MDIT

ANNUAL REPORT 2023

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CORPORATE INFORMATION AS AT 30 JUNE 2023

		Date of appointment
DIRECTORS:	Georges Leung Shing	03 April 1995
	Catherine Ahnee-Gouérec	07 November 2011
	Tahen Kumar (Benu) Servansingh	25 November 2014
	Cheong Shaow Woo (Marc) Ah Ching	24 May 2018
	Jean Noel Fabrice Parsooramen	25 September 2020
	Banoomatee (Rita) Veerasamy	07 July 2021
	Dick Li Wan Po	09 November 2022
	Tchang Fa (Cyril) Wong Sun Thiong	20 April 2023
	Tin Miow (Jacques) Li Wan Po	15 May 2023
CIS MANAGER:	Golden Fund Management Services Ltd	
NOTARY:	Jean Pierre Montocchio	
ACCOUNTANT:	Kate Wong Chon Kwai	
COMPANY SECRETARY:	Ah Vee Kwet Chee Li Chun Fong	
INTERNAL AUDITOR:	Mazars	
EXTERNAL AUDITOR:	Deloitte	
BANKERS:	The Mauritius Commercial Bank Ltd	
	SBM Bank (Mauritius) Ltd	
	ABSA Bank (Mauritius) Limited	
REGISTERED OFFICE:	7th Floor, Newton Tower	
	Sir William Newton Street	
	Port Louis	
POSTAL ADDRESS:	206 The Catalyst	
	40 Silicon Avenue	
	Ebene	

COMPANY PROFILE

The Mauritius Development Investment Trust Company Limited (MDIT), incorporated in 1967, is the first approved Investment Trust in Mauritius and a Collective Investment Scheme (CIS), authorised as a Closed-end Fund by the Financial Services Commission under the Securities Act 2005.

MDIT is one of the first companies to be listed on the Official List of The Stock Exchange of Mauritius Ltd (SEM) on 29 June 1989, at the same time as The Mauritius Commercial Bank Limited, now MCB Group Ltd, Mon Trésor and Mon Désert Ltd, now Omnicane Ltd, which was MDIT's main shareholder until 31 March 2010, and United Basalt Products Ltd.

At 30 June 2023, MDIT had 4,850 shareholders, with Golden Foundation Limited (GFL) as a substantial shareholder. The board of MDIT is made up of executive and non-executive independent directors who have a vast experience in their respective fields of expertise and participate actively in the board and committee meetings. MDIT is managed by Golden Fund Management Services Limited, formerly Omnicane Fund Management Services Limited, a wholly owned subsidiary of GFL.

MDIT's objective is to secure for investors the benefits of a market-related dividend yield as well as long-term capital growth. Its portfolio of investments was, on 30 June 2023 well spread in 72 local companies covering all sectors of the Mauritian economy, with Official Market (OM), Development and Enterprise Market (DEM) and Unquoted shares accounting for 69.6% of the total portfolio value, 15.8% in foreign equities, and the balance in fixed income and cash holdings.

MDIT has been playing a major role over the last 56 years in the development of the financial sector as well as capital markets in Mauritius. Through its involvement on the SEM, MDIT participates in the advancement of an industry which is one of the main contributors of the country's economic growth. MDIT's Net Asset Value (NAV) per share decreased during the year ended 30 June 2023 by 12.4% from Rs 3.48 to reach Rs 3.05. The SEMDEX decreased by 7.5% during the year.

At 30 June 2023, MDIT's local quoted equities portfolio value was in the sectors of Investments (58%), Banks, Insurances and Finance (25%), Leisure and hotels (5%), Industry (2%), Property Development (2%) and Others (7%).

MDIT's share price of Rs 2.08 on 31 August 2023 was at a discount of 35.2% to its NAV per share of Rs 3.21 whereas, at 30 June 2018, it was Rs 4.42 at a premium of 27.38% to its then NAV per share of Rs 3.47.

The main income streams of MDIT are derived from dividends and profits on sales of investments. MDIT's well diversified portfolio, has enabled good dividend distributions, yielding a 3.40% p.a. return for investors at the share price of Rs 2.08 at 31 August 2023. MDIT shares ranked amongst the top Official List securities, with a high annualised return of 12.14% since its listing.

YEAR ENDED 30 JUNE

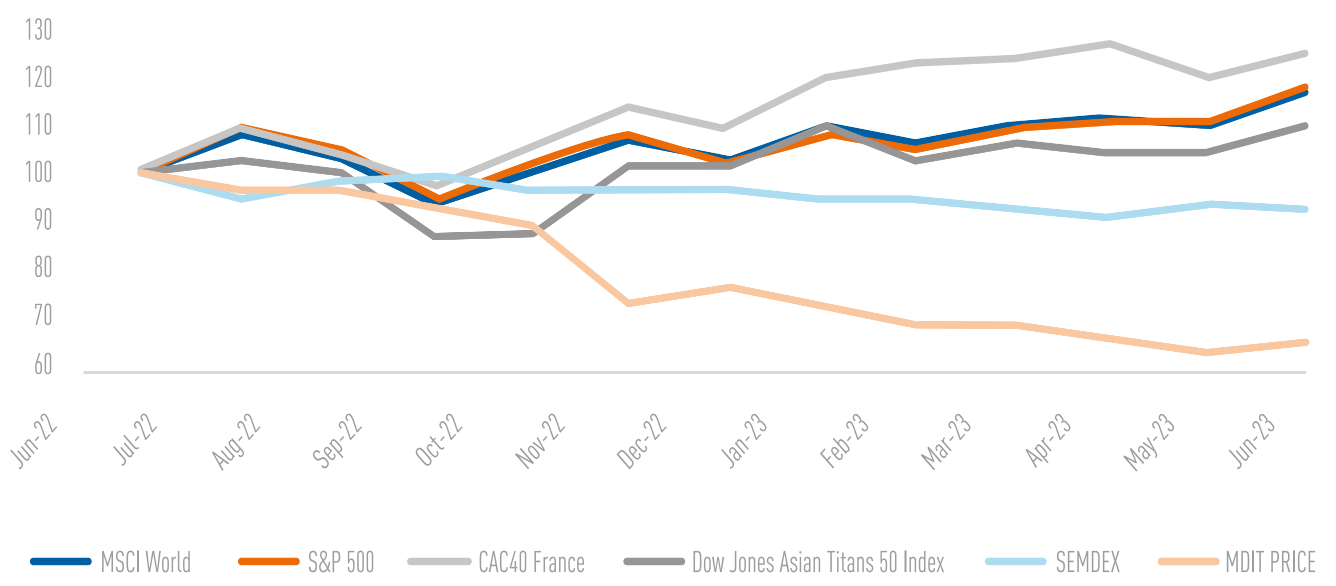
COMPANY	2023	2022	2021	2020	2019
(Loss)/earnings per share (Rs)	**(0.37)**	0.36	0.65	(0.77)	0.34
Dividend per share (Rs)	**0.07**	0.19	0.07	0.09	0.24
Net asset value per share (Rs)*	**3.05**	3.60	3.38	2.73	3.48
Share price (Rs)	**2.00**	3.08	2.66	2.39	4.12
Dividend yield (%)	**3.50**	6.17	2.63	3.77	5.83
(Discount)/premium (%)	**(34.42)**	(14.44)	(21.30)	(12.45)	18.39

* Includes dividend declared in June 2018 to 2022

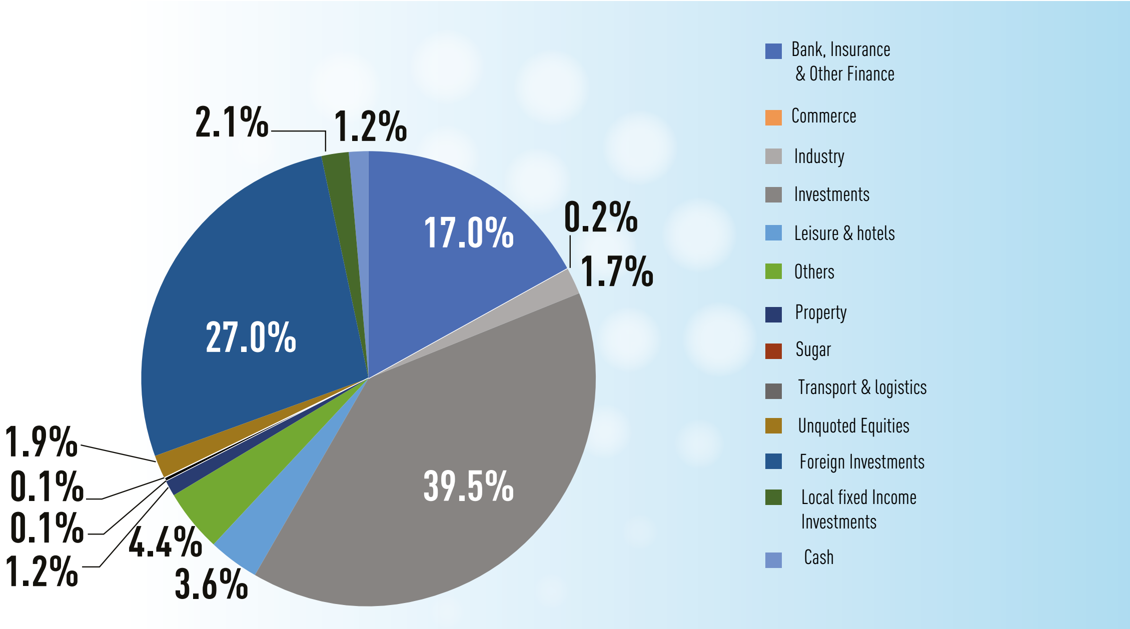
For the year ended 30 June 2023, EPS decreased to -Rs 0.37 (2022: Rs 0.36), mainly due to an unrealised loss on revaluation of investments of Rs 194.7M (2022: unrealised gain of Rs 119.6M). Total dividends declared per share amounted to Rs 0.07 (2022: Rs 0.19): final of Rs 0.07 on 30 Jun 2023 for payment on or about 29 September 2023.

LOCAL MARKET	2023	2022	2021	2020	2019
SEMDEX	**1,967**	2,127	1,863	1,663	2,128
SEM-10 (Previously SEM-7)	**362**	387	347	314	418
SEMTRI	**8,245**	8,567	7,275	6,391	7,932
DEMEX	**253**	296	284	207	228
DEMTRI	**396**	451	423	301	324

World Markets Period 01 July 2022 to 30 June 2023



PORTFOLIO BREAKDOWN



PORTFOLIO ALLOCATION

At 30 June 2023, MDIT's portfolio allocation consisted of 71.8% and 28.2% in local and foreign investments respectively. On a quarterly basis, the Management reassesses the local economy and forecasts the individual performances of companies. The macroeconomic forecasts, combined with those of companies, are analysed based on their fundamentals, growth potential while considering any government measures or other external factors that might affect their performances. The portfolio allocation is then amended to reflect the economic and individual securities' circumstances.

INVESTMENT STRATEGY

The strategy of MDIT remains the constant re-balancing of its local investment portfolio to reduce the historic over-concentration in companies or any one sector of the economy and the selling of those investments which have increased significantly above the average of 52 weeks high and low to realise fair value gains, particularly where their margins on costs are high.

The amalgamation of ENL Limited, ENL Finance Limited, ENL Land Ltd and ENL Commercial Limited with and into La Sablonniere Limited, or ENLG, effective 01 January 2019, had resulted in a high proportion of the MDIT portfolio in ENLG, with NAV per share exceeding Rs 70.00 and an introduction price of Rs 40.00 on the first day of trading on 23 January 2019. Since then, the reduction of over-concentration in ENLG, 26.7% of total portfolio at 30 June 2023, has been under continuous review by Management in its monthly report to the MDIT Board.

The Company invests in stocks where their respective prices have fallen below their fundamentals and subscribes to rights issues of shares, bonds, and depositary receipts with good growth potentials. Moreover, disinvestments could occur in shares of companies involved in medium term projects which would adversely impact their profitability and share prices and re-investments in such companies could be made after project completion.

The Investment Committee is consulted in respect of substantial transactions and meets regularly to monitor movements in the securities' portfolio and consider the factors that may affect not only the value of the investments but also their profitability in the short and long term.

LOCAL MARKET REVIEW

For the year ended 30 June 2023, the SEMDEX and DEMEX fell by 7.5% (2022: +14.2%) and 14.6% (2022: +4.1%) respectively. MDIT NAV per share, adversely affected by the sharp fall in ENLG (-27.8%), was down by 12.4%.

Moody's downgrade of the Mauritian economy at the start of the period (even though the agency maintained the grade of the largest banks in Mauritius) impacted adversely on market prices. High inflation prevailed and became persistent. Global market conditions and concerns about a pending recession led to foreign selling pressure and weighted on the local bourse during the year, despite solid corporate financials and dividend payments. Most sectors of the SEM finished in the red accordingly. One star performer was, however, the Hotels sector as tourist arrivals in Mauritius surged to 1,217,200 for the year ended 30 June 2023 (2022: 553,111). Correspondingly, Leisure & Hotels posted returns of 3.7% in 2022-23. The Mauritius Tourism Promotion Authority is targeting 1.4M tourist arrivals in 2023. Boosted by high sugar prices, Omnicane's return surged by 20.5%. The Banking and Insurance sector return was 1.1% as CIM, MCBG and SWAN had returns of 5.3%, 1.9% and 0.7% respectively.

The Budget Speech on 02 June 2023 announced many accommodative measures, including a revamp of the income tax system, removal of the solidarity levy tax and an increase in old age pension, which should provide a boost to the economy and the local stock markets.

As per Statistics Mauritius, headline inflation for the year ended June 2023 increased to 10.5% (2022: 8.0%) whilst the unemployment rate for Q1 2023 decreased to 6.7%, from 6.8% in Q4 2022.

At 30 June 2023, MDIT's gearing ratio was 4.96 % (2022: 2.95%) with total liabilities and assets of Rs 112.4M and Rs 1,402.0M respectively. The latter comprised the investment portfolio of Rs 1,364.2M (2022: Rs 1551.5M), cash Rs 11.2M (2022: Rs37.5M) and loans at call of Rs 9.4M (2022: Rs 11.1M).

STOCK EXCHANGE OF MAURITIUS (SEM)

Official Market (OM)

The SEMDEX of 2,127.14 on 30 June 2022 dipped 5.5% to 2,011.03 in July 2022, close to the psychological mark of 2,000 mainly due to Moody's downgrade of Mauritius which added to foreign selling pressure, though the credit ratings of the three main banks were maintained at status quo and outlook changed from negative to stable. It then rose to 2,123.96 on 29 September 2022 boosted by encouraging tourist arrivals, before moving down to a low of 1,926.35 on 28 April 2023 and closed at 1,967.05 on 30 June 2023, registering a fall of 7.5% over the year.

CIM, MCBG and SWAN posted positive returns of 5.3% (from Rs 9.50 to Rs 10.00), 1.9% (from Rs 307.50 to Rs 313.25) and 0.7% (from Rs 446.75 to Rs 450.00) respectively. MUA and SBM share prices were in the red, with drops of -28.5% (from Rs 135.75 to Rs 97.00) and -6.3% (from Rs 4.80 to Rs 4.50) respectively.

In the Commerce sector, VIVO was the only company to post a positive return (+19.7%). Innodis and IBLL were down by 14.3% and 15.4% respectively. HML price of Rs 43.00 at 30 June 2022 rose by 51.1% to Rs 65.00 at 24 April 2023 and ex special dividend of Rs 36 per share in Cavell Touristic Investments Ltd, its new Reference Price of Rs 29.00 decreased by 13.8% to Rs 25.00 at 30 June 2023.

Industrial companies were all in the red: UBP and MCFI recorded high drops of 28.1% and 23.0% respectively, whilst MOR, GCL and PBL fell by 17.9%, 16.1% and 11.7% respectively. PIM was the only industrial company to post single digit fall (-9.2%).

In the Investments sector, the main event was the separation, in November 2022, of Alteo Ltd into two distinct companies: Miwa Sugar Ltd, the holding company of its regional sugar operations in Tanzania and Kenya, was listed on the DEM and Alteo Ltd continued to hold and operate its agro-business, property and energy activities in Mauritius. A special dividend of Rs 0.30 per share was declared to shareholders at 9 November 2022 when Alteo closed at Rs 25.00. The new reference price of Rs 4.21 for Alteo rose by 98.1% to reach Rs 8.24 at 30 June 2023. Double digit negative returns were registered by the other Investments sector companies: CAUD (-36.5%), ENLG (-27.8%), POL (-27.1%), FINC (-25.5%), UTDL (-19.7%), BMHL (-16.4%), TERA (-14.0%) and MSE (-11.5%). The negative returns were lower for PAD (-2.7%) and Ciel (-2.7%). Rogers was the only Investment company to post a positive return of 4.6%.

After having undergone a difficult Covid-19 period, the Hotels sector realised attractive returns, owing to the surge in tourist arrivals. SUN and NMHL returns were 16.5% and 4.1% respectively, whilst LUX lagged behind with a slight negative of 0.5%. On the leisure side, ASL fell by 15.0% amidst turmoil in the horseracing industry, and LOTO fell by 8.6%.

Property company ASCE posted a negative return of 32.8% on the back of increased competition in shopping malls, including new ones.

Development and Enterprise Market (DEM)

The DEMEX of 295.92 at 30 June 2022, reached a high of 296.56 on 05 July 2022 before dipping to a low of 248.19 on 19 June 2022 and ended the year at 252.67, registering a return of -14.6% over the year.

In the financial sector, ABCB fell by 4.8% whilst in the Industry sector, LMLC (O) fell by 35.7% and QBL rose by 4.8%. On the Investments side, FIDE disposed of Flacq Associated Stonemasters and other material assets and distributed a special dividend of Rs 55 on 01 June 2023, representing 82% of its Net Asset Value at 31 December 2022. MIWA was listed on the DEM in November 2022, at an indicative price of USD 0.46 closed at USD 0.38 its first day of listing and dropped further by 26.3%.to USD 0.28 at 30 June 2023. UTIN fell by 18.6%.

In the Hotels sector, SCT fell by 32.8% after announcement of a change in its shareholding structure being considered, MOLI, TPL (O) and HTLS fell by 18.2%, 17.1% and 9.0% respectively. CHSL on the other hand remained flat, with prices unchanged. Velogic, listed on the DEM in January 2022 after an IPO at Rs 25.00 per share, posted a negative return of 6.4%, whilst COVI's return was positive by 9.8%.

OVERSEAS MARKET

Three out of the four quarters of the year ended June 2023, posted high positive returns for most developed global equity markets, resulting in a growth of 14.4% for the MSCI ACWI. Over the year, inflation became persistent, non-transitory and above Central Banks' targets. These high inflation rates let to aggressive interest rate hikes and global growth figures were revised downwards. In December 2022, investors were worried about a pending recession, March 2023 was marked by the unexpected turmoil in the banking sector both in the US and in Europe, and the US debt ceiling saga dominated headlines. However, resilient economic data, and with the Fed not raising interest rates in June 2023, combined with inflation figures moderating, led to optimism of investors that the end of rate hike is near and that interest rates are peaking. Markets were also boosted by euphoria about AI, which further lifted technology stocks. In Europe, the start of 2023 was impacted by the energy crisis since much of Europe's consumption originates from Russia and continued high inflation rates at 30 June 2023 led to expectation of continued rise in interest rates and higher probability of recession. France was faced with nationwide demonstrations against the proposed increase in the retirement age from 62 to 64. UK was subject to political upheaval over the first half year but the election of new Prime Minister, Rishi Sunak. and Chancellor of the Exchequer, Jeremy Hunt, brought back stability. February also marked the first anniversary of the start of the war in Ukraine. China's re-opening was met with optimism but geopolitical tensions with the US, impacted on investors'' sentiment.

Over the year, fixed income markets were impacted by the volatility in rates, with the Barclays Aggregate Bond Index shedding 1.3%, as high inflation raged and tighter monetary conditions prevailed. The yield curve also inverted, pointing to a possible recession in the near future. The MUR depreciated by 7.4%, 7.0% and 3.2% against the GBP, EUR and USD respectively.

PERFORMANCE REVIEW

Income and Dividend

During the year ended 30 June 2023, dividend income rose by 1.7%, from Rs 47.8 to Rs 48.6M. 66.3% of the total dividend of Rs 48.6M was received from the following three companies:

INVESTMENTS	DIVIDEND
ENL Ltd (ENLG)	Rs 19.5M
MCB Group Limited (MCBG)	Rs 9.2M
Alteo Ltd (ALTG)	Rs 3.9M

Profit on sale of investments

Net sale proceeds from investments more than doubled to Rs 150.1M (2022: Rs 65.4M) and generated a total net profit of Rs 13.1M, Rs 11.7M of which were from the following foreign investments:

INVESTMENTS	PROFIT ON SALE OF INVESTMENTS
Cogefi Flex Dynamic P	Rs 6.2M
Fidelity Funds Global Thematic Opportunities Fund	Rs 5.5M

Top twenty holdings

At 30 June 2023, these were:

INVESTMENTS	VALUE RSM	PERCENTAGE OF TOTAL HOLDINGS %
ENL Ltd (ENLG)	361.0	26.5
MCB Group Limited (MCBG)	177.1	13.0
Miwa Sugar Ltd (USD)	66.7	4.9
USD Fixed Deposit at MCB at 5.02% p.a Mat 24.10.23	65.1	4.8
EUR Fixed Deposit at MCB at 3.3% p.a Mat 24.11.23	59.4	4.4
Alteo Ltd (ALTG)	43.1	3.2
SBM Holdings Ltd	39.1	2.9
JPMorgan Asia Growth Fund	36.0	2.6
African Export-Import Bank - Depositary Receipts	27.7	2.0
Compagnie Des Villages De L'isle de France Ltée	22.8	1.7
JPMorgan Pacific Equity Fund	19.9	1.5
Sun Ltd	16.7	1.2
Medine Ltd	14.7	1.1
Terra Mauricia Ltd	14.3	1.0
SBM Subordinated Class B2 Series Bond USD	13.5	1.0
Allied Motors Co Ltd	13.3	1.0
Attitude Property Ltd	13.2	1.0
United Basalt Products Ltd	11.1	0.8
SBM Subordinared Tier-2 Class A2 Series Bond	11.0	0.8
Hotelest Ltd	10.6	0.8
TOTAL	**1,036.3**	**76.2**

FUTURE PROSPECTS

The first two months to 31 August 2023 was quite volatile, with the MSCI All Country World Index (MSCI ACWI) closing slightly positive (+0.5%) after rising by 3.6% in July 2023 and falling by 3.0% in August 2023. Investors' expectations grew that the end of interest rates hikes is near - as the US macroeconomic data are resilient, together with persistent inflation levels in Europe and weak economic data from China - impacted on foreign equity markets. Locally, encouraging corporate results boosted investors' optimism and the SEMDEX showed a total return of 5.8%, 2.3% and 3.5% in July and August 2023 respectively. The DEMEX also rose by 5.0% ,0.8% in July and 4.1% in August 2023.

MDIT's NAV per share increased by 5.6% from Rs 3.05 at 30 June 2023 to Rs 3.21 at 31 August, 2023 while its share price increase was lower, at 4.0% to Rs 2.08 at 31 August 2023, from Rs 2.00 at 30 June 2023. The discount to NAV at 31 August 2023 was 35.2%.

MDIT's EPS for the first two months ended 31 August 2023 amounted to 16 cents (2022: loss of 7 cents), mainly attributable to fair value gain of Rs 61.8M (2022: loss of Rs 30.6M) and higher dividend income of Rs 8.5M (2022: Rs 6.1M).

At 31 August 2023, MDIT's total portfolio went up to Rs 1.43BM. The three largest holdings ENLG (Rs 378.0M), MCBG (Rs 193.2M) and MIWA (71.2M) together account for 45.0% of the total portfolio.

For the nine months ended 31 March 2023, ENLG revenue rose by 21.3% from Rs 12.8B to Rs 15.3B, and PAT increased significantly from Rs0.6B to Rs 1.6B. The improved results were mainly derived from the Hospitality segment (as the tourism sector continues on its path to return to pre-covid levels, aided by the depreciation of the Rs). ENLG has declared a final dividend of Rs 0.50 for the year ended 30 June 2023. However, Its share price of Rs 27.00 fell by 25.9% to Rs 20.00 at 31 March 2023 which represented a discount of 74.3% to its NAV of Rs 77.67 at 31 March 2023.

For MCBG. Group profit attributable to ordinary shareholders grew by 49.2% from Rs 7.2B to Rs 10.8B, as international activities delivered good results with the share of foreign-sourced income, standing at 66% of the Group's profits. Operating income increased by 28.2% to Rs 23.1B. Net interest income increased by 28.5% as interest rates increased on interest-earning assets in foreign currency whilst interest margins on the Rs investment securities fell as cost of deposits increased. Its share price as at 31 August 2023 stood at Rs 324.00. The company is expected to post solid results for the full year ended 30 June 2023 and continues to be the most liquid stock on the SEM.

MIWA started trading on the DEM on 28 November 2022 at the introduction price of USD 0.46, further to the re-structuring of ALTG into two distinct listed groups, namely ALTG which would comprise its sugar cane growing, property, sugar milling and energy activities in Mauritius, and MIWA which would hold its regional sugar operations in Tanzania and Kenya. Its share price as at 31 August 2023 stood at USD 0.30. It announced an interim dividend of USD 0.008 per share in December 2022 and a final dividend of USD 0.010 per share declared n June 2023 for the year ended 30 June 2023. At USD 0.30 price on 31 August 2023, this translates into a high dividend yield of 6.0% in USD.

On the foreign front, fears of an imminent global recession are abating leading to expectations that the US will manage a soft landing as macroeconomic data remains strong. However, global inflation levels remain on the high side and continued high interest rates might impact corporate balance sheets and consumer spending. Hence, the outlook for foreign markets remains cloudy and calls for continued caution. On the local front, the tourism sector should post solid results as demand remains strong and the depreciation of the Rs boosts the financials of the companies in this sector.

In view of the above, the Company's performance is likely to improve further during the remaining period of the current financial year to 30 June 2024.

CHANGE IN DIRECTORSHIP

The Board would like to thank Mr Roger Leung Shin Cheung and Ms Grace Sarah Leung Shing for their valuable contributions and welcomes Messrs. Jacques Li Wan Po, Cyril Wong Sun Thiong and Dick Li Wan Po as directors.

By order of the Board

Georges Leung Shing
Chairperson

MDIT's objective is to secure for investors the benefits of a market-related dividend yield as well as long-term capital growth. MDIT has a management agreement with Golden Fund Management Services Ltd ('GFMS'), the CIS Manager, to provide management, financial and company secretarial services. MDIT has no employees and its day-to-day affairs are managed by the personnel of GFMS headed by its Executive Director.

MDIT, a Public Interest Entity as defined under the Financial Reporting Act 2004, is required to adopt the guiding principles embodied in The National Corporate Governance Code for Mauritius 2016 (the 'Code'). Its board of directors is committed to best corporate governance practices, business integrity, transparency and professionalism in all its activities.

The Company has an effective Board of directors (the 'Board'), with a Charter that provides guidance to its directors.

Compliance

For the year under review, MDIT complied with all the provisions of the Code, except for the following:

Non-compliance	Reasons for non-compliance
Principle 2 • Board Composition - Executive directors	• The Board considers the Executive Director of GFMS, who is also a director of MDIT, to be an Executive Director. The Manager and/or Accountant is in attendance at all the MDIT Board and Committee meetings. In the particular context of MDIT, the Board is of the view that having a sole Executive Director is adequate and in line with the spirit of the Code.
Principle 4 • Individual Directors evaluation	• Individual Directors evaluation will be performed at the end of the next financial year.

PRINCIPLE ONE - GOVERNANCE STRUCTURE

The Board of MDIT

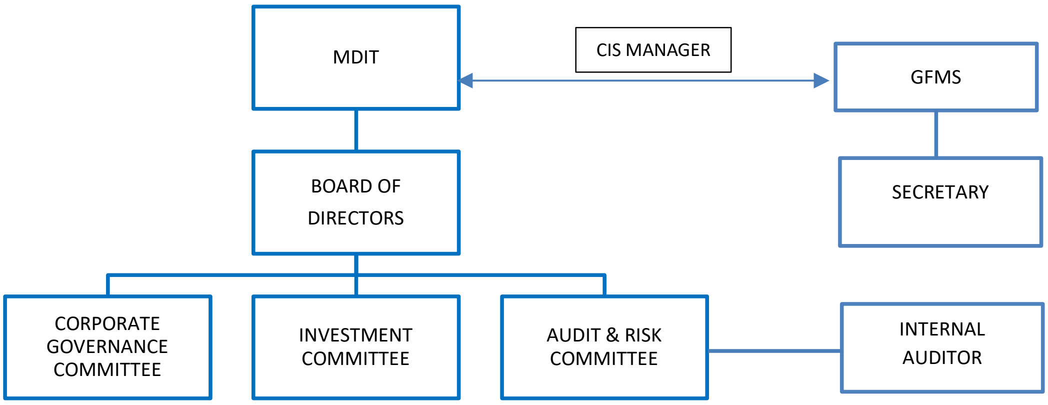
The Board of MDIT is responsible for the successful running of the Company and ensures that the Company complies with all relevant legislation, the regulatory requirements of the Stock Exchange of Mauritius, the Financial Services Commission and Financial Reporting Council and adheres to the principles of good governance embodied in the Code.

MDIT's management contract with its CIS Manager, GFMS, is for a rollover period of five years. GFMS has outsourced the company secretarial function and the same service provider acts as Secretary of the Company. The Executive Director of GFMS has also been appointed Director of the Company and, in pursuance of the management contract, the Manager and/or Accountant of GFMS is in attendance at all the MDIT Board and Committee meetings.

The role of the Chairperson and the CIS Manager are distinct and separate. The Chairperson is primarily responsible for the management and effective performance of the Board and the implementation of good governance practices. The Chairperson ensures the implementation of the Company's strategic objectives and acts as the link between the Board. and the CIS Manager which is responsible for the implementation of the Board's strategy.

The Board meets as often as is necessary, but not less than, four (4) times a year. The meetings are usually scheduled in advance according to a circulated calendar. Prior to convening the meeting, the Secretary consults with the Chairperson and the CIS Manager on the contents of the agenda. The Board also takes decisions by way of written resolutions as authorised by the Company's Constitution.

Organisational Structure



The officers occupying key positions in the Company are namely the Chairperson, the CIS Manager and the Secretary. The main responsibilities of these key officers are described below.

Chairperson

The Chairperson of the Board is primarily responsible for the management and effective performance of the Board and the implementation of good governance practices. He acts as the spokesperson of the Board and presides over the Annual Meeting of shareholders (the 'Annual Meeting').

The Chairperson ensures that:

- the Board meets its set objectives;
- the Board members participate in an induction programme, after appointment, and, as needed, in additional education or training programmes;
- the Board members receive all necessary information to perform their duties;
- the Agenda of Board meetings are determined;
- the Board meetings are chaired in an effective manner;
- the Board has sufficient time for consultation and decision-making;
- minutes are kept of meetings of the Board and Committees and the Annual Meeting of Shareholders;
- the Committees function properly;
- there is consultation with external advisors appointed by the Board;
- the performance of the Board is evaluated periodically;
- internal disputes and conflicts of interest concerning individual Board members are addressed, as well as the possible resignation of such members as a result; and
- the Board has regular contacts with the Executive Director of the CIS Manager and his team.

CIS Manager - GFMS Management Team

The CIS Manager is responsible to:

- ensure that the decisions taken by the Board are implemented within the acceptable and approved risk tolerance / appetite levels;
- review the buy and sell orders of securities before they are placed through stock-broking companies;
- communicate with investment analysts and other company executives to discuss financial matters, carry out research on companies and perform appropriate due diligence on investments;
- oversee portfolio management responsibilities and develop appropriate investment management strategies in accordance with MDIT policies and guidelines;
- oversee the accounting, administration and reporting functions;
- oversee the company secretarial, compliance, custodian and share registry functions;
- review offer documents and present investment information for the Board and Investment Committee to take investment decisions;
- ensure that the commercial banking facilities are adequate and are renewed at competitive interest rates;

CIS Manager - GFMS Management Team (Continued)

- ensure that the Board and Committees are periodically and adequately appraised about MDIT operations through presentation of relevant papers;
- ensure that MDIT complies with all regulatory requirements and legislation.

Secretary

The Secretary ensures that the Board follows correct procedures and that MDIT complies with its Constitution and the law, including the Companies Act 2001 (the 'Act'). Amongst its duties and responsibilities, the Secretary attends to the following:

- providing the Board with guidance as to its duties, responsibilities and powers;
- informing the Board of new relevant legislation and reporting on them at meetings;
- ensuring that the minutes of meetings of shareholders or directors are properly recorded in accordance with paragraph 8 of the Fifth Schedule and that statutory registers are properly maintained;
- required filing of documents to the Stock Exchange of Mauritius, Financial Services Commission, and Financial Reporting Council;
- acting as the Authorised Officer under s.190(6) of the Act and certifying the return, together with the annual audited financial statements to be filed, with the Registrar of Companies and any other returns required;
- ensuring that a copy of the annual report is sent, in accordance with sections 219 and 220, to every shareholder;
- assisting the Chairperson in organising the Board's activities, including providing information, preparing an agenda, reporting of meetings, evaluations and training programs; and
- maintaining an interest register which is available for consultation to the shareholders upon written request.

Key documents

MDIT has a Constitution, a Board Charter as well as terms of reference for its respective Committees. Its Code of Ethics (http://www.mdit.mu/corporate-governance) is applicable to its directors and GFMS employees follow a similar Code of Ethics. These documents are regularly reviewed, with the assistance of the respective Committees and approved by the Board, before being posted on the Company's website.

The Company's Constitution is in conformity with the provisions of the Companies Act 2001 and the Stock Exchange regulations. A copy is available for consultation at the Company's registered office. The salient features of the Company's Constitution are:

- The Company may purchase or otherwise acquire its shares.

- If the Company proposes to purchase or otherwise acquire more than twenty five percent (25%) of a Class of Shares, it must make a tender offer to all the holders of the relevant Class of Shares.

- Shares to be freely transferable.

- The Board may refuse or delay the registration of a transfer.

- The Board may, if it is satisfied on reasonable grounds that the Company will satisfy the Solvency Test immediately after the Distribution, authorise a Distribution by the Company to Shareholders of any amount and to any Shareholder as it thinks fit.

- The directors on making a Distribution and/or on declaring a Dividend may resolve that the payment of such Distribution or Dividend be made wholly or in part by the Distribution of specific assets, and in particular of paid-up shares, debentures, debenture stock, bonds or other obligations of any other company or in any one or more or such ways.

- A quorum for a General Meeting shall be present where two (2) Shareholders, their representatives, or proxies are representing at least twenty-five per cent (25%) of the voting rights present, or have cast postal votes, on the business to be transacted at the Annual Meeting.

- The directors shall have power at any time, and from time to time to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors but so that the total number of directors shall not at any time exceed twelve (12) directors. The director appointed to fill up the vacancy shall hold office only until the next following Annual Meeting and shall then be eligible for re-election.

Key documents (Continued)

- At the next Annual Meeting and at each subsequent Annual Meeting, a total of four (4) of the directors for the time being appointed by the Annual Meeting shall retire from office.

- Subject to any restrictions in the Act or this Constitution, the business and affairs of the Company shall be managed by or under the direction or supervision of the Board.

- The directors shall elect one of their number as Chairperson of the Board and determine the period for which he is to hold office.

PRINCIPLE TWO – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Structure and size

The Company has a unitary Board. The Board of MDIT comprises of independent*, non-independent*, executive and non-executive directors having a vast experience in their respective fields of expertise and who participate actively in Board meetings which are held on a quarterly basis. The Board periodically reviews its size, composition, skills of its members to ensure that there is an appropriate balance and range of knowledge, experience, competencies, and gender diversity. The Board is fully aware of its fiduciary duties towards the shareholders of the Company, but it also acknowledges that the Company is accountable to a wider range of stakeholders, namely its clients, employees, regulators, and the public at large.

As per the Constitution, the Board shall consist of not less than nine (9) or more than twelve (12) directors and the quorum shall be six (6) directors. The Board currently comprises nine (9) directors.

**As defined by the Code*

Board and Committees

The Board is headed by a Chairperson, a Non-Executive Director, not independent as recommended per the Code in that he has been a Director for more than nine (9) years. The three (3) committees established by the Board are: Audit and Risk Committee (ARC), Corporate Governance Committee (CGC) and Investment Committee (IC).

The Company has only one Executive Director, the Executive Director of GFMS. The Manager and/or Accountant is in attendance at all the MDIT Board and Committee meetings. In view of the size and structure of the organisation, the Board considers it to be adequate to have only 1 Executive Director.

The current Board is composed of the following independent directors of which two (2) female and seven male (7), who are all resident in Mauritius.

Board and Committees (Continued)

Names of Directors	Board	Committee
Georges Leung Shing	Chairperson and Non-Executive Director	CGC and IC member
Catherine Ahnee-Gouérec	Non-Executive Director	CGC member
Cheong Shaow Woo (Marc) Ah Ching	Independent Non-Executive Director	ARC and IC member. ARC Chairperson (up to 19 April 2023), IC Chairperson (from 20 April 2023)
Kim Foong (Roger) Leung Shin Cheung (Up to 28 December 2022)	Non-Executive Director	IC Chairperson and ARC member (Up to 28 December 2022)
Grace Sarah Leung Shing (resigned on 22 December 2022)	Executive Director	-
Dick Li Wan Po (from 09 November 2022)	Executive Director	-
Tin Miow (Jacques) Li Wan Po (from 15 May 2023)	Non-Executive Director	IC member (from 15 May 2023)
Jean Noel Fabrice Parsooramen	Independent Non-Executive Director	ARC member
Tahen Kumar (Benu) Servansingh	Independent Non-Executive Director	-
Banoomatee (Rita) Veerasamy	Independent Non-Executive Director	CGC Chairperson
Tchang Fa (Cyril) Wong Sun Thiong (from 20 April 2023)	Independent Non-Executive Director	ARC Chairperson (from 20 April 2023)

The profiles of the directors are disclosed on pages [18] to [19].

Board Committees

The ARC, CGC and IC assist in the decision-making process and help the Board to carry out its duties and responsibilities:

Each Committee acts according to its respective terms of reference approved by the Board and reports to the Board on matters discussed at Committee meetings. The terms of reference are reviewed by the respective Committee every year. The Secretary also acts as secretary to the Board Committees.

ARC

The ARC was set up to provide a link between the Board, internal and external auditors and is also responsible for the Company's Risk Management function. The ARC comprises three (3) directors, all of which are considered as being independent under the Code.

The ARC terms of reference were approved by the Board. Its Chairperson reports to the Board on any matter which, in his opinion, the Board should be made aware of.

The ARC members are:

- Cheong Shaow Woo (Marc) Ah Ching (Chairperson up to 19 April 2023)
- Kim Foong (Roger) Leung Shin Cheung (Up to 28 December 2022)
- Jean Noel Fabrice Parsooramen
- Tchang Fa (Cyril) Wong Sun Thiong (Chairperson from 20 April 2023)

The ARC roles and responsibilities include reviewing the appropriateness of the Company's accounting policies, assessing the effectiveness of the internal control processes, reviewing the financial statements and the reporting function, ensuring compliance with relevant laws and regulations, discussing the results of the external audit processes with the external auditors, and, with the support of the internal and external auditors, directing the Risk Management function.

As and when required, the ARC also meets with the internal and external auditors without the presence of the CIS Manager. The internal and external auditors have free access to the ARC to report on any matters or findings.

CGC

The CGC was set up to also act as Nomination and Remuneration Committee and has terms of reference approved by the Board.

The CGC members are:

- Banoomatee (Rita) Veerasamy (Chairperson)
- Catherine Ahnee-Gouérec
- Georges Leung Shing

The main objective of the CGC is to review and make recommendations to the Board in relation to corporate governance matters including fulfilling its oversight responsibilities for the Company's compliance with the Code.

IC

The IC was set up to review that the investment policies adopted by the CIS Manager regarding its investment portfolio are in line with the Board's strategy. It also examines purchases and sales of local securities and reviews loans and substantial investments. It also ensures proper liaison with the Fund Managers responsible to look after the Company's interests, oversees and considers avenues which may give opportunities for growth.

The IC members are:

- Kim Foong **(**Roger**)** Leung Shin Cheung (Chairperson up to 28 December 2022)
- Cheong Shaow Woo **(**Marc**)** Ah Ching (Chairperson as from 20 April 2023)
- Georges Leung Shing
- Tin Miow (Jacques) Li Wan Po (from 15 May 2023)

Board and Committee meetings and attendance

The Board meets on a quarterly basis to review business operations and monthly reports are circulated to the directors by the CIS Manager. The Chairperson in collaboration with the CIS Manager and the Secretary, agree on meeting agendas and board packs are usually sent to directors in advance.

The minutes of proceedings of Board and Committee meetings are recorded by the Secretary and are submitted at the next meeting for approval and signature by the Chairperson and the Secretary.

The directors' attendance at Board and Committee meetings held during the year ended 30 June 2023 is shown below:

Names of Directors	Board	ARC	CGC	IC
Cheong Shaow Woo (Marc) Ah Ching	5 out of 5	4 out of 4	N/A	4 out of 4
Catherine Ahnee-Gouérec	5 out of 5	N/A	3 out of 3	N/A
Kim Foong (Roger) Leung Shin Cheung (up to 28 December 2022)	2 out of 2	1 out of 1	N/A	2 out of 2
Georges Leung Shing	5 out of 5	N/A	3 out of 3	4 out of 4
Grace Sarah Leung Shing (resigned on 22 December 2022)	1 out of 1	1 out of 1	1 out of 1	1 out of 1
Dick Li Wan Po (from 09 November 2022)	4 out of 4	3 out of 3	2 out of 2	3 out of 3
Tin Miow (Jacques) Li Wan Po (from 15 May 2023)	1 out of 1	N/A	N/A	0 out of 0
Jean Noel Fabrice Parsooramen	5 out of 5	4 out of 4	N/A	N/A
Tahen Kumar (Benu) Servansingh	5 out of 5	N/A	N/A	N/A
Banoomatee (Rita) Veerasamy	5 out of 5	N/A	3 out of 3	N/A
Tchang Fa (Cyril) Wong Sun Thiong (from 20 April 2023)	2 out of 2	2 out of 2	N/A	N/A

Directorships held by Board Members in other listed companies

Names of Directors	Name of Listed Company	Director Category
Tchang Fa (Cyril) Wong Sun Thiong	ABC Motors Company Limited	Independent Non-Executive Director
	Avanz Growth Markets Limited	Independent Non-Executive Director
	Sanlam Africa Core Real Estate Investments Limited	Independent Non-Executive Director

Secretary

During the year, the Secretary was Mr Ah Vee Kwet Chee Li Chun Fong (FCCA). As from 7th August 2023, he has been replaced by Executive Services Ltd, represented by Mr Christian Angseesing.

All directors have access to the advice and services of the Secretary and also have the authority to request independent professional advice at the reasonable expense of the Company. The Secretary administers, attends and prepares minutes of the meetings of the Board, Committees and Shareholders.

The Secretary is responsible for the external communication of the Company and assists the Chairperson and the Board in implementing good governance practices and processes to maximise shareholders' wealth.

PRINCIPLE THREE – DIRECTOR APPOINTMENT PROCEDURES

The Board is responsible for succession planning and for recommending the appointment of new board members to shareholders.

Election and re-election

The process of directors' election and re-election is set out in the Constitution. The CGC usually makes recommendations to the Board which then finalises the Board nominations for election or re-election to be put before the Annual Meeting.

Per the Constitution, at each Annual Meeting, four (4) directors retire from office and are eligible for re-election by separate resolutions. Before recommending re-appointment, the Board carefully considers past performance and the Chairperson ensures that the individual member has maintained effective performance and commitment as a Director.

Induction and orientation

An induction pack, which includes an overview of the Company's profile and operations as well as key Company documents, is provided by the Secretary to all new directors. The induction pack is regularly reviewed by the Chairperson to ensure continued quality and relevance.

Professional development

The Board have considered regular training and development needs of directors, as appropriate, to ensure constant professional update.

Succession Planning

The Board, with the assistance of the CGC, reviews succession planning of directors to ensure continued balance of knowledge, skills and experience whilst also ensuring gradual renewal of the Board.

The profiles of the directors of the Company are set below.

The Chairperson of the Board was also the Chairperson of the Company's substantial shareholder, namely Golden Foundation Ltd (GFL) during the year. Six (6) out of current nine (9) directors of the Board do not have any relationship with GFL.

Georges Leung Shing

Appointed to the Board in 1995

Georges Leung Shing holds a Bachelor's degree in Economics and is a Chartered Tax Adviser and a Fellow Chartered Accountant. He was the Senior Economist of the Mauritius Chamber of Agriculture (MCA), Executive Chairman of Lonrho and Illovo Mauritius and Managing Director of Omnicane Limited. He is a former Chairman of the MCA and the Mauritius Institute of Directors (MIoD) and its Audit Committee Forum (ACF), the Chairman of the Review Committee of the Financial Reporting Council (FRC) and has served as Chairman/Director of companies in the Banking, Commercial, Construction, Energy, Hotel, Industrial and Insurance sectors and of the Mauritius Sugar Syndicate, Stock Exchange of Mauritius and Sugar Insurance Fund Board. He is presently a Non-Executive Director of Pharmacie Nouvelle Ltd and a member of the MIoD ACF and Directors' Forum.

Catherine Ahnee-Gouérec

Appointed to the Board in 2011

Catherine Ahnee-Gouérec holds a Diplôme d'Etudes Supérieures Spécialisées (DESS) d'Affaires Internationales and a Maitrise d'Economie Appliquée of Université Paris IX-Dauphine, France. After a few years as Consultant at Price Waterhouse (Mauritius) she joined the Eclosia group (formerly Food and Allied Group) as Economist of Management and Development Company Ltd in 1993. She was appointed at Les Moulins de la Concorde Ltée in 2008, where she is currently Corporate and Communications Manager. As such, she contributes to projects and marketing strategy and is also in charge of corporate communication and CSR activities. Besides, she is a former member of the Women Directors Forum of the Mauritius Institute of Directors and a trustee on Eclosia Group Pension Fund.

Cheong Shaow Woo (Marc) Ah Ching

Appointed to the Board in 2018

Marc Ah Ching is a member of the Chartered Institute of Management and Accountants (CIMA) and a member of the Chartered Institute of Bankers UK (ACIB). He has a strong grasp on corporate finance, deal structuring and financing, with thorough knowledge in risk assessment and management, international banking and trade finance. Marc has been with the Rogers Group since 2005.

Dick Li Wan Po

Appointed to the Board in 2022

Dick Li Wan Po holds a BSc Honours in Business Administration and Computer Science in the UK and is a Fellow of the ACCA. He has more than 20 years' experience in accounting and industry. He was formerly a member of the boards of ABC Banking Corporation Ltd and of Prime Ebony Fund, a collective investment scheme, respectively. He was the Chairman of the Audit and Risk Committee of Prime Ebony Fund and a member of the Investment Committee.

Tin Miow (Jacques) Li Wan Po

Appointed to the Board in 2023

Jacques Li Wan Po is a Fellow of the Chartered Association of Certified Accountant (UK). He is the Chairman and Managing Director of the Jacques Li Wan Po Group of companies. He is a Director of the Bank of China. He was previously an independent director on the board of the Bank of Mauritius and was also a member of the Monetary Policy Committee. He was previously the Vice Chairman of Medine SE Co Ltd. He is a Fellow of the Mauritius Institute of Directors.

Jean Noel Fabrice Parsooramen

Appointed to the Board in 2020

Fabrice Parsooramen is a Fellow of the Association of Chartered Certified Accountants (FCCA) and started his career in 1997 in the audit department of De Chazal Du Mée. He thereafter worked as Financial Controller for the VLH Group (previously Veranda Resorts) and Cogir Ltée (now amalgamated into BCE Ltd). He is a past Manager of MDIT from 2010 to 2012 and was previously acting as its Company Secretary on behalf of JLP Company Secretarial Services Ltd. He is currently the Chief Financial Officer of Ducray Lenoir Group since 2017.

Tahen Kumar (Benu) Servansingh

Appointed to the Board in 2014

Benu Servansingh holds a Bachelor's degree in Physics and started his career as a Physics Teacher. He served as Adviser in 1992 to the Minister of Finance and as Senior Adviser from 2005 to 2010 where he contributed in the formulation and implementation of national economic policies, capacity building, national economic empowerment programme and corporate social responsibility framework. He is a former Chairman of SICOM Group and Mauritius Institute of Directors and has been a Director of the State Investment Corporation Ltd, the Mauritius Duty Free Paradise Ltd, the National Equity Fund, the Real Estate Investment Trust, and a member of the Gambling Regulatory Authority and the Financial Reporting Council. He is presently the Chairman of AXIS Fiduciary Ltd and special Adviser to the Multi-Act Realty Enterprises Ltd.

Banoomatee (Rita) Veerasamy

Appointed to the Board on 07 July 2021

Rita Veerasamy holds a Masters' degree in law from the University of London and is a Fellow member of the ICSA/The Chartered Governance Institute. She has a strong background in strategic investment, having worked at the State Investment Corporation for 34 years and having served as Director and Independent Director on a multitude of Board of high-profile companies such as the Mauritius Duty Free Paradise Ltd; Air Mauritius Ltd; Airports of Mauritius Ltd; Lottotech and Employees Real Investment Trust. Rita is a qualified stockbroker and played an active role in the setting up of the Stock Exchange in Mauritius of which she was also a member. Rita is presently consultant to a team of qualified and experienced professionals specializing in compliance and company secretaries.

Tchang Fa (Cyril) Wong Sun Thiong

Appointed to the Board in 2023

Cyril Wong Sun Thiong holds a BSc in Physics from the University of Manchester and is a Fellow of the Institute of Chartered Accountants in England & Wales. He is a non-Executive Director and Chairman of the Audit Committee of Absa Bank (Mauritius) Ltd. He was previously an Executive Vice Chairman, Chief Compliance and Risk Officer and Finance Director of Barclays Bank Mauritius. He is a Fellow of the Mauritius Institute of Directors and is an Independent Non-Executive Director of ABC Motors Company Ltd, Avanz Growth Markets Limited and Sanlam Africa Core Real Estate Investments Limited.

CIS Manager

Dick Li Wan Po

Executive Director

Dick Li Wan Po, the CIS Manager, is an Executive Director of the Company and his Profile is included in the above Profiles of the Directors of the Company.

Kate Wong Chon Kwai

Accountant

Kate Wong Chon Kwai is a member of Association of Chartered Certified Accountants (ACCA). She was employed at Deloitte for more than six years. She has also worked as a Financial and Technical Accountant at ABC Motors Company Ltd until January 2023 and joined the CIS Manager of the Company in February 2023.

Legal duties

The directors are aware of their legal duties as described in the Act and the Company's Board Charter.

Code of Ethics

The Company does not have any employee and has a Code of Ethics for its directors. The Board monitors and evaluates compliance with the Code of Ethics for its directors.

Conflicts of Interest

The Board Charter sets out the guidelines for dealing with conflicts of interests that may be faced by the directors. This includes the duty of a director to immediately report to the Chairperson any conflict of interest or potential conflict of interest and not take part in any discussion or decision-making regarding any subject or transaction in which he/she has a conflict of interest with the Company. Decisions to enter into transactions where Board members may potentially be conflicted of interest are dealt with by the Board.

The Board confirms that all conflicts of interest and related party transactions have been conducted in accordance with the conflicts of interest and related party transactions sections of the Board Charter and the Code of ethics. The Secretary maintains an Interests' register which is available for consultation to shareholders upon written request.

Interest of Directors in the Equity Capital & Dealing in shares by Directors

Directors ensure that their dealings in the Company's shares are conducted in accordance with the principles of the Model Code for Securities Transactions by directors, as detailed in Appendix 6 of the Listing Rules issued by the SEM and the Companies Act 2001.

Shares held by Directors at 30 June 2023

Name of Directors	% holding	Directly	Indirectly
Cheong Shaow Woo (Marc) Ah Ching	-	-	-
Catherine Ahnee-Gouérec	0.10	340,215	78,987
Georges Leung Shing	0.55	5,304	2,303,249
Dick Li Wan Po	2.66	244,900	11,034,035
Tin Miow (Jacques) Li Wan Po	1.06	102,781	4,386,449
Jean Noel Fabrice Parsooramen	-	-	-
Tahen Kumar (Benu) Servansingh	-	-	-
Banoomatee (Rita) Veerasamy	-	-	-
Tchang Fa (Cyril) Wong Sun Thiong	-	-	-

Information, Information Technology and Information Security Governance

The Board is responsible for the information governance function and has put in place an information technology and security policy. The Board is assisted by the ARC in the regular review of the effectiveness of the policy ensuring that any associated risks are addressed and mitigated as well as the monitoring of any significant expenditure on information technology.

Board Information

At Board meetings, a report is presented by the CIS Manager, which comprises a review of the local market and an analysis of the Company's performance. Corporate Announcements as well as the Purchases and Sales during the quarter are also commented on.

Board Information (Continued)

The Board and its members each have responsibility for obtaining all information needed from the CIS Manager as well as the Internal and External Auditors to carry out their duties. If the Board thinks it is necessary, it may obtain information from officers and external advisers of the Company.

In accordance with the Companies Act 2001, directors shall not disclose any information of a confidential nature regarding the business of the Company, unless required to do so by law. Board members are also required not to use any confidential information for his or her personal benefit and to return, at the term of their office, all confidential documents to the Company in a manner that ensures confidentiality is preserved.

The Company has a Directors' and Other Officers' Liability insurance in place.

Board Evaluation and Development

The collective evaluation of the Board and its Committees, through an internal Board Evaluation Questionnaire, was carried out during the year under review with the assistance of the Secretary. The questionnaire included the following areas:

- Duties and responsibilities of the Board
- Board size, composition, frequency and materials
- The Board's relationship with its committees
- The Board's relationship with its shareholders
- Board improvement areas

Directors are able to express their views and concerns whether the board is fulfilling its legal and ethical role. No concerns were received on the performance of the board, individual directors and its policies and procedures.

Upon the recommendation of the Corporate Governance Committee held on 21 September 2023, the Board has decided that an evaluation of Directors on an individual basis will be performed at the end of the next financial year.

Remuneration of Directors

The present directors' fee structure, as approved by the Board, following the recommendations of the CGC, consists of a fixed fee and an attendance fee per meeting for Board and Committee members. The remuneration received by directors for the year under review is disclosed below:

Names of Directors	2023 Rs'000	2022 Rs'000
Cheong Shaow Woo (Marc) Ah Ching	191	172
Catherine Ahnee-Gouérec	121	108
Kim Foong (Roger) Leung Shin Cheung (Up to 28 December 2022)	92	171
Georges Leung Shing	259	243
Grace Sarah Leung Shing (resigned on 22 December 2022)	46	92
Dick Li Wan Po (appointed on 09 November 2022)	77	-
Tin Miow (Jacques) Li Wan Po (appointed on 15 May 2023)	23	-
Tahen Kumar (Benu) Servansingh	99	93
Jean Noel Fabrice Parsooramen	133	116
Banoomatee (Rita) Veerasamy	130	117
Tchang Fa (Cyril) Wong Sun Thiong (appointed on 20 April 2023)	46	-
Total	**1,217**	**1,112**

Directors do not receive any salary or benefits in kind from the Company which does not have any share option plan.

PRINCIPLE FIVE – RISK GOVERNANCE AND INTERNAL CONTROL

Risk Governance

The directors acknowledge the ultimate responsibility of the Board for the risk governance and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objective as well as the necessity of having the relevant processes in place within the Company. Risk issues are systematically addressed at both the ARC and IC meetings and reviewed at Board level.

The Company's approach to risk management is to make it an integral part of the conduct of every aspect of its business. Proactive management ensures that decisions are taken to achieve the most appropriate balance between risks and returns at all times, to transfer risks wherever possible, and to take the necessary measures to mitigate the key risks.

Some of the more prominent risks to which the Company is exposed are:

- **Compliance Risk**: Failure to comply with laws and regulations may lead to penalties.
- **Political, Economic and Financial Market Events**: Investment values and returns which may adversely affect the Company's operation and financial results.
- **Technologies and Systems**: To varying degrees, the Company is reliant upon certain technologies and systems for the smooth and efficient running of its business. Disruption to these technologies could adversely affect its operating costs and efficiency.
- **Reputation**: Any event capable of damaging the reputation of the Company and its appeal to its shareholders and putting at risks the market value and attractiveness of the Company.

The Board, assisted by the ARC and IC regularly monitors and reviews the following, with the risks identified on a yearly basis:

- risk identification, measurement and prioritisation methodologies, internal control systems and procedures for reporting unusual high-risk transactions;
- the management reports on the adequacy and overall effectiveness of the Company's Risk Management and Internal Control and ensure the implementation of any recommendations to remedy weaknesses; and
- approve any changes to the Company's Investment Policies, Procedures and Strategy, including Risk Tolerance, overall asset allocation ranges/concentration limits.

Internal Control System

The Company has put in place policies and procedures to implement strong internal control and identify measure and control risk as well solutions to mitigate risks exposures, at strategic and operational level. The ARC provides assurance to the Board on the performance of the internal control system, after examination of internal and external audit reports. The internal controls are regularly reviewed by the Internal auditors.

The Company has put in place a whistle-blowing policy during the year under review. Stakeholders are still encouraged to report any complaints or suspected wrong practice within the Company to the ARC.

PRINCIPLE SIX – REPORTING WITH INTEGRITY

Financial Statements

In respect of the preparation of Financial Statements, directors acknowledge their responsibilities for:

- adequate accounting records and maintenance of effective internal control systems;
- 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 financial performance and cash flows for that period and which comply with International Financial Reporting Standards (IFRS) and the Companies Act 2001; and
- the selection of appropriate accounting policies supported by reasonable and prudent judgements.

The full version of the Annual Report is published on the Company's website.

Environmental, Social and Health & Safety

In its endeavour to achieve sustainable growth and return on capital, MDIT has laid emphasis on managing corporate reputation to maintain its financial credibility and credit worthiness by implementing measures to improve its operational efficiency through a:

- Reduction in waste from operation through paper saving and intensive usage of mails;
- Reduction of energy use in operations;
- Leveraging sustainability of existing products to reach new investors and retain existing ones;
- Mitigating operational risk related to climate change especially in Mauritius where major disturbances within the environment such as natural calamities can impact on performances on share in specific sectors hence investments;
- Promotion of health and safety compliance framework; and
- Non-discriminatory policy on Board appointments.

Corporate Social Responsibility (CSR)

There was no CSR contributions during the year.

Charitable and Political Contributions

The Company made no charitable or political contributions during the year.

Related party transactions

The related party transactions are set out in Note [22] of the Financial Statements.

PRINCIPLE SEVEN – AUDIT

Internal Audit Function

The Board is ultimately responsible for the Company's internal control system and assessing its effectiveness. The Internal Audit Function has been outsourced by the Board since June 2011 to Advisory Services who had unrestricted access to all information required and the full co-operation of management in the course of their audits. The Internal Auditors independently and objectively report to the ARC on the Company's financial and internal controls and review the extent to which its recommendations have been implemented. They are entitled to meet the ARC Chairperson or its members without management presence.

During the year 2023, the Internal Auditor assessed the internal control system and procedures put in place by the Company and their compliance with laws and regulations. The audited areas were:

- By Mazars: Investment

The findings highlighted by Mazars following the audit are being addressed by the CIS Manager.

External Audit Function

The ARC regularly reviews the independence of the external auditors including the nature and scope of any non-audit services which might have an impact on their independence. In line with the requirements of Financial Reporting Act regarding rotation of auditors, the Board appointed Deloitte as external auditors of the Company as from the financial year ended 30 June 2022.

The external auditors independently report to the ARC on the financial statements including accounting principles, critical judgements and estimates used in reporting. They also review the effectiveness and adequacy of the Company's internal controls and advise the ARC on any material non-compliance and weaknesses noted during the course of their audit, and proposed recommendations. The ARC has reviewed the effectiveness of the external audit process and has recommended to the Board that Deloitte be nominated for re-appointment at the next Annual Meeting.

Independent Auditors' Remuneration

Fees paid to Deloitte and Mazars for:	2023 Rs'000	2022 Rs'000
External Audit services	690	600
Fees paid for:		
Internal Audit services	70	55

PRINCIPLE EIGHT – RELATIONS WITH SHAREHOLDERS AND KEY STAKEHOLDERS

Shareholders' Analysis at 30 June 2023

	Number of shareholders	%	Number of shares held	%
1 – 500	795	16.39	160,579	0.04
501 – 1,000	387	7.98	304,625	0.07
1,001 – 5,000	1,168	24.08	3,058,652	0.72
5,001 – 10,000	509	10.49	3,659,630	0.86
10,001 – 50,000	1,108	22.85	25,437,754	6.01
50,001 – 100,000	318	6.56	23,202,327	5.48
100,001 – 250,000	279	5.75	44,525,807	10.52
250,001 & Above	286	5.90	323,038,144	76.30
Total	**4,850**	**100.00**	**423,387,518**	**100.00**

The above number of shareholders is indicative, due to consolidation of multi-portfolios for reporting purposes. The number of active shareholders as at 30 June 2023 was 4,850 with only one substantial shareholder, Golden Foundation Ltd holding 14.51%.

Share Option Plan

The Company does not have any employee or share option plan.

Shareholders' information

Dividend Policy

The Board on an annual basis assesses the Company's financial position and cashflow, before declaring a dividend. The policy is to ensure a market-related dividend yield to its investors while ensuring the Company's sustainability.

The Board ensures that the Company satisfies the solvency test prior to each declaration of dividend and a certificate of compliance with the solvency test is signed in accordance with the provisions of the Companies Act 2001.

Share Price Information

The evolution of the share price over the past five years was:

30 June	Share Price Rs
2019	4.12
2020	2.39
2021	2.66*
2022	3.08**
2023	2.00#

* cum dividend of Rs 0.07
** cum final dividend of Rs 0.12
# cum final dividend of Rs0.07

Communication with shareholders

The Company communicates with its shareholders through its Annual Report, Press Communiqués and Annual Meeting. The calendar of events during the year is set out below:

Financial year end	June
Annual meeting	December
Reports and profit statements Half-yearly Preliminary report for the year Annual report and financial statements	 March September December
Dividend **Final** - Declared - Payable	 30 June 2023 29 September 2023

Annual Meeting

At the Annual Meeting, the CIS Manager reports on the Company's financial performance during the year and the Chairperson comments on the various sectors of the economy and their impact on performance and future prospects.

The shareholders are invited to share their views with the Board and request relevant clarifications. The Board ensures that notice of the Annual Meeting and related papers are sent to shareholders at least (21) twenty-one days before the meeting in accordance with the Companies Act 2001.

The following items are placed on the Agenda of the Annual Meeting by way of separate resolutions:

- Consideration of the Annual report including the adoption of the audited financial statements and the receipt of the Independent Auditor's report to the Company's Members.
- The election and re-election of directors in accordance with the Company's Constitution and the Act.
- Approval of the payment of dividends declared by the directors and paid.
- Fixing of the directors' fees.
- Re-appointment of the external auditors under section 200 of the Act.

The next Annual Meeting will be held on 22 December 2023.

Interest of Directors in Contracts

All the Directors have confirmed that they are not, either directly or indirectly, materially interested in any contract of significance with the Company. The Company has no service contract with any of its directors.

Agreements with third parties

MDIT has a management contract with its CIS Manager, GFMS, to provide management and company secretarial services.

The Registrar and Custody services are undertaken by MCB Registry & Securities Ltd and MCB Capital Markets Ltd respectively.

The Company does not have any agreement with its shareholders.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In respect of the preparation of Financial Statements, 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 financial performance and cash flows for that period and which comply with International Financial Reporting Standards (IFRS);

iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements.

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) applicable accounting 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 in case of non-compliance.

Georges Leung Shing
Chairperson

Tchang Fa (Cyril) Wong Sun Thiong
Chairperson – Audit and Risk Committee

Date: 27 September 2023

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

Name of Public Interest Entity ('PIE'): **The Mauritius Development Investment Trust Company Limited (MDIT)**

Reporting Period: **1st July 2022 to 30th June 2023**

We, the directors of MDIT confirm to the best of our knowledge that the PIE has complied with all of its obligations and requirements under The National Code of Corporate Governance, except for those mentioned below.

Non-compliance	Reasons for non-compliance
Principle 2 • Board Composition: Executive directors	• The Board considers the Executive Director of GFMS, who is also a director of MDIT, to be an Executive Director. The Manager and/or Accountant is in attendance at all the MDIT Board and Committee meetings. In the particular context of MDIT, the Board is of the view that having a sole Executive Director is adequate and in line with the spirit of the Code.
Principle 4 • Individual Directors evaluation	• Individual Directors evaluation will be performed at the end of the next financial year.

SIGNED BY:

Georges Leung Shing
Chairperson

Banoomatee (Rita) Veerasamy
Director

Date: 27 September 2023

SECRETARY'S CERTIFICATE – 30 JUNE 2023

This is to certify that, in accordance with Section 166(d) of the Companies Act 2001, all such returns as required by the Company under the Companies Act 2001 have been filed with the Registrar of Companies.

Executive Services Limited
Company Secretary
Per Christian Angseesing, ACIS

Date: 27 September 2023

Independent auditor's report to the Shareholders of The Mauritius Development Investment Trust Company Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **The Mauritius Development Investment Trust Company Limited** (the "Company" and the "Public Interest Entity'') set out on pages 32 to 61, which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2023, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for opinion

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

Key audit matters

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

Key Audit Matters	How the matter was addressed in the audit
Financial assets at fair value through Profit or loss (FVTPL) – Unquoted investment	
The Company has applied valuation techniques to determine the fair value of financial assets that are not quoted in active markets which include equity investments. These valuation techniques, particularly those requiring significant unobservable inputs, usually involve subjective judgement and assumptions. Valuation results can vary significantly when different valuation techniques and assumptions are applied. As at 30 June 2023, included in financial assets measured at fair value through profit or loss (FVTPL) are unquoted investments of Rs. 26.1m representing 2.0% of the Company's total assets. These investments are measured at fair value and categorised within level 3 of the fair value hierarchy as they require significant unobservable inputs in estimating their fair values and therefore involve higher degree of uncertainty in their valuation. Due to estimation uncertainty in valuation involving significant judgement, the valuation of unquoted investments is considered as a key audit matter. Relevant disclosures are included in Note 6 and Note 26 to the financial statements.	We obtained an understanding of the management's processes and controls in determining the fair valuation of financial assets that are not quoted in active markets. We evaluated and tested the design and implementation of the key controls related to valuation of these financial assets. We evaluated the valuation techniques, inputs and assumptions through comparison with the valuation techniques commonly used in the markets, validation of observable inputs using external market data and assessed the reasonableness of significant unobservable inputs with the involvement of our internal valuation specialists who also assisted in assessing the models and re-performing independent valuations based on the valuation inputs. We have tested the completeness of the disclosures relating to the fair value on the unquoted investment.

**Independent auditor's report to the Shareholders of
The Mauritius Development Investment Trust Company Limited (cont'd)**

Other information

The directors are responsible for the other information. The other information comprises the Corporate Information and the Secretary's Certificate, but, does not include the financial statements and our auditor's report thereon which we obtained prior to the date of this auditors report and the Annual Report which is expected to be made available to us after that date.

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

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

Responsibilities of directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Independent auditor's report to the Shareholders of The Mauritius Development Investment Trust Company Limited (cont'd)

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

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

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

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

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

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

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

Financial Reporting Act 2004

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

Use of this report

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

Deloitte
Chartered Accountants

Rajeev Tatiah, FCCA
Licensed by FRC

29 September 2023

STATEMENT OF FINANCIAL POSITION – 30 JUNE 2023

	Notes	2023	2022
		Rs '000	Rs '000
ASSETS			
Financial assets at fair value through profit or loss	6	**1,314,336**	1,551,543
Loans receivable at call	7	**9,439**	11,143
Trade and other receivables	8	**71,510**	12,678
Cash and cash equivalents	9	**7,061**	37,517
Total assets		**1,402,346**	1,612,881
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	12	**78,036**	26,704
Borrowings	11	**3,500**	60,000
Current tax liabilities	13	**61**	503
Dividends payable	14	**29,637**	50,807
Total liabilties		**111,234**	138,014
EQUITY			
Stated capital	10	**423,388**	423,388
Retained earnings		**867,724**	1,051,479
Total equity		**1,291,112**	1,474,867
Total liabilities and equity		**1,402,346**	1,612,881
Net asset value per share (Rs)	15	**3.05**	3.48

Approved by the Board of Directors and authorised for issue on 27 September 2023

....
Georges Leung Shing
Director

....
Tchang Fa (Cyril) Wong Sun Thiong
Director

The notes on pages 36 to 61 form part of these financial statements.
Auditor's report on pages 29 to 31

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – 30 JUNE 2023

	Notes	2023 Rs '000	2022 Rs '000
Dividend income	16	**48,620**	47,806
Finance income			
Financial instrument measured at FVTPL:			
Bond Interest		**2,603**	1,490
Financial instrument measured at amortised cost:			
Interest from loan receivables at call		**1,074**	2,144
Net foreign exchange gains	17	**556**	567
Total income		**52,853**	52,007
Realised and unrealised gain/(loss) on financial assets at fair value through profit or loss:			
Realised gains on disposal of investments	6	**17,262**	6,819
Unrealised (loss)/gain on revaluation of investments	6	**(198,207)**	119,561
Net (loss)/gain on financial assets at fair value through profit or loss		**(180,945)**	126,380
		(128,092)	178,387
Expenses			
Management fees	18	**14,936**	15,946
Directors' fees & Secretarial fees		**1,217**	1,112
Listing fees		**494**	448
Closed-end fund expenses	19	**2,156**	1,775
Professional fees		**1,091**	796
Other expenses		**2,850**	2,251
Reversal of impairment loss on loans receivables at call	7	**-**	(75)
Finance costs	20	**4,226**	1,871
		26,970	24,124
(Loss)/profit before tax		**(155,062)**	154,263
Income tax credit/(expense)	13	**165**	(309)
(Loss)/profit after tax		**(154,897)**	153,954
Other comprehensive income		**-**	-
Total comprehensive income for the year		**(154,897)**	153,954
Basic and diluted earnings cents per share	21	**(36.59)**	36.36

The notes on pages 36 to 61 form part of these financial statements.
Auditor's report on pages 29 to 31

STATEMENT OF CHANGES IN EQUITY – 30 JUNE 2023

	Notes	Stated capital Rs '000	Retained earnings Rs '000	Total Rs '000
Balance at 1 July 2021		423,388	976,975	1,400,363
Profit for the year		-	153,954	153,954
Other comprehensive income		-	-	-
Total comprehensive profit for the year		-	153,954	153,954
Dividends for the year	14	-	(80,444)	(80,444)
Dividend write back	12	-	994	994
Balance at 30 June 2022		423,388	1,051,479	1,474,867
Balance at 1 July 2022		423,388	1,051,479	1,474,867
Profit for the year		**-**	**(154,897)**	**(154,897)**
Other comprehensive income		**-**	**-**	**-**
Total comprehensive profit for the year		**-**	**(154,897)**	**(154,897)**
Dividends for the year	14	**-**	**(29,637)**	**(29,637)**
Dividend write back	12	**-**	**779**	**779**
Balance at 30 June 2023		**423,388**	**867,724**	**1,291,112**

The notes on pages 36 to 61 form part of these financial statements.
Auditor's report on pages 29 to 31

	Notes	2023 Rs '000	2022 Rs '000
Operating activities			
(Loss)/profit before tax		**(155,062)**	154,263
Adjustments to reconcile profit before tax to net cash flows:			
Realised gain on disposal of investments	6	**(17,262)**	(6,819)
Unrealised loss/(gain) on revaluation of investments	6	**198,207**	(119,561)
Net foreign exchange gains	17	**(556)**	(567)
Finance costs	20	**4,226**	1,871
Interest income		**(3,677)**	(3,634)
Dividend income	16	**(48,620)**	(47,806)
Reversal of expected credit loss	7	**-**	(75)
Operating loss before working capital adjustments		**(22,744)**	(22,328)
Adjustments for:			
(Increase)/decrease in trade and other receivables		**(42,690)**	3,429
Decrease in loans receivable		**1,704**	6,090
(Decrease)/increase in trade and other payables		**(1,929)**	1,251
Proceeds from sales of investments		**200,586**	65,350
Purchases of investments		**(144,324)**	(22,090)
Net increase in investments		**56,262**	43,260
		13,347	54,030
Interest received		**2,791**	3,849
Interest paid		**(2,651)**	(1,549)
Income tax paid		**(277)**	(286)
Dividend received		**33,363**	40,253
Net cash flows generated from operating activities		**23,829**	73,969
Financing activities			
Proceeds from borrowings		**382,300**	545,800
Repayment of borrowings		**(438,800)**	(548,800)
Proceeds from related party loan		**108,784**	108,707
Repayment of related party loan		**(56,318)**	(106,303)
Dividends paid		**(50,807)**	(59,274)
Net cash flows used in financing activities		**(54,841)**	(59,870)
Net (decrease)/increase in cash and cash equivalents		**(31,012)**	14,099
Cash and cash equivalents at the beginning of the year		**37,517**	22,851
Net foreign exchange difference		**556**	567
Cash and cash equivalents at 30 June	9	**7,061**	37,517
Cash and cash equivalents		**7,061**	37,517

The notes on pages 36 to 61 form part of these financial statements.
Auditor's report on pages 29 to 31

1. PRINCIPAL ACTIVITIES

The Mauritius Development Investment Trust Company Limited (the "Company" or "MDIT") is a public company incorporated in Mauritius and listed on the Stock Exchange of Mauritius. Its registered office is situated at 7th floor, Newton Tower, Sir William Newton Street, Port Louis and and its principal place of business is 206 The Catalyst, 40 Silicon Avenue, Ebene.

The Company is a Collective Investment Scheme (CIS) with the objective of holding and managing securities and is a Closed-end Fund authorised by the Financial Services Commission under the Securities Act 2005.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in compliance with the requirement of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004. The financial statements are prepared under the historical cost convention, except for financial assets held at fair value through profit or loss which are stated at fair value.

The financial statements are prepared in Mauritian Rupees (Rs) which is the functional currency of the Company and all values are rounded to the nearest thousand rupees (Rs '000), except where otherwise stated.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 July 2022.

3.1 New and revised Standards applied with no material effect on the financial statements

The following relevant revised Standards have been applied in these financial statements. Their application has not had any significant impact on the amounts reported for the current and prior periods but may affect the accounting treatment for future transactions or arrangements.

IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous
IFRS 9	Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018-2020 (fees in the '10 per cent' test for derecognition of financial liabilities)

3.2 New and revised Standards in issue but not yet effective

IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities (effective 1 January 2024)
IAS 1	Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies (effective 1 January 2023)
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of debt with covenants (effective 1 January 2024)
IAS 7	Statement of Cash Flows - Amendments regarding supplier finance arrangements (effective 1 January 2024)
IAS 8	Accounting Policies, Change in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates (effective 1 January 2023)
IAS 12	Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations (effective 1 January 2023)
IAS 12	Income Taxes - Amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes (effective 1 January 2023)
IFRS 7	Financial Instruments: Disclosures - Amendments regarding supplier finance arrangements (effective 1 January 2024)
IFRS 9	Financial Instruments - Amendments regarding the initial application of IFRS 17 and IFRS 9 (effective 1 January 2023)

The directors anticipate that these standards and interpretation will be applied on their effective dates in future periods. The directors have not yet assessed the potential impact of the application of these amendments.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies of the Company are:

(a) Financial instruments

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

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

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

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

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

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

Despite the aforegoing, the Company may make the following irrecoverable election/ designation at initial recognition of a financial asset:

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

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums, or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial instruments (Continued)

Financial assets (Continued)

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.
- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'Other gains and losses'.
- Net gains or losses on financial assets at FVTPL are changes in the fair value of financial assets and exclude interest and dividend income and expenses.
- Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of the prior period's unrealized gains and losses for financial instruments which were realised in the reporting period. Realised gains and losses on disposals of financial instruments classified as at FVTPL are calculated using the difference between an instrument's average cost of acquisition and disposal amount.

(iii) Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses'
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'Other gains and losses. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the investment's revaluation reserve
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item as part of the fair value gain or loss
- For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investment's revaluation reserve

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial instruments (Continued)

Financial assets (Continued)

(iv) Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The 12-months ECL (12mECL) is the portion of the lifetime ECL (LTECL) that represent the ECL that result from defaults on a financial instrument that are possible within the 12 months after reporting date.

Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company's policy for grouping financial assets measured on a collective basis. The Company has established a policy to perform an assessment, at the end of each reporting period. The Company groups its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans may also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.

Stage 2: When the loan has shown significant increase in credit risk since origination, the Company records an allowance for the LTECL. Stage 2 loans may also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired. The Company records and allowance for the LTECL

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(v) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating.
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial instruments (Continued)

Financial assets (Continued)

(v) Significant increase in credit risk (Continued)

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- An actual or expected significant deterioration in the operating results of the debtor.
- Significant increases in credit risk on other financial instruments of the same debtor.
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations

(vi) Definition of default

The Company considers a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

(vii) Write off policy

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures. Any recoveries made are recognised in profit or loss.

(viii) Recognition of expected credit losses

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

(ix) Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in statement of comprehensive income.

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments (Continued)

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

All financial liabilities are initially measured at fair value and subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

(i) Financial liabilities measured subsequently at amortised cost

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

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

(ii) Derecognition of financial liabilities

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

(b) Determination of fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or dealer price quotations (bid price for long position and ask price for short positions), without any deduction for transaction costs. For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation technique, comparison to similar instruments for which market observable prices exist, options pricing model and other relevant valuation models and following International Private Equity and Venture Capital guidelines.

Fair value investments are measured at subsequent reporting dates at fair value. Realised and unrealised gains and losses on such investments are included in profit or loss in the period in which they arise. On disposal, the profit or loss recognised in profit or loss is the difference between the proceeds and the carrying amount of the asset.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the statement of financial position.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Investment income

Investment income is made up of dividend income. Dividend income is recognised in profit or loss when the Company's right to receive payment is established.

Dividend income is presented gross of any non-recoverable withholding taxes which are disclosed separately in the statement of profit or loss.

(e) Interest income

Interest income is accounted for on a time basis using the effective interest method which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(f) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the Company operates. The Company's majority of returns are Mauritian rupee based, the capital is raised in rupees and the performance is evaluated and its liquidity is managed in rupees. Therefore, the Company concludes that the Mauritian Rupee is its functional currency.

The Company's presentation currency is also Mauritian Rupee.

(g) Foreign currency transactions

Monetary assets and liabilities outstanding at year-end in foreign currencies are translated into Mauritian rupees at the closing rates of exchange. Revenue items denominated in foreign currencies are converted into rupee at the rates of exchange ruling at the date of the transaction. Exchange differences arising on the settlement and retranslation of monetary assets and liabilities are recognised in profit or loss in the period in which they arise. Non-monetary items carried out at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and in hand, net of bank overdraft.

(i) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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 Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not 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 temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Taxation (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.

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.

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 profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in profit or loss 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 income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(j) Stated capital

Stated capital classified as equity consists of issued ordinary shares.

(k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

(l) Related party transactions

Parties are considered to be related to the Company if they have the ability directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or where the Company is subject to common significant influence. Related parties may be individuals or other entities.

5. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IFRS requires the directors and management to exercise judgements in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that has a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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 period. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value please see Note 26.

Impairment assessment of loans receivable

In addition to the IFRS 9, impairment provision raised as per the accounting policies, refer to note 4(a)(iv) Impairment of financial assets, the Company reviews its individually significant loans at each reporting date to assess the reasonability of the impairment loss recognised.

The Company's impairment methodology for assets at amortised cost results in the recording of provisions for:

Specific impairment losses on individually significant or specifically identified exposures in addition to the forward-looking expected credit losses recognised in terms of IFRS 9 on the entire trade receivable or loan receivable balance.

This exercise includes an element of management's judgement, in particular for the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses. These estimates are driven by a number of factors, the changing of which can result in different levels of allowances.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

2023	**---------Listed in Mauritius---------**				
	Official Market	**Development & Enterprise Market**	**Unquoted**	**Overseas Quoted Investment**	**Total**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**
At 1 July 2022	**1,082,877**	**94,678**	**25,655**	**348,333**	**1,551,543**
Additions	**8,727**	**351**	**-**	**135,246**	**144,324**
Disposals	**(10,479)**	**(3,809)**	**-**	**(186,298)**	**(200,586)**
Transfer from OM to DEM	**(76,998)**	**76,998**	**-**	**-**	**-**
Unrealised (loss)/gain on revaluation of investments	**(198,120)**	**(16,141)**	**493**	**15,561**	**(198,207)**
Realised gains on investments	**(1,349)**	**(1,015)**	**-**	**19,626**	**17,262**
At 30 June 2023	**804,658**	**151,062**	**26,148**	**332,468**	**1,314,336**

2022	---------Listed in Mauritius---------				
	Official Market	Development & Enterprise Market	Unquoted	Overseas Quoted Investment	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
At 1 July 2021	915,454	86,609	17,899	448,461	1,468,423
Additions	10,853	1,142	4,000	6,095	22,090
Disposals	(49,104)	(3,184)	(9)	(13,054)	(65,350)
Transfer from DEM to OM	1,648	(1,648)	-	-	-
Unrealised gain/ (loss) on revaluation of investments	197,446	11,231	3,765	(92,880)	119,561
Realised gains on investments	6,580	528	-	(289)	6,819
At 30 June 2022	1,082,877	94,678	25,655	348,333	1,551,543

(a) The revaluation of the local and overseas investments resulted in a net loss of Rs 198.2M (2022: net gain of Rs 119.6M).

(b) Purchases of local and overseas investments amounted to Rs 144.3M (2022: Rs 22.1M).

2023	**Official Market**	**Development & Enterprise Market**	**Unquoted**	**Overseas Quoted Investment**	**Total**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**
Additions	**8,727**	**351**	**-**	**135,246**	**144,324**
Transfer from OM to DEM	**(76,998)**	**76,998**	**-**	**-**	**-**
	(68,271)	**77,349**	**-**	**135,246**	**144,324**

2022	Official Market	Development & Enterprise Market	Unquoted	Overseas Quoted Investment	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Additions	10,853	1,142	4,000	6,095	22,090
Transfer from DEM to OM	1,648	(1,648)	-	-	-
	12,501	(506)	4,000	6,095	22,090

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

(c) The net proceeds on sales of local and overseas investments amounted to Rs 200.6M (2022: Rs 65.4M).

(d) Holdings in excess of 5% in nominal value of the issued class of shares:

Name	Main business	Class of shares	**2023** % Held	2022 % Held
Ace Engineering Co Ltd	Automative	Ordinary	**7.9%**	7.9%
Ace Motors Co Ltd	Automative	Ordinary	**7.8%**	7.8%
Allied Motors Co Ltd	Automative	Ordinary	**6.5%**	6.5%

(e) Geographical breakdown of financial assets is as follows:

Geographic breakdown

	2023 Rs '000	2022 Rs '000
Mauritius	**981,868**	1,203,210
Europe	**150,182**	194,088
United Kingdom	**1,254**	9,289
United States	**125,143**	43,755
Asia	**55,832**	101,144
South Africa	**57**	57
	1,314,336	1,551,543

(f) Included in the balance of financial assets at fair value through profit or loss is an amount of Rs 8.4M for listed securities held in one of the overseas brokerage accounts, which was inactive as at 30 June 2023. The Company could not freely trade the holdings in this account, until the KYC update process is completed by the broker.

7. LOANS RECEIVABLE AT CALL

	2023 Rs '000	2022 Rs '000
At beginning of year	**11,143**	17,158
Repaid	**(1,704)**	(6,090)
	9,439	11,068
Reversal of expected credit losses	**-**	75
At end of year	**9,439**	11,143

(i) The loans receivable at call earn average interest of 10% (2022:10%) per annum.

(ii) The collaterals received on the above loans include personal guarantee of the directors and corporate guarantee up to the value of the loans.

(iii) The loans are advanced to companies in Mauritius and with the object to sustain their working capital needs. The loans are repayable on demand with expected repayment within 30 days of call.

7. LOANS RECEIVABLE AT CALL (CONTINUED)

2023

	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**
Gross carrying amount				
At 1 July 2022	**11,607**	**-**	**-**	**11,607**
New assets originated or purchased	**-**	**-**	**-**	**-**
Assets derecognised or repaid (excluding write offs)	**(1,704)**	**-**	**-**	**(1,704)**
At 30 June 2023	**9,903**	**-**	**-**	**9,903**
ECL allowance				
At 1 July 2022	**464**	**-**	**-**	**464**
Assets derecognised or repaid (excluding write offs)	**-**	**-**	**-**	**-**
Remeasurement of ECL at year end	**-**	**-**	**-**	**-**
Amount written off	**-**	**-**	**-**	**-**
At 30 June 2023	**464**	**-**	**-**	**464**

2022

	Stage 1	Stage 2	Stage 3	Total
	Rs '000	Rs '000	Rs '000	Rs '000
Gross carrying amount				
At 1 July 2021	13,934	3,763	-	17,697
Assets derecognised or repaid (excluding write offs)	(6,090)	-	-	(6,090)
Transfers to Stage 1	3,763	(3,763)	-	-
At 30 June 2022	11,607	-	-	11,607
ECL allowance				
At 1 July 2021	539	-	-	539
Assets derecognised or repaid (excluding write offs)	(75)	-	-	(75)
At 30 June 2022	464	-	-	464

Amount recognised in the statement of profit or loss is the sum of the new assets originated or purchased, assets derecognised or repaid (excluding write off), impact on year end ECL of exposures transferred between stages during the year, remeasurement of ECL at year end and amount written off.

8. TRADE AND OTHER RECEIVABLES

	2023	2022
	Rs '000	Rs '000
Dividend receivable	**15,257**	12,054
Receivable from broker/custodian	**55,126**	350
Interest receivable	**886**	38
Prepayments	**241**	236
	71,510	12,678

Trade receivables are non-interest bearing and consist of dividends receivable from investments and proceeds receivable from sales of investments. The Company did not recognise any provision for ECL as most of the receivables have been recovered after the year end. For proceeds receivable from sales of local investment, they are settled within T+3 days after year end.

Included in the amount receivable from broker/custodian, is an amount of Rs 4.1M for cash held in one of the overseas brokerage accounts, which was inactive as at 30 June 2023. The Company could not freely access the cash in this account, until the KYC update process is completed by the broker.

9. CASH AND CASH EQUIVALENTS

	2023	2022
	Rs '000	Rs '000
Bank accounts with local banks	**190**	9,682
Cash held with local custodian	**6,871**	22,273
Cash held with foreign custodian	**-**	5,562
	7,061	37,517

10. STATED CAPITAL

	2023	2022
	Rs '000	Rs '000
Issued share capital	**423,388**	423,388
Ordinary shares authorised, issued and fully paid	**423,387,518**	423,387,518

Ordinary shares are not redeemable, carry voting rights,and are entitled to dividends or distributions and on winding up to any surplus assets of the Company.

11. BORROWINGS

	2023	2022
	Rs '000	Rs '000
Bank loans	**3,500**	60,000

The bank loans are payable within one to three months, carry average interest rates of 5.90% (2022: 2.77%) per annum.

12. TRADE AND OTHER PAYABLES

		2023	2022
		Rs '000	Rs '000
Trade payables	(i)	**77**	123
Accrued expenses	(ii)	**4,746**	5,632
Amount due to related parties (Note 22)		**73,213**	20,949
		78,036	26,704

(i) The average credit period on trade payables is 60 days and no interest is charged on trade payables. The Company has policies in place to ensure that all payables are paid within the credit timeframe.

(ii) Accrued expenses include dividend payable Rs 2.6M (2022: Rs 4.1M), of which Rs 0.8M (2022: Rs 1.0M) have been written back as at 30 June 2023. The dividend write back for 2023 was with respect to dividend declared in 2018.The dividend write back for 2022 relates to dividend declared in 2017.

13. TAXATION

(i) Income tax

Income tax is calculated at the rate of 15% (2022: 15%) on the profit for the year before income tax as adjusted for income tax purposes, and CSR which is calculated at 2% of the prior year's chargeable income.

	2023	2022
	Rs '000	Rs '000
Provision for the year	**68**	64
Overprovision for prior years	**(458)**	-
Corporate Social Responsibility contribution	**19**	5
Foreign tax on investment income	**206**	240
Income tax (credit)/expense	**(165)**	309

(ii) Current tax liabilities

	2023	2022
	Rs '000	Rs '000
Balance at beginning of year	**503**	480
Provision for the year	**274**	304
Overprovision for prior years	**(458)**	-
Less: Income tax paid	**(277)**	(286)
Corporate Social Responsibility due	**19**	5
Balance at end of year	**61**	503

Tax paid recognised in the Statement of Cash Flows amount to Rs 277k (2022: Rs 286k) which is made up of income tax paid and foreign tax on investment income.

(iii) Reconciliation of the total tax charge

A reconciliation between the tax expense and the accounting profit multiplied by the domestic tax rate for the years ended 30 June 2023 and 30 June 2022 is, as follows:

	2023	2022
	Rs '000	Rs '000
Accounting profit before tax	**(155,062)**	154,263
Tax at applicable rate 15%	**(23,259)**	23,139
Tax effect of:		
- Exempt income*	**(10,281)**	(24,930)
- Non-allowable expenses**	**33,685**	1,935
- Overprovision for prior years	**(458)**	-
- CSR fund	**19**	5
- Credit for foreign tax on foreign source income	**(77)**	(80)
	(371)	69
Foreign tax on investment income	**206**	240
	(165)	309

*Main items of exempt income relate to dividend income received from companies resident in Mauritius and surplus on revaluation of investments.

**Main items of non-allowable expenses include expenses attributable to exempt income.

14. DIVIDENDS PAYABLE

	2023	2022
	Rs '000	Rs '000
At the beginning of year	**50,807**	29,637
Declared during the year	**29,637**	80,444
Paid during the year	**(50,807)**	(59,274)
At the end of the year	**29,637**	50,807

No interim dividend has been declared for the year ended 30 June 2023 (2022: Rs 0.07 per share, paid on 10 June 2022).

The final dividend declared for the year ended 30 June 2023 is Rs 0.07 per share and was paid in September 2023 (2022: Rs 0.12 per share, paid on 30 September 2022).

15. NET ASSET VALUE PER SHARE

Net Asset Value (NAV) per share is based on the net assets of Rs 1.291M (2022: Rs 1.475M) and on 423,387,518 ordinary shares in issue for the two years ended 30 June 2023 and 30 June 2022 respectively.

16. DIVIDEND INCOME

	2023	2022
Dividend income from investments	**Rs '000**	Rs '000
Local:		
Listed - Official Market	**40,828**	44,093
Listed – Development & Enterprise Market	**6,437**	2,350
Unquoted	**516**	447
	47,781	46,890
Overseas: Quoted	**839**	916
	48,620	47,806

	2023	2022
Geographic Breakdown	**Rs '000**	Rs '000
Mauritius	**47,781**	46,890
Europe	**407**	324
USA	**427**	591
South Africa	**5**	1
	48,620	47,806

17. NET FOREIGN EXCHANGE GAINS

	2023 Rs '000	2022 Rs '000
Net exchange gains arising on cash and cash equivalents	**556**	567

The foreign exchange gain on foreign investments is included in the unrealized gain on revaluation of investments.

18. MANAGEMENT FEES

Expenses do not include any staff costs as the Company had no employees during the two years ended 30 June 2023 and 30 June 2022. Management fees are paid to the CIS Manager, Golden Fund Management Services Ltd, to provide management and company secretarial services to the Company. For years ended 30 June 2023 and 30 June 2022, management fees were based on investment.

	2023 Rs '000	2022 Rs '000
Management fees	**14,936**	15,946

19. CLOSED-END FUND EXPENSES

	2023 Rs '000	2022 Rs '000
Share registry fees	**1,677**	1,059
Custodian & other fees	**479**	716
	2,156	1,775

20. FINANCE COSTS

	2023 Rs '000	2022 Rs '000
Interest on bank loans	**1,874**	1,525
Interest on intercompany loans	**2,301**	339
Interest on bank overdraft	**51**	7
	4,226	1,871

21. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the year is based on the loss for the year of Rs 155M (2022: profit of Rs 154M) and on 423,387,518 ordinary shares in issue throughout the two years ended 30 June 2023 and 30 June 2022.

22. RELATED PARTY TRANSACTIONS

During the year, the Company had the following transactions/balances receivable from and payable to related parties.

Name of company	Relationship	Nature of transaction	Transactions during the year		Receivable/(Payable)	
			2023	2022	**2023**	2022
			Rs '000	Rs '000	**Rs '000**	Rs '000
Golden Fund Management Services Ltd (GFMS)	CIS Manager	Management fees	**14,936**	15,946	**-**	-
		Share of office expenses under common management	**1,952**	1,601	**(1,246)**	(1,811)
		Inter-company A/C balance			**(1,246)**	(1,811)
Golden Foundation Ltd (GFL)	Holding company of GFMS	Loan payable	**(52,466)**	(2,404)	**(70,404)**	(17,938)
		Interest	**(363)**	(339)	**(1,563)**	(1,200)
		Inter-company A/C balance			**(71,967)**	(19,138)

Loan from Golden Foundation Ltd (GFL) carries an average interest rate of 5.90% (2022: 3.10%).

23. CHANGES FROM LIABILITIES ARISING FROM FINANCING ACTIVITY

	At 1 July 2022	**Additions**	**Repayments**	**At 30 June 2023**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**
2023				
Interest bearing loans and borrowings	**60,000**	**382,300**	**(438,800)**	**3,500**
Loan from related party	**17,938**	**108,784**	**(56,318)**	**70,404**
Dividend payable	**50,807**	**29,637**	**(50,807)**	**29,637**
Total	**128,745**	**520,721**	**(545,925)**	**103,541**

	At 1 July 2021	Additions	Repayments	At 30 June 2022
	Rs '000	Rs '000	Rs '000	Rs '000
2022				
Interest bearing loans and borrowings	63,000	545,800	(548,800)	60,000
Loan from related party	15,534	108,707	(106,303)	17,938
Dividend payable	29,637	80,444	(59,274)	50,807
Total	108,171	734,951	(714,377)	128,745

24. CURRENT AND NON-CURRENT ASSETS AND LIABILITIES

	2023			2022		
	No more than 12 months	**More than 12 months**	**Total**	No more than 12 months	More than 12 months	Total
	Rs '000	**Rs '000**	**Rs '000**	Rs '000	Rs '000	Rs '000
ASSETS						
Financial assets at fair value through profit or loss	**1,284,668**	**29,668**	**1,314,336**	1,521,450	30,093	1,551,543
Loans receivable at call	**9,439**	**-**	**9,439**	11,143	-	11,143
Trade and other receivables	**71,510**	**-**	**71,510**	12,678	-	12,678
Cash and cash equivalents	**7,061**	**-**	**7,061**	37,517	-	37,517
	1,372,678	**29,668**	**1,402,346**	1,582,788	30,093	1,612,881
LIABILITIES						
Trade and other payables	**78,036**	**-**	**78,036**	26,704		26,704
Borrowings	**3,500**	**-**	**3,500**	60,000	-	60,000
Current tax liabilities	**61**	**-**	**61**	503	-	503
Dividends payable	**29,637**	**-**	**29,637**	50,807	-	50,807
	111,234	**-**	**111,234**	138,014	-	138,014

25. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are:

(a) To safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders;

(b) To secure a market-related dividend yield as well as long term capital appreciation.

The capital structure of the Company consists of debt, net of cash and cash equivalents and equity. The Company manages its capital structure and make such adjustments that are required in light of changes in economic conditions. The Board meets on a quarterly basis to monitor the operations of the Company so as to ensure that it is able to continue as a going concern, while maximising returns to shareholders.

The Company monitors capital using gearing ratio, which is net debt divided by total equity The strategy is to maintain the debt-to-adjusted capital ratio at a low level, in order to secure finance at the most competitive rates. The net debt consists of borrowings less cash at bank and in hand. Equity relates to share capital and retained earnings as disclosed in the Statement of Financial Position.

	2023	2022
	Rs '000	Rs '000
Borrowings	**3,500**	60,000
Less: cash and cash equivalents	**(7,061)**	(37,517)
Net debt	**(3,561)**	22,483
Total equity	**1,291,112**	1,474,867
Gearing ratio	**N/A**	1.52%

The Company has no capital commitments at 30 June 2023.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Fair value

Except as stated elsewhere, the carrying amounts of financial assets and liabilities approximate their fair values due to the short term nature of the balances involved.

Fair value measurements

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets are determined as follows:

The fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The unquoted financial assets have been valued as per valuation techniques described below.

Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows an analysis of financial instuments recorded at fair value by level of the fair value hierarchy:

	30 June 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at FVTPL	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**
Quoted equities				
Local Official Market	**804,658**	**-**	**-**	**804,658**
Development & Enterprise Market	**151,062**	**-**	**-**	**151,062**
Overseas Markets	**332,468**	**-**	**-**	**332,468**
Unquoted equities	**-**	**-**	**26,148**	**26,148**
Total	**1,288,188**	**-**	**26,148**	**1,314,336**

	30 June 2022			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	Rs '000	Rs '000	Rs '000	Rs '000
Quoted equities				
Local Official Market	1,082,877	-	-	1,082,877
Development & Enterprise Market	94,678	-	-	94,678
Overseas Markets	348,333	-	-	348,333
Unquoted equities	-	-	25,655	25,655
Total	1,525,888	-	25,655	1,551,543

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value measurements (Continued)

Reconciliation of Level 3 fair value measurements

	30 June 2023					
Sector	**At start of year**	**Additions**	**Disposals**	**Reclassification**	**Fair value gain/(loss) to profit or loss**	**At end of year**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**
Financial Services	**7,345**	**-**	**-**	**-**	**(3,057)**	**4,288**
Investment	**538**	**-**	**-**	**-**	**(347)**	**191**
Investment property	**1,561**	**-**	**-**	**-**	**(64)**	**1,497**
Manufacturing	**1,848**	**-**	**-**	**-**	**(333)**	**1,515**
Retail	**14,363**	**-**	**-**	**-**	**4,294**	**18,657**
Total	**25,655**	**-**	**-**	**-**	**493**	**26,148**

	30 June 2022					
Sector	At start of year	Additions	Disposals	Reclassification	Fair value gain/(loss) to profit or loss	At end of year
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Financial Services	5,240	-	-	-	2,105	7,345
Investment	540	-	-	-	(2)	538
Investment property	1,564	-	-	-	(3)	1,561
Manufacturing	237	-	-	-	1,611	1,848
Retail	10,310	-	-	-	4,053	14,363
Total	17,891	-	-	-	7,764	25,655

There was no transfer to/(from) Level 3 for the two years ended 30 June 2023 and 30 June 2022.

For financial assets under Level 2, the entity uses a directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets in active markets, quoted prices for identical instruments in inactive markets and observable input other than quoted prices such as interest rates and yield curves, implied volatilities and credit spreads.

The following table gives information about how the fair value of significant financial assets under Level 3 are determined and inputs used.

The sensitivity analysis below has been determined based on an increase/decrease of 5% change to the variable inputs with all other variables held constant.

At each reporting date, Management analyses the movements in the values of assets to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, Management verifies the major inputs applied by agreeing the information in the valuation computation to relevant documents. Management also compares the change in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value measurements (Continued)

30 June 2023

Sector of activity	Valuation technique	Significant unobservable input to fair value	Effect on fair value (+/- 5%) Rs'000
Financial Services	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 47% to account for market condition and liquidity	Discount to account for market condition and liquidity	214
Investment	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 10% to account for market condition and liquidity	Discount to account for market condition and liquidity	10
Investment property	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 21% to account for market condition and liquidity	Discount to account for market condition and liquidity	75
Manufacturing	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 21% to account for market condition and liquidity	Discount to account for market condition and liquidity	76
Retail	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 40% to account for market condition and liquidity	Discount to account for market condition and liquidity	933

30 June 2022

Sector of activity	Valuation technique	Significant unobservable input to fair value	Effect on fair value (+/- 5%) Rs'000
Financial Services	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 48% to account for market condition and liquidity	Discount to account for market condition and liquidity	367
Investment	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 10% to account for market condition and liquidity	Discount to account for market condition and liquidity	27
Investment property	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 20% to account for market condition and liquidity	Discount to account for market condition and liquidity	78
Manufacturing	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 50% to account for market condition and liquidity	Discount to account for market condition and liquidity	92
Retail	Average of adjusted NAV, P/E & P/NAV multiple of peers discounted by 40% to account for market condition and liquidity	Discount to account for market condition and liquidity	718

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Categories of financial instruments

Financial assets	**2023**	2022
	Rs '000	Rs '000
Assets at fair value through profit or loss:		
Financial Assets at FVTPL	**1,314,336**	1,551,543
Amortised cost:		
Loans receivable at call	**9,439**	11,143
Trade and other receivables	**71,269**	12,092
Cash and cash equivalents	**7,061**	37,517
	1,402,105	1,612,295

Prepayments have been excluded from trade and other receivables.

Financial Liabilities	**2023**	2022
	Rs '000	Rs '000
Financial Liabilities at amortised cost:		
Borrowings	**3,500**	60,000
Trade and other payables	**75,483**	22,619
	78,983	82,619

Dividends payable and current tax liabilities have been excluded. Amount due to related parties are classified under trade and other payables.

Financial risk management objectives

The Company holds both domestic and overseas investments and manages the financial risks relating to its operations by monitoring the risks and implementing policies to mitigate these risk exposures. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility.

(i) Currency risk

The Company is exposed to the risk that the carrying amounts of financial assets and liabilities denominated in foreign currencies, namely USD, EUR and ZAR, may change due to fluctuations in foreign exchange rates. Foreign currency trends are monitored by Management on a regular basis.

The currency profile of the Company's financial assets and financial liabilities at 30 June is summarised as follows:

	2023		2022	
	Financial Assets	**Financial Liabilities**	Financial Assets	Financial Liabilities
Currency	**Rs '000**	**Rs '000**	Rs '000	Rs '000
MUR	**949,805**	**78,983**	1,182,506	82,613
USD	**424,472**	**-**	349,440	6
EUR	**27,771**	**-**	80,292	-
ZAR	**57**	**-**	57	-
	1,402,105	**78,983**	1,612,295	82,619

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (Continued)

(i) Currency risk (Continued)

The following table details the Company's sensitivity to a 10% movement in MUR against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. A negative number below indicates a decrease in profit after tax where the MUR strengthens 10% against the relevant foreign currencies. For a 10% weakening of the MUR against the relevant foreign currencies, there would be an equal and opposite impact on the profit and the balance below would be negative.

	Impact on profit or loss	
	2023	2022
	Rs '000	Rs '000
USD	**42,447**	34,943
EUR	**2,777**	8,029
ZAR	**6**	6

<u>USD and EUR impact</u>

This is mainly attributable to the foreign currency exposure on both bank and investment balances.

<u>ZAR impact</u>

This is mainly attributable to the foreign currency exposure on investments held at reporting date.

(ii) Interest rate risk management

The Company is exposed to interest rate risk as the Company has short term loan facility at floating interest rates. The risk is managed by the Company by providing floating rate loans against market average Prime Lending Rate (PLR).

The interest rate profile of the Company's financial assets and financial liabilities as at 30 June was:

	Interest	**2023**	2022	**2023**	2022
		% p.a.	% p.a.	**Rs '000**	Rs '000
<u>Financial assets</u>					
Loans receivable at call	Fixed	**10.00**	10.00	**9,439**	11,143
<u>Financial liabilities</u>					
Borrowings	Floating	**5.90**	2.77	**3,500**	60,000
Amount due to related parties	Floating	**5.90**	3.10	**73,213**	20,949

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date. The analysis is prepared assuming the amount of these instruments at the end of the reporting date was outstanding for the whole year. A 200 basis points increase or decrease is used and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 200 basis points higher and all other variables were held constant, the Company's results would be increased as follows:

	2023	2022
	Rs '000	Rs '000
Impact on profit or loss	**(85)**	(37)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (Continued)

(ii) Interest rate risk management (Continued)

Interest rate sensitivity analysis (Continued)

Had the interest rates been 200 basis points lower and all other variables were held constant, there would be an equal and opposite impact on profit.

(iii) Equity price risk

The Company is exposed to equity price risk arising from equity investments. The Company manages the equity price risk through diversification. Reports on the equity portfolio are submitted to the Board of Director's on a monthly basis.

Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the reporting date. If equity prices had been 5% higher/lower:

Profit and equity would increase/decrease by Rs 65.7M (2022: Rs 77.6M) as a result of the changes in fair value of the equity investments.

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial assets and liabilities.

30 June 2023	**At call**	**Less than 1 month**	**Less than 3 months**	**3 months to 1 year**	**More than 1 year**	**Total**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**
Financial assets						
Non interest bearing:						
Trade and other receivables	**-**	**30**	**15,696**	**55,543**	**-**	**71,269**
Financial assets at FVTPL:						
Equity instruments	**1,152,194**	**-**	**-**	**-**	**-**	**1,152,194**
Interest rate instruments:						
Financial assets at FVTPL:						
Debt instruments	**-**	**-**	**7,973**	**124,501**	**29,668**	**162,142**
Loans receivable at call	**9,439**	**-**	**-**	**-**	**-**	**9,439**
Cash and cash equivalents	**7,061**	**-**	**-**	**-**	**-**	**7,061**
	1,168,694	**30**	**23,669**	**180,044**	**29,668**	**1,402,105**

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk management (Continued)

30 June 2023	**At call**	**Less than 1 month**	**Less than 3 months**	**3 months to 1 year**	**More than 1 year**	**Total**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**
Financial Liabilities						
Non interest bearing:						
Trade and other payables	**7**	**125**	**827**	**1,311**	**-**	**2,270**
Interest rate instruments:						
Amount due to related parties	**73,213**	**-**	**-**	**-**	**-**	**73,213**
Borrowings	**3,500**	**-**	**-**	**-**	**-**	**3,500**
	76,720	**125**	**827**	**1,311**	**-**	**78,983**

30 June 2022	At call	Less than 1 month	Less than 3 months	3 months to 1 year	More than 1 year	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Financial assets						
Non interest bearing:						
Trade and other receivables	-	12,430	11	-	-	12,441
Financial assets at FVTPL:						
Equity instruments	1,521,450	-	-	-	-	1,521,450
Interest rate instruments:						
Financial assets at FVTPL:						
Debt instruments	-	-	-	-	30,093	30,093
Loans receivable at call	9,207	-	-	-	1,936	11,143
Cash and cash equivalents	37,517	-	-	-	-	37,517
	1,568,174	12,430	11	-	32,029	1,612,644

30 June 2022	At call	Less than 1 month	Less than 3 months	3 months to 1 year	More than 1 year	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Financial Liabilities						
Non interest bearing:						
Trade and other payables	-	389	350	930	-	1,669
Interest rate instruments:						
Amount due to related parties	20,949	-	-	-	-	20,949
Borrowings	-	50,000	10,000	-	-	60,000
	20,949	50,389	10,350	930	-	82,618

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Wherever possible, credit risks are secured by guarantees.

The Company does not have significant concentration of credit risk which is attributable to its trade and other receivables.

Trade and other receivables consist mainly of dividend receivable from a large number of investee companies spread across diverse industries.

Bank balances are held with reputable financial institutions.

The table below shows the credit quality by class of assets for all financial assets exposed to credit risk.

The amounts presented are net of impairment allowances:

30 June 2023		**Days past due**			
	< 30 days	**30 - 60 days**	**61 - 90 days**	**> 91 days**	**Total**
	Rs '000	**Rs '000**	**Rs '000**	**Rs '000**	**Rs '000**
Trade and other receivables	**71,269**	**-**	**-**	**-**	**71,269**
Loan receivables at call	**9,439**		**-**		**9,439**
Cash and cash equivalents	**7,061**	**-**	**-**	**-**	**7,061**

30 June 2022		Days past due			
	< 30 days	30 - 60 days	61 - 90 days	> 91 days	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Trade and other receivables	12,092	-	-	-	12,092
Loan receivables at call	11,143	-	-	-	11,143
Cash and cash equivalents	37,517	-	-	-	37,517

27. SEGMENT INFORMATION

For management purposes, the Company is organised into one main operating segment, which invests in quoted and unquoted securities both on the local and overseas market. All significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

Refer to Note 6 for further details of the split of the financial assets at fair value through profit or loss between the local and overseas markets and to Note 16 for the detailed split of the income derived the financial assets held locally and overseas.

28. SUBSEQUENT EVENT DISCLOSURES

The local markets registered strong positive movements over the two months period to 31 August 2023, with the SEMDEX and DEMEX increasing by 5.8% and 5.0% respectively. The corporate results published during this period were positive, especially in the hospitality sector. The main indices in the US markets were in the green over the same period. The hikes in interest rates seem to be reaching the end of the cycle. The S&P500, Dow Jones Industrial Average and Nasdaq Composite registered increases of 1.2%, 0.9% and 1.8% respectively. However, some caution is required as the impact of interest rate hikes is still working its way in the economy.

NOTES

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