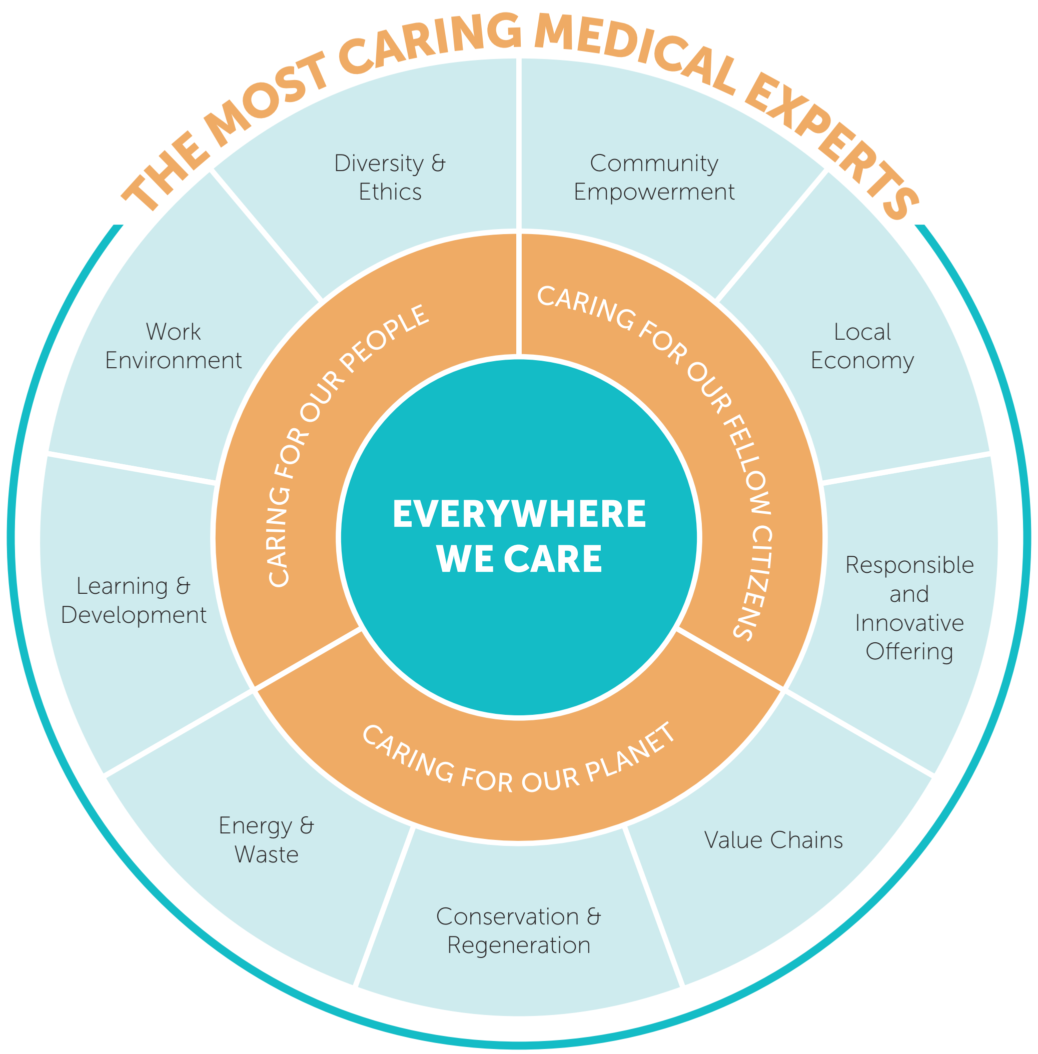
FOR THE YEAR ENDED 30 JUNE 2023

The C-Care Sustainability Steering Committee is comprised of the Chief Executive Officer, Chief Operating Officer C-Care Wellkin, Chief Operating Officer C-Care Darné, Chief Operating Officer C-Lab, Chief Executive Officer C-Care Uganda, Chief People and Continuous Improvement Officer, Head of Strategy, Marketing & Communications, Head - Engineering Services, Corporate Head of Human Resources, Sustainability Projects Lead and Sustainability representative of C-Care Uganda.

The Chief People and Continuous Improvement Officer has the overall responsibility for driving the C-Care Sustainability Strategy and the Chief Operating Officers of each C-Care business unit are responsible for the execution of the sustainability strategies in the day-to-day activities.

C-Care's commitment to sustainability reflects its dedication to enhancing lives, fostering social responsibility, and leaving a lasting, positive impact on the environment and society. Through our structured governance framework and the concerted efforts, we aim to set new standards in sustainable healthcare practices, and to inspire positive change within and beyond our organisation.

C-Care Sustainability Strategy at a Glance:



Caring for our People:

C-Care prioritises employee health and well-being for improved performance, morale, adaptability, and team cohesion. This commitment is demonstrated through initiatives in work environment, diversity & ethics, and learning and development.

- C-Care employees are encouraged to report on grievance via the Qualtrix tool or by reporting directly to the HR Department. The HR Department of each C-Care Business Unit follow up on the grievance and ensures its resolution. Grievances are monitored on a monthly basis at the corporate level.
- In May 2023, an awareness session was facilitated by Mélanie Vigier de Latour-Bérenger, Psychosociologue, on the theme on Workplace Violence with the aim of promoting a safe workplace culture and to maintain a safe workplace for employees.
- C-Care currently has 45% of women at management level and is actively participating in CIEL group projects to achieve its target of 30% women at Directorship level. Some of the projects include the GROW Leadership Program, Active Allies for Gender Equity Program amongst others.
- C-Care has also participated in the CIEL Group Employee Engagement Survey that was facilitated by 'Great Place to Work'.
- As part of C-Care inclusive employability program, C-Care is collaborating with organisations such as Global Rainbow Foundation (GRF) and Inclusion Mauritius.
- The C-Care Innovation Awards were held in June 2023 whereby 24 projects were registered. 10 projects were shortlisted for the final round.

Caring for our Fellow Citizens:

As the leading private healthcare provider in Mauritius, C-Care aims to be the most trusted healthcare partner in the region. We prioritize community support, and responsible offerings to democratize access to quality healthcare.

- C-Care on the Road comprises a program around the three main non-communicable diseases in Mauritius. The aim is to democratise access to quality healthcare by reaching people in need through community centres & NGOs.
- The Children for tomorrow program include paediatric surgery, paediatric cancer treatment, education sensitisation and prevention.

Caring for our planet:

C-Care is committed to adopting sustainable practices and creating healthy living spaces and protecting public health from the effects of climate change. Our 'One Life One Tree' program is focused on restoring endemic ecosystems. Our energy efficiency projects are also geared towards transitioning to low carbon energy sources, through smart policies, data, and technology. We also actively review our processes and consumption habits to reduce waste effectively and where applicable.

- C-Care collaborates with la Vallee de Ferney for the plantation of trees as part of its One Life One Tree program.
- C-Care dedicated the month of June as the 'Act for your Environment' month whereby the employees were engaged in diverse activities aimed at fostering positive environmental change. Some accomplishments included the creation of an organic Chef Garden at C-Care Darne, wall paintings at Beach Avenue in Tamarin, and clean-up in the vicinity of C-Care Wellkin that resulted in the collection and proper disposal of 64.5 kg of waste. Some endemic plants were also planted to commemorate the event.
- C-Care has been actively engaged in the CIEL Group Carbon Footprint project with the aim of devising a climate strategy to reduce its carbon emissions.
- In line with C-Care objectives to be energy efficient, we are collaborating with Green energy partners. Some of the results achieved include the completion of thorough energy audit, implementation of energy efficient solutions (heat pumps, autoclave projects, chiller replacement, efficient lighting).
- Care also collaborates with recycling service providers for the collection of recyclable wastes such as PET bottles, paper, cardboard boxes.

CORPORATE
GOVERNANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Pillar	Project	Target	Current Status
Caring for our People	Grievance on discrimination, harassment, corruption, bribery, and fraud	<5	0
	Women at Management Level	35% by 2025	45%
	Women at Directorship Level	30% by 2030	22.2%
	Engagement score from employees	65%	Awaiting survey results
	Employees recruited under inclusive employability employability program	Up to 10	3
	Innovation awards projects presented	>20	24
Caring for our Fellow Citizens	No of screenings done via C-Care on the Road campaigns	250	369
	Paediatrics surgeries supported	Up to 10	2
	No. of diabetic patients supported	100 - 200	138
Caring for our Planet	One Life One Tree	200	N/A*
	Employees involved in 'Act for your Environment' activities	50	65
	Savings on energy via energy efficiency projects	30% by 2030	N/A**

*Some challenges were faced to report on the no. of trees planted/maintained by La Vallee de Ferney. An action plan is in progress to address those challenges.

**The energy savings initiatives are still in implementation phase. % savings will be available upon project completion.

Donations

For the year under review, C-Care contributed Rs 497,000 to CIEL Foundation, the CSR arm of the CIEL Group. No funds were allocated to any political parties.

None of its subsidiary companies did any charitable/political contributions.

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 2023, is available for consultation on the Company's website: **https://c-care.com/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 internal auditor of the Company is Ernst & Young ("EY") which was reconducted for a second mandate of 3 years as approved by the Board of C-Care on 15 June 2021.

EY conducts risk based internal audit reviews at both operational and corporate level as per an agreed audit plan and reports systematically to the ARC. Plans and tools for corrective actions and improvements are identified with the management team to address any shortfalls arising from the audit findings.

To ensure that the internal auditor remains independent and sufficiently objective, and meets its responsibilities, the internal audit team reports functionally to the ARC and administratively to the Executive team of the Company. The internal auditors have unrestricted access to the Company's records and information, its employees and the management team as required, to enable them to deliver effectively.

As a recurrent item on the agenda of the ARC meetings, the members of the ARC are updated on the audit findings arising from the last internal audit reports which remain to be addressed and closed. The internal auditor also conducts follow-up reviews on those audit exercises conducted to ensure that the necessary remedial action points have been duly implemented. In addition to areas covered by the annual internal audit plan, the ARC may request the internal auditors to review other areas it requires insights on.

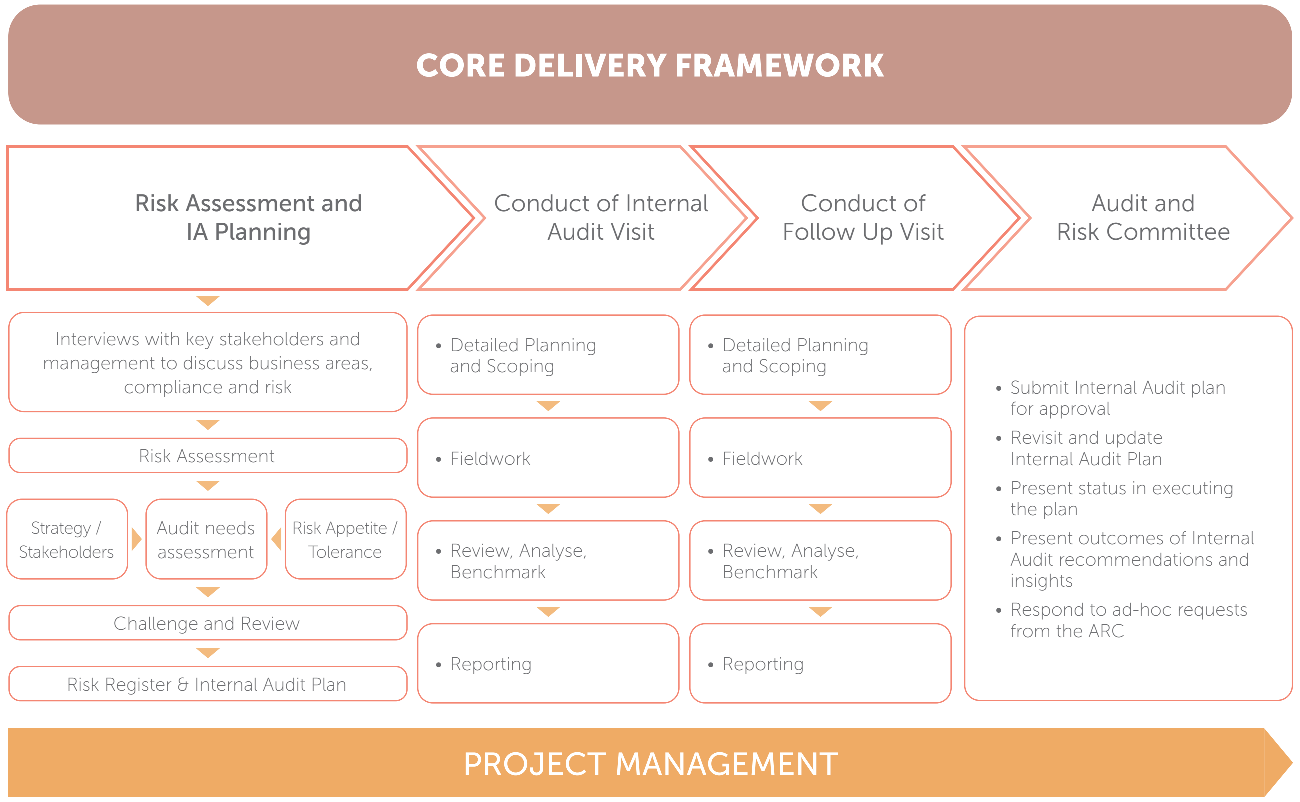
For the financial year ended 30 June 2023, the following audit reviews were performed, in line with the agreed plan, and presented to the ARC:

- Review of Revenue and Debtors' Management
- Review of Payroll Management

The internal audit function also adds value to C-Care by helping management answer the following key questions related to the areas reviewed by the internal auditors:

- What risks are we exposed to?
- How effective are our controls in containing the key risks?
- What are the root causes of the control gaps observed?
- What do we need to do to better contain these risks?
- How can we make better use of what we have?
- How can we do things better?
- How can we build resilience?
- How do we compare to others?
- What are the leading practices we could adopt?

The framework adopted by the internal audit function is summarised below:



Preparation of the internal audit plan involves conducting a risk assessment exercise at C-Care level in order to identify and rank the main risks they are exposed to, and thereby identify what areas need to be audited and in what order of priority. Highly ranked risks that have corresponding auditable controls are typically prioritised for being audited. This exercise involves collaboration amongst the members of the ARC, the internal audit function and management to draw out consensus on what are material risks areas that warrant attention from the internal auditors.

The internal audit function typically executes its internal audit assignments through the following 5 main phases consistent with its methodology, which is simultaneously aligned to the Institute of Internal Auditors (IIA) standards and leading internal audit practices.

	1. Plan and Scope	2. Conduct Fieldwork	3. Review Findings	4. Issue Report	5. Conduct Follow Up
APPROACH	• Meet with appointed contact person to agree on audit project scope, objective and communication protocols • Confirm appropriate resources required to execute the audit program • Agree audit timelines	• Conduct understanding interviews and review key business documentation • Formulate audit programs including risk and control matrices (RACM) • Assess the design of controls through interviews with relevant personnel, review of process documentation and 'walkthrough' of the control • Assess the effectiveness of controls in operation via execution of the test work program	• Review and analyse findings from fieldwork conducted • For issues identified, perform root cause analysis and impact analysis to understand the materiality and 'why' the issue has occurred • Identify any compensating controls associated with the preliminary findings • Draft the report in a pre-agreed format and structure • Submit draft report to management for preliminary comments and validation	• Close comments and agree with management on content of draft report • Collect management comments and remediation actions, and include these in the internal audit report • Finalise the report and release	• Agree with management timing for follow up audits • Agree which remediation actions have been implemented to date and plan to independently confirm that these are operating effectively • Interview relevant management for status update inquiry and determine required test • Verify that action plans for each finding have been implemented • Verify reasons for failing to implement any action plans and recommend way forward to close out any remaining issues
DELIVERABLES	• Mobilise the project team and assign roles • Confirmed scope and objectives • Project schedule, plan and timelines	• Audit program including RACM • Audit Working Papers and supporting documents	• Preliminary List of Issues • Draft Audit Report	• Final Audit Report including management actions	• Follow up Report including the status for each action plan within the issued reports

CONTINUOUS PROJECT MANAGEMENT AND STATUS UPDATES AS AGREED IN COMMUNICATION PROTOCOL

EY has a specialist team of internal auditors in Mauritius who are part of a larger multi-disciplinary consulting team, which it leverages to ensure that the internal audits conducted at C-Care are resourced with the appropriate mix of experience, knowledge, and skills. Members of this team are university graduates who hold recognized international qualifications in their respective fields (e.g., ACCA, Institute of Chartered Accountants of England & Wales, Certified Internal Auditors (CIA), Certified Information Systems Auditor (CISA), Certified in Risk and Information Systems Control (CRISC)). This team can advise C-Care on improvements needed, and share leading practices based on first-hand experience of working across many geographies for EY clients. Members of this specialist team are continuously trained in leading practices related to internal audit.

EY maintains the independence and objectivity of its staff who are part of the internal audit team through strict EY independence related policies that apply to all staff, regular training and awareness raising on these subjects, as well as regular verification of the compliance of partners and executives with EY independence related policies.

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:

	Company (Rs)	
	2022/2023	2021/2022
Internal Audit fees to:		
Ernst & Young	**656,000**	550,000
Fees paid for other services provided by:		
Ernst & Young	**828,900**	725,000

External audit

PricewaterhouseCoopers Ltd ("PwC") was appointed external auditor of the Company, in replacement of EY, at the 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 2023 at the last AMS of the Company held in December 2022.

The ARC monitors and preapproves the fees paid to the external auditor for all audit and non-audit services. The ARC gives the adequate comfort to the Board that PwC has the relevant policies in place with clear guidelines to ensure that its independence and objectivity as external auditor of the Company is preserved. In that respect, the external auditor limits the scope of services it may provide to the Company, stipulating certain permissible types of audit-related and non-audit services, including tax services and other services that have been agreed by management and validated by the ARC.

The external auditor, whose report is included in the audited financial statements, is responsible for providing an independent opinion on the financial statements. The external auditor is invited at the ARC meeting to present this report as well as to brief the members on the management letter points as well as the final key audit matters, other than the internal controls systems findings. The external auditor is also present at the AMS for any queries from the shareholders.

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 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.

In addition, updates on the findings arising from the previous year-end audit reviews which remain to be addressed and closed are provided at the ARC meetings on a quarterly basis.

External Audit Fees

External audit fees payable during the year were as follows:

	Company		Subsidiaries
Audit fees to:	**2022/2023 (Rs)**	**2021/2022 (Rs)**	**2022/2023 (Rs)**
PwC	**1,785,000**	1,622,378	Nil
Out-of-scope services			
Fees paid for other non-audit services provided by:			
PwC	**143,410**	305,370	Nil

Note: *Fees are exclusive of VAT*

The non-audit fees paid to PwC for the FY 2022/2023 referred to: Tax filing fees.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

Shareholding

Register date: 30 June 2023

Issued share capital:

- 569,940,822 no par value ordinary shares worth in total Rs 289,801,318/-
- 445 Redeemable Preference Shares of par value of Rs 100,000 worth in total Rs 44,500,000

Holding structure of C-Care

The shareholding structure of C-Care as at 30 June 2023 was as follows:

Common Directors

The common Directors within the holding structure of the Company, as at 30 June 2023, were as follows:

Name of Directors of C-Care	C-Care (International) Ltd	CIEL Limited
Hélène Echevin	✓	-
Christine Sauzier	✓	-
Guillaume Dalais	-	✓

Substantial Shareholders

As at 30 June 2023, the ordinary shareholders holding more than 5% of the issued share capital of the Company were:

Ordinary Shareholders	Number of shares owned	% Holding
C-Care (International) Ltd	384,213,693	67.41%
CIEL Limited	114,461,596	20.08%

Shareholding profile

The share ownership and a breakdown of the category of ordinary shareholders as at 30 June 2023 was as below tables:

Number of shareholders	Size of shareholding	Number of shares held	% Holding
246	1-500 shares	36,015	0.0063
74	501 - 1,000 shares	64,923	0.0114
103	1,001 - 5,000 shares	287,720	0.0505
40	5,001 - 10,000 shares	307,587	0.0540
55	10,001 - 50,000 shares	1,223,606	0.2147
9	50,001 - 100,000 shares	617,200	0.1083
7	100,001 - 250,000 shares	1,027,500	0.1803
4	250,001 - 500,000 shares	1,571,062	0.2757
10	> 500,000 shares	564,805,209	99.0989
548		**569, 940,822**	**100.00**

Number of shareholders	Category of shareholders	Number of shares held	@% Holding
500	Individuals	2,972,548	0.5216
2	Insurance and Assurance Companies	30,000,000	5.2637
18	Investments and Trust Companies	19,262,964	3.3798
6	Pension and Provident Funds	655,542	0.1150
22	Other Corporate Bodies	517,049,768	90.7199
548		**569,940,822**	**100.00**

The above number of shareholders is indicative, due to consolidation of multi portfolios for reporting purposes. The total number of active shareholders as at 30 June 2023 was 552.

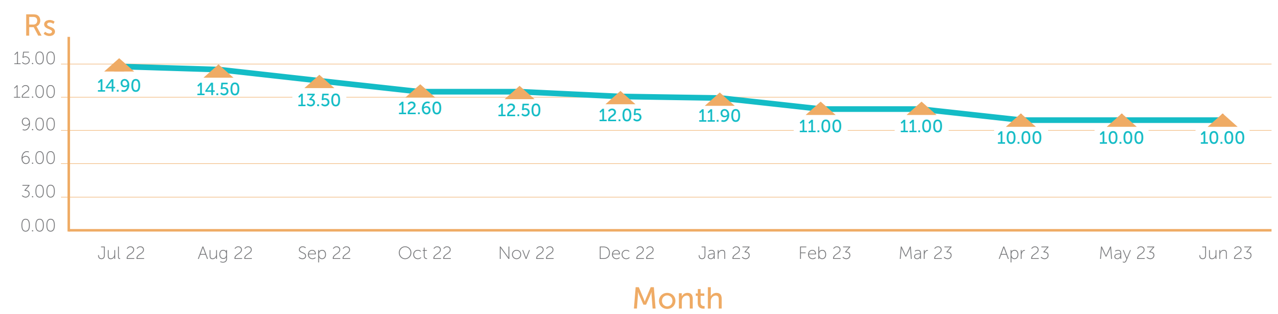
Shares in public hands

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 2023 is graphically represented as follows:

SHARE PRICE INFORMATION



CORPORATE
GOVERNANCE REPORT
FOR THE YEAR ENDED 30 JUNE 2023

Stakeholders' Relations and Communications

C-Care is committed to maintaining good communications and building positive relationships with all its stakeholders as the Company strongly perceives this as fundamental to building a sustainable business.

Shareholders	The Annual Meeting of the Shareholders ("AMS") remains the primary platform engaging the shareholders to interact directly with the Directors/external auditor and management team of the Company on matters pertaining to C-Care and its performance. Shareholders are strongly encouraged to attend the AMS which is usually held in the month of December to remain updated on C-Care's initiatives/projects and goals whereat they are usually invited to put questions to the Board/ management as well as the auditors after having covered the agenda items of the AMS. The notice of the last AMS held on 15 December 2022 was published on the website of the Company hosted at **https://c-care.com/mu/**, in line with the statutory requirements. All the resolutions were duly approved by the shareholders present in person or represented by proxy. The minutes of this AMS are available for inspection by the shareholders who may also opt for a copy by written request to the Company Secretary, CIEL Corporate Services Ltd, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène. Other than the Annual Report, pursuant to the DEM rules and the Securities Act 2005, the Company publishes abridged versions of its quarterly/yearly financial results, dividend declarations and other shares-related information on its website. The publication of these documents are also the relevant avenues to strengthen the collaboration of the shareholders/investors. C-Care strongly supports the initiative "Go Green" and in that respect, appeals to its shareholders to opt in receiving copies of the annual reports and other informative documents by electronic means.
Patients	C-Care listens carefully to its patients; works as a team and leverages on the very best medical expertise and latest healthcare technology in a wide range of specialties. C-Care strives to constantly improve its services to live up to the trust that the patients place in its hands.
Employees	C-Care strongly believes that its personnel, be it medical and non-medical, is its pride, the pillar of patient experience. Throughout the year under review, much focus has been on enhancing the employees' welfare by deploying the relevant initiatives: • Employee Engagement Survey to collect the feedback of the staff for onward remedial actions. • Running adequate awareness campaigns promoting the values/strategies of the Company to ensure that the employees feel engaged and connected. • Providing learning and development opportunities. • Empowerment of the staff through the celebrations of special events such as Nurses' Day/ Festivals/ Birthdays. • Enhancing the relationship with the Trade Unions through mutual and efficient discussions.
Suppliers	C-Care actively engages with its suppliers to comply with its requirements given they can have a social, environmental, and ethical impact. C-Care recognises that it can make a difference working with its suppliers through regular meetings and adopting a professional, yet cordial relationship to improve on the supply chain.
Government	C-Care acknowledges its duty of care towards the public at large as a healthcare provider. It collaborates extensively with the Government of Mauritius to promote a healthy environment.
Regulators	C-Care's business activities are conditional on regulatory requirements whereby regulators have a high level of influence and interest in the Company's operations. The Company ensures that it complies with regulatory provisions and guidelines in the conduct of its activities.
Local communities and non-Governmental organisations ("NGOs")	C-Care believes that the long-term success of its business is closely tied to the success of the communities in which it operates. C-Care strives to support the local communities through the following key social programmes: • Caring for the hearts of the future. • Bariatrics week at C-Care. • Organising blood donation. • Free vitals & Vision check • Participation in a nationwide Breast Cancer Awareness since C-Care believes in the motto "Prevention is better than Cure". • Sponsoring other social events. • Collaborating with the CSR arm of the CIEL Group, CIEL Foundation, on its mission towards the NGOs.

Indicative calendar planning for the financial year ending 30 June 2024:

September 2023	Publication of audited accounts for the year ended 30 June 2023
November 2023	Publication of unaudited accounts for the quarter ending 30 September 2023
December 2023	Annual Meeting of Shareholders
December 2023	Declaration of Interim Dividend*
January 2024	Payment of Interim Dividend*
February 2024	Publication of unaudited accounts for the six months ending 31 December 2023
May 2024	Publication of unaudited accounts for the nine months ending 31 March 2024
June 2024	Declaration of Final Dividend*
July 2024	Payment of Final Dividend*

* Subject to the approval of the Board of Directors

Dividend

At the Board meeting of the Company held on 19 June 2023, the Board of Directors approved the payment of a dividend of Rs 0.34 (34 cents) per ordinary share for the FY 30 June 2023 which was then paid on 17 July 2023 to all the ordinary shareholders of the Company registered at close of business on 6 July 2023.

The Company Secretary confirmed that the dividend declaration was in line with C-Care's dividend policy and that the Company has duly satisfied the solvency test; certificate which has been signed off by the Directors present at the Board meeting of 19 June 2023. Pursuant to the DEM Rule 23 and Rule 5 of the Securities (Disclosure Obligations of Reporting Issuers) Rules, C-Care has also issued a Dividend announcement to the authorities and posted a copy on its website.

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
2nd Floor, MCB Centre
9-11 Sir William Newton Street
Port Louis

Tel: +230 202 5397
Fax: +230 208 1167

Shareholders' agreements

There is a Share Purchase Agreement in place between the two substantial shareholders of the Company namely CIEL Limited and C-Care (International) Ltd.

CORPORATE **GOVERNANCE REPORT**

FOR THE YEAR ENDED 30 JUNE 2023

Other Agreements

The Company holds the following agreements with:

- Azur Financial Services Limited for its treasury management services.
- C-Care (International) Ltd 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; and 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. Save 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, Ethics, Remuneration and Nomination Committee.

(Mr. Guillaume Dalais)
Chairperson

(Mr. Sylvain Pascal)
Director

Dated this: 18 September 2023

OTHER **STATUTORY DISCLOSURES**

(Pursuant to Section 221 of the Companies Act 2001)

Nature of Business

C-Care (Mauritius) Ltd 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 engaged in the provision of the best healthcare services across Mauritius through highly trained and motivated staff, state-of-the art equipment, progressive clinical care, and collaborative teamwork.

Directorship of Subsidiaries as at date of the report

The following companies are subsidiaries of C-Care:

Name	C-Lab (International) Ltd	C-Care North Ltd	Centre de Radiotherapie de l'Ocean Indien Ltd	Dentcare Limited*
% shareholding held by C-CARE	100%	100%	51%	90%
Type of Company	Private Company limited by shares			
Business Activity	Medical Laboratories	Medical clinic	Medical clinic	Dental practice
Directors	✓ Hélène Echevin ✓ Ravin Kistoo ✓ Tina Sharma	✓ Hélène Echevin ✓ Rudi Clarke	✓ Hélène Echevin ✓ Clive Chung ✓ Ravin Kistoo ✓ Mickael Begue ✓ Youssef Slama	✓ Anne Marie Christine Bourdet ✓ Rudi Clarke ✓ Ravin Kistoo

* On 9 June 2023, C-Care has acquired a stake of 60.148% in Dentcare Limited and on 1 August 2023, acquired an additional stake of 29.852%.

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

Overseeing the corporate governance practices of the Subsidiaries

Other than having distinct Board composition in place to oversee the business operations of each subsidiary, including the corporate governance processes, the Board of C-Care also goes through the operational/financial/governance highlights of the subsidiary companies which are presented at the Board meetings and consolidated in the books of C-Care for the Group figures.

Directors' Service Contracts

There was no service contract between the Company/subsidiaries of the Company and any of the respective Directors during the year under review.

Contract of Significance

There was no contract of significance subsisting during the year to which C-Care or its subsidiaries was a party and in which a Director of C-Care or subsidiaries of C-Care was materially interested, either directly or indirectly.

Employee Share Option Scheme

The Company has no specific employee share option plan. A Redeemable Preference Share Scheme has been devised and proposed to the Senior Management team of C-Care as per defined eligibility criterion.

OTHER **STATUTORY DISCLOSURES**

Major Transactions under the Mauritius Companies Act 2001

Neither C-Care nor its subsidiaries entered into any major transaction during the financial year under review.

Appreciation

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

ON BEHALF OF THE BOARD

(Mr. Guillaume Dalais)
Chairperson

(Mr. Sylvain Pascal)
Director

Dated this: 18 September 2023

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 auditors are 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

(Mr. Guillaume Dalais)
Chairperson

(Mr. Sylvain Pascal)
Director

Dated this: 18 September 2023

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 2023, 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: 18 September 2023

STATEMENT OF COMPLIANCE

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

Name of Public Interest Entity ("PIE"): C-Care (Mauritius) Ltd ("C-Care/the Company")

Reporting Period: 1 July 2022 to 30 June 2023

Throughout the financial year ended 30 June 2023 and to the best of the Board of Directors of C-Care's knowledge, the Company has complied with the National Code of Corporate for Mauritius (2016) ("the Code"). C-Care has applied the principles set out in the Code and explained how these principles have been applied.

(Mr. Guillaume Dalais)

Chairperson

(Mr. Sylvain Pascal)

Director

Dated this: 18 September 2023

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF C-CARE (MAURITIUS) LTD FOR THE YEAR ENDED 30 JUNE 2023

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 subsidiaries (together the "Group") and of the Company standing alone as at 30 June 2023, 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 60-116 comprise:

- the consolidated and separate statements of financial position as at 30 June 2023;
- the consolidated and separate statements of profit or 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 f lows for the year then ended; and
- the notes to the f inancial statements, which include signif icant accounting policies and other explanatory information.

Basis for Opinion

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

We 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 with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "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 Matter	How our audit addressed the key audit matter
Impairment of goodwill	
As detailed in Note 5 to the consolidated and separate financial statements, the Group's and the Company's goodwill of Rs. 358.8m and Rs. 350.6m respectively, as at 30 June 2023 (Rs. 350.6m in 2022 for both Group and Company) is allocated to cash generating units (CGUs). The fair value was calculated based on the 3-month volume weighted average price (VWAP) as at 30 June 2023. This is an area of focus as it involves complex judgement in defining the cash generating units and estimating the recoverable amounts of each of the cash generating units. These estimates can have a material impact on the overall valuation and impairment decisions reflected in the consolidated and separate financial statements.	We assessed the split of the different components of the Group as CGUs as per IAS 36, Impairment of Assets and performed the following: • We recalculated management's estimates of the overall contribution of the various CGUs to the Group and recalculated the fair value attributed to each of them. • Our valuation team recalculated the VWAP as at 30 June 2023 based on publicly available information. • We reviewed the headroom on each CGU by comparing their overall net assets (including goodwill) to the fair value attributed to each of them respectively. • We assessed whether the appropriate disclosures were made by management in the consolidated and separate financial statements with regards to assessment of impairment of goodwill.

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, which we have obtained prior to the date of this auditor's report, and the "Integrated Annual Report for the year ended 30 June 2023", which is expected to be made available to us after that date.

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

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

When we read the "Integrated Annual Report for the year ended 30 June 2023", if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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/or the Company or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT **AUDITOR'S REPORT**

TO THE SHAREHOLDERS OF C-CARE (MAURITIUS) LTD FOR THE YEAR ENDED 30 JUNE 2023

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/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

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

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 subsidiaries other than in our capacity as auditor and tax advisor of the Company;

(b) we have obtained all the information and explanations we have required; and

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

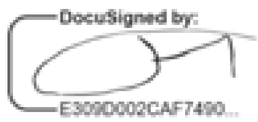
Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian 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 Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

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
18 September 2023



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FINANCIAL STATEMENTS

CONSOLIDATED AND SEPARATE STATEMENTS **OF FINANCIAL POSITION**

AS AT 30 JUNE 2023

	Notes	THE GROUP 2023 Rs.	THE GROUP 2022 Rs.	THE COMPANY 2023 Rs.	THE COMPANY 2022 Rs.
ASSETS					
Non-current assets					
Property, plant and equipment	4	**1,584,862,004**	1,251,127,095	**1,582,548,711**	1,247,256,385
Right-of-use-assets	13	**1,033,119,058**	812,854,545	**1,033,119,058**	812,854,545
Intangible assets	5	**375,849,016**	367,446,130	**367,620,099**	367,138,130
Investment in subsidiaries	6	**-**	-	**9,025,000**	25,000
Redeemable preference shares	14	**9,315,344**	10,535,608	**9,315,344**	10,535,608
Deferred tax assets	16	**-**	11,118,061	**-**	11,118,061
		3,003,145,422	2,453,081,439	**3,001,628,212**	2,448,927,729
Current assets					
Inventories	7	**139,598,185**	143,034,441	**137,625,000**	143,034,440
Trade and other receivables	8	**447,077,469**	300,637,948	**451,314,255**	310,316,657
Redeemable preference shares	14	**1,220,264**	1,163,847	**1,220,264**	1,163,847
Cash in hand and at banks	9	**241,204,837**	398,220,372	**236,896,836**	397,566,398
		829,100,755	843,056,608	**827,056,355**	852,081,342
Total assets		**3,832,246,177**	3,296,138,047	**3,828,684,567**	3,301,009,071
EQUITY AND LIABILITIES					
Equity					
Stated capital	10	**289,801,318**	289,801,318	**289,801,318**	289,801,318
Other reserves		**361,685,041**	345,241,071	**361,685,041**	345,241,071
Retained earnings		**554,357,977**	426,479,811	**553,749,158**	431,370,992
Owners interests		**1,205,844,336**	1,061,522,200	**1,205,235,517**	1,066,413,381
Non controlling interests		**514,056**	-	**-**	-
Total equity		**1,206,358,392**	1,061,522,200	**1,205,235,517**	1,066,413,381
Non-current liabilities					
Loans and borrowings	12	**210,717,187**	228,297,881	**210,717,187**	228,297,881
Lease liabilities	13	**1,105,226,198**	880,414,980	**1,105,226,198**	880,414,980
Redeemable preference shares	14	**53,815,346**	55,035,608	**53,815,346**	55,035,608
Employee benefit liabilities	15	**108,259,052**	87,210,611	**108,259,052**	87,210,611
Deferred tax liabilities	16	**3,552,338**	-	**3,552,338**	-
		1,481,570,121	1,250,959,080	**1,481,570,121**	1,250,959,080
Current liabilities					
Trade and other payables	17 (a)	**1,007,723,563**	880,822,932	**1,005,284,828**	880,802,775
Provisions	17 (b)	**19,500,000**	29,400,000	**19,500,000**	29,400,000
Loans and borrowings	12	**97,686,046**	59,949,232	**97,686,046**	59,949,232
Lease liabilities	13	**18,187,791**	10,282,256	**18,187,791**	10,282,256
Redeemable preference shares	14	**1,220,264**	3,202,347	**1,220,264**	3,202,347
		1,144,317,664	983,656,767	**1,141,878,929**	983,636,610
Total liabilities		**2,625,887,785**	2,234,615,847	**2,623,449,050**	2,234,595,690
Total equity and liabilities		**3,832,246,177**	3,296,138,047	**3,828,684,567**	3,301,009,071

These financial statements were approved by the Board of Directors on: 18 September 2023

(Mr. Guillaume Dalais) **(Mr. Sylvain Pascal)**

The notes on pages 64 to 116 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS **OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	THE GROUP Year ended 30 June 2023 Rs.	THE GROUP Year ended 30 June 2022 Rs.	THE COMPANY Year ended 30 June 2023 Rs.	THE COMPANY Year ended 30 June 2022 Rs.
Revenue	18	**3,137,540,742**	2,932,531,337	**3,137,540,742**	2,932,531,337
Cost of sales		**(1,737,503,079)**	(1,620,305,516)	**(1,737,503,079)**	(1,620,305,516)
Gross profit		**1,400,037,663**	1,312,225,821	**1,400,037,663**	1,312,225,821
Other operating income	19	**11,867,288**	5,812,458	**11,867,288**	5,923,880
Administrative expenses	20	**(953,112,612)**	(787,497,877)	**(958,612,612)**	(787,641,833)
Impairment of financial assets	8	**(15,903,580)**	(13,129,855)	**(15,903,580)**	(13,129,855)
Operating profit		**442,888,759**	517,410,547	**437,388,759**	517,378,013
Finance income	21	**4,133,870**	4,530,926	**4,133,870**	4,530,926
Finance costs	22	**(62,385,152)**	(58,050,359)	**(62,385,152)**	(58,050,359)
Profit before tax		**384,637,477**	463,891,114	**379,137,477**	463,858,580
Income tax expense	23 (a)	**(62,979,432)**	(79,335,090)	**(62,979,432)**	(79,358,984)
Profit for the period		**321,658,045**	384,556,024	**316,158,045**	384,499,596
Other comprehensive Income:					
Other comprehensive Income not to be reclassified to profit or loss in subsequent periods:					
Revaluation gain on land and buildings	4	**16,503,967**	104,399,954	**16,503,967**	104,399,954
Tax effect of revaluation gain on land and buildings	16 (b)	**(2,805,674)**	(17,747,992)	**(2,805,674)**	(17,747,992)
Remeasurement gain/(loss) on defined benefit obligations	15 (c)	**3,308,045**	(8,317,516)	**3,308,045**	(8,317,516)
Tax effect of re-measurement gain/(loss) on defined benefit obligations	16 (b)	**(562,368)**	1,411,855	**(562,368)**	1,411,855
		16,443,970	79,746,301	**16,443,970**	79,746,301
Total comprehensive income for the period, attributable to equity holders		**338,102,015**	464,302,325	**332,602,015**	464,245,897
Basic and diluted earnings per share (Rs.)	24	**0.56**	0.67	**0.55**	0.67

The notes on pages 64 to 116 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS **OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 30 JUNE 2023

	Stated capital (Note 10)	Other reserves (Note 11)	Retained earnings	Total	Non-controlling interests	Total equity
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
THE GROUP						
At 1 July 2021	289,801,318	265,494,770	269,900,116	825,196,204	-	825,196,204
Profit for the year	-	-	384,556,024	384,556,024	-	384,556,024
Other comprehensive income	-	79,746,301	-	79,746,301	-	79,746,301
Total comprehensive income	-	79,746,301	384,556,024	464,302,325	-	464,302,325
Dividend declared (Note 31)	-	-	(227,976,329)	(227,976,329)	-	(227,976,329)
At 30 June 2022	289,801,318	345,241,071	426,479,811	1,061,522,200	-	1,061,522,200
At 1 July 2022	**289,801,318**	**345,241,071**	**426,479,811**	**1,061,522,200**	**-**	**1,061,522,200**
Profit for the year	**-**	**-**	**321,658,045**	**321,658,045**	**-**	**321,658,045**
Acquisition of subsidiary	**-**	**-**	**-**	**-**	**514,056**	**514,056**
Other comprehensive income	**-**	**16,443,970**	**-**	**16,443,970**	**-**	**16,443,970**
Total comprehensive income	**-**	**16,443,970**	**321,658,045**	**338,102,015**	**514,056**	**338,616,071**
Dividend declared (Note 31)	**-**	**-**	**(193,779,879)**	**(193,779,879)**	**-**	**(193,779,879)**
At 30 June 2023	**289,801,318**	**361,685,041**	**554,357,977**	**1,205,844,336**	**514,056**	**1,206,358,392**

	Stated capital (Note 10)	Other reserves (Note 11)	Retained earnings	Total	Non-controlling interests	Total equity
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
THE COMPANY						
At 1 July 2021	289,801,318	265,494,770	274,847,725	830,143,813	-	830,143,813
Profit for the year	-	-	384,499,596	384,499,596	-	384,499,596
Other comprehensive income	-	79,746,301	-	79,746,301	-	79,746,301
Total comprehensive income	-	79,746,301	384,499,596	464,245,897	-	464,245,897
Dividend declared (Note 31)	-	-	(227,976,329)	(227,976,329)	-	(227,976,329)
At 30 June 2022	289,801,318	345,241,071	431,370,992	1,066,413,381	-	1,066,413,381
At 1 July 2022	**289,801,318**	**345,241,071**	**431,370,992**	**1,066,413,381**	**-**	**1,066,413,381**
Profit for the year	**-**	**-**	**316,158,045**	**316,158,045**	**-**	**642,366,176**
Other comprehensive income	**-**	**16,443,970**	**-**	**16,443,970**	**-**	**16,443,970**
Total comprehensive income	**-**	**16,443,970**	**316,158,045**	**332,602,015**	**-**	**658,810,146**
Dividend declared (Note 31)	**-**	**-**	**(193,779,879)**	**(193,779,879)**	**-**	**(193,779,879)**
At 30 June 2023	**289,801,318**	**361,685,041**	**553,749,158**	**1,205,235,517**	**-**	**1,531,443,648**

The notes on pages 64 to 116 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS **OF CASH FLOWS**

FOR THE YEAR ENDED 30 JUNE 2023

		THE GROUP		THE COMPANY	
	Notes	**Year ended 30 June 2023**	Year ended 30 June 2022	**Year ended 30 June 2023**	Year ended 30 June 2022
		Rs.	Rs.	**Rs.**	Rs.
Operating activities					
Profit before tax		**384,637,477**	463,891,114	**379,137,477**	463,858,580
Non-cash adjustment to reconcile profit before tax to net operating cash flows:					
Depreciation of property, plant and equipment	4	**140,036,311**	112,847,326	**140,036,311**	112,645,219
Depreciation of right-use-of assets	13	**22,522,608**	22,930,403	**22,522,608**	22,930,403
Amortisation of intangible assets	5	**10,178,091**	11,151,615	**10,178,091**	11,151,615
Movement in employee benefit liability	15	**36,374,520**	12,323,267	**36,374,520**	12,323,267
Impairment of receivables		**15,903,580**	(5,126,135)	**15,903,580**	(5,126,135)
Impairment of inventory	7	**2,823,624**	(9,643,499)	**2,823,624**	(9,643,499)
Finance income	21	**(4,133,870)**	(4,530,926)	**(4,133,870)**	(4,530,926)
Finance costs	22	**62,385,152**	58,050,359	**62,385,152**	58,050,359
Working capital adjustments					
- Inventories	7	**483,046**	(23,922,267)	**483,046**	(23,922,266)
- Trade and other receivables		**166,620,645)**	(20,751,732)	**(169,183,671)**	(24,673,703)
- Trade and other payables		**114,072,366**	170,239,142	**114,072,366**	170,764,543
		618,662,260	787,458,667	**610,599,234**	783,827,457
Defined benefits paid	15	**(12,291,258)**	(8,234,291)	**(12,291,258)**	(8,234,291)
Interest paid		**(13,690,375)**	(9,847,222)	**(13,690,375)**	(9,847,222)
Interest received		**4,133,870**	4,530,926	**4,133,870**	4,530,926
Interest portion of lease payment		**(48,694,777)**	(48,203,137)	**(48,694,777)**	(48,203,137)
Tax paid		**(18,448,160)**	-	**(18,448,160)**	-
Net cash flows generated from operating activities		**529,671,560**	725,704,943	**521,608,534**	722,073,733
Investing activities					
Purchase of property, plant and equipment	4	**(454,953,960)**	(365,931,287)	**(454,953,960)**	(362,060,577)
Purchase of intangible asset	5	**(10,352,060)**	(4,691,524)	**(10,660,060)**	(4,383,524)
Inflow through business acqusition		**4,283,001**	-	**-**	-
Acquisition of subsidiary		**(9,000,000)**	-	**-**	-
Net cash flows used in investing activities		**(470,023,019)**	(370,622,811)	**(465,614,020)**	(366,444,101)
Financing activities					
Payment of lease liabilities		**(10,070,368)**	(9,191,323)	**(10,070,368)**	(9,191,323)
Proceeds from borrowings	12 (a)	**38,306,556**	-	**38,306,556**	-
Repayment of borrowings		**(55,740,736)**	(59,307,963)	**(55,740,736)**	(59,307,963)
Repayment of other payables		**-**	(13,830,000)	**-**	(13,830,000)
Dividends paid	31	**(227,976,329)**	(153,884,022)	**(227,976,329)**	(153,884,022)
Issue of redeemable preference shares		**-**	44,500,000	**-**	44,500,000
Net cash used in financing activities		**(255,480,877)**	(191,713,308)	**(255,480,877)**	(191,713,308)
Net (decrease)/increase in cash and cash equivalents		**(195,832,336)**	163,368,824	**(199,486,363)**	163,916,324
Cash and cash equivalents at 1 July		**398,220,372**	234,851,548	**397,566,398**	233,650,074
Cash and cash equivalents at 30 June	9	**202,388,036**	398,220,372	**198,080,035**	397,566,398

The notes on pages 64 to 116 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. CORPORATE INFORMATION

The financial statements of C-Care (Mauritius) Ltd (the "Company") and its subsidiaries (the "Group") for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors on 18 September 2023. 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, Ebene, 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 subsidiaries (the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board (IASB).

Going concern

During the year, the Group and the Company made a profit of **Rs. 321,658,045** (2022 – Rs. 384,556,024) and **Rs. 316,158,045** (2022 – Rs. 384,499,596) respectively. At the statement of financial position date, the Group and the Company were in a net current liability position of **Rs. 315,216,909** (2022 – net current liability: Rs. 140,600,159) and **Rs. 314,822,583** (2022 – net current liability: Rs. 131,563,573) respectively.

The Group has forecasted an overall increase in activity level generating profits and positive cash flows. Based on their assessment, the directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

During this financial year, the Group's performance has improved compared to last year as a result of increased activities.

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 subsidiaries as at 30 June 2023.

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, and
- The ability to use its power over the investee to affect its returns.

2. ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (Continued)

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

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.

NOTES TO THE
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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

International Financial Reporting Standards and amendments effective for the first time for 30 June 2023 year-ends

Number	Effective date	Executive summary
Annual improvements cycle 2018-2020	Annual periods beginning on or after 1 January 2022 (Published May 2020)	These amendments include minor changes to: • IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS. • IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation. • IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives. • IAS 41, 'Agriculture' has been amended to align the requirements for measuring fair value with those of IFRS 13. The amendment removes the requirement for entities to exclude cash flows for taxation when measuring fair value.
Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract	Annual periods beginning on or after 1 January 2022 (Published May 2020)	The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.
Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use	Annual periods beginning on or after 1 January 2022 (Published May 2020)	The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.

The new standards do not have any impact on the financial statements for the financial year 30 June 2023.

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

International Financial Reporting Standards and amendments effective for the first time for 30 June 2023 year-ends

Number	Effective date	Executive summary
Amendment to IFRS 3, 'Business combinations' Asset or liability in a business combination clarity	Annual periods beginning on or after 1 January 2022 (Published May 2020)	The Board has updated IFRS 3, 'Business combinations', to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, the Board added a new exception in IFRS 3 for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or IFRIC 21, 'Levies', rather than the 2018 Conceptual Framework. The Board has also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.
IFRS 17, 'Insurance contracts'	Annual periods beginning on or after 1 January 2023 Early application is permitted for entities that apply IFRS 9, 'Financial Instruments', and IFRS 15, 'Revenue from Contracts with Customers', at or before the date of initial application of IFRS 17. (Published May 2017)	The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators. Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period. Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less. For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. As a consequence, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.

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

International Financial Reporting Standards and amendments effective for the first time for 30 June 2023 year-ends

Number	Effective date	Executive summary
IFRS 17, Insurance contracts Amendments	Annual periods beginning on or after 1 January 2023 (Published June 2020)	In response to some of the concerns and challenges raised, the Board developed targeted amendments and a number of proposed clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and ease transition. The amendments relate to eight areas of IFRS 17, and they are not intended to change the fundamental principles of the standard or unduly disrupt implementation already underway. Further detailed information is available at the following link: **In Brief June 2020**.
Amendments to IAS 1, Presentation of financial statements', on Classification of Liabilities as Current or Non-current	Deferred until accounting periods starting not earlier than 1 January 2024 (Published Jan 2020)	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. Note that the IASB has issued a **new exposure draft** proposing changes to this amendment. Further detailed information is available at the following link: **In Brief 2020-3**.
Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Annual periods beginning on or after 1 January 2023. Earlier application is permitted. (Published May 2021)	The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'	Annual periods beginning on or after 1 January 2023. Earlier application is permitted. (Published February 2021)	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish changes in accounting policies from changes in accounting estimates.

Adopting the new standards prospectively will not have any impact on the financial statements for the financial year 30 June 2023.

2. ACCOUNTING POLICIES (CONTINUED)

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.

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.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Foreign currencies (continued)

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 year 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.

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 – 2%-10%

Furniture and fittings – 10%-25%

Equipment – 10-50%

Motor Vehicles – 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 subsidiaries

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

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

The estimated useful lives of intangible assets with finite useful lives are as follows:

Computer software - 4 years

(f) Financial instruments

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.

(i) 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 (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL 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.

(ii) 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.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

Financial assets recognition and derecognition (continued)

(iii) 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.

(iv) Trade receivables

Trade receivables are amounts due from customers for goods and services 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 assets. 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.

(v) Impairment of trade receivables

Expected credit losses ('ECL') were determined using a provision matrix by estimating expected cash flows to be received from customers. The Group has elected the simplified approach in measuring ECL for trade receivables resulting in calculating ECLs on a lifetime basis. Forward-looking information was estimated with reference to the different industries in which the Company's customers operate and the macroeconomic factors that impact those industries.

The impairment loss is recognised in profit or loss. When the trade receivable is considered uncollectable, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against impairment in profit or loss.

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.

(i) Measurement

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

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(ii) Subsequent measurement

An entity shall subsequently classify all financial liabilities 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; and

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

(g) 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.

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 year. 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.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) 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 disposal 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.

(i) 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.

(j) 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.

(k) 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.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Retirement benefit obligations (continued)

Defined benefits schemes (continued)

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

- The date of the plan amendment or curtailment, and
- 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 and other comprehensive income (by function):

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

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.

Contribution Sociale Generalisee and Portable Retirement Gratuity Fund

Contributions to the Contribution Sociale Generalisee (CSG) and defined contribution pension plan are expensed to the statement of profit or loss and other comprehensive income in the period they fall due. Prior to the implementation of the Portable Retirement Gratuity Fund (PRGF), the pension contribution benefits are unfunded. Moreover, employees who resigned as of 2020, are eligible for a portable gratuity benefit based on service with the employer as from 1 January 2020 and remuneration at exit (same benefit formula as for retirement/ death gratuity). It is assumed that employees not recovered under any pension scheme will join the PRGF (based on the eligibility criteria described in the Workers' Rights Act 2019). PRGF is also expensed to the statement of profit or loss and other comprehensive income in the period in which they fall due.

(l) 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 OCI is recognised directly in equity or in OCI 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 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.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Taxes (continued)

Deferred tax (continued)

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

- where the deferred 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 be reversed in the foreseeable future.

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

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

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.

(m) Leases

The Group leases various motor vehicles, buildings and land. Rental contracts are typically made for fixed periods of 2 to 50 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Leases (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the group under residual value guarantees,
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Company applies the cost model subsequent to the initial measurement of the right-of-use assets.

Depreciation of Right-of-use assets

Subsequent to initial measurement, the right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset should this term be shorter than the lease term unless ownership of the underlying assets transfers to the company at the end of the lease term, whereby the right-of-use assets are depreciated on a straight-line basis over the remaining economic life of the asset. This depreciation is recognised as part of depreciation on right-of-use asset in profit or loss.

Termination of leases

When the Company or lessor terminates or cancels a lease, the right-of-use asset and lease liability are derecognised. On derecognition of the right-of-use asset and lease liability, any difference is recognised as a derecognition gain or loss in profit or loss.

Reassessment of lease terms and lease modifications that are not accounted for as a separate lease:

When the Group reassesses the terms of any lease (i.e. it re-assesses the probability of exercising an extension or termination option) or modifies the terms of a lease without increasing the scope of the lease or where the increased scope is not commensurate with the stand-alone price, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the applicable rate at the date of reassessment or modification. The carrying amount of lease liability is similarly revised when the variable element of future lease payments dependent on a rate or index is revised.

For reassessments to the lease terms, an equivalent adjustment is made to the carrying amount of the right-of-use asset, with the revised carrying amount being depreciated over the revised lease term. However, if the carrying amount of the right-of-use asset is reduced to zero any further reduction in the measurement of the lease liability is recognised in profit or loss.

For lease modifications that are not accounted for as a separate lease, an equivalent adjustment is made to the carrying amount of the right-of-use asset, with the revised carrying amount being depreciated over the revised lease term. However, for lease modifications that decrease the scope of the lease the carrying amount of the right-of-use asset is decreased to reflect the partial or full termination of the lease, with any resulting difference being recognised in profit or loss as a gain or loss relating to the partial or full termination of the lease.

Lease modifications that are accounted for as a separate lease:

When the Group modifies the terms of a lease resulting in an increase in scope and the consideration for the lease increases by an amount commensurate with a stand-alone price for the increase in scope, the Group accounts for these modifications as a separate new lease. This accounting treatment equally applies to leases which the Group elected the short-term lease exemption, and the lease term is subsequently modified.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) 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

Sale 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 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, services rendered to 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.

(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).

(o) 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.

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.

(q) Grants

Grants are accounted once there is firm commitment from the other party that the grants will be received. Non-refundable grants are accounted in other income and refundable grants are treated as a liability.

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:

- *Employee benefits obligations (See below for further detail)*

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.

Employee benefits obligations

The cost of defined benefit pension plans and related provision, as disclosed in Note 15 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 2023 is **Rs. 108,259,052** (2022: Rs. 87,210,611). Further details are set out in Note 15.

Estimated impairment of goodwill

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 the growth rate to exceed the long-term average growth rate in which the CGU operates. Management believes 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 that they have not been impaired. Further details are provided in Note 5. 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.

Leases

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. The lease rate is determined at the initial recognition stage or after a lease modification and is based on the government bond and a pricing supplement based on crediting rating and location.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Leases (continued)

At initial measurement of a lease liability, a lessee is required to discount the lease liability using the interest rate implicit in the lease if that rate can be readily determined. If the interest rate implicit in the lease cannot be readily determined, then the lessee should use its incremental borrowing rate. Depending on the nature of the underlying asset and the terms and conditions of the lease, a lessee may be able to refer to a rate that is readily observable as a starting point when determining its incremental borrowing rate for a lease (for example, the rate that a lessee has paid, or would pay, to borrow money to purchase the type of asset being leased, or the property yield when determining the discount rate to apply to property leases). The incremental borrowing rate used to recognise the right of use asset has been determined by extrapolating the long-term interest rate on government of Mauritius bond and adjustments made for financial spread of C-Care and based on location of the asset. The directors have assessed the extension options of the land and building and have considered all relevant facts and circumstances that create an economic incentive for the Group to exercise the full extension period of 40 years. Regarding the new lease at Mont Choisy, the right-of-use assets is recognised upon issuance of the occupational certificate. The lease is for the buildings and the fit outs were recognised separately as the lease term is different. The one- off payment effected over and above the first monthly rental payment is treated as an addition to the right-of-use assets.

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 in measuring ECL which uses a lifetime expected loss allowance for trade receivables.
The expected loss rates are based on the payment profiles of debtors 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 not collectible, it is written off against the allowance account of trade receivables. Subsequent recoveries of amounts previously written off are credited against impairment of financial asset in the statement of profit or loss. Further details are provided in Note 8.

Provision for stock write-off

In preparing the financial statements, the Group estimates the net realisable value of inventories. The difference between costs and net realisable value is recorded as provision for impairment of inventory in the statement of profit or loss. The Group estimates the net realisable value of inventory based on last 12-month consumption pattern and based on the expiry date of the item. Any excess stock that will not be consumed before expiry is regarded as value at risk and is provisioned for.

Revaluation of property, plant and equipment

The Group measures land and buildings at revalued amounts with changes in fair value being recognised in OCI. 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 utilised. Significant management judgment 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.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Redeemable Preference shares

The Company has a contractual obligation to deliver cash to the redeemable preference shareholders at predetermined intervals. In accordance with IAS 32, the instrument is classified as a financial liability.

A financial liability should be measured and recognised at its fair value in accordance with IFRS 9. The fair value should be based on a market interest rate prevailing at the date the financial liability is issued. The Group has determined the effective interest rate by comparing the current rates prevailing in the market for a similar instrument. The effective interest rate is estimated at 4%.

The difference between the present value of the financial liability and the actual amount of funds raised is recognised as a prepayment and expensed through profit or loss over the life of the contract.

Provision for litigation cases

As per IAS 37, provision needs to be made in the books when:

- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, that is where it is more likely than not that a present obligation exists, and
- a reliable estimate can be made of the amount of the obligation.

If above two conditions are not met, then we need to disclose as contingent liability.

A contingent liability occurs when it is more probable that there will be no outflow of resources following outcome of an event. No provision is made for contingent liabilities in the accounts. They are only disclosed in the notes to the financial statements.

The Group determined the recognition of provision on litigation cases initiated against C-Care based on its individual outcome, that is, the likelihood of C-Care winning the case. The likelihood of the outcome of litigation cases has been categorised as follows:

Category	Definition as per IAS 37	Recognition
Good	More likely that C-Care (Mauritius) Ltd will win the case	Contingent Liability
Average	Likelihood of winning is same as losing	Provision
Weak	More likely that C-Care (Mauritius) Ltd will lose the case	Provision

4. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP	Freehold land	Freehold buildings	Furniture & fittings	Equipment	Motor vehicles	Asset in progress	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST or REVALUED AMOUNT							
At 1 July 2021	109,800,000	352,648,118	142,199,825	919,154,110	27,675,288	17,638,181	1,569,115,522
Additions	-	34,123,911	41,901,604	226,339,229	13,399,265	50,167,278	365,931,287
Disposal	-	-	3,200	(163,500)	(3,659,500)	-	(3,819,800)
Scrapped	-	-	-	(63,542,709)	-	-	(63,542,709)
Revaluation	(31,400,000)	135,799,954	-	-	-	-	104,399,954
At 30 June 2022	78,400,000	522,571,983	184,104,629	1,081,787,130	37,415,053	67,805,459	1,972,084,254
At 1 July 2022	**78,400,000**	**522,571,983**	**184,104,629**	**1,081,787,130**	**37,415,053**	**67,805,459**	**1,972,084,254**
Additions	**-**	**63,330,907**	**45,743,396**	**150,499,837**	**8,716,075**	**186,663,745**	**454,953,960**
Acquisition of subsidiary	**-**	**-**	**-**	**2,313,293**	**-**	**-**	**2,313,293**
Disposal	**-**	**-**	**-**	**-**	**(2,063,529)**	**-**	**(2,063,529)**
Revaluation	**100,000**	**16,403,967**	**-**	**-**	**-**	**-**	**16,503,967**
At 30 June 2023	**78,500,000**	**602,306,857**	**229,848,025**	**1,234,600,260**	**44,067,599**	**254,469,204**	**2,443,791,945**
DEPRECIATION							
At 1 July 2021	-	7,559,262	70,608,616	572,855,387	24,449,077	-	675,472,342
Charge for the year	-	7,803,866	20,276,171	82,554,872	2,212,417	-	112,847,326
Disposal	-	-	3,200	(163,500)	(3,659,500)	-	(3,819,800)
Scrapped	-	-	-	(63,542,709)	-	-	(63,542,709)
At 30 June 2022	-	15,363,128	90,887,987	591,704,050	23,001,994	-	720,957,159
At 1 July 2022	**-**	**15,363,128**	**90,887,987**	**591,704,050**	**23,001,994**	**-**	**720,957,159**
Charge for the year	**-**	**13,094,873**	**24,550,419**	**99,653,621**	**2,737,398**	**-**	**140,036,311**
Disposal	**-**	**-**	**-**	**-**	**(2,063,529)**	**-**	**(2,063,529)**
At 30 June 2023	**-**	**28,458,001**	**115,438,406**	**691,357,671**	**23,675,863**	**-**	**858,929,941**
NET BOOK VALUES							
At 30 June 2023	**78,500,000**	**573,848,856**	**114,409,619**	**543,242,589**	**20,391,736**	**254,469,204**	**1,584,862,004**
At 30 June 2022	78,400,000	507,208,855	93,216,642	490,083,080	14,413,059	67,805,459	1,251,127,095

Asset in progress of **Rs. 256,532,733** (2022: Rs. 67,805,459) comprises mainly of construction works for new building at Darne and fitouts works for new clinic at Mont Choisy.

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) THE COMPANY	Freehold land	Freehold buildings	Furniture & fittings	Equipment	Motor vehicles	Asset in progress	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST or REVALUED AMOUNT							
At 1 July 2021	109,800,000	352,648,118	142,102,516	918,259,834	27,549,580	17,638,181	1,567,998,229
Additions	-	34,123,911	41,901,604	226,339,229	13,399,265	46,296,568	362,060,577
Disposal	-	-	3,200	(163,500)	(3,659,500)	-	(3,819,800)
Scrapped	-	-	-	(63,542,709)	-	-	(63,542,709)
Revaluation	(31,400,000)	135,799,954	-	-	-	-	104,399,954
Transfer from work in progress	-	-	-	-	-	-	-
At 30 June 2022	78,400,000	522,571,983	184,007,320	1,080,892,854	37,289,345	63,934,749	1,967,096,251
At 1 July 2022	**78,400,000**	**522,571,983**	**184,007,320**	**1,080,892,854**	**37,289,345**	**63,934,749**	**1,967,096,251**
Additions	**-**	**63,330,907**	**45,743,396**	**149,928,581**	**8,716,075**	**187,235,001**	**454,953,960**
Disposal	**-**	**-**	**-**	**-**	**(2,063,529)**	**-**	**(2,063,529)**
Revaluation	**100,000**	**16,403,967**	**-**	**-**	**-**	**-**	**16,503,967**
Transfer from work in progress	**-**	**-**	**97,309**	**1,465,532**	**125,708**	**3,299,454**	**4,988,003**
At 30 June 2023	**78,500,000**	**602,306,857**	**229,848,025**	**1,232,286,967**	**44,067,599**	**254,469,204**	**2,441,478,652**
DEPRECIATION							
At 1 July 2021	-	7,559,262	70,558,298	572,047,519	24,392,077	-	674,557,156
Charge for the year	-	7,803,866	20,236,771	82,392,165	2,212,417	-	112,645,219
Disposal	-	-	3,200	(163,500)	(3,659,500)	-	(3,819,800)
Scrapped	-	-	-	(63,542,709)	-	-	(63,542,709)
At 30 June 2022	-	15,363,128	90,798,269	590,733,475	22,944,994	-	719,839,866
At 1 July 2022	**-**	**15,363,128**	**90,798,269**	**590,733,475**	**22,944,994**	**-**	**719,839,866**
Charge for the year	**-**	**13,094,873**	**24,550,419**	**98,829,423**	**2,737,398**	**-**	**139,212,113**
Scrapped	**-**	**-**	**-**	**-**	**(2,063,529)**		**(2,063,529)**
Transfer from work in progress	**-**	**-**	**89,718**	**1,794,773**	**57,000**	**-**	**1,941,491**
At 30 June 2023	**-**	**28,458,001**	**115,438,406**	**691,357,671**	**23,675,863**	**-**	**858,929,941**
NET BOOK VALUES							
At 30 June 2023	**78,500,000**	**573,848,856**	**114,409,619**	**540,929,296**	**20,391,736**	**254,469,204**	**1,582,548,711**
At 30 June 2022	78,400,000	507,208,855	93,209,051	490,159,379	14,344,351	63,934,749	1,247,256,385

Asset in progress of **Rs. 256,532,733** (2022: Rs. 67,805,459) comprises mainly of construction works for new building at Darne and fitouts works for new clinic at Mont Choisy.

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	THE GROUP AND THE COMPANY	
	2023	2022
	Rs.	Rs.
Non-Current		
Land & Builings	**627,000,000**	585,608,855
Equipment	**-**	41,391,145
Total Assets pledged as security	**627,000,000**	627,000,000

Borrowings are guaranteed by a floating charges over the assets of the Group and Company for an amount of Rs. 627,000,000.

(c) 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 June 2023. The valuation was performed by an independent valuer CDDS Valuation and Land Survey, 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 for Land & Cost approach for building.

Buildings

	2023	2022
Significant unobservable valuation input:	**Range (Rs.)**	Range (Rs.)
Price per metre square	2,000 - 82,000	2,000 - 80,000

The following summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

	Valuation technique and key inputs	Sensitivity used	Effect on fair value (Rs.)
Buildings - 30 June 2023	Depreciated replacement cost approach	1% increase in current cost of replacing property	**5,738,489**
	Depreciated replacement cost approach	1% decrease in current cost of replacing property	**(5,738,489)**
Buildings - 30 June 2022	Depreciated replacement cost approach	1% increase in current cost of replacing property	5,072,089
	Depreciated replacement cost approach	1% decrease in current cost of replacing property	(5,072,089)

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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**
	Rs.	**Rs.**	**Rs.**
2023			
Revalued land and buildings	**-**	**78,500,000**	**573,848,856**

THE GROUP AND THE COMPANY	Fair value measurement using:		
	Level 1	Level 2	Level 3
	Rs.	Rs.	Rs.
2022			
Revalued land and buildings	-	78,400,000	507,208,855

The reconciliation is shown below:

	2023	2022
	Rs.	Rs.
At 1 July	**585,608,855**	454,888,856
Additions	**63,330,907**	34,123,911
Depreciation	**(13,094,873)**	(7,803,866)
Fair value movement	**16,503,967**	104,399,954
At 30 June	**652,348,856**	585,608,855

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

	THE GROUP AND THE COMPANY	
	2023	2022
	Rs.	Rs.
Cost	**388,330,226**	324,999,319
Accumulated depreciation	**(129,242,936)**	(116,148,063)
Net carrying amount	**259,087,290**	208,851,256

5. INTANGIBLE ASSETS

	THE GROUP			THE COMPANY		
	Goodwill	Computer software	Total	Goodwill	Computer software	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST						
At 1 July 2021	350,566,929	68,576,099	419,143,028	350,566,929	68,438,350	419,005,279
Additions	-	4,691,524	4,691,524	-	4,383,524	4,383,524
At 30 June 2022	350,566,929	73,267,623	423,834,552	350,566,929	72,821,874	423,388,803
At 1 July 2022	**350,566,929**	**73,267,623**	**423,834,552**	**350,566,929**	**72,821,874**	**423,388,803**
Additions	**8,228,917**	**10,352,060**	**18,580,977**	**-**	**10,660,060**	**10,660,060**
At 30 June 2023	**358,795,846**	**83,619,683**	**442,415,529**	**350,566,929**	**83,481,934**	**434,048,863**
AMORTISATION						
At 1 July 2021	-	45,236,807	45,236,807	-	45,099,058	45,099,058
Charge for the period	-	11,151,615	11,151,615	-	11,151,615	11,151,615
At 30 June 2022	-	56,388,422	56,388,422	-	56,250,673	56,250,673
At 1 July 2022	**-**	**56,388,422**	**56,388,422**	**-**	**56,250,673**	**56,250,673**
Charge for the year	**-**	**10,178,091**	**10,178,091**	**-**	**10,178,091**	**10,178,091**
At 30 June 2023	**-**	**66,566,513**	**66,566,513**	**-**	**66,428,764**	**66,428,764**
NET BOOK VALUES						
At 30 June 2023	**358,795,846**	**17,053,170**	**375,849,016**	**350,566,929**	**17,053,170**	**367,620,099**
At 30 June 2022	350,566,929	16,879,201	367,446,130	350,566,929	16,571,201	367,138,130

For impairment assessment of goodwill, refer to Note 27.

6. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2023	2022
	Rs.	Rs.
At 1 July 2022	**25,000**	250,000
Additions	**9,000,000**	25,000
Impairment	**-**	(250,000)
At 30 June 2023	**9,025,000**	25,000

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

At 30 June 2023

Name	% holding	Class of shares held	Issued capital Rs.	Country of incorporation	Main business
C-Care North Ltd	**100%**	**Ordinary**	**25,000**	**Mauritius**	**Medical care and services**
Centre de Radiotherapy de L'Ocean Indien	**51%**	**Ordinary**	**No par value**	**Mauritius**	**Medical care and services**
C-Lab (International) Ltd	**100%**	**Ordinary**	**No par value**	**Mauritius**	**Medical care and services**
Dentcare Ltd	**60.15%**	**Ordinary**	**9,000,000**	**Mauritius**	**Medical care and services**

At 30 June 2022

Name	% holding	Class of shares held	Issued capital Rs.	Country of incorporation	Main business
C-Care North Ltd	100%	Ordinary	25,000	Mauritius	Medical care and services
Centre de Radiotherapy de L'Ocean Indien	51%	Ordinary	No par value	Mauritius	Medical care and services
C-Lab (International) Ltd	100%	Ordinary	No par value	Mauritius	Medical care and services

During the year, the Group acquired 60.15% in Dentcare Ltd. Refer to Note 26 for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

7. INVENTORIES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Drugs and consumables	**154,702,294**	160,647,829	**152,729,109**	160,647,829
Provision for stock write off	**(15,104,109)**	(17,613,388)	**(15,104,109)**	(17,613,389)
	139,598,185	143,034,441	**137,625,000**	143,034,440

There is an amount of **Rs. 2,823,624** written down inventories recognised as an expense in cost of sales (2022: Rs. 9,643,499).

Inventories recognised as an expense during the year ended 30 June 2023 amounted to **Rs. 874,759,943** (2022: Rs. 837,452,021).

8. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Trade receivables	**292,873,296**	245,496,851	**294,330,523**	245,496,851
Provision for impairment	**(85,092,901)**	(69,226,745)	**(85,092,901)**	(69,226,745)
Net trade receivables	**207,780,395**	176,270,106	**209,237,622**	176,270,106
Other receivables	**146,919,639**	85,870,119	**144,019,832**	95,548,828
Prepayment on capital expenditure	**64,507,770**	28,118,542	**64,507,770**	28,118,542
Other prepayments	**27,869,663**	10,379,181	**27,869,663**	10,379,181
Amount receivable from related party (Note 25)	**-**	-	**5,679,366**	-
	447,077,467	300,637,948	**451,314,253**	310,316,657

The fair value of trade and other receivables approximate their carrying amount due to their short term nature. Other receivables includes VAT and TDS receivable from MRA amounting to Rs. 115m. (2022: Rs. 39m). The maximum exposure to credit risk at the end of the reporting period is the carrying value of each class of receivables mentioned above.

8. TRADE AND OTHER RECEIVABLES (CONTINUED)

Other receivables are unsecured, non-interest bearing and have an average term of 3 months. They mainly include VAT receivable from the Mauritius Revenue Authority and current bills of undischarged patients at year end. Other 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 25. Given there is no history of default, the loss given default for these balances are deemed to be low and consequently the expected credit losses are immaterial. Trade receivables are unsecured, non- interest bearing and are generally on 55-day terms. Movement in the provision for impairment of receivables are as per below:

*Provision for impairment

	THE GROUP AND THE COMPANY	
	2023	2022
	Rs.	Rs.
At 1 July	**69,226,745**	74,352,880
Charge for the year	**15,903,580**	13,129,855
Write off during the year	**(37,424)**	(18,255,990)
At 30 June	**85,092,901**	69,226,745

The amount written off relates to an outstanding amount by individual patients for previous years. The recovery procedures have proven to be unsuccessful and the cost of recovering the debt outweighs the benefits. Following board approval, the outstanding amounts were written off.

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
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2023								
Expected loss rate	**1.46%**	**12.76%**	**36.70%**	**50.08%**	**81.29%**	**96.89%**	**58.88%**	**29.05%**
Gross carrying amount - trade receivables	**128,119**	**40,387**	**12,005**	**22,401**	**11,403**	**18,221**	**60,337**	**292,873**
Provision for impairment of trade receivables	**(1,866)**	**(5,153)**	**(4,406)**	**(11,218)**	**(9,269)**	**(17,655)**	**(35,526)**	**(85,093)**
2022								
Expected loss rate	2.24%	6.15%	13.95%	22.39%	53.44%	92.54%	106.96%	28.20%
Gross carrying amount - trade receivables	114,043	29,771	15,968	23,833	13,228	12,665	35,989	245,497
Provision for impairment of trade receivables	(2,549)	(1,831)	(2,228)	(5,337)	(7,069)	(11,720)	(38,493)	(69,227)

As at 30 June 2023, amount receivable from related party was neither past due nor impaired (2022: nil).

9. CASH IN HAND AND AT BANKS

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Cash in hand and at banks	**241,204,837**	398,220,372	**236,896,836**	397,566,398

Cash at banks earn interest at floating rates based on daily bank deposit rates. The Group manages risk by banking with reputable financial institutions which have a good credit rating. As such, the loss given default is deemed to be low and consequently the expected credit losses are immaterial.

Cash at bank includes a balance of **Rs. 121,287,401** for the Group and the Company (2022: Rs. 308,275,596 for Group and Company) which relates to deposit with a related party (Note 25).

At 30 June 2022, the Group had available **Rs. 75,000,000** (2022: Rs. 75,000,000) of undrawn bank overdraft facility.

10. STATED CAPITAL

	THE GROUP AND COMPANY			
	2023	2022	**2023**	2022
	Number	Number	**Rs.**	Rs.
Authorized, Issued and fully paid				
Ordinary shares at no par value				
At 30 June	**569,940,822**	569,940,822	**289,801,318**	289,801,318

11. REVALUATION RESERVE

(a) 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 OCI 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.

(b) Actuarial reserve

The actuarial gains/(losses) reserve represents the cumulative remeasurement of define benefit obligation recognised.

12. LOANS AND BORROWINGS

	Effective interest rate (%)	Maturity	THE GROUP AND COMPANY	
			2023	2022
			Rs.	Rs.
Current				
Cash at call from related party	6.00%		**38,816,801**	-
Bank loan | Afrasia	4.70%	2027	**58,869,245**	59,949,232
			97,686,046	59,949,232
Non-current				
Bank loan | ABSA	5.65%	2033	**38,306,536**	-
Bank loan | Afrasia	4.70%	2027	**172,410,651**	228,297,881
			210,717,187	228,297,881
Total borrowings			**308,403,233**	288,247,113

Bank overdraft

The group has a bank overdraft facility of Mur 75M which is used from time to time for working capital purposes.

The bank overdraft bears interest rate of 6.5%. (2022: 3.85%).

(a) NET DEBT RECONCILIATION - The Group and Company

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Cash and cash equivalent (Note 9)	**(241,204,837)**	(398,220,372)	**(236,896,836)**	(397,566,398)
Borrowings - repayable within one year	**97,686,046**	59,949,232	**97,686,046**	59,949,232
Borrowings - repayable after one year	**210,717,187**	228,297,881	**210,717,187**	228,297,881
Leases - repayable within one year	**18,187,791**	10,282,256	**18,187,791**	10,282,256
Leases - repayable after one year	**1,105,226,198**	880,414,980	**1,105,226,198**	880,414,980
Redeemable Preference Shares - repayable within one year	**1,220,264**	3,202,347	**1,220,264**	3,202,347
Redeemable Preference Shares - repayable after one year	**53,815,346**	55,035,608	**53,815,346**	55,035,608
Net debt	**1,245,647,995**	838,961,932	**1,249,955,996**	839,615,906

12. LOANS AND BORROWINGS (CONTINUED)

(a) NET DEBT RECONCILIATION - The Group and Company (Continued)

	Cash/ bank overdraft	Leases within 1 year	Leases after 1 year	Borrowings due within 1 year	Borrowings due after 1 year	Total
THE GROUP						
Net debt as at 30 June 2021	(234,851,548)	9,174,163	890,864,612	60,129,518	287,425,558	1,012,742,303
Cashflows	(163,368,824)	-	(17,160)	-	(69,155,185)	(232,541,169)
Redeemable Preference shares	-	-	-	3,202,347	55,035,608	58,237,955
Other non-cash movements	-	1,108,093	(10,432,472)	(180,286)	10,027,508	522,843
Net debt as at 30 June 2022	(398,220,372)	10,282,256	880,414,980	63,151,579	283,333,489	838,961,932
Cashflows	**157,015,535**	**(10,282,256)**	**(17,975,903)**	**(63,151,579)**	**-**	**65,605,797**
New leases	**-**	**11,395,680**	**189,903,197**	**-**	**-**	**201,298,877**
New loans	**-**	**-**	**-**	**38,816,801**	**38,306,556**	**77,123,357**
Redeemable Preference shares	**-**	**-**	**-**	**(1,982,083)**	**(1,220,262)**	**(3,202,345)**
Other non-cash movements	**-**	**6,792,111**	**52,883,924**	**62,071,592**	**(55,887,250)**	**65,860,377**
Net debt as at 30 June 2023	**(241,204,837)**	**18,187,791**	**1,105,226,198**	**98,906,310**	**264,532,533**	**1,245,647,995**
THE COMPANY						
Net debt as at 30 June 2021	(233,650,074)	9,174,163	890,864,612	60,129,518	287,425,558	1,013,943,777
Cashflows	(163,916,324)	(9,174,163)	(17,160)	-	(69,155,185)	(242,262,832)
Redeemable Preference shares	-	-	-	3,202,347	55,035,608	58,237,955
Other non-cash movements	-	10,282,256	(10,432,472)	(180,286)	10,027,508	9,697,006
Net debt as at 30 June 2022	(397,566,398)	10,282,256	880,414,980	63,151,579	283,333,489	839,615,906
Cashflows	**160,669,562**	**(10,282,256)**	**(17,975,903)**	**(63,151,579)**	**-**	**69,259,824**
New leases	**-**	**11,395,680**	**189,903,197**	**-**	**-**	**201,298,877**
New loans	**-**	**-**	**-**	**38,816,801**	**38,306,556**	**77,123,357**
Redeemable Preference shares	**-**	**-**	**-**	**(1,982,083)**	**(1,220,262)**	**(3,202,345)**
Other non-cash movements	**-**	**6,792,111**	**52,883,924**	**62,071,592**	**(55,887,250)**	**65,860,377**
Net debt as at 30 June 2023	**(236,896,836)**	**18,187,791**	**1,105,226,198**	**98,906,310**	**264,532,533**	**1,249,955,996**

(b) Bank loan

In 2017, 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.

In December 2022, the Group contracted loans totalling Rs. 482m to finance the contruction of the new cancer building at Darne and for the acquisition of high end medical equipment. As at 30 June 2023, an amount of Rs. 38m was disbursed out of the approved amount of Rs. 482m.

13. LEASES

The group leases comprises mainly of motor vehicles, the Wellkin Hospital building, the clinic at Mont Choisy and the clinic at Tamarin. The contract duration ranges from 2 years to 50 years. Until year 2018, the leases were treated as operating leases and as from July 2019, the leases are recognised as right -of-use assets and a corresponding liability at the date at which the leased asset is available for use. The discount rate used is 5.35%.

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
(i) Right-of-use assets		
Balance at the start of the year	**812,854,545**	835,953,954
Additions in the year	**189,903,197**	-
Termination during the year	**-**	(365,657)
Remeasurement of right of use asset	**52,883,924**	196,651
Depreciation expense	**(22,522,608)**	(22,930,403)
Balance at end of the year	**1,033,119,058**	812,854,545
(ii) Lease liability		
Balance at the start of the year	**890,697,236**	900,038,775
Additions in the year	**189,903,197**	-
Termination during the year	**-**	(346,867)
Remeasurement of right-of-use asset	**52,883,924**	196,651
Repayment in the year	**(58,765,145)**	(57,394,460)
Interest expense	**48,694,777**	48,203,137
Balance at end of the year	**1,123,413,989**	890,697,236

13. LEASES (CONTINUED)

At the end of the reporting period, all leases were recognised as right-of-use except those which are short term.

(i) Amount recognised in the balance sheet

The balance sheet shows the following amounts relating to leases

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Right-of-use assets		
Buidings	**1,033,119,058**	812,673,841
Vehicles	**-**	180,704
	1,033,119,058	812,854,545
Lease liabilities		
Current	**18,187,791**	10,282,256
Non-Current	**1,105,226,198**	880,414,980
	1,123,413,989	890,697,236

(ii) Amount recognised as depreciation in statement of profit or loss

Buidings	**22,342,403**	22,073,676
Vehicles	**180,205**	856,727
	22,522,608	22,930,403
Interest expense in finance costs	**48,694,777**	48,203,137

The total cash flow for leases for the year ended 30 June 2023 was Rs. 58,765,145 (2022: Rs. 57,818,057).

13. LEASES (CONTINUED)

The lease liabilities are repayable as follows:

2023	THE GROUP AND COMPANY		
	Land & building	**Vehicle**	**Total**
	Rs.	**Rs.**	**Rs.**
Repayable in			
Not later than 1 year	**18,187,791**	**-**	**18,187,791**
Later than 1 year and not later than 2 years	**11,932,237**	**-**	**11,932,237**
Later than 2 years and not later than 3 years	**12,282,423**	**-**	**12,282,423**
Later than 3 years and not later than 5 years	**37,062,473**	**-**	**37,062,473**
Later than 5 years	**1,043,949,065**	**-**	**1,043,949,065**
Total	**1,123,413,989**	**-**	**1,123,413,989**

2022	THE GROUP AND COMPANY		
	Land & building	**Vehicle**	**Total**
	Rs.	Rs.	Rs.
Repayable in			
Not later than 1 year	9,079,707	1,202,549	10,282,256
Later than 1 year and not later than 2 years	5,874,564	-	5,874,564
Later than 2 years and not later than 3 years	5,977,934	-	5,977,934
Later than 3 years and not later than 5 years	5,830,101	-	5,830,101
Later than 5 years	862,732,381	-	862,732,381
Total	889,494,687	1,202,549	890,697,236

New lease

In November 2020, the Group signed an agreement with Mont Choisy Smart City for Ltd for the rental of permises (20 years) and fitouts (10 years) for the operation of a new clinic. The occupational certificate was issued by the authorities on 29 June 2023. Lease liabilities and assets were recognised as from this date. The new clinic started its operations in July 2023.

14. REDEEMABLE PREFERENCE SHARES

During the year ended 30 June 2022 the Group issued 445 Redeemable preference shares at an issue price of Rs. 100,000 per Redeemable preference shares to visiting consultants, employed doctors and senior management. The redeemable preference shares are mandatorily redeemable on 31st December 2028. Redeemable preference share holders have the option to redeem their shares as from 1st January 2025.

The redeemable preference shares are entitled to a minimum return of 3.5% annually and variable returns up to a maximum of 6.5% annually based on company profits, years of services of senior management and individual performance of doctors. Based on management estimates, the effective interest rate is assumed to be 4%.
The difference between the present value of the financial liability and the actual amount of funds raised is recognised as a prepayment and expensed through the profit or loss account over the life of the contract.

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Amount recognised as prepayment		
Current	**1,220,264**	1,163,847
Non-Current	**9,315,344**	10,535,608
	10,535,608	11,699,455
Amount recognised as financial liabilties		
Current	**1,220,264**	3,202,347
Non-Current	**53,815,346**	55,035,608
	55,035,610	58,237,955
Interest expense in finance costs	**2,366,486**	879,858

The financial liabilties are repayable as follows:

	THE GROUP AND COMPANY	
	2023	2022
Repayable in		
Not later than 1 year	**1,220,264**	3,202,347
Later than 1 year and not later than 2 years	**1,718,480**	1,220,265
Later than 2 years and not later than 3 years	**1,874,993**	1,718,480
Later than 3 years	**50,221,873**	52,096,863
Total	**55,035,610**	58,237,955

15. 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, Swan Life Ltd. 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-retirement 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 Workers' Rights Act 2019. It entitles the employee at retirement to 15/26 of the final monthly benefit for each year of service.

For employees not covered by the pension schemes, the Group contribute to the Portable Retirement Gratuity Fund on behalf of the employees.

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

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Defined benefit obligation	**127,970,325**	99,881,829
Fair value of plan assets	**(19,711,273)**	(12,671,218)
Net defined benefit liability	**108,259,052**	87,210,611

15. EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

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

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
At 1 July	**87,210,611**	74,804,119
Net Assets extinguished following closure of DB Plan		
Amount recognised in profit or loss (note d)	**36,647,744**	12,323,267
Amount recognised in other comprehensive income (note e)	**(3,308,045)**	8,317,516
Direct benefits paid	**(12,291,258)**	(8,234,291)
At 30 June	**108,259,052**	87,210,611

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

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Current service cost	**12,108,801**	9,021,435
Past service cost	**20,326,486**	-
Net interest cost	**4,867,264**	3,600,301
Interest income	**(654,807)**	(298,469)
Net benefit expense	**36,647,744**	12,323,267

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

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Actuarial losses on obligation arising from financial assumptions	**(7,297,995)**	(10,587,690)
Actuarial (losses) / gains on plan assets arising from financial assumptions	**(1,358,682)**	1,856,591
Liability experience losses	**11,964,722**	413,583
	3,308,045	(8,317,516)

15. EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

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

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
At 1 July	**12,671,218**	6,834,303
Employer contribution	**12,291,259**	8,234,291
Interest income	**654,807**	298,469
Benefits paid out of plan assets	**(4,547,329)**	(4,296,139)
Actuarial (losses) / gain on plan assets	**(1,358,682)**	1,600,294
At 30 June	**19,711,273**	12,671,218

The Company is expected to contribute around Rs. 1.2m to the pension scheme for the year ending 30 June 2023. The weighted average duration of the liabilities at 30 June 2023 is 5 years.

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

	2023	2022
	Rs.	Rs.
At 1 July	**99,881,829**	81,638,422
Current service cost	**12,108,801**	9,021,435
Interest cost	**4,867,264**	3,600,301
Past service costs	**20,326,486**	-
Benefits paid	**(4,547,329)**	(4,296,139)
Actuarial (gain)/loss on obligation	**(4,666,726)**	9,917,810
At 30 June	**127,970,325**	99,881,829
Present value of the defined benefit obligation is as follows:		
Funded portion	**19,711,273**	12,671,218
Unfunded portion	**108,259,052**	87,210,611
Present value of defined benefit obligation	**127,970,325**	99,881,829

15. EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

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

	2023	2022
	Rs.	Rs.
Local		
-Equities	**5,519,156**	3,547,941
-Debt maturity >12 months	**591,338**	380,137
-Equities	**2,759,580**	1,761,299
-Debt maturity >=12 months	**10,841,199**	6,981,841
Total	**19,711,273**	12,671,218

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

	2023	2022
	%	%
Discount rate:		2.90-3.60
- Wellkin	**5.4**	5.3
- Darne - Funded	**4.9**	3.3
- Darne - Unfunded	**5.8**	5.2
- Corporate office	**6.3**	5.5
Future salary increases	**4.0**	3.0
Actuarial table for employee mortality		A67/70 Ultimate

(j) A quantitative sensitivity analysis for significant assumption as at 30 June 2023 and 2022 is shown as follows below:

Assumptions	Discount rate		Future salary increase	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
	Rs.	Rs.	Rs.	Rs.
2023				
Impact on defined benefit obligation	**13,412,837**	**11,330,487**	**12,975,946**	**11,104,502**
2022				
Impact on defined benefit obligation	18,303,943	14,814,565	17,906,425	14,641,637

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 **4-22 years** (2022: 5-18 years).

16. DEFERRED TAX (ASSETS)/LIABILITIES

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

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

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
At 1 July	**(11,118,061)**	(91,483,822)
Over provision of deferred tax (Note 23)	**1,748,509**	365,638
Deferred tax charge for the year to profit or loss (Note 23)	**9,553,848**	63,663,986
Deferred tax charge for the year to OCI	**3,368,042**	16,336,137
At 30 June	**3,552,338**	(11,118,061)

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

THE GROUP AND COMPANY	Statement of financial position		Statement of profit or loss		Statement of other comprehensive income	
	2023	2022	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Deferred tax (assets)/liabilities						
Retirement benefit obligation	**(18,404,039)**	(14,853,003)	**(4,113,404)**	(724,448)	**562,368**	(1,411,855)
Accelerated depreciation	**57,659,640**	36,729,022	**18,124,944**	25,774,677	**2,805,674**	17,747,992
Qualifying tax losses	**-**	-	**-**	43,171,566	**-**	-
Right of use	**175,630,240**	138,185,273	**37,444,967**	(3,926,899)	**-**	-
Lease liability	**(190,980,378)**	(151,418,530)	**(39,561,848)**	1,588,062	**-**	-
Provision for stock write offs	**(2,567,699)**	(2,994,276)	**426,577**	1,639,395	**-**	-
Provision for doubtful debts	**(14,470,426)**	(11,768,547)	**(2,701,879)**	1,505,271	**-**	-
Provisions	**(3,315,000)**	(4,998,000)	**1,683,000**	(4,998,000)	**-**	-
	3,552,338	(11,118,061)	**11,302,357**	64,029,624	**3,368,042**	16,336,137
Net deferred tax (assets)/liabilities	**3,552,338**	(11,118,061)				
Deferred tax raised			**11,302,357**	64,029,624	**3,368,042**	16,336,137

(c) At the reporting date, the Company has no unused tax losses available for offset against future profits (2022: Rs Nil).

17 (a). TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Current				
(a) Trade payables	423,437,836	364,879,012	420,999,101	364,879,012
(b) Other payables and accruals	340,713,269	272,388,840	340,713,269	272,368,683
(c) Dividend payable (Note 31)	193,779,879	227,976,328	193,779,879	227,976,328
(d) Amounts payable to related party (Note 25)	5,807,522	294,083	5,807,522	294,083
(e) Income tax payable	43,985,057	15,284,669	43,985,057	15,284,669
	1,007,723,563	880,822,932	1,005,284,828	880,802,775

(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 related payable of **Rs. 139m** (2022: Rs. 117m), project accruals of **Rs. 78m** (2022: Rs. 84m), payable for utilities of **Rs. 12m** (2022: Rs. 8m), maintenance fees of **Rs. 17m** (2022: Rs. 11.7m), professional fees of **Rs. 22m** (2022: Rs. 17m) and other administrative and direct costs accruals of **Rs. 50 m** (2022: Rs. 47m) .

17 (b). PROVISIONS

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Provisions				
Opening	29,400,000	20,000,000	29,400,000	20,000,000
New provision	300,000	9,400,000	300,000	9,400,000
Reversal	(10,200,000)	-	(10,200,000)	-
Closing	19,500,000	29,400,000	19,500,000	29,400,000

During the year, an amount of Rs. 10.2m was utilised following settlement of legal claims.

18. REVENUE

	Healthcare services	Sales of food and beverages	Total
	Rs.	Rs.	Rs.
2023			
THE GROUP			
Revenue	3,095,606,697	41,934,045	3,137,540,742
Timing of revenue recognition			
Over time	559,968,787	-	559,968,787
At a point in time	2,535,637,910	41,934,045	2,577,571,955
	3,095,606,697	41,934,045	3,137,540,742
THE COMPANY			
Revenue	3,095,606,697	41,934,045	3,137,540,742
Timing of revenue recognition			
Over time	559,968,787	-	559,968,787
At a point in time	2,535,637,910	41,934,045	2,577,571,955
	3,095,606,697	41,934,045	3,137,540,742
2022			
THE GROUP			
Revenue	2,909,324,587	23,206,750	2,932,531,337
Timing of revenue recognition			
Over time	435,916,107	-	435,916,107
At a point in time	2,473,408,480	23,206,750	2,496,615,230
	2,909,324,587	23,206,750	2,932,531,337
THE COMPANY			
Revenue	2,909,324,587	23,206,750	2,932,531,337
Timing of revenue recognition			
Over time	435,916,107	-	435,916,107
At a point in time	2,473,408,480	23,206,750	2,496,615,230
	2,909,324,587	23,206,750	2,932,531,337

19. OTHER OPERATING INCOME

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Rental income	**3,846,480**	3,125,694	**3,846,480**	3,125,694
Income related to Clinical Trial	**1,835,137**	2,621,267	**1,835,137**	2,621,267
Insurance refund	**3,336,548**	-	**3,336,548**	-
Miscellaneous items	**2,849,123**	65,497	**2,849,123**	176,919
	11,867,288	5,812,458	**11,867,288**	5,923,880

Rental income relates to income received from the renting out of consultation rooms to doctors.

Income generated from Clinical trials effected for third parties.

20. OPERATING PROFIT

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Included in cost of sales:				
Costs of sales	**1,290,070,855**	1,211,016,076	**1,290,070,855**	1,211,016,076
Staff costs (a)	**447,432,224**	409,289,440	**447,432,224**	409,289,440

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Included in administrative expenses:				
Staff costs (a)	**546,447,139**	438,341,345	**546,447,139**	438,828,154
Depreciation on property, plant and equipment (Note 4)	**140,036,311**	112,847,326	**140,036,311**	112,645,219
Depreciation on right-of-use assets	**22,522,608**	22,930,403	**22,522,608**	22,930,403
Utilities	**107,336,076**	84,071,601	**107,336,076**	84,071,601
Management fees	**59,389,822**	53,379,105	**59,389,822**	53,379,105
Amortisation of intangible assets (Note 5)	**10,178,091**	11,151,615	**10,178,091**	11,151,615
Retirement benefit expense (Note 15(d))	**36,647,744**	12,323,267	**36,647,744**	12,323,267

20. OPERATING PROFIT (CONTINUED)

(a) Staff costs

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Wages and salaries	**900,763,562**	777,541,886	**900,763,562**	778,028,695
Social security cost	**37,023,643**	38,032,572	**37,023,643**	38,032,572
Pension cost	**56,092,158**	32,056,327	**56,092,158**	32,056,327
	993,879,363	847,630,785	**993,879,363**	848,117,594
Headcount			**1,943**	1,805

21. FINANCE INCOME

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Interest income	**4,133,870**	4,530,926

22. FINANCE COSTS

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Interest on bank loan	**10,748,977**	8,937,713
Interest on lease liabilities	**48,694,777**	48,203,137
Interest on preference shares	**2,366,486**	879,858
Interest on bank overdraft	**574,912**	29,651
	62,385,152	58,050,359

23. TAXATION

The major components of income tax expense for the year ended 30 June 2023 and 30 June 2022 are:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
(a) Statement of profit or loss and other comprehensive income				
Current income tax	**51,677,075**	15,220,852	**51,677,075**	15,220,852
Deferred income tax charge:				
Relating to origination and reversal of temporary differences	**9,553,848**	64,479,876	**9,553,848**	64,503,770
(Over)/under provision of deferred tax	**1,748,509**	(365,638)	**1,748,509**	(365,638)
Income tax expense	**62,979,432**	79,335,090	**62,979,432**	79,358,984

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
(b) Reconciliation of accounting profit to income tax expense:				
Accounting profit before income tax	**384,637,477**	463,891,114	**379,137,477**	463,858,580
At statutory income tax rate of 17% (2022: 17%)	**65,388,371**	78,861,489	**64,453,371**	78,855,959
Expenses not deductible for tax purposes	**2,266,931**	698,261	**2,266,931**	727,685
Exempt income	**(935,000)**	(590,298)	**-**	(590,298)
(Over)/under provision of deferred tax	**(3,740,870)**	365,638	**(3,740,870)**	365,638
At the effective income tax rate	**62,979,432**	79,335,090	**62,979,432**	79,358,984

Expenses not deductible for tax purpose include mainly legal and professional fees and marketing expenses.

24. EARNINGS PER SHARE

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Profit attributable to equity holders	**316,158,045**	384,499,596	**321,658,045**	384,556,024
Average number of ordinary shares in issue	**569,940,822**	569,940,822	**569,940,822**	569,940,822
Profit per share (Basic and Diluted)	**0.55**	0.67	**0.56**	0.67

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares in issue. There have been no transactions involving ordinary shares or potential dilutive ordinary shares between the reporting date and date of authorisation of these financial statements.

25. RELATED PARTY DISCLOSURES

THE GROUP	Management fees expenses	Amount owed to / (due from) related parties	Deposits with related parties
	Rs.	Rs.	Rs.
2023			
Ultimate Parent: Ciel Limited	**-**	**38,916,943**	**-**
Fellow related party: C-Care (International) Ltd	**59,389,822**	**175,215,200**	**-**
Fellow related party: Azur Financial	**550,887**	**41,778**	**121,287,401**
Minorities	**-**	**24,230,281**	**-**
	59,940,709	**238,404,202**	**121,287,401**
2022			
Ultimate Parent: Ciel Limited	-	45,784,638	-
Fellow related party: C-Care (International) Ltd	53,379,105	153,685,477	117,455,134
Fellow related party: Azur Financial Services	772,078	294,083	190,820,462
Minorities	-	28,506,213	-
	54,151,183	228,270,411	308,275,596

THE COMPANY	Management fees expenses	Amount owed to / (due from) related parties	Deposits with related parties
	Rs.	Rs.	Rs.
30 June 2023			
Ultimate Parent: Ciel Limited	**-**	**38,916,943**	**-**
Subsidiary: Dentcare Limited	**-**	**(5,679,366)**	**-**
Fellow related party: C-Care (International) Ltd	**59,389,822**	**175,215,200**	**-**
Fellow related party: Azur Financial	**550,887**	**41,778**	**121,287,401**
Minorities	**-**	**24,230,281**	**-**
	59,940,709	**232,724,836**	**121,287,401**
30 June 2022			
Ultimate Parent: Ciel Limited	-	45,784,638	-
Fellow related party: C-Care (International) Ltd	53,379,105	153,685,477	117,455,134
Fellow related party: Azur Financial Services	772,078	294,083	190,820,462
Minorities	-	28,506,213	-
	54,151,183	228,270,411	308,275,596

25. RELATED PARTY DISCLOSURES (CONTINUED)

The Group's parent company is C-Care (International) Ltd and ultimate parent company is CIEL Limited. The nature of transactions between the group and the parent company relates to management fees and interest income on deposits. There has been no transaction between the group and the ultimate parent other than payment of dividend.

The intercompany receivables are non-interest bearing, not secured by any type security but they are repayable in full on demand.

There has been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2023, the Group has not recorded any impairment of receivables relating to amount owed by related parties (2022: 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.

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
(a) Key Management personnel compensation		
Salaries and short term employee benefits	**32,389,197**	30,183,480
Post retirement benefits	**2,071,137**	2,043,538
	34,460,334	32,227,018

26. BUSINESS COMBINATIONS

With effect from 8th June 2023, C-Care (Mauritius) Ltd has acquired 60.15% of shares in Dentcare Ltd "Dentcare" from Sociéte Sautel. Dentcare runs a dental clinic at Beau Plateau, Road Labourdonnais, Mapou.

Assets & liabilities acquired are as follows:

Assets	**Rs.**
Property, plant & equipment	2,313,293
Trade & other receivables	834,465
Inventory	413,184
Cash	4,283,001
Trade & other payables	(1,758,804)
Loan	(4,800,000)
Net assets	**1,285,139**
Net assets acquired	771,083
Purchase consideration	9,000,000
Goodwill on acquisition	**8,228,917**

27. IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations are allocated to

(i) Department of Cardiac Sciences and Critical Care

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

(iii) Dentcare

Carrying amount of goodwill

	THE GROUP AND COMPANY	
	2023	2022
	Rs.	Rs.
Department of Cardiac Science and Critical Care	**7,507,975**	7,507,975
C-Care Wellkin	**343,058,954**	343,058,954
Dentcare	**8,228,917**	-
	358,795,846	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. As a result of the analysis, management did not identify any impairment.

The key assumptions used for the impairment calculation are:

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 operating 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% (2022: 3%).

	2023	2022
	Rs.	Rs.
Sensitivity to changes in assumptions		
Discount factor +0.5% point	**(147,403)**	(217,130)
Discount factor -0.5% point	**166,094**	256,434
Growth rate +0.5% point	**128,449**	210,831
Growth rate -0.5% point	**(114,871)**	(179,610)

NOTES TO THE
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27. IMPAIRMENT TESTING OF GOODWILL (CONTINUED)

Wellkin Hospital

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. The fair values of the identifiable assets and liabilities of Wellkin Hospital as at the date of acquisition were Rs. 276m, hence generating a goodwill of Rs. 343m.

"The recoverable amount of this cash generating unit is based on its contribution to the overall C-Care (Mauritius) Limited. C-Care is listed on the stock exchange of Mauritius (DEM). C-Care can be valued using the Volume Weighted Average Price (""VWAP"") for the financial year ended 30 June 2023 as management considers it is a more appropriate valuation of the Company. The share price as at 30 June 2023 was Rs. 10 (2022: Rs. 17.20) and the VWAP used for valuing the shares was Rs. 9.76 (2022: Rs. 18.82). Based on the overall contribution of Wellkin to C-Care, the value attributable to this CGU is Rs. 5.4bn. As a result of this analysis, management did not identify any impairment.

28. COMMITMENTS AND CONTIGENCIES

CAPITAL COMMITMENTS

The Group has capital commitment of Rs. 675m at end of reporting date (2022: Rs. 231m).

(i) In February 2022, the C-Care Mauritius Ltd awarded a contract amounting to Rs. 231m to a local contractor for the construction of a new building at C-Care Darné.

(ii) In December 2022, the group contracted from loans for a total amount of Rs. 482m. As at 30 June 2023, Rs. 38m has been disbursed. Rs. 444m is pending for disbursement.

CONTINGENT LIABILITY

At 30 June 2023, the Group have contingent liabilities in respect of bank and other guarantees of **Rs. 1.7m** (30 June 2022: Rs. 1.8m).

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 2022: 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 the case has been fixed for the 2nd of October for continuation. 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 aggregate claims from plaintiffs for these legal cases amounts to **Rs. 411m** (30 June 2022: Rs. 386m).

29. 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.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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.

(i) 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 profit before taxation (through the impact of variable rate borrowing) and on equity.

The Group	Increase/ (decrease) basis points	Increase / (decrease) on profit before tax
		Rs.
30 June 2023		
Interest-bearing loans and borrowings	**+50**	**1,542,016**
	-50	**(1,542,016)**
30 June 2022		
Interest-bearing loans and borrowings	+50	(1,732,425)
	-50	1,732,425

The Company	Increase/ (decrease) basis points	Increase / (decrease) on profit before tax
		Rs.
30 June 2023		
Interest-bearing loans and borrowings	**+50**	**1,542,016**
	-50	**(1,542,016)**
30 June 2022		
Interest-bearing loans and borrowings	+50	(1,732,425)
	-50	1,732,425

(ii) Foreign exchange risk

The Group has transactions mainly in Mauritian Rupee. All financial assets and liabilities are in Rupee except for Rs. 2,481,629 denominated in EUR (2022: Rs. 480,651). 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. 124,081** on profit before tax (2022: Rs. 24,530). An equal and opposite effect will occur with a 5% decrease. No foreign exchange impact has been performed as the amount will be immaterial.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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 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. 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	Baa2	Stable

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.

GROUP	On demand	< 3 months	3 to 12 months	>1 yr < 5 yrs	> 5 yrs	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
30 June 2023						
Trade and other payables	**-**	**1,007,723,563**	**-**	**-**	**-**	**1,007,723,563**
Loans and borrowings	**38,516,801**	**17,492,086**	**52,464,293**	**207,884,769**	**25,267,756**	**341,625,705**
Redeemable preference shares	**-**	**305,066**	**915,198**	**8,086,132**	**45,729,214**	**55,035,610**
Lease liabilities	**-**	**6,465,785**	**79,272,201**	**337,911,050**	**2,386,153,404**	**2,809,802,440**
Contigencies & commitments	**-**	**-**	**-**	**-**	**1,660,000**	**1,660,000**
	38,516,801	**1,031,986,500**	**132,651,692**	**553,881,951**	**2,458,810,374**	**4,215,847,318**
30 June 2022						
Trade and other payables	-	880,822,932	-	-	-	880,822,932
Loans and borrowings	-	17,660,137	50,106,786	241,305,186	-	309,072,109
Redeemable preference shares	-	290,962	2,911,385	4,813,738	50,221,870	58,237,955
Lease liabilities	-	16,899,309	40,845,596	157,681,739	2,113,043,478	2,328,470,122
Contigencies & commitments	-	-	-	-	1,770,000	1,770,000
	-	915,673,340	93,863,767	403,800,663	2,165,035,348	3,578,373,118

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

COMPANY	On demand	< 3 months	3 to 12 months	>1 yr < 5 yrs	> 5 yrs	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
30 June 2023						
Trade and other payables	**-**	**1,005,284,828**	**-**	**-**	**-**	**1,005,284,828**
Loans and borrowings	**38,516,801**	**17,492,086**	**52,464,293**	**207,884,769**	**25,267,756**	**341,625,705**
Redeemable preference shares	**-**	**305,066**	**915,198**	**8,086,132**	**45,729,214**	**55,035,610**
Lease liabilities	**-**	**6,465,785**	**79,272,201**	**337,911,050**	**2,386,153,404**	**2,809,802,440**
Contigencies & commitments	**-**	**-**	**-**	**-**	**1,660,000**	**1,660,000**
	38,516,801	**1,029,547,765**	**132,651,692**	**553,881,951**	**2,458,810,374**	**4,213,408,583**

	On demand	< 3 months	3 to 12 months	>1 yr < 5 yrs	> 5 yrs	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
30 June 2022						
Trade and other payables	-	880,802,775	-	-	-	880,802,775
Loans and borrowings	-	17,660,137	50,106,786	241,305,186	-	309,072,109
Redeemable preference shares	-	290,962	2,911,385	4,813,738	50,221,870	58,237,955
Lease liabilities	-	16,899,309	40,845,596	157,681,739	2,113,043,478	2,328,470,122
Contigencies & commitments	-	-	-	-	-	-
	-	915,653,183	93,863,767	403,800,663	2,163,265,348	3,576,582,961

Fair values

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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 achieve a gearing ratio of **30%** for the year ended 30 June 2023 (2022: 30%). The gearing ratios at 30 June 2023 and 2022 were as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs.	Rs.	**Rs.**	Rs.
Debt (Note 12)	**363,438,843**	346,485,068	**363,438,843**	346,485,068
Cash in hand and at bank (Note 9)	**(241,204,837)**	(398,220,372)	**(236,896,836)**	(397,566,398)
Net debt	**122,234,006**	(51,735,304)	**126,542,007**	(51,081,330)
Equity	**1,206,358,392**	1,061,522,200	**1,205,235,517**	1,066,413,381
Total capital plus debt	**1,328,592,398**	1,009,786,896	**1,331,777,524**	1,015,332,051
Gearing ratio	**9%**	(5%)	**10%**	(5%)

30. SEGMENT INFORMATION

30 June 2023	**Cafeteria**	**Healthcare**	**Total**
	Rs.	**Rs.**	**Rs.**
Revenue	**41,934,045**	**3,095,606,697**	**3,137,540,742**
Operating profit/(loss)	**31,450,534**	**411,438,225**	**442,888,759**
Finance income	**-**	**4,133,870**	**4,133,870**
Finance cost	**-**	**(62,385,152)**	**(62,385,152)**
Segment assets			
Total assets	**520,571**	**3,831,725,606**	**3,832,246,177**
Segment liabilities			
Total liabilities	**-**	**2,625,887,785**	**2,625,887,785**
Other segment items			
Capital expenditure	**-**	**454,953,960**	**454,953,960**
Depreciation	**(250,691)**	**140,287,002**	**140,036,311**

30 June 2022	**Cafeteria**	**Healthcare**	**Total**
	Rs.	Rs.	Rs.
Revenue	23,206,750	2,909,324,587	2,932,531,337
Operating profit/(loss)	(16,013,618)	533,424,165	517,410,547
Finance income	69,498	4,461,428	4,530,926
Finance cost	-	(58,050,359)	(58,050,359)
Segment assets			
Total assets	6,569,569	3,289,568,478	3,296,138,047
Segment liabilities			
Total liabilities	8,614,621	2,226,001,226	2,234,615,847
Other segment items			
Capital expenditure	-	365,931,287	365,931,287
Depreciation	(625,789)	(112,221,537)	(112,847,326)

30. SEGMENT INFORMATION (CONTINUED)

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

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 segment.

31. EVENTS AFTER THE REPORTING DATE

On 17 July 2023, the board of directors of the C-Care (Mauritius) Ltd paid a final dividend of **Rs. 0.34** per share for the financial year ending 30 June 2023 (2022: Rs. 0.40) The total dividend paid amounts to Rs. 193,779,879 (2022: Rs. 227,976,329).

On 1 August 2023, the Group acquired an additional 29.85% stake in Dentcare Limited for Rs. 3,600,138 following which the cummulative shareholding of the Group in Dentcare Limited amounts to 90%.

32. ULTIMATE AND IMMEDIATE HOLDING COMPANY

The immediate holding is C-Care (International) Ltd and the ultimate holding company is CIEL Limited.

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