Annual Report

2021

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Glossary of Terms, Acronyms and Abbreviations

AIM	Advance Institute of Motoring Ltd
ARC	Audit and Risk Committee
BCSD	Business Council of Sustainable Development
CGNRC	Corporate Governance, Nomination and Remuneration Committee
CO2	Carbon dioxide
CSR	Corporate Social Responsibility
DEM	Development & Enterprise Market of the Stock Exchange of Mauritius Ltd
DPS	Dividend per share
EBITDA	Earnings before interest, tax, depreciation, and amortisation
EPS	Earnings per Share
FPSL	FleetPro Services Ltd
GCEO	Group Chief Executive Officer
GCA	Group Chief Accountant
HAWT	Horizontal-axis wind turbine
HC	Hydrocarbons
ICL	Island Communications Ltd
IFRS	International Financial Reporting Standard
KWh	Kilowatt-hour
lts	Litres
MBA	Master of Business Administration
MIoD	Mauritius Institute of Directors Ltd
MUR	Mauritian Rupees
MyC	MyChauffeur Ltd
NAV	Net Asset Value
NAVPS	Net Asset Value per Share
NGO	Non-Governmental Organisation
NOI	Net Operating Income
NOx	Nitrogen oxides
PAT	Profit after Tax
PET	Polyethylene terephthalate
PIE	Public Interest Entity
PM	Particulate matter
PV	Photovoltaic
RHT HL	RHT Holding Ltd
RHT BS	RHT Bus Services Ltd
RHT IL	RHT Investments Ltd
RHT PL	RHT Properties Ltd
RHT VL	RHT Ventures Ltd
ROE	Return on Equity
SEM	The Stock Exchange of Mauritius Ltd
SEMSI	Stock Exchange of Mauritius Sustainability Index
Sqm	Square metres
TMSL	Transport and Micropayment System Ltd
VAWT	Vertical-axis wind turbine
ZEB	Zero-emission bus

About the Group

RHT Holding Ltd initially started its operations in 1954 under the name Rose Hill Transport Group, operating in public transport in Mauritius. Through its years of experience in the bus services sector, RHT Holding Ltd has established itself as the leading market player.

RHT was first listed on the Over-The-Counter ("OTC") market of Stock of Exchange of Mauritius ("SEM") in 2001, it was officially listed on the Development & Enterprise Market ("DEM") of the SEM on 4 August 2006, the date when the SEM was officially launched. A restructuring was implemented two years later to separate the different activities into clusters. Subsequently, in 2010, the shareholders resolved to change the name of the Group from Rose Hill Transport Ltd to RHT Holding Ltd.

Although public transport remains the core activity of the Group, operating under the name of RHT Bus Services Ltd, there has been a diversification into corporate venturing, investment in property and equities of blue chip companies trading on the SEM as well as in international funds.

On 7 September 2015, RHT Holding Ltd was also listed on the SEM Sustainability Index ("SEMSI"), which seeks to promote the best companies in Mauritius working to provide a more sustainable business environment for all stakeholders.

The RHT Group is now entering a crucial phase. With the inception of the Metro Express service, the Company is poised to reinvent itself and transition to markets that offer better margins.

Our Vision

To be the leader in sustainable investments, technology and mobility beyond boundaries.

Our Mission

We aspire to be one of Mauritius' most valuable companies through innovation, world-class performance and a clear focus on each of our business segments.

Chairperson's Message

Paul Chung Kim Fung Ah Leung

Chairperson and Non-Executive Director

On behalf of the Board of Directors, I am pleased to present the Annual Report of RHT Holding Ltd (the "Company") for the year ended 30 June 2021.

There is an old French expression which reads as follows

Faire contre mauvaise fortune, bon cœur

"Make the best of a bad situation"

Indeed, this saying has never been so true... as it applies exactly to us all at RHT!

Whenever we face any unfavourable situation or "misfortune", there is no point in complaining or whining. On the contrary, we must accept, consider, analyze, and assess (often fighting back) such circumstances or fatalities and seek to make the most of the situation. This is the true RHT spirit.

It is publicly known that RHT Bus Services Ltd, the mother company of the Group, has over the last decade been constantly swayed by all sorts of exogeneous factors affecting the public transport industry. More recently, its main routes have been adversely and irreversibly impacted by the construction works and operations of the Metro Express. And as if this was not enough, the Covid-19 pandemic swirled in, worsening an already distressful situation by further decreasing overall ridership, increasing operating costs and destroying value that has taken more than 60 years to create.

Strategic review

The Board of Directors holds regular strategic meetings with the Senior Managers and Executives of the Group. We are now living in times where only uncertainty is certain! Therefore, not all strategic considerations onboarded today can be taken for granted a few months down the line. Only an agile and engaged management (and workforce) can manoeuvre in such situations.

Strategic reviews are especially required in situations where either the internal conditions have substantially changed or major changes in the external environment have occurred. At RHT, we are faced with both, our internal business strategy is changing within an exceptionally disruptive and extremely difficult external context.

The RHT Group's core corporate strategy remains within the realms of "mobility" and "technology". We are leveraging, and exporting our experience, expertise and our brand as an outstanding "mobility" and "technology" group of companies. RHT Group is well considered in quite a few African countries and well respected by its European and Asian partners with whom joint actions in Africa are being implemented.

RHT Group aims at moving from being a strong local Brand to becoming a respected African Brand through RHT's adherence to the highest levels of Corporate Governance in conducting its business activities. Moreover, major investments in the training of our managers and senior executives have been ploughed in to ensure that RHT, as a group, is managed by professionals with, not only the highest levels of integrity, but also the highest managerial skills required in the industries and markets we operate.

Dividend

Owing to the extremely tight situation, whether in terms of revenue or cash flow, it has been impossible for the company to consider any dividend declaration. We are not operating any more in a serene business context, and we have been extremely mindful of our revenue, top and bottom lines, and cashflow management. In such a difficult context, the Board of Directorshas not been able to consider any declaration and distribution of dividends as opposed to a total dividend of MUR 0.50 per share that was declared in the financial year ended 30 June 2020. I trust that you, our shareholders, will understand and support the company's decision.

The Board of Directors would also like to highlight that the Group is going through a complex restructuring process and that there is presently a desperate need for cash to fuel the development of both new lines of business and the Group's diversification to new market segments, whether onshore or offshore.

Acknowledgements

On behalf of the Board of Directors, I would like to salute the work and engagement of our managers and staff for their unfailing support for the company's vision. We recognize that the cement bonding the Directors and the management and staff of the group is the sharing of common values. Team spirit, honesty and integrity, hard work and accountability reinforce our team and strengthen our resolve.

On behalf of the Group, the Board of Directors wishes to thank you, our shareholders, for your understanding and support, together with your continuing trust in our ability to navigate in the present health, economic, and financial turmoil. Your renewed trust is very important to the management and the Board of Directors of the Company.

Paul Chung Kim Fung Ah Leung
Chairperson

Group Chief Executive Officer's Report

Sidharth Sharma

Group CEO

Dear Shareholder

I am pleased to report on the Group activities of RHT Holding Ltd for the financial year 2020-2021.

Persistent challenges

The financial year July 2020 to July 2021 has been challenging on several counts primarily due to the continuing COVID pandemic. In line with its containment strategy, the Group refrained from declaring any dividends as the imperative has been consolidation and cashflow management. We hope to renew the distribution of profits to shareholders once we complete our restructuring programme and are able to gather momentum in our operations.

The second lockdown, which lasted from mid-March to end of May 2021, meant that revenue for RHT Bus Services (RHT BS) fell drastically and on resumption in June 2021 did not return to the pre-Covid level. Nonetheless, the RHT BS team has done excellent work in compressing costs as much as possible without compromising on the level of service offered to our passengers.

The Government Wage Assistance Scheme provided invaluable help in relieving some of the pressure on the cash flow. However, we still await the allocation of new routes to make up for the loss of ridership due to the Metro Express service. The consequent fall in revenue resulted in a loss of Rs 18M for the financial year. Our current figures show that we need 5000 extra passengers per day in order to return to a break-even situation. We understand that we may obtain 2-3 new routes. The urgency of the situation has been conveyed to the decision makers.

Operational management contracts

On a positive note, the seeds of opportunity lie in a crisis. We have been successful in signing an operational management contract with Tondeka Metro Corporation (TMC), Uganda. TMC will be running a bus operation with more than 1000 buses in the Greater Kampala Metropolitan Area. The initial estimates of the daily passenger footfall are around 2 million. RHT has gathered a very experienced team of professionals to deliver on this project. We are very pleased that Mr Jamil Malik has joined our team as CEO of the Uganda operations. Jamil has extensive experience in running large fleets of buses in the United Kingdom, the Middle East and Nigeria.

We are also very bullish about the prospects of securing additional similar contracts in the region. This new business model will allow us to access more revenue in foreign exchange and achieve better margins. RHT BS will serve as a showcase of the competence of the Group. since we intend to introduce cutting edge technology as part of an innovation programme that could be scaled up in the new markets where we are positioning ourselves.

As such the organization structure of the Group has been reviewed with a number of high calibre new recruits joining the operations management and some of our existing executives being given additional responsibilities to support the new business model.

An analysts meeting is scheduled in September 2021 to present the new strategy of the Group to the investment community. We hope to raise the profile on this new lever that will boost our earnings significantly.

Encouraging performance of subsidiary companies

The diversification strategy with FleetPro, a full maintenance lease company, has worked well as we have doubled our year-on-year (YoY) revenue to reach MUR 45M. This trend is expected to continue in the coming year. FleetPro intends to operate 2 new garages in the new financial year. The one located in Curepipe will specialize in body works and the second workshop in Pailles will be used primarily for paint work. The fleet size of vehicles has grown to more than 200 cars, which therefore warrants an in-house setup to further improve our level of service and thus our margins.

ICL has shown stable results once again this year with a revenue of MUR27.3m and a profit of MUR2.7m. The company has added parking management solutions to its range of products and services. It has also won a contract for the Victoria Urban Terminal and is now positioning for similar projects.

MyChauffeur Ltd. has been rebranded as Flo Mobility Services or simply Flo because the company will be providing a full range of mobility solutions. Flo has won the tender for terminal management for the Victoria Urban Terminal. Following on from this success, Flo will bid for contracts to manage the proposed urban terminals in the other towns in Mauritius. The company is also building a fully-fledged third-party logistics platform to support e-commerce. Prospects for these new services are good and will help to bolster both the top and bottom lines of the company.

RHT Investments Ltd. (RHT IL) remains the flagship of the Group. Its investments in infrastructure such as Ebene Car Park and Victoria Station Ltd are intended to provide long term annuity income. The first phase of the Victoria Urban Terminal will be commissioned in October 2021.

RHT IL has also diversified its equity portfolio by investing in US and European financial instruments. Locally, the share price of the Mauritius Commercial Bank Ltd (MCB) has increased considerably, which in turn has impacted favourably our financial results. The company grossed a profit of MUR81.3m for the financial year ended 30 June 2021.

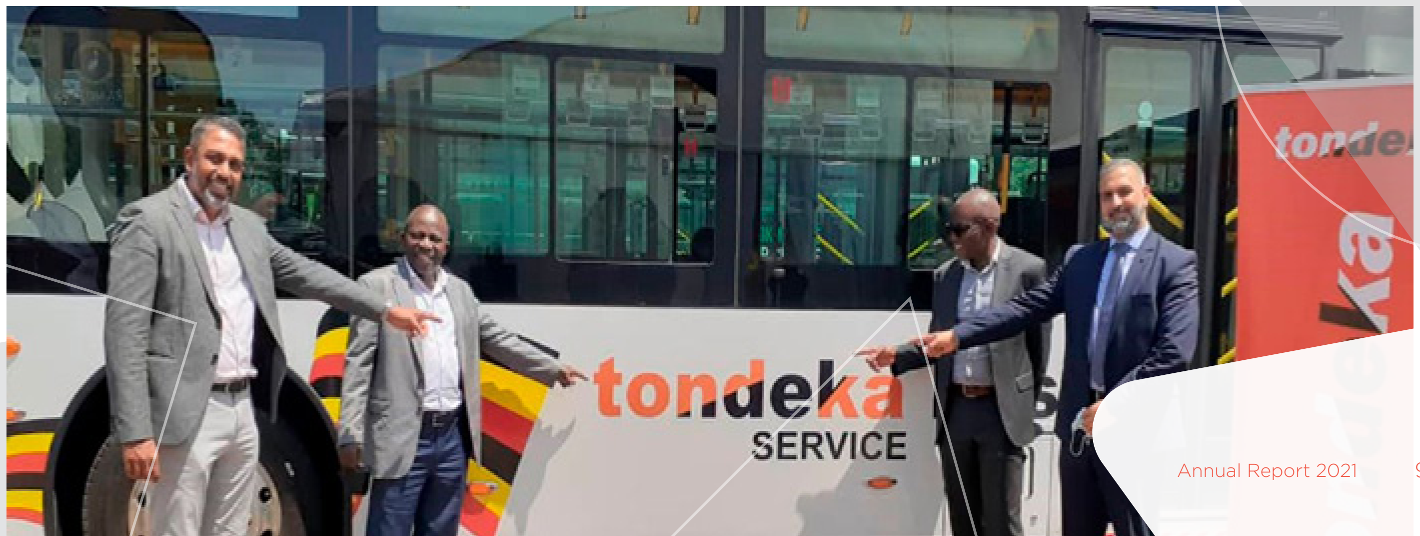
Outlook

The outlook for the coming financial year 2021-2022 looks encouraging as we should benefit from the many sales contracts that the Group has won over the past year. We also hope there will be more clarity on the support measures that the Government will provide to RHT BS. The Management of RHT Group remains committed to the implementation of the turnaround strategy.

To conclude, we wish to express our gratitude for the trust and support placed in us by all of our shareholders during these challenging times. We look forward to your continued support of our endeavours.

Your sincerely

Sidharth Sharma
Group CEO



Group Financial Highlights

RHT Bus Services Ltd.
Revenue
MUR 138.2M

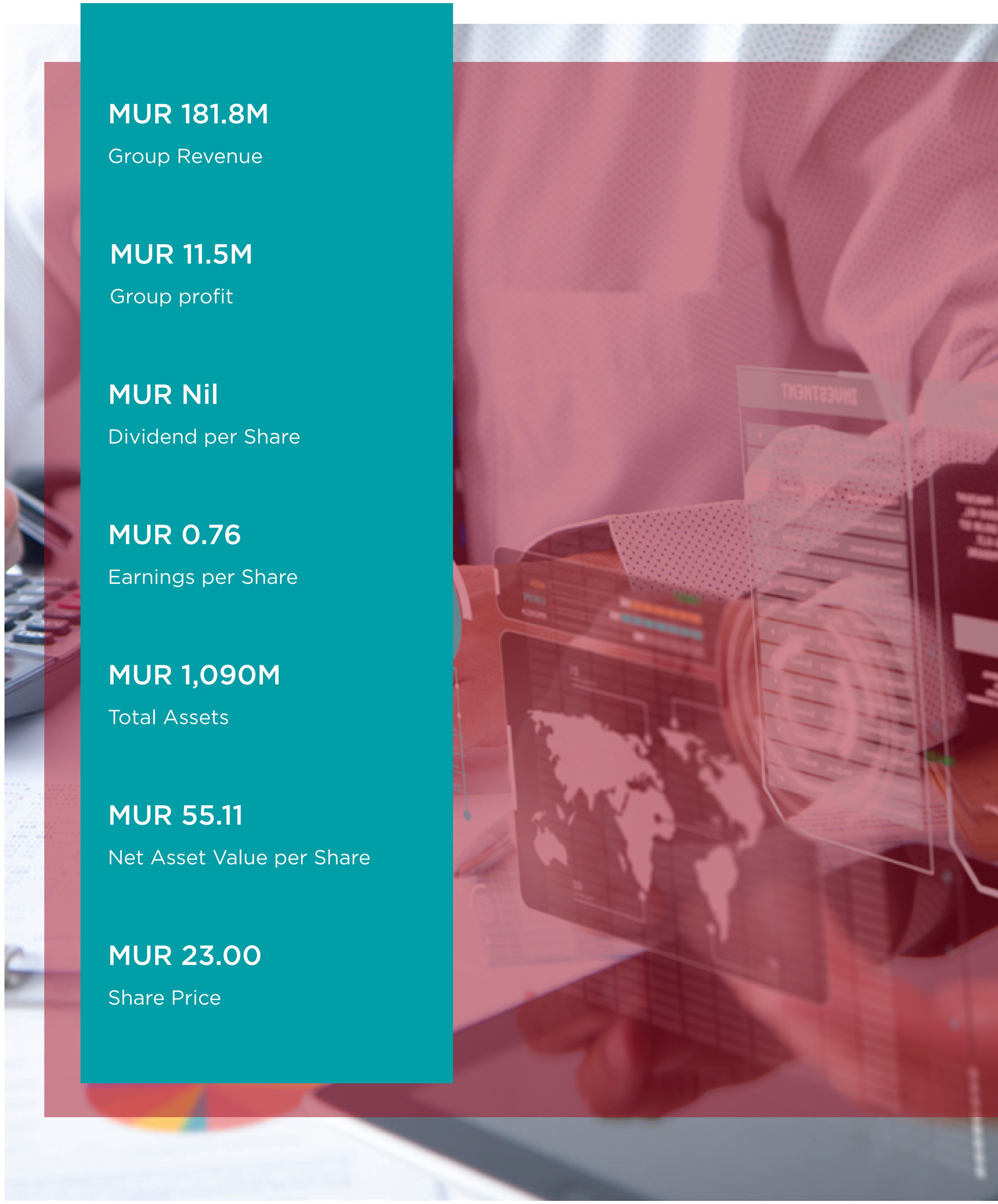
RHT Bus Services Ltd.
Loss for the year
MUR 18.3M

RHT Investments Ltd.
Profit before TAX
MUR 81.3M

RHT Investments Ltd.
Total assets
MUR 876M

Island Communications Ltd.
Revenue
MUR 27.3M

FPSL
Profit on recognition of net investment
MUR 10.0M



MUR 181.8M
Group Revenue

MUR 11.5M
Group profit

MUR Nil
Dividend per Share

MUR 0.76
Earnings per Share

MUR 1,090M
Total Assets

MUR 55.11
Net Asset Value per Share

MUR 23.00
Share Price

Leadership: Directors

Paul Chung Kim Fung Ah Leung

Chairman and Non-Executive Director

RHT Holding Ltd

Mr. Ah Leung, born in 1967, is a Member of the Chartered Institute of Marketing (UK) and holds a postgraduate diploma in Innovation and Design Thinking. He is currently the Group Chief Executive Officer of Rey & Lenferna Ltd and holds directorships in a number of Mauritian and international companies. Mr. Ah Leung was appointed as an Independent Director to the Board of RHT Holding Ltd on 10 January 2007. He is also a member of the Mauritius Institute of Directors (MIoD).

Directorships in other entities: *ATS Ltd, ATS International Ltd, ATS Manufacturing Ltd, Forges Tardieu Ltd, Linux Solutions Ltd, Lubatech Ltd, Paltoni Retail Ltd (Chairman), Petite Rivière Investments Ltd, Poivre Corporate Services Ltd, Rey & Lenferna Contracting Ltd, Systec (Madagascar) Sarl, Rey & Lenferna (Seychelles) Ltd.*

Dr Sidharth Sharma

Group CEO and Executive Director

RHT Holding Ltd

Dr. Sharma, born in 1974, holds a BSc (Electrical Engineering) from the University of Cape Town, South Africa, an MSc (Communication and Systems Engineering) and a PhD (Wireless network planning) from the University of Bristol, UK, and is a Chartered Engineer with the Engineering Council, UK. Before joining RHT Holding Ltd in 1996 as Logistics Manager, he worked as a Research Engineer at British Telecom (BT), UK. He was appointed to the Board of RHT Holding Ltd as Director in 2000 and Group Chief Executive Officer on 7 March 2012.

Dr. Sharma is also an Independent Non-Executive Director of Semaris Limited, listed on the Stock Exchange of Mauritius, and 4Sight Holding Ltd.,listed on the Johannesburg Stock Exchange (JSE).

A Fellow of the Mauritius Institute of Directors (MIoD), Dr. Sharma has been a board member of the MIoD, Courts Mammouth Mauritius Ltd and Globefin Management Services Ltd and a member of the strategic advisory committee of Port Louis Development Initiative (PLDI). An advocate for a greener public transportation system with a keen interest in electric vehicles, he is currently a member of the National Road Safety Council.

Over the course of his career, Dr. Sharma has received numerous accolades including a Mauritius Business Excellence award. He has published several technical papers in industry journals.

Directorships in other entities: *Semaris Limited, 4Sight Holding Ltd, RHT Bus Services Ltd, RHT Investments Ltd, RHT Ventures Ltd, Island Communications Ltd, FleetPro Services Ltd and Flo Mobility Services Ltd (formerly known as Mychauffeur Ltd).*

Meha Desai

Non-Executive Director

RHT Holding Ltd

Ms. Desai holds honours degrees in English Literature from Delhi University and in History of Art from The National Museum in New Delhi, India. She is currently completing her PhD at the University of Birmingham, UK. She was appointed to the Board of RHT Holding Ltd on 12 December 2017. She is a freelance writer and editor currently based in Mauritius. Her writing focuses on culture, food, and lifestyle stories. She has also written extensively on sustainability issues and ethical business practices across various industries. Her writing has been featured in magazines such as Harper's Bazaar, YouPhil.com, Sundays, and StarChefs. She has also written for organizations such as the Indian Council for Cultural Relations, The Craft Revival Trust, and the Alkazi Foundation. She is a member of the Mauritius Institute of Directors (MIoD).

Directorships in other entities: *Advance Institute of Motoring Ltd, FleetPro Services Ltd and RHT Bus Services Ltd.*

Ravindra Goburdhun

Executive Director

RHT Holding Ltd

Mr. Ravindra Goburdhun, born in 1958, holds a BSc Science from the University of Udaipur, India. He worked for 10 years in the hotel sector in France. He is also a director on RHT Investments Ltd, the investment arm of the group, FleetPro Services Ltd (previously known as Fleet Africa Indian Ocean Ltd).

Directorships in other entities: *RHT Bus Services Ltd, RHT Investments Ltd, RHT Ventures Ltd, Island Communications Ltd, FleetPro Services Ltd, Advance Institute of Motoring Ltd and Flo Mobility Services Ltd (formerly known as Mychauffeur Ltd).*

Uday Kumar Gujadhur

Independent Non-Executive Director – Chairman of the Corporate Governance, Nomination and Remuneration Committee and Member of the Audit and Risk Committee

RHT Holding Ltd

Mr. Gujadhur is a Fellow of the Association of Chartered Certified Accountants, UK, with over 30 years of professional experience in auditing, taxation and consulting. He is a Fellow of the Mauritius Institute of Directors and member of the Institute of Directors, UK.

Mr. Gujadhur serves as an Independent Non-Executive Director of several companies including investment funds and listed entities. He is a Board member of Essar Capital Limited, Essar Capital Investment Advisor to Essar Global Fund, a Cayman fund with investments worldwide. Until 2008 he was the CEO, Director and Shareholder of a major trust and fiduciary company in Mauritius. On the social side, he is an active member and Past President of the Rotary Club of Port Louis engaged in various community projects.

***Directorships in other entities**: Bravura Holdings Ltd, Quality Beverages Limited, Soap & Allied Industries Limited, Dacosbro Limited and The Mauritius Commercial Bank Limited*

Leadership: Directors (continued)

Yoosuf Mohammad Kureeman

Non-Executive Director

RHT Holding Ltd

Mr. Kureeman, born in 1956, was appointed to the Board on 1 January 2007. Mr. Kureeman is also a director of RHT Bus Services Ltd and of the venture companies of the group.

Mr. Kureeman is a retired serial entrepreneur with experience in the hardware, clothing and food business sector. He was also the Traffic Coordinator for RHT Bus Services managing the traffic operations.

Directorships in other entities:
Island Communications Ltd, RHT Ventures Ltd and RHT Bus Services Ltd

Gilbert Patrick Stéphane Leal

Non-Executive Director

RHT Holding Ltd

Mr. Leal was born in 1971 and holds a BSc in Business Management (cum laude) with double majors in Finance and Marketing from Boston College, USA. Mr. Leal was appointed to the Board of RHT Holding Ltd on 27 September 2004 and is also a Director of RHT Bus Services Ltd and of the venture companies of the Group.

He is a Director of Mauritours Ltd and a number of other companies in the tourism sector.

Directorships in other entities:
Mauritours Ltd, Efficall Support Services Ltd, Back Spin Mauritius Ltd and L.O.L Dynamic Adventures Ltd, RHT Bus Services Ltd, Island Communications Ltd, RHT Ventures Ltd, FleetPro Services Ltd, Flo Mobility Services Ltd (formerly known as Mychauffeur Ltd) and Advance Institute of Motoring Ltd.

Kamil Patel

Independent Director - Chairman of the Audit and Risk Committee

RHT Holding Ltd

Mr. Patel, born in 1979, holds an MBA (cum laude) from the University of Edinburgh. He was appointed as an Independent Director of RHT Holding Ltd on 1 July 2014. He is currently the CEO of the Rentsolutions Group and Chairman of the Board of the JSE listed 4Sights Holdings Ltd. Prior to founding the Rentsolutions Group, he was the CEO of the Dölberg Group for 9 years. He was also the Chairperson of Rentworks, one of the largest leasing companies in South Africa until November 2019. Before that, Kamil ran his own tennis business within the hospitality industry and has been publicly credited for changing tourism in Mauritius.

He is a Mauritian citizen who grew up in Ethiopia, Switzerland and the United States and has strong ties with the UK. He is a member of the Mauritius Institute of Directors (MIoD), President of the Mauritius Tennis Federation and a member of the Confederation of African Tennis.

Directorships in other entities: *Ilot Malais Ltd, Eco Dynamics Limited, Ferrotech Limited, Lavoro Limited, Rentsolutions Limited, Dölberg Finance Holdings Limited, Dölberg Investments Ltd, Flo Mobility Services* Ltd (formerly known as MyChauffeur Ltd), RHT Investments Ltd, 4Sights Holdings Ltd.

Khevin Seebah

Non-Executive Director
Island Communications Ltd

Mr Seebah holds a bachelor's degree in Economics and Administration with Information Systems, a Masters (Honours) in Business Intelligence and Information Systems from the University of Sciences Sociales, Toulouse, France, and he is an alumnus of INSEAD Fontainebleau, France, after completing his Advanced Management Programme for Executives. He is the Chief Executive Officer of ICPS Ltd, a subsidiary of HPS Group. He provides strategic leadership for ICPS by working closely with the board of directors to establish long-term goals, strategies and policies.

Mr Seebah has acquired 16 years of successful experience in banking, information technology and digital payment. His main exposure has been in Europe with the multinational Airbus Group and Africa with a particular emphasis on project management, systems architecture, card management systems, core banking and data warehousing. He has thorough practical experience of cards/payment and banking services.

Kavirasen Sornum

Non-Executive Director

RHT Bus Services Ltd

Mr Sornum is a member of the Association of Chartered Certified Accountants, UK, the Mauritius Institute of Professional Accountants and affiliate member of the Chartered Institute of Logistics and Transport. He has several years' experience in finance and logistics in Mauritius.

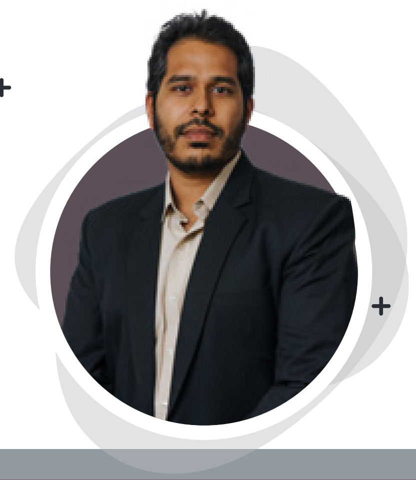
Yan Kwizera

Managing Director

RHT Africa

Mr Kwizera, born in 1985, holds a BSc in Computer Science from Kigali Independent University and an Executive MBA with specialisation in Strategy from the Quantic School of Business and Technology. Based in Kigali, Rwanda, he is responsible for expanding RHT Holding's business in providing smart mobility products and services on the African continent. He is a technopreneur with over a decade of experience in building, growing and managing ventures, acting as a start-up mentor, projects contributor and early stage investor. He considers that entrepreneurship provides an effective platform to achieve the positive impact he seeks. A regular speaker in worldwide conferences, he focuses on trade, investment and creating sustainable digital ecosystems.

Leadership: Senior Management Team



Alexandre Daruty

Head of Sales, Marketing & Business Development

RHT Holding Ltd

Alexandre Daruty, born in 1987, holds bachelor's degrees in International Business, Finance and Management. He joined the Group on 3 November 2020. He is responsible for the development, implementation and assessment of the sales and marketing strategies and opportunities for RHT Holding Ltd and each entity within the Group, and the subsequent marketing and sales plans, with the overall aim of promoting the Group's vision and objectives in both the local and international environment. He also leads sales and client-relationship management.

Yudheesha Napaul Crouche

Group Human Resources Manager

RHT Holding Ltd

Yudheesha Napal Crouche joined RHT Group as Human Resources Manager in July 2018, after working in various environments including textile, manufacturing and technology. Her experience in the field of HR management encompasses talent acquisition, employee engagement, employee performance appraisal, automation of HR processes, payroll, employee relations, job profiling and remuneration mechanisms.

A graduate in mathematics from the University of Technology, Mauritius, she is currently completing her master's degree in Applied Statistics and Operational Research.

Prakash Rajkomar

Group Chief Accountant

RHT Holding Ltd

Prakash Rajkomar is a Fellow of the Association of Chartered Certified Accountants, UK. Since joining RHT Holding Ltd, he has been closely involved in the revamp of the Group's Finance Department. In addition to his standard duties as Group Chief Accountant, he acts as liaison between the Senior Management, the Executive Directors and the Finance Department. He is also involved in the administration of the companies within the investment arm of the Group.

Prior to joining RHT Group, he worked for about 15 years for a Mauritius-based offshore management company forming part of a multinational, where he acquired extensive experience, and was promoted to Head of Accounting and Director following the expansion of the company's activities.

Devarajen Adiapen

Procurement and Facility Manager

RHT Bus Services Ltd

Devarajen Adiapen joined RHT in May 1998. Holder of a BA in Business Administration from the City College UK, a HDIP in BTech in Business and Finance, and Human Resource Management, and a Postgraduate Diploma in HRM. He is also a member of the Association of Business Executives.

He manages all welfare activities, customer proximity initiatives, health and safety events and activities, and facility tasks within the Group companies.

In July 2020, he was awarded two certificates of Special Recognition for his dedicated service and valuable contribution and commitment during the COVID-19 lockdown period.

Ashwin Ramchurn

Workshop Manager

RHT Bus Services Ltd

Ashwin Ramchurn joined RHT Bus Services Ltd as Assistant Workshop Manager in October 2016, and was appointed Workshop Manager in June 2019. He is responsible for the good running of the bus fleet and various engineering related tasks within the organisation.

Ashwin has an automotive engineering background and upon completion of his studies in 2011, he worked for ABC Motors as Service Engineer, Toyota (Mauritius) Ltd as Trainee Service Manager and CFAO Motors as Operations Engineer. In all three companies he was responsible for the aftersales service offered to customers, while reporting directly to the Senior Management and Directors.

Ashwin holds a master's degree in Total Quality Management with Performance Excellence and a Bachelor's in Engineering, from the University of Mauritius. He has also achieved several automotive certifications through City and Guilds (UK), Nissan N-Step, Toyota KODAWARI and Daimler Truck Learning Academy.

Reehaz Soobhany

Chief Operating Officer

RHT Bus Services Ltd

Reehaz Soobhany, born in 1974, joined RHT Bus Services in July 2019. He oversees all the core operational, financial and business development functions within the RHT Mobility cluster, including the overall business running of the bus services and the development of new business in the new mobility areas. He also manages projects that are specific to RHT Bus Services Ltd and Flo Mobility Services Ltd, as well as chairing the Health and Safety Committee.

Reehaz is initially from a technology consulting background having held consulting and senior managerial positions at New Edge Solutions (Eclosia Group), Ceridian and SKC Surat & Co Ltd. He is well versed in new technologies as well as operational management, people management and strategy formulation and execution.

Reehaz holds a Bachelor of Information Technology (Software Engineering) from the Australian National University, and Master of Business Administration from the University of Mauritius. He has also performed post-graduate research in data mining at the Commonwealth Scientific and Industrial Research Organisation (CSIRO Australia) and is a Member of the Mauritius Institute of Directors.

Leadership: Senior Management Team (continued)

Hussayn Baulum

Senior Lead/Trainer

Advance Institute of Motoring Ltd

Hussayn Baulum, born in 1978, joined RHT Ventures Ltd in 2014 as a driver and was subsequently promoted to Transport Planner. Following his certification by AA Drive/Tech (UK) as Trainer and Assessor for on-road and workshop driver training in 2016, he was appointed trainer at the RHT Training Academy. In 2018 he was promoted to his current position of Senior Lead/Trainer of the Advance Institute of Motoring Ltd, and is now responsible for the daily running of the Institute.

Before joining the RHT Group, Hussayn worked in transport planning for more than 15 years. During his career he has developed a wide range of skills including planning, fleet management and operations, monitoring of performance and behaviours of road users, training and coaching.

Ganesan Veeraragoo

Chief Operation Officer

FleetPro Services Ltd

Ganesan Veeraragoo, born in 1971, joined the company in January 2017. He is responsible for the running of the daily operations of FleetPro and the workshop department. He is a result-oriented person, with over 30 years' experience in operations management, supervision and client relations. He has acquired computer and technical skills through working with international franchises, such as ADA in Paris, and Engen Quick Shop and Corner Bakery in Cape Town.

Ajmal Abdool

Chief Operating Officer

RHT Ventures Ltd

Ajmal Abdool, born in 1981, first joined the Group in 2005 as Software Engineer at Island Communications Ltd (ICL). He was promoted to General Manager of ICL in 2007 and was responsible for the overall business growth, strategic direction, the performance of the company and market diversification into Africa. He was appointed to his current position of Chief Operating Officer of RHT Ventures Ltd in July 2018. He is now responsible for the diversification, profitability, differentiation and growth of ICL (Mauritius and Africa), Transport and Micropayment System Ltd (TMSL) and Flo Mobility Services Ltd.

Before joining ICL, he worked as Business Systems Consultant at Currimjee Informatics, and then Special Projects Consultant at New Edge Solutions working on various software projects within the Eclosia Group of Companies. He has thus acquired a rich professional experience in the IT industry covering a wide range of technical, operational and strategic roles.

Ajmal holds an MBA (specialisation HR) from the University of Mauritius, and a Bachelor of Engineering (IT & Telecommunications) from the University of Adelaide, Australia. He is also a Chartered Member of the Logistics and Transport Institute, UK, and a Member of the Mauritius Institute of Directors.

Message from the Chairperson of the Corporate Governance, Nomination and Remuneration Committee

Dear Shareholders

I am pleased to submit the Corporate Governance report for the year ended June 2021 for your consideration.

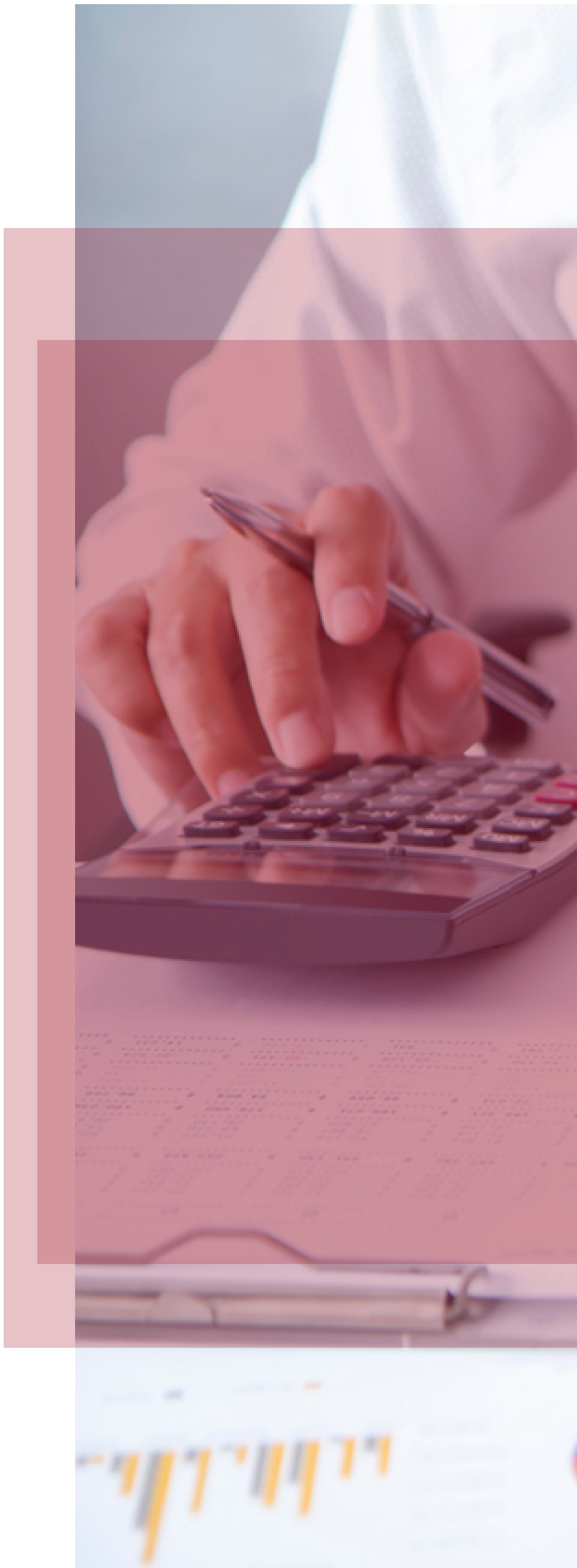
The challenging operational environment that had started with the first lockdown in March 2020 persisted throughout the entire financial year under review. The post-lockdown reopening of business proved to be slower than expected, with many companies favouring a hybrid mode of operating with varying degrees of work-from-home arrangements still in use. The concomitant reduction in passenger numbers when compared with the same period in 2019 resulted in a corresponding drop in earnings. This negative situation was further compounded by the now regular Metro Express service between Rose Hill and Port Louis, which attracted, and continues to attract, many passengers of all ages and occupation. The second lockdown from March to May 2021 only served to make more acute what was already a difficult operational environment.

In the face of such major external challenges, the need for constant attention to the practice and respect of governance principles has remained a crucial driving factor in the Group's continued prudent approach to both local and regional expansion. This prudence is further strengthened by the constant respect of our values and ethics underpinning our strategic reflection.

I wish to thank the members of the Committee and the Management for their dedication, professionalism and support in what has been yet another challenging year.

On behalf of the Committee

Uday Kumar Gujadhur
Chairperson
Corporate Governance, Nomination and Remuneration Committee



Corporate Governance Report

Year ended 30 June 2021

Company Profile

RHT Holding Ltd, a public company, incorporated in the Republic of Mauritius on 27 April 1954 and listed on the Development & Enterprise Market ("DEM") of the Stock Exchange of Mauritius Ltd, is a Public Interest Entity as defined by the Financial Reporting Act 2004.

Principle 1: Governance Structure

All organisations should be headed by an effective Board. Responsibilities and accountabilities within the organisation should be clearly identified.

The Board and Management of RHT reiterate their commitment to sustain high standards of Corporate Governance in order to maximise long-term value of all Shareholders and Stakeholders at large. Furthermore, it endorses the highest standards of business integrity and professionalism to ensure that the activities within the Company are managed ethically and responsibly to enhance business value for all stakeholders.

The Board assumes full responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements. Besides, the Board is collectively responsible for the long-term success, reputation and governance of the Company. The Board also determines the Company's mission, vision, values and strategy.

This report describes, amongst others, the main corporate governance framework and compliance requirements of the Company, which are laid down in the following:

- The Constitution of RHT;
- Terms of Reference of the Board Committees;
- National Code of Corporate Governance for Mauritius (2016);
- Companies Act 2001;
- The Securities Act 2005; and
- DEM Rules of the Stock Exchange of Mauritius.

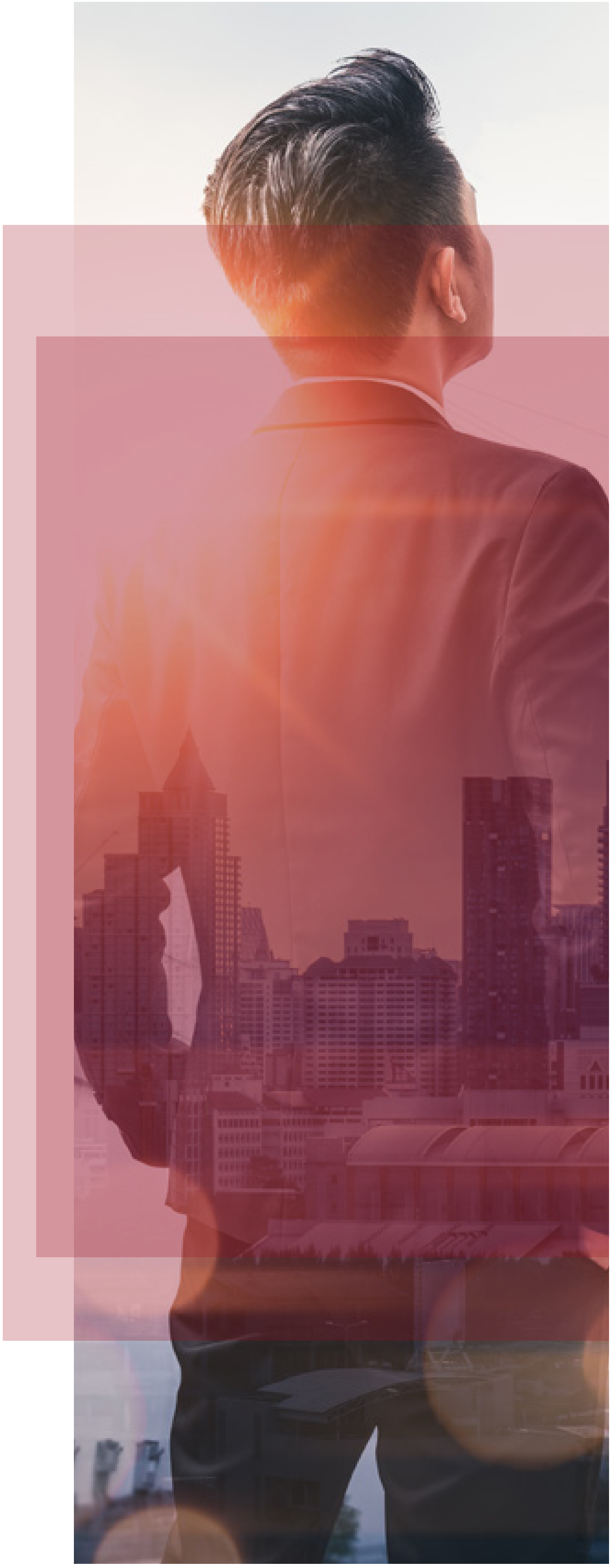
The Company has adopted the key governance documents mentioned below, copies of which are available upon request in writing to the Company Secretary:

- Constitution;
- Board Charter
- Organisation Chart
- Code of Ethics.

These documents have been drafted with the skills, knowledge, and expertise of the Board of Directors, who have not only been fully involved but have unanimously approved these essential documents and seek to adhere to them by the spirit and by letter. These are reviewed by the Board on a regular basis.

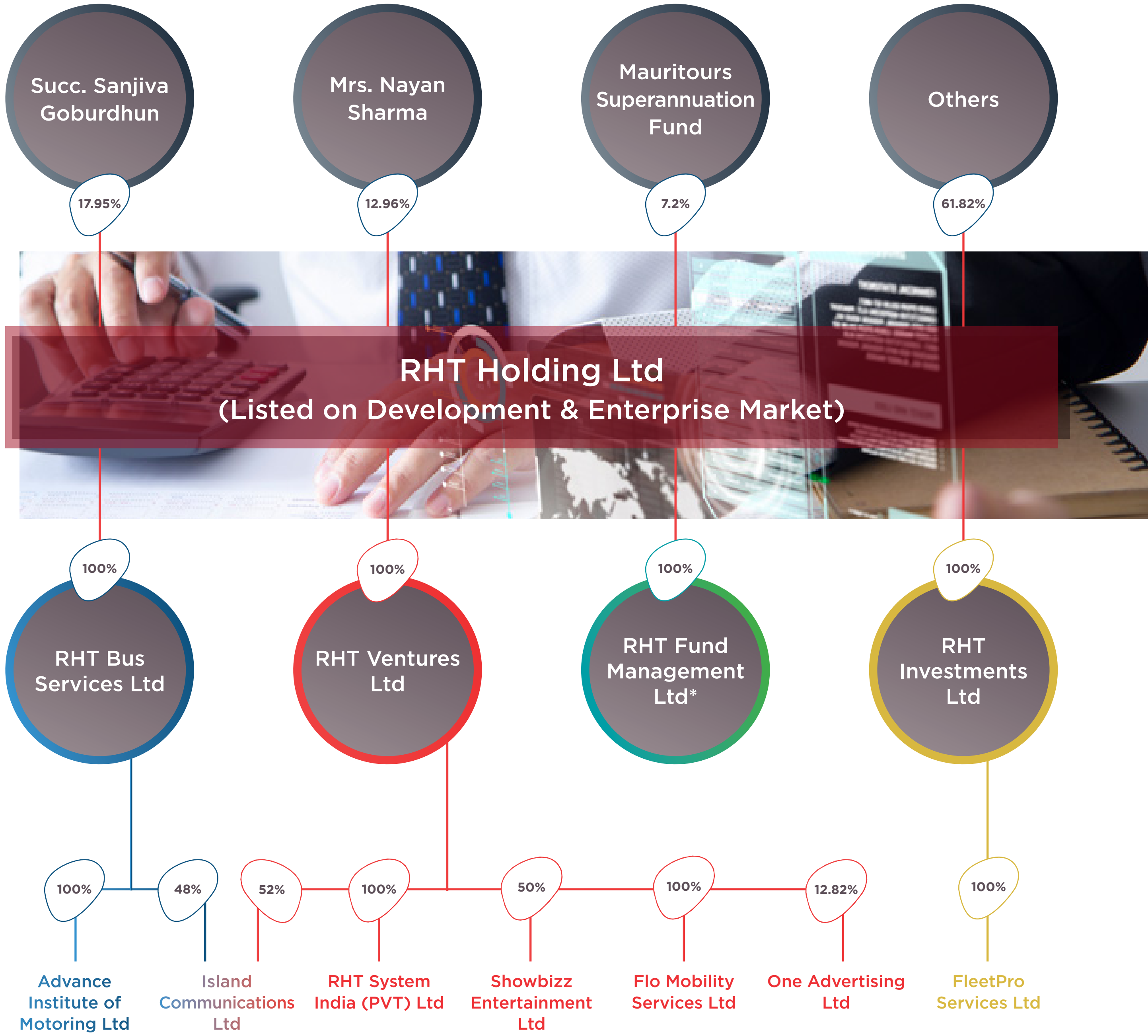
The Directors and Management of RHT also recognise the need to adapt and improve the principles and practices in light of their experience, regulatory requirements and investor expectations.

Additionally, every person holding a senior governance position within the Company has a written job description/position statement and is fully aware of their key responsibilities.



Company Structure

The structure of the Company is shown in the figure below:



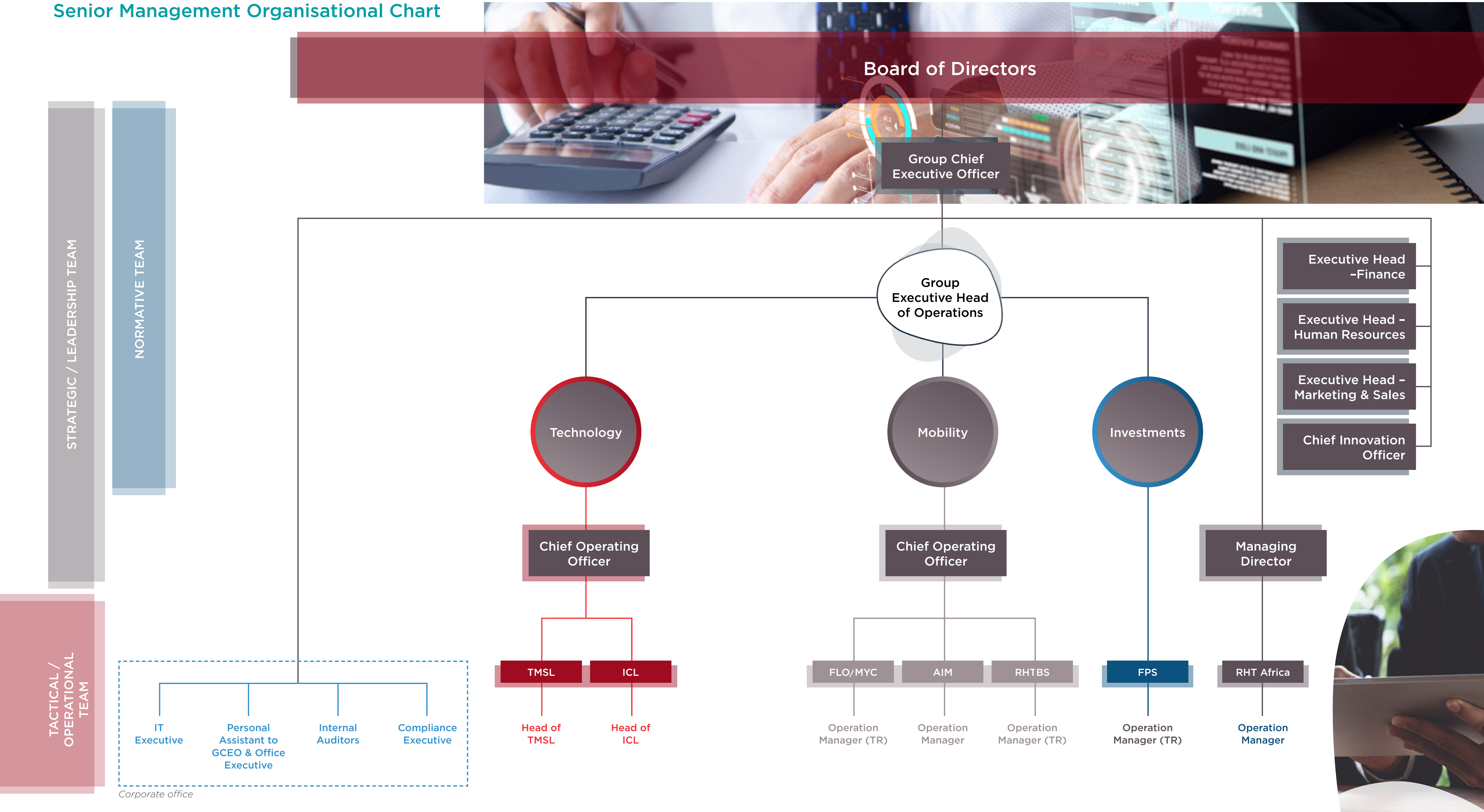
* Under process of winding up

It is noted that one of the subsidiaries of the Company, namely Transport and Micropayment System Ltd has amalgamated with and into Island Communications Ltd.

Moreover, out of 7,180 ordinary shares, RHT Ventures Ltd has transferred 48% of its shareholding in Island Communications Ltd, that is 3,446 ordinary shares, to RHT Bus Services Ltd.

Corporate Governance Report (continued)

Senior Management Organisational Chart



Corporate Governance Report (continued)

Common Directors

The names of the common Directors are as follows:

Common Directors	RHT Bus Services Ltd	RHT Investments Ltd	RHT Ventures Ltd	Island Communications Ltd	FleetPro Services Ltd	Flo Mobility Services Ltd (Ex mychauffeur Ltd)	Advance Institute of Motoring Ltd
Paul Chung Kim Fung Ah Leung							
Sidharth Sharma	✓	✓	✓*	✓	✓	✓	
Ajmal Abdool			✓	✓		✓	
Meha Desai	✓	✓			✓		✓
Ravindra Goburdhun	✓	✓	✓	✓	✓	✓	✓*
Uday Kumar Gujadhur							
Yoosuf Mohammad Kureeman	✓		✓	✓			
Gilbert Patrick Stephane Leal	✓*		✓	✓*	✓*	✓	✓
Kamil Patel		✓				✓*	
Khevin Seebah				✓			
Kavirasen Sornum	✓						

* *Chairperson*

Substantial shareholders as at 30 June 2021

The Stated Capital of the Company as at 30 June 2021 amounted to MUR 24,324,300/- divided into 12,162,150 Ordinary Shares of MUR2 Par Value.

The following shareholders held more than 5% of the stated capital of the Company as at 30 June 2021:

Name of Shareholders	Number of Ordinary Shares	Percentage Holding
Succession Sanjiva Goburdhun	2,182,745	17.9470%
Mrs Nayan Sharma	1,576,690	12.9639%
Mauritours Superannuation Fund	883,680	7.2658%

Constitution

The Constitution of RHT is in conformity with the provisions of the Companies Act 2001 and the DEM Rules of The Stock Exchange of Mauritius.

There are no clauses of the Constitution deemed material enough for special disclosure.

A copy of the Constitution can be obtained upon request in writing to the Company Secretary at its registered office, c/o Navitas Corporate Services Ltd, Navitas House, Robinson Road, Floréal.

Principle 2: The Structure of the Board and its Committees

The Board should contain independently minded directors. It should include an appropriate combination of executive directors, independent directors and non-independent non-executive directors to prevent one individual or a small group of individuals from dominating the Board's decision taking. The Board should be of a size and level of diversity commensurate with the sophistication and scale of the organisation. Appropriate Board committees may be set up to assist the Board in the effective performance of its duties.

Board Structure

RHT is led by an effective unitary Board which is the favoured structure for companies in Mauritius. The Board of RHT consists of two (2) Executive, four (4) Non-Executive and two (2) Independent Non-Executive Directors.

The notion of independent directors is based on the criteria provided under the Generic Guidance of the Code.

Only Board members attend each Board meeting for the duration with other officers of the Company, advisors and other subject-matter experts only attending on invitation for as long as it is deemed necessary by the Chairperson. The use of Alternate Directors is permissible. This is made possible by the careful drafting of the annual Board calendar that is set out each year by the Chairperson of the Board with the assistance of the Company Secretary.

Board Size

The Constitution of RHT provides that the Board of Directors shall consist of not less than seven (7) or more than eleven (11) Directors.

All the Directors are re-elected by separate resolution at every Annual Meetings of Shareholders of the Company.

Board Composition

As at 30 June 2021, the Board of RHT was composed as follows:

Name of Directors	*Category*
Paul Chung Kim Fung Ah Leung	Chairperson and Non-Executive Director
Sidharth Sharma	Group CEO and Executive Director
Meha Desai	Non-Executive Director
Ravindra Goburdhun	Executive Director and Group Head of Operations
Uday Kumar Gujadhur	Independent Non-Executive Director
Yoosuf Mohammad Kureeman	Non-Executive Director
Gilbert Patrick Stephane Leal	Non-Executive Director
Kamil Patel	Independent Non-Executive Director
Michel Patrice Leal (Alternate to Gilbert Patrick Stephane Leal)	Non-Executive Director

The Board is of the view that its present composition is adequately balanced and that the current Directors have the range of skills, expertise and experience to carry out their duties properly.

The names of the Directors, their profiles and their categorisation as well as their directorship details are set out in the Directors' Profiles section of this report.

Board Diversity

The Board of RHT has attempted to create the right balance and composition in such a way as to best serve the Company. The Board has an appropriate mix of gender, experience, diversity and all Directors wholly endorse the belief in diversity which is expressed in both the Board Charter and Code of Ethics. All Board members are ordinarily resident of Mauritius.

Corporate Governance Report (continued)

RHT is also an equal opportunity employer, with a non-discrimination policy that covers its senior governance positions and includes diverse professional backgrounds with a broad mix of skills and competencies.

RHT believes that, based on its size, the current Directors possess the appropriate expertise and knowledge to discharge their duties and responsibilities effectively and to meet the Company's business requirements.

Board Of Directors

The Board of Directors is the ultimate decision-making entity of RHT and exercises leadership, entrepreneurship, integrity and sound judgement in directing the Company to achieve continuing prosperity for the organisation while ensuring both performance and compliance.

The Board also ensures that the activities of the Company comply with all legal and regulatory requirements as well as its Constitution from which the Board derives its authority to act.

All Directors are aware of the key discussions and decisions of the committees as the Chairperson of each committee provides a summary to all the Directors at the Board meeting following the relevant committee meetings.

Besides, it is the Board's responsibility to apply proper and effective corporate governance principles and to be the focal point of the corporate governance system.

The role of the Board of Directors is, *inter alia:*

- To provide entrepreneurial leadership to the Company within a framework of prudent and effective risk management;
- To determine the Company's vision, strategy and values;
- To monitor and evaluate the implementation of strategies, policies, management performance criteria and business plans;
- To make sure that the necessary financial and human resources are in place for the Company to meet its objectives;
- To ensure that the Company complies with all laws, regulations and codes of best business practice;
- To keep proper accounting records, and ensure that a true and fair set of financial statements is prepared.

Chairperson and Group Chief Executive Officer

As a cornerstone of Corporate Governance the duties and responsibilities of the Chairperson and Group Chief Executive Officer are kept separate to ensure a proper balance of power, increased accountability and greater capacity of the Board for independent decision-making.

In his role as Chairperson, Mr. Paul C.K.F. AH LEUNG, is responsible for leading the Board and for ascertaining its effectiveness whereas the Group Chief Executive Officer, Dr. Sidharth SHARMA, has the day-to-day management responsibility of the operations, in particular, implementing the strategies and policies approved by the Board.

The Chairperson is elected every year by the Board.

Board Meetings

The Board meetings are normally held at least once each quarter and at any additional times as the Company requires. Decisions taken between meetings are confirmed by way of resolutions in writing, agreed and signed by all Directors. For the year under review the Board met seven (7) times and decisions were also taken by way of resolutions in writing, agreed and signed by all Directors.

The Board meetings are conducted in accordance with the Company's Constitution and the Mauritius Companies Act 2001 and are convened by giving appropriate notice to the Directors.

A detailed agenda, as determined by the Chairperson, together with other supporting documents, is circularised in advance to the Directors to enable them to make focused and informed deliberations at Board meetings. To address specific urgent business needs, meetings are at times called at shorter notice.

A quorum of at least fifty per cent (50%) of the Directors is currently required for a Board Meeting of RHT. In case of equality of votes, it is noted that the Chairperson does not have a casting vote.

The Directors may ask for any explanations or production of additional information and, more generally, submit to the Chairperson any request for information or access to information which might appear to be appropriate to them. Furthermore, the Directors have the right to request independent professional advice at the Company's expense

All Directors have a duty to declare conflicts of interest before proceeding with any transaction. As such, a Director who has declared their interest shall not vote on any matter relating to the transaction or proposed transaction in which they are interested and shall not be counted in the quorum for the same purpose of that decision. The Company Secretary takes note of any conflict of interest declared by a Director and records it in the minutes of the meeting.

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

Board Committees

In order to facilitate effective management, the Board of Directors of RHT has established two (2) Committees for the Group, namely the Audit and Risk Committee and the Corporate Governance, Nomination and Remuneration Committee, to assist the Board by ensuring a more comprehensive evaluation of specific issues.

These Committees operate within defined Terms of Reference and independently to the Board.

The Chairperson of each Board Committee reports on the proceedings of their Committee at each Board meeting of the Company and the Committees regularly recommend actions to the Board. The Company Secretary acts as Secretary to the Board Committees.

The Board Committees are authorised to obtain, at the Company's expense, professional advice both within and outside the Company in order for them to perform their duties.

The Board of RHT believes that the members of its two (2) above-mentioned Committees have the appropriate balance of skills, experience, independence and knowledge to enable them to discharge their duties.

The Board of Directors assesses the Terms of Reference of the two (2) Board Committees on a regular basis to ensure that they are being applied correctly and that they are still compliant with the various regulations.

Audit and Risk Committee

During the year under review, the composition of the Audit and Risk Committee is as follows.

Members	***Category***
Kamil Patel	Chairperson and Independent Non-Executive Director
Meha Desai	Non-Executive Director
Uday Gujadhur	Independent Non-Executive Director
Gilbert Patrick Stephane Leal	Non-Executive Director
In attendance (when deemed appropriate)	
Sidharth Sharma	Executive Director and Group Chief Executive Officer
Prakash Rajkomar	Group Chief Accountant
PWC	Internal Auditors – Independent Service Provider
BDO & Co	External Auditors – Independent Service Provider

The Audit and Risk Committee operates under the Terms of Reference approved by the Board. The Audit and Risk Committee confirms that it has fulfilled its responsibilities for the year under review, in accordance with its Terms of Reference.

The Committee meets at least once each quarter and reports on its activities to the Board. A quorum of two (2) members is currently required for an Audit and Risk Committee meeting. The Audit and Risk Committee met four (4) times for the year under review.

The main functions of the Audit and Risk Committee are as follows:

- Reviewing the effectiveness of the Group's internal control and reporting systems;
- Monitoring the effectiveness of the internal audit function;
- Overseeing the financial reporting procedures in line with the relevant accounting standards;
- Making recommendations to the Board of Directors concerning the appointment of the external auditors,
- Reviewing the scope of work and the remuneration of the external auditors;
- Monitoring the effectiveness and independence of the external auditors;
- Recommending the condensed unaudited quarterly financial statements; and
- Maintaining the integrity of the financial statements.

BDO & Co was re-appointed as external auditors at the Annual Meeting of the Company held on 18 December 2020.

The Company Secretary acts as Secretary of the Audit and Risk Committee to ensure proper recording of the proceedings of the meetings.

Corporate Governance Report (continued)

Corporate Governance, Nomination and Remuneration Committee

The composition of the Corporate Governance, Nomination and Remuneration Committee remained unchanged during the year under review.

At the date of this report, the membership of this Committee was as follows:

Members	*Category*
Uday Kumar Gujadhur	Chairperson and Independent Non-Executive Director
Sidharth Sharma	Executive Director and Group Chief Executive Officer
Paul Chung Kim Fung Ah Leung	Chairperson of the Board of Directors and Non-Executive Director
Meha Desai	Non-Executive Director
Yoosuf Mohammad Kureeman	Non-Executive Director

The Corporate Governance, Nomination and Remuneration Committee operates under the Terms of Reference approved by the Board and a quorum of two (2) members is currently required for a meeting of the Committee. The Corporate Governance, Nomination and Remuneration Committee met three (3) times during the year under review.

The main functions of the Corporate Governance, Nomination and Remuneration Committee are as follows:

- Providing guidance to the Board on all corporate governance provisions to be adopted so that the Board remains effective and follows prevailing corporate governance principles;
- Reviewing the Corporate Governance Report to be published in the Annual Report of RHT and ensuring that the reporting requirements are in accordance with the principles of the National Code of Corporate Governance 2016;
- Recommending to the Board of Directors the adoption of policies and best practices as appropriate;
- In its role as Nomination Committee, reviewing the structure, size and composition of the Board, identifying and recommending to the Board possible appointees as Directors, making recommendations to the Board on matters relating to appointment or re-appointment of Directors and succession plans for Directors whilst assessing the independence of the Independent Non-Executive Directors; and
- In its role as Remuneration Committee, determining and developing the Company's and Group's general policy on executive and senior management remuneration and making recommendations to the Board on all the essential components of remuneration whilst determining the adequate remuneration to be paid to Directors and senior management.

The Corporate Governance, Nomination and Remuneration Committee confirms that it has fulfilled its responsibilities for the year under review in accordance with its Terms of Reference.

In line with the Code's aspiration that the Corporate Governance, Nomination and Remuneration Committee be chaired by an Independent Non-Executive Director, Mr. Uday Gujadhur has been appointed as Chairperson of the said Committee in view of his extensive experience and knowledge and in order to provide continuity in the application of best practices.

The Company Secretary acts as Secretary of the Group Corporate Governance Committee to ensure proper recording of the proceedings of the meetings.

Attendance at Board and Committee Meetings

All Directors are committed to attending meetings of the Board and Committees on which they serve.

Below is a record of attendance at all Board and Committee meetings held in the reporting year:

Name of Directors	*Category*	*Board Meetings*	*Audit and Risk Committee Meetings*	*Corporate Governance, Nomination and Remuneration Committee*
Paul Chung Kim Fung Ah Leung	NED	6/6	-	2/3
Sidharth Sharma	ED	6/6	-	3/3
Meha Desai	NED	5/6	3/4	3/3
Ravindra Goburdhun	ED	6/6	-	-
Uday Kumar Gujadhur	INED	5/6	4/4	3/3
Yoosuf Mohammad Kureeman	NED	5/6	-	3/3
Gilbert Patrick Stephane Leal	NED	5/6	4/4	-
Kamil Patel	INED	6/6	3/4	-
In attendance				
Sidharth Sharma			4/4	
Prakash Rajkomar			4/4	
External Auditors			2/2	
Internal Auditors			1/1	

** In attendance – not a member*

ED: Executive Director	**INED:** Independent Non-Executive Director	**NED:** Non-Executive Director

During the year under review, meetings were mostly held to approve the quarterly accounts of the Company.

In addition to regular Board and Committee meetings, strategic Board meetings, which were led by external consultants, were held to discuss the following:

- Re-structuring of the Group;
- Key risks facing the Group and mitigation factors;
- Overarching strategy and objectives for the upcoming year;
- Strategy for each Group subsidiary; and
- New ventures for the upcoming years.

Corporate Governance Report (continued)

Principle 3: Directors' Appointment Procedures

There should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of directors. The search for Board candidates should be conducted, and appointments made, on merit, against objective criteria (to include skills, knowledge, experience, and independence and with due regard for the benefits of diversity on the Board, including gender). The Board should ensure that a formal, rigorous and transparent procedure be in place for planning the succession of all key officeholders.

Directors' Profiles

The names of all Directors, their profile and their categorisation as well as their Directorship details in other companies are found on page 12 of this Report.

Profiles of the Senior Management Team

The profiles of the senior management team of RHT are found on page 16 of this Report.

Group Company Secretary

The Group has a service agreement with Navitas Corporate Services Ltd for the provision of company secretarial services.

All Directors have direct access to the advice and services of the Company Secretary who is responsible for providing detailed guidance to the Chairperson and the Directors as to their fiduciary duties, responsibilities and powers. The Company Secretary also ensures that the Company is at all times complying with its Constitution, Terms of Reference, applicable laws, rules and regulations.

Moreover, the Group Company Secretary assists the Chairperson, the Board and Board Committees in implementing and strengthening good governance practices and processes with a view to enhancing long-term stakeholder value. The Company Secretary also administers, attends and prepares the minutes of all Board meetings, Board Committee meetings and Shareholders' meetings.

The Company Secretary is also the primary channel of communication between the Company and its Shareholders as well as the regulatory bodies.

Appointment and re-election

The responsibility of selecting a new Director forms part of the responsibility of the Corporate Governance, Nomination and Remuneration Committee and the Chairperson of the said Committee oversees the selection process.

The Corporate Governance, Nomination and Remuneration Committee makes recommendations to the Board either to fill a casual vacancy or as an addition to the existing Directors and ensures that the total number of Directors shall not at any time exceed eleven (11) Directors as stipulated in the Constitution of the Company.

The re-election of all the Directors is tabled at each Annual Meeting of Shareholders of RHT

Director's Induction

RHT has a fully structured induction process to introduce a newly appointed Director to the Company's and the Group's businesses as well as the Senior Executives.

The actual induction provided to the newly appointed Director depends on the Director's experience. It thus tries to strengthen the areas in which the new Director lacks experience to be able to fully understand the business and operations of RHT.

During the period under review, no new Director has been appointed to the Board either to fill a casual vacancy or in addition to the existing Directors.

The induction programme meets the specific needs of both the Company and the newly appointed Director and enables the latter to be acquainted with and develop a good understanding of the Group.

Professional Development

Directors and employees of the Company are encouraged to follow continuous professional development courses and training sessions to keep up to date with industry, legal and regulatory developments.

RHT ensures that the necessary resources for developing and updating its Directors' knowledge and capabilities are provided as and when required.

Succession Planning

The Board considers its succession very carefully in its annual strategy session.

The Board has a defined succession planning policy which is applicable for the following personnel:

- Group Chief Executive Officer;
- Independent and other Non-Executive Directors on the Board;
- Senior Management Team; and
- any other positions within the organisation at the discretion of the Chairperson and Group Chief Executive Officer in consultation with the Board.

The Corporate Governance, Nomination and Remuneration Committee oversees and reviews succession plans from time to time and makes suitable recommendations to the Board.

The Committee proactively reviews the succession requirements for the Board and carries out due diligence to determine the suitability of every person who is being considered for appointment or reappointment as a Director of the Board based on their educational qualifications, experience, and track record. The proposed candidate is evaluated by the Corporate Governance, Nomination and Remuneration Committee to determine the eligibility and fit with respect to the relevant criteria as per the Companies Act 2001. Their candidature is then recommended to the Board for its consideration and approval.

The succession plan for the Senior Management Team is based on the inputs received from the Human Resources Manager and the Group CEO. The Committee periodically reviews any vacancy or probable vacancy in the Senior Management Team which may arise on account of retirement, resignation, death, removal or incapacity whether temporary or permanent or otherwise. The Board strives to fill such vacancy by internal progression subject to availability. In case no suitable candidate is available to fill the position, external candidates are considered.

In consultation with the Group CEO and the Chairperson of Corporate Governance, Nomination and Remuneration Committee, the Board evaluates the suitability of any such person based on factors such as experience, age, health, and leadership intelligence and recommends their candidature to the Board well before such vacancy arises to facilitate a smooth transition.

The Committee may also resolve to engage the services of a retired executive on a contractual or consultant basis or otherwise subject to their proven track record and their willingness to serve the organisation in such capacity.

The prevailing HR standards for promotions and/or transfers are designed in such a way that the existing or proposed senior managerial personnel gets all-round exposure in various domains to facilitate career progression, and prepare them for administrative responsibilities to discharge their functions effectively.

Members of the Senior Management Team always endeavour to add capability in-house and mentor subordinates with potential working under them to handle their responsibility in their absence by exposing these persons to all aspects of work being handled by them. In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organisation chart shall take interim charge of the position, pending a regular appointment in line with the succession plan.

Principle 4: Directors Duties, Remuneration and Performance

Directors should be aware of their legal duties. Directors should observe and foster high ethical standards and a strong ethical culture in their organisation. Conflicts of interest should be disclosed and managed. The Board is responsible for the governance of the organisation's information, information technology and information security. The Board, committees and individual directors should be supplied with information in a timely manner and in an appropriate form and quality in order to perform to required standards. The Board, committees and individual directors should have their performance evaluated and be held accountable to appropriate stakeholders. The Board should be transparent, fair and consistent in determining the remuneration policy for directors and senior executives.

Legal Duties

The Directors of RHT are aware of their legal duties and responsibilities as listed in the Mauritius Companies Act 2001.

The Directors further confirm that they exercise their duties with a degree of care, skill and diligence.

Code of Ethics

A Group Code of Ethics has been adopted by the Board to ensure that policies, procedures and controls are in place for the business to be conducted honestly, fairly and ethically. The effectiveness and efficiency of the Group Code of Ethics are reviewed regularly by the Board of Directors to ensure that the Code of Ethics is applied at all levels.

The Code of Ethics includes the principles, norms and standards that the Group wants to promote and integrate within its corporate culture in the conduct of its activities, including internal relations, interaction and dealings with external stakeholders.

Furthermore, the Group and its employees must, at all times, comply with all applicable laws and regulations.

The Group will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery. The Group does not permit any activity that fails to stand the closest possible public scrutiny.

All business conduct should be above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being,

Corporate Governance Report (continued)

in any way, in contravention of the laws and regulations governing the Group's operations. Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of someone at the highest level of hierarchy.

Conflict of Interest

As a Public Interest Entity, RHT makes every effort to ensure that Directors declare any interest and report to the Chairperson and the Company Secretary any related party transactions. A full register of conflicts of interest is kept by the Company Secretary and updated on a regular basis; it is available to shareholders upon request.

As members of the Board, the Directors recognise that they owe a fiduciary duty of loyalty to RHT and its subsidiaries. This duty requires the Directors to avoid conflicts of interest and to act at all times in the best interests of RHT and its subsidiaries. The purpose of the conflicts of interest policy is to help inform the Board about what constitutes a conflict of interest, assist the Board in identifying and disclosing actual and potential conflicts, and help ensure the avoidance of conflicts of interest where necessary.

In their capacity as Board members, the Directors must subordinate personal, individual business, third-party, and other interests to the welfare and best interests of RHT and its subsidiaries.

All conflicts of interest are not necessarily prohibited or harmful. However, full disclosure of all actual and potential conflicts, and a determination by the disinterested Board members, with the interested Board member(s) recused from participating in debates and voting on the matter, are required.

All actual and potential conflicts of interests are disclosed by Board members to the Corporate Governance, Nomination and Remuneration Committee through the annual disclosure form and/or to the Board whenever a conflict arises. Members of the Board who are not affected determine whether a prohibited conflict exists and what subsequent action is appropriate (if any). The Chairperson of the Corporate Governance, Nomination and Remuneration Committee informs the Board of such determination and action. The Board retains the right to modify or reverse such determination and action, as well as the ultimate enforcement authority with respect to the interpretation and application of this policy.

As per the Constitution of RHT, a Director who has declared their interest may not vote on any matter relating to transaction or proposed transaction in which they are interested but are counted in the quorum present for the purpose of that decision.

Related Party Transactions

Please refer to Note 36 of the Financial Statements.

Both conflict of interest and related party transactions, if any, are handled in accordance with the Group Code of Ethics.

Information, Information Technology and Information Security Governance

IT Policy and Related Expenditures

The Board of Directors realises that in today's technological era, it is important to have a strategic alignment of information security with business strategy in order to achieve organisational goals. As such, the Board ensures that appropriate resources are allocated for the implementation of an information and IT security framework within the organisation.

The Company is also embracing technological change and cloud hosting is used to store most of its digital information. This is part of the strategy to cater for the growth of the organisation across multiple physical locations and to ensure business continuity. Furthermore, the Company has implemented multiple security policies to ensure that data is safeguarded both within its premises as well as on the cloud, including access rights granted only to authorised personnel, password expiry and complexity policy as well as a backup process for digital information.

As part of the planning and budgeting exercise, all IT expenditures are identified. For all purchases of over MUR 500,000, the Company has set up a Tender Committe

Board Information

The Chairperson, with the assistance of the Company Secretary, ensures that Directors receive all information necessary for them to perform their duties and that the Board has sufficient time for consultation and decision-making.

The Board members of RHT ensure that matters relating to the Company, learned in their capacity as Directors, are strictly confidential and private and shall not be divulged to anyone without the authority of the Board.

Besides as already mentioned above, the Directors have the right to request independent professional advice at the Company's expense in cases where the directors judge it necessary.

Directors' and Officers' Indemnity and Insurance

A Directors' and Officers' liability insurance has been taken out at the level of the holding entity.

Board Evaluation and Development

Upon the recommendation of the Corporate Governance, Nomination and Remuneration Committee, the Board of Directors has approved that a Board evaluation be carried out on a regular basis, by way of a questionnaire. The Chairperson of the Board of Directors, in collaboration with the Corporate Governance, Nomination and Remuneration Committee acts thereafter on the results of the evaluation by recognising the strengths and addressing the weaknesses of the Board.

It is also noted that the Directors forming part of the Board of the Company, especially those who are members of Board Committees, have been appointed in the light of their wide range of skills and competence acquired through several years of working experience and professional background.

Furthermore, Non-Executive Directors are chosen for their business experience and acumen as well as their ability to provide a blend of knowledge, skills, objectivity, integrity, experience and commitment to the Board. These Directors are free from any business or other relationships which would materially affect their ability to exercise independent judgement and are critical observers.

Remuneration

Statement of Remuneration Philosophy

The Board of Directors has delegated to the Corporate Governance, Nomination and Remuneration Committee, the responsibility of determining the adequate remuneration to be paid to the Chairperson of the Board, the Independent Non-Executive Directors, the Non-Executive Directors, the Executive Director and the Management staff.

The remuneration of the Board is reviewed on a regular basis by the Corporate Governance, Nomination and Remuneration Committee before making recommendations to the Board. Remuneration of both Directors and the Senior Management Team is based on performance and effort. No Directors of RHT or its subsidiaries have received shares in lieu of remuneration.

Remuneration Policy

The following policy on remuneration has been adopted by the Company

Introduction

Pursuant to the requirements of the Code of Corporate Governance for Mauritius, the Board of Directors of a listed company is required to define general guidelines for the company's remuneration to the Board of Directors and the Executive Management, which must be approved by the Board before a specific agreement on incentive pay with any member of the company's Board of Directors or Executive Management is entered into.

According to Recommendations on Corporate Governance, the Board of Directors should adopt a Remuneration Policy applicable to the Board of Directors and the Executive Management and that the Policy is tabled for Board approval on a regular basis. The recommendations are based on corporate governance best practices and apply to the members of the Board of Directors and Executive Management of RHT and its subsidiaries.

Any agreements between RHT or its subsidiaries and the Board of Directors or the Executive Management concerning fixed remuneration or incentive pay must be subject to this policy.

Board of Directors

The ordinary members of the Board of Directors receive a fixed base fee as consideration for their Board duties.

The Chairperson of the Board of Directors receives a fixed fee equalling two times the base fee received by the ordinary Board members.

In addition, the Board members may receive a fixed fee for their work on committees established by the Board of Directors and the Board members may receive separate fees for completion of specific projects, e.g. a sale of the company or material assets.

The remuneration of the Board of Directors is determined on the basis of standards in the market and reflects demands to competencies and efforts in light of the scope of their work and the number of Board meetings. Each year the general meeting approves the fees payable to the Board of Directors.

Corporate Governance Report (continued)

Executive Management

Fixed Salary

The aim of paying a fixed salary is to attract and retain the best-qualified candidates at the Executive Management level. The elements of the fixed remuneration are determined based on market standards and the Company's specific needs from time to time. As a part of the fixed salary, the Company may offer other standard benefits, such as a company car scheme and free telephone.

The Board of Directors and Executive Management evaluate the fixed salary annually based on the results from the previous period and with due consideration to the trend in market standards.

Incentive Pay

To create alignment of interests between the Executive Management and the Company's shareholders and to consider both short- and long-term targets, RHT considers it expedient to set up incentive plans for the members of its Executive Management. Such incentive plans may consist of warrants and non-share-based bonus agreements, which may be continuous, one-off and event based.

The Board of Directors may enter into agreements with the Executive Management about cash bonus plans. Cash bonus plans consist of a maximum bonus fixed annually which the Executive Management will receive if all targets for the relevant year are met. The maximum cash bonus shall be equivalent to up to 200% of the fixed salary of each member of the Executive Management.

The payment of a bonus depends on whether the conditions and targets defined in the agreement have been fully or partly met. These may be personal targets related to the performance of the individual member of the Executive Management or the performance of RHT or its subsidiaries. In exceptional cases, other agreements that may lead to the payment of a bonus of up to one year's fixed salary may be made. Such agreements are typically expected to be made so as to take effect upon the occurrence of a specific event, for instance the acquisition of a controlling interest in the company, the completion of a project, the continuing employment of the Executive Management until a specific point in time, defined either as a date or a period after the occurrence of a specific event.

Change and Phase-Out of Incentive Plan

The Board of Directors may change or phase out one or more incentive plans introduced pursuant to this policy. In the evaluation of whether this should be done, the criteria that formed the basis of the establishment of the plan will be taken into account. However, such changes can only be made within the framework of this policy. More extensive changes must be approved by the shareholders.

The total fees earned under the review year by Directors in their capacity as Board members are listed on page 51 of the Report.

Directors' Dealing in the Shares of RHT

The Directors of RHT are aware of their responsibilities to disclose any acquisition or disposal of the Company's shares in accordance with the Securities Act 2005 and the DEM Rules of the Stock Exchange of Mauritius Ltd.

In accordance with the DEM Rules, Directors are strictly prohibited to deal in the shares of the Company during closed periods.

Interest of Directors in the Shares of the Company

Written records of the interests of the Directors and their closely related parties in shares of RHT are kept in a Register of Directors' Interests.

Accordingly, as soon as a Director becomes aware that he is interested in a transaction, or that his holdings or his associates' holdings have changed, this should be reported to the Company in writing. The Company Secretary then ensures that the Register of Interests is updated accordingly.

The direct and indirect interests of the Directors and of the Senior Management Team who hold shares in RHT are disclosed in the table below:

Directors in the Shares of the Company (continued)

The direct and indirect interests of the Directors and of the Senior Management Team who hold shares in RHT are disclosed in the table below:

	Direct Interest		Indirect Interest	
Name of Directors	***No. of shares***	***%***	***No. of shares***	***%***
Paul Chung Kim Fung Ah Leung	5,000	0.0411		
Sidharth Sharma	447,865	3.6553	30,500	0.25
Meha Desai	540,660	4.4454		
Ravindra Goburdhun	5,020	0.0413		
Uday Kumar Gujadhur	-	-		
Yoosuf Mohammad Kureeman	224,689	1.8474		
Gilbert Patrick Stephane Leal	215,850	1.7748	135,000	1.1
Kamil Patel	-	-		

None of the Directors held any interest in the share capital of subsidiaries of the Company.

Directors' Transactions in RHT Shares during the Year

Name of Directors	***Number of Shares Bought/Acquired***	***Number of Shares Sold***
Sidharth Sharma	2,000	-

Principle 5: Risk Governance and Internal Control

The Board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management. The Board should ensure the maintenance of a sound internal control system.

The Board of RHT assumes its responsibilities in maintaining an effective system for risk governance and ensures that the Company develops and executes a comprehensive and robust system of risk management.

The Directors are committed to a strong risk management culture. The Group Chief Executive Officer has the main responsibility of risk management and works with the Senior Management team to effectively perform his duties.

Moreover, all companies within the Group have established a Risk Management Register to ascertain that risks are systematically identified and mitigated so as to minimise the potential impact on information resources.

Corporate Governance Report (continued)

Audit and Risk Committee

Dear Shareholder and Valued Partner

As Chairperson of the Audit and Risk Committee, I am pleased to present this report for the financial year ended 30 June 2021, which details the roles and responsibilities of the Committee and the work carried out during the year. I trust that it will be valuable to both our shareholders and stakeholders in appreciating the fulfilment of the Committee's objectives.

The Committee has continued to play a key oversight role for the Board by placing significant emphasis on sustaining the standard of the financial reporting process, as well as assessing Management's judgement on major accounting treatments and the work carried out by third parties. We have placed significant focus on safeguarding the effectiveness and independence of the internal and external audit processes in considering a number of business challenges from the Company's perspective.

Due to the COVID-19 pandemic, each subsidiary has been regularly submitting an adapted risk report to the Committee which was monitored on a quarterly basis.

The Audit and Risk Committee continues to review closely any control failures identified in the internal audit reports or otherwise and monitors the progress on Management's and any subsidiary's implementation of recommendations and action plans. Where required, the Senior Management Team is welcome to give an insight into the challenges faced and the strategies used to manage these risks.

This year the Board with the support of the Audit and Risk Committee has focused on improving its internal and external controls. As our internal auditor, PWC has been giving quarterly feedback to the Committee on this issue.

The implementation of Management's recommendations is followed closely by the Audit and Risk Committee.

BDO & Co. in their third year as auditors have been updating us constantly on their work as external auditor, which has proceeded smoothly.

The Committee met four (4) times during the year under review. The minutes of proceedings are made available to the Board to keep the Directors fully appraised of the activities of the Committee.

The highlights for the financial year ended 30 June 2021 were as follows:

Financial Reporting

- Review quarterly reporting.
- Review the Annual Report 2021.
- Take note and analyse the Group's performance and position.
- Take note of the abridged audited financial statements.
- Recommend the adoption of such statements to the Board of Directors prior to publication and filing.
- Review significant matters and judgements including the valuation of investment properties.
- Take note of the litigation registers for the Group and possible financial impact.

External Audit

- Assess the effectiveness and performance of external auditors and their continuing independence with regard to audit and non-audit services.
- Take note of updated accounting policies following recent changes in IFRS requirements and their impact on the financial statements of RHT Holding Ltd.
- Take note of interim financial reports issued.

Health & Safety

- Ensure that the health, safety and environmental risk identification processes lead to sound management strategies within the various activities of RHT Holding Ltd.
- Take note of the consolidated health & safety report (OSH cover and major issues in RHT Holding Ltd and subsidiaries).
- Take note of legal proceedings.

Risk Governance and Internal Controls

- Ensure roles and functions of external and internal audits are clarified, coordinated and effectively carried out.
- Ensure the highest standards of behaviour within the Company and its subsidiaries.
- Evaluate the effectiveness of the internal control and risk management system.

Based on the activities carried out, the Audit and Risk Committee believes that there were no material shortcomings in the design and effectiveness of the internal controls, governance and risk management during the year. The Committee discharged its responsibilities according to its mandate. Looking ahead, we will remain focused on the audit, assurance and risk processes across the Group and its subsidiaries and maintain oversight of financial, environmental and other regulatory requirements.

On behalf of the Audit and Risk Committee and in my personal name, I wish to thank the GCEO and Management Team, our external auditors, the internal audit team and Committee members for their contributions to the discharge of our duties and responsibilities.
On behalf of the Committee

Kamil Patel
Chairperson
Audit and Risk Committee

Internal Audit

The internal audit function is performed by PwC.

The Internal Audit is responsible for the independent review of the Group's risk management and control environment. Its objective is to provide reliable, valued and timely assurance to the Board, the Audit and Risk Committee, and the Executive Management over the effectiveness of controls, mitigating current and evolving high risks and in so doing enhancing the controls culture and adding value within the Group's activities.

In particular, the Internal Audit assists the Executive Management by carrying out independent assessment and appraisals of the effectiveness of the internal control environment and makes value added recommendations for improvement, and supports the Group's strategies, objectives and business management policies.

The Audit and Risk Committee approves the Internal Audit's programme and resources, reviews and discusses major audit findings together with management responses and evaluates the effectiveness of Internal Audit. The audit assignments carried out by PwC for the year under review were:

- Human Resource - RHT Group
- Financial Closure - RHT Group
- Cashflow management - RHT Group
- Workshop operations - RHT Bus Services Ltd

The audit reports were presented respectively at the Audit and Risk Committees meetings and a number of recommendations have been made and agreed by management to strengthen existing controls. The Audit and Risk Committee and the Directors oversee risk management. The Board aims at ensuring that risks faced are effectively identified, assessed, monitored and managed at acceptable levels in order to improve the risk-return profile of its shareholders.

To achieve this aim, RHT has put in place an organisational structure with clear lines of responsibilities to mitigate risks, as shown below.

Some of the most important risks to which the Company is exposed are defined hereunder:

Financial risks – These risks, including currency risks, interest rate risks and price risks, are reported on pages 74 to 79 of the Financial Statements.

Legal and regulatory risks – These risks arise out the inability to comply with policies, laws and regulatory requirements.

Operational risk – These risks are defined as the risk of loss arising from inadequate or failed internal processes, people and systems or from external events.

Strategic risks and business risks – These risks arise due to inappropriate business decisions or inadequate future business strategies in relation to the operating environment. The risk is usually caused by inflexible cost structures, changes in the business environment, Government or international regulatory decisions.

Corporate Governance Report (continued)

Risk Governance Process

Risk Category	Risk	Level 1	Level 2
Financial	Risk of failing to maintain adequate liquidity levels resulting in group company subsidiaries being unable to meet their obligations as they fall due.	• Regular monitoring of cashflow via the review of cashflow forecast and reporting cashflow requirements to executive officers to assist in securing facilities. • Review covenants of financial arrangements with financial institutions and report looming deadlines to executive officers.	• Assess request for funding and where relevant, recommend for approval to Board of Directors. • Share approval of Board of Directors with Management Team to arrange for funding.
Legal and regulatory	Risk of incurring financial and non-financial loss due to failure to comply with legal requirements.	• Review of compliance with statutory requirements • Take note of new statutory requirements from announcements by relevant authorities and notification from the Company Secretary • Report to executive officers any notice of failure to comply with statutory requirements	• Assess impact of failure to comply with statutory requirements • Update Audit and Risk Committee on defaults so that remedial action can be taken via Internal Audit exercise or via audit to be performed by legal firms to assess compliance with applicable legislation. • Share recommendations of Audit and Risk Committee with Management Team to implement remedial action.
Operational	Risk of procedures not being followed with the effect of causing financial and non-financial loss to the business unit	• Ensure that set procedures are complied with. • Report material departures to the Audit and Risk Committee • Comply with HR policies with regards to sanctions applicable to departure from contractual agreement.	• Assess the financial and non-financial impact of the reported departure. • Request Internal Auditor to investigate the matter and report on findings • Report the findings to the Board of Directors • Report decision of the Board of Directors to Management Team for implementation.
Strategic and Business	Risks of not meeting targeted results and missing business opportunities	• Regular meetings with operational teams and monitoring of performance of business units via the review of monthly reporting. • Prepare working papers to update executive officers on potential new business avenues.	• Meeting Management Teams at regular intervals as well as reviewing the reporting produced to assess the performance of the business unit • Make recommendations to Board of Directors about new business opportunities and arrange for facilitators and resources to explore new business avenues.

Whistle-blowing Policy

In order to ensure that RHT is fully protected against bribery and or corruption, the Board has constituted an Ethics Committee. Information about its composition and terms of reference is available on request.

Principle 6: Reporting with Integrity

The Board should present a fair, balanced and understandable assessment of the organisation's financial, environmental, social and governance position, performance and outlook in its annual report and on its website

The Directors of RHT affirm their responsibilities for preparing the Annual Report and Financial Statements of the Company.

The Board also considers that the Annual Report and Financial Statements of the Company, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders and other key stakeholders to assess the position, performance and outlook of RHT.

Please refer to the Statement of Directors' Responsibilities found on page 48 of the Annual Report.

Sustainability Reporting

Mapping the RHT Approach to Sustainability

Delivering our vision requires tackling a range of complex issues. Some of these issues are within our control, some we seek to influence and others are more challenging to manage and require working in partnership with our stakeholders.

Sustainability means meeting our own needs without compromising the ability of future generations to meet their own needs. RHT Bus Services Ltd (RHTBS Ltd) who has always been an innovative leader in the field of public transportation, also has sustainability as part of its core values.

Smarter technology

Customers' expectations are changing, and we must innovate to adapt to their needs and be a responsible business. We use technology to set us apart from the competition and we are the first company in the transport industry to introduce EV buses.

Energy and climate change

Climate change and poor air quality are two of the most pressing issues of today. We believe that public transport must be part of the solution in improving air quality and congestion, and we must do all that we can to limit our impact on the environment.

Energy savings

Since December 2020, RHT BS ltd completed the installation of highly efficient Solar LED lights, instead of the traditional halogen lights, within its depots and substantial drop in the electrical consumption has been observed within its two parking areas.

Corporate Governance Report (continued)

Mapping the RHT approach to sustainability (continued)

The table below shows the consumption record for the upper parking area at the RHT bus depot.

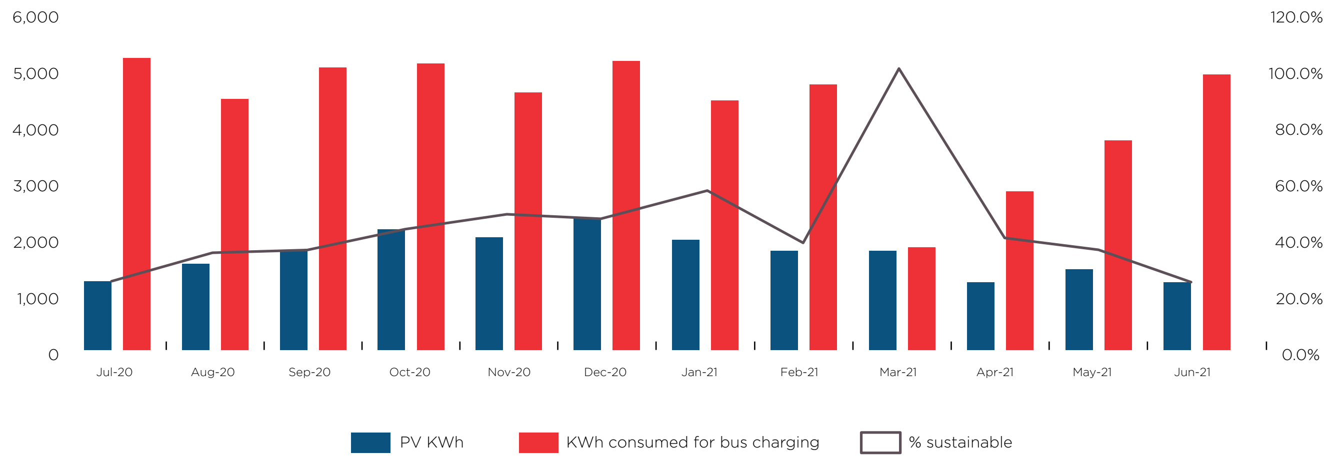
	Upper Parking area	
	Meter N142346	
	Tarif 215A	
Month	**Units (kWh)**	**Amount (Rs)**
Jan-21	0	0.00
Feb-21	0	0.00
Mar-21	0	0.00
Apr-21	0	0.00
May-21	0	0.00
Jun-21	0	0.00
TOTAL	0	0.00

PV Energy

As shown below, the PV installation, of 13kWp, has enabled RHT to be nearly 30% sustainable in its power requirements.

(2020 - 2021)	PV kWh	kWh consumed [bus charging]	% Sustainability
Jul	1,200	5,044	23.80%
Aug	1,358	4,577	29.70%
Sep	1,482	4,973	29.80%
Oct	1,663	5,062	32.90%
Nov	1,632	4,600	35.50%
Dec	1,814	5,047	36.00%
Jan	1,726	4,511	38.30%
Feb	1,566	4,775	32.80%
Mar	1,530	1,550	98.70%
Apr	1,181	2,811	42.00%
May	1,294	3,692	35.10%
Jun	1,124	4,863	23.10%

2020 - 2021 Pv production v/s KWh consumed & sustainability %



Water savings and water pollution management

While the traditional hand-washing method consumes approximately 1000lts of water, the bus washing machine consumes only 180lts to 220lts of water per bus, thus representing a drop of about 78% consumption per bus.

Number of weeks	Approx. Number of Days per week	Number of buses washed daily	Water requirement/bus (lts)	Total amount of water (lts)
52	5.5	6	1000	1,716,000

The bus wash equipment, which has a capacity of 24,000lts, has its own water recycling plant. The same water is hence used several times and ultimately renewed each month. This results in a yearly consumption of 288,000lts of water.

In comparison with the initial hand wash system, RHT now has a savings of nearly 83%, while cleaner water is being discharged to the wastewater sewage system. Furthermore, cleaning activities are carried out in a designated area to ensure that there is no water table contamination. The monthly effluent analysis shows non deviation to the norms as established by the Waste-Water Authority.

Corporate Governance Report (continued)

Fuel consumption

Financial year July 2020 - June 2021

Month	Total Distance Covered (Kms)	Equivalent Diesel Consumption (lts)
Jul-20	7,327	2,713.70
Aug-20	6,591	2,441.11
Sep-20	7,035	2,605.56
Oct-20	7,079	2,621.85
Nov-20	6,404	2,371.85
Dec-20	6,627	2,454.44
Jan-21	6,060	2,244.44
Feb-21	6,293	2,330.74
Mar-21	2,221	822.59
Apr-21	4,533	1,678.89
May-21	5,517	2,043.33
Jun-21	6,000	2,222.22
Total	**71,687**	**26,550.74**

Our EV buses have been operational for two years now, and during FY 2020 – 2021, we have been able to reduce our fuel consumption by approximately 26,000lts.

Air emissions

Consequently, a reduction in diesel consumption also yields a decrease in the CO_2 gases being emitted to the atmosphere. As shown below, nearly 70 tons less of CO_2 gases have been emitted to the environment for the FY 2020-2021.

Financial year July 2020 - June 2021

Month	Total Distance Covered KMS	CO_2 Emission Kgs/litre of diesel
Jul-20	7,327	7,245.59
Aug-20	6,591	6,517.77
Sep-20	7,035	6,956.83
Oct-20	7,079	7,000.34
Nov-20	6,404	6,332.84
Dec-20	6,627	6,553.37
Jan-21	6,060	5,992.67
Feb-21	6,293	6,223.08
Mar-21	2,221	2,196.32
Apr-21	4,533	4,482.63
May-21	5,517	5,455.70
Jun-21	6,000	5,933.33
Total	**71,687**	**70,890.48**

Human Resources

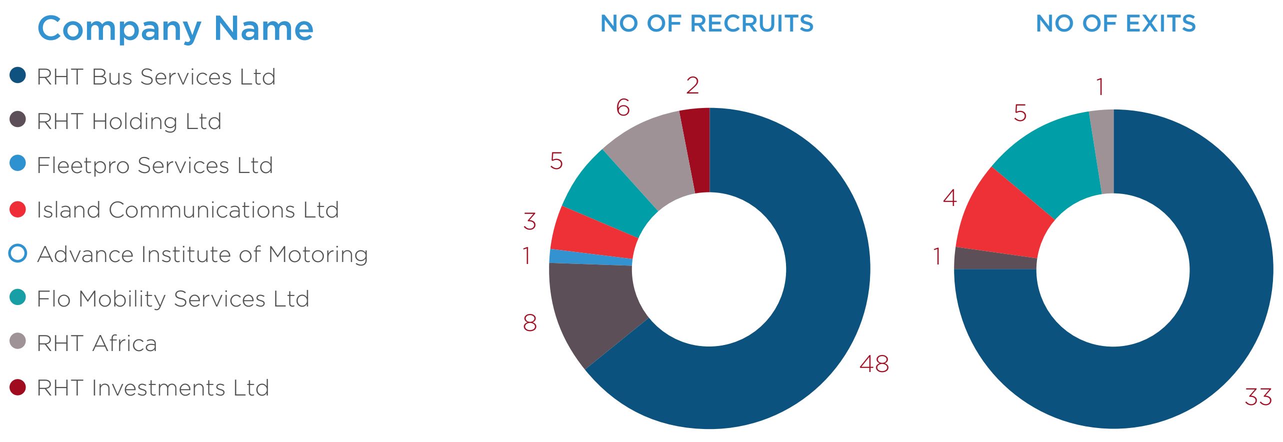
The Board and Management acknowledge that our people are critical to the success of our business. For the year under review our strategy with regard to Human Capital was mainly focused on the following areas.

Remuneration Programme

A strategic remuneration programme is implemented throughout the Group to promote a culture of fairness in pay practices. The grading system and remuneration grid are market-oriented that allow the retention of the best talents, thus contributing to the diversification and expansion of the Group.

Operational Statistics for the year under review

Turnover



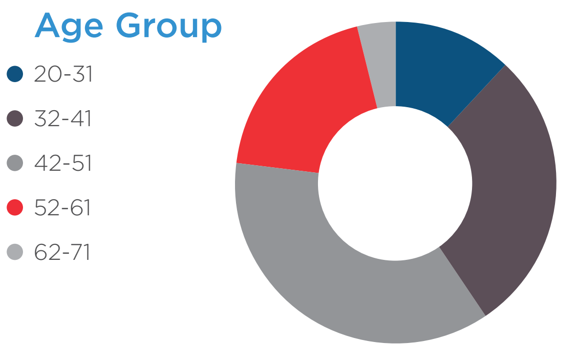
Gender

Company Name	Male	Female	Ratio Male to Female
RHT Bus Services Ltd	282	47	6:1
RHT Holding Ltd	14	15	14:15
FleetPro Services Ltd	5	3	5:3
Island Communications Ltd	16	8	16:8
Advance Institute of Motoring	4	0	4:0
Flo Mobility Services Ltd	9	1	9:1
RHT Africa	5		5:0
RHT Investments Ltd	4	1	4:1

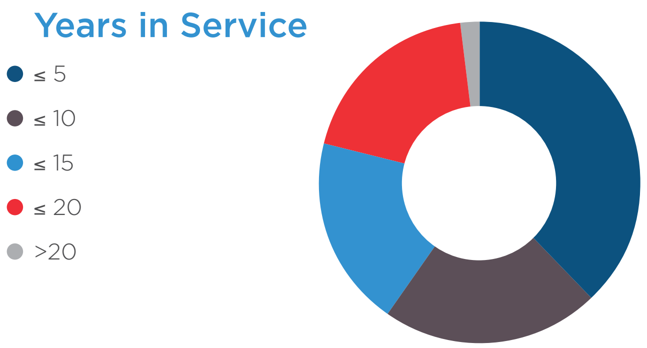
Corporate Governance Report (continued)

Operational Statistics for the year under review (continued)

Age



Years in service



Training and Development

The RHT Group continues to provide training and development opportunities to foster loyalty and increase staff retention despite the covid pandemic. RHT Group has emphasized more online training and development sessions due to the prevailing social distancing restrictions in Mauritius.

RHT group with the collaboration of HEC Paris has organized an online training programme called 'Développer son business à grande echelle', which comprises several modules including strategic scale-up, business innovation, digital transformation, and change management. The participants are managers, executives, and potential emerging leaders of the RHT group. The expected outcome of this programme is to enhance leadership skills, business innovative skills and strategy, thus fostering authentic and effective leaders.

	MONTH	COMPANY
Strategic Thinking & Visioning	Jul-20	All entities
First Aid	Dec-20	
Data Protection	Jul-20	
Performance Management & Key Performance	Sep-20	

Health and Safety

Health and Safety Policy

RHT Holding Ltd holds the safety and health as utmost priorities in its daily business conduct, engaging with all stakeholders by way of an open dialogue, to ensure a safe and healthy workplace in all its locations.

In fulfilling this commitment to protect both people and assets, management will provide and maintain a safe and healthy work environment in accordance with industry standards and in compliance with legislative requirements. RHT Holding Ltd will strive to eliminate any foreseeable hazards which may result in personal injury/illness, property damage and accidents.

RHT Holding Ltd offers appropriate Health & Safety related information, instruction and supervision to its employees, during induction, or as required by the job specificities. RHT Holding Ltd ensures that employees are competent to carry out their work, in safe and healthy conditions.

RHT Holding Ltd implements, for all its operations, appropriate policies and procedures regarding safety and health in the workplace and keep the latter under constant review.

All employees within RHT Holding Ltd must be aware of their role and personal responsibilities in the practice of their duties. They must demonstrate the strictest discipline in preventing accidents and deliberate damage to any measure or equipment provided to safeguard health and safety. They must report any concerns about matters affecting their Health and Safety to their immediate manager and/or safety and health officer.

To uphold these principles, RHT Holding Ltd commits to share its Health and Safety Policy with all employees and has designated certain members of staff to be responsible for the implementation and management of the company's Health and Safety procedures, for the liaison with enforcement agencies where necessary and for keeping the Management and Board of Directors abreast of new legislation.

The Safety and Health Policy is formally reviewed on a regular basis. However, amendments may be introduced at any time.

This Safety and Health Policy is applicable to RHT Holding Ltd and its subsidiary Business Units (BUs), which are:

- RHT Bus Services Ltd
- Island Communications Ltd
- Advance Institute of Motoring Ltd
- Fleetpro Services Ltd
- MyChauffeur Ltd
- RHT Investment Ltd
- RHT Properties Ltd
- Transport Micropayment System Ltd.

Health and Safety Report

RHT Holding has at its heart the health, safety and wellbeing of its employees and customers. As a commitment to this statement, the company has put in place policies and procedures to address key issues affecting all its stakeholders. The company has identified and trained Emergency wardens in first aid and fire safety and Emergency protocols have been established and successfully tested on site. In terms of incidents, the company has not recorded any reportable injuries for financial year 2020-2021. To complement our employee development, the company has developed a health and safety manual that will be used for training purposes.

The COVID-19 pandemic still remains a big challenge for organisations. The company has developed and implemented a pandemic response plan to mitigate the impacts of the pandemic as far as reasonably practicable. Our buses are disinfected daily at the depot as well as between trips. Our bus drivers and conductors have been provided with face masks and hand sanitizers. For back-office operations, social distancing measures have been set up, and face masks and hand sanitizers have been made available. We have developed an internal process to deal with potential positive cases amongst our employees. The company now operates in an Identify, Isolate, Close (department, section/floor), Disinfect and Re-open strategy which is in line with current protocols used by local authorities in Mauritius. Additionally, the company has sourced Rapid Antigen test kits for random testing amongst employees to ensure that that our services and premises are safe for our customers and other stakeholders.

Corporate Social Responsibility ("CSR")

RHT recognises its social responsibility within the community and is committed to contributing to its welfare by undertaking various projects.

For the year under review, the CSR contribution was made at Group level through RHT's subsidiaries and amounted to MUR Nil (2020: MUR178,404).

Charitable and Political Contributions

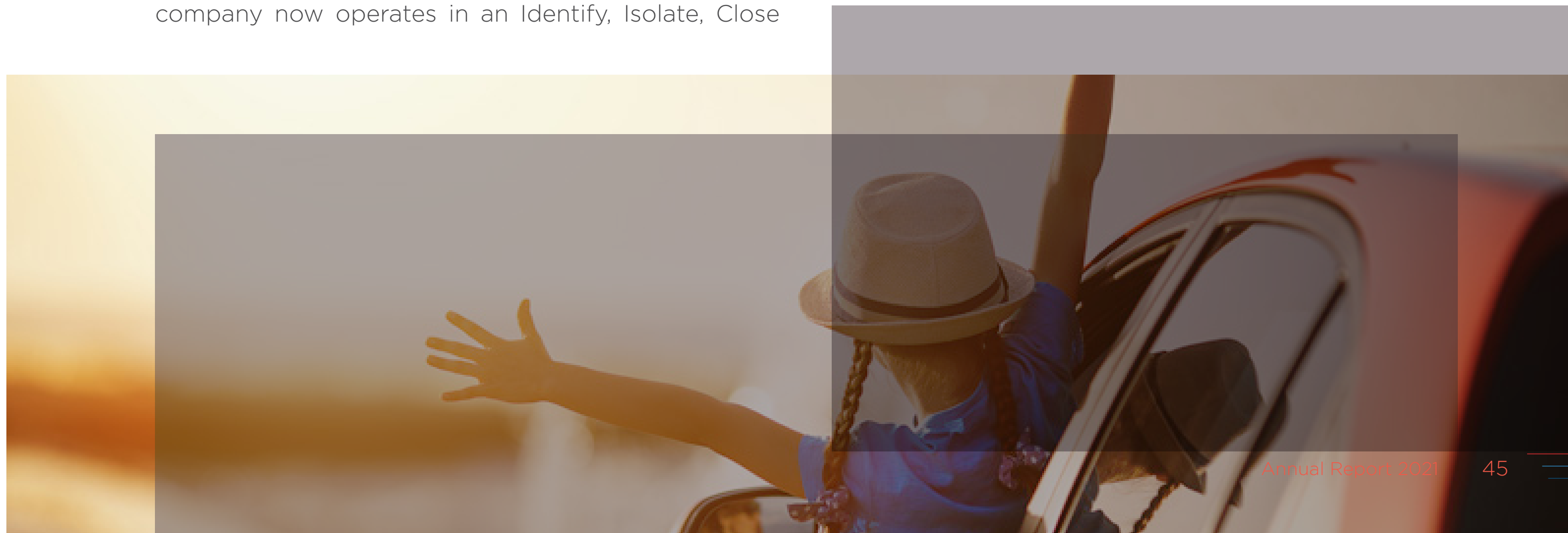
No political donations were made during the year under review (2020: Nil)

The last annual Supplier Relation Management meeting was held on 2 August 2020, as reported in the Annual Report 2020. No further meetings were held during the period under review due to COVID-19 restrictions.

The Group's procurement policies concerning cost-saving initiatives and environmental-friendly measures introduced at the beginning of the period under review have been maintained.

Sponsorship

No sponsorships were offered during the period under review.



Corporate Governance Report (continued)

Principle 7: Audit

Organisations should consider having an effective and independent internal audit function that has the respect, confidence and co-operation of both the Board and the management. The Board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organisation's internal and external auditors

Please refer to page 36 on the role of the Audit and Risk Committee.

External Audit

BDO & Co. Ltd have been appointed as the External Auditors of the Company since 23 August 2019.

The Audit Committee has assessed the effectiveness and performance of external auditors and their continuing independence with regard to audit and non-audit services.

The Audit and Risk Committee has regularly met and External Auditors in the presence of management. However, it was considered that this would not have any impact on the objectivity of the meetings.

The Audit and Risk Committee has discussed the significant audit issues in relation to the financial statements and these have been disclosed as Key Audit Matters on page 54.

Information on Non-Audit Services

The Company has appointed BDO Financial Services Ltd for tax compliance and other services. The fees charged for this service amounted to MUR 155,000 for the year ended 30 June 2021 (2020: MUR200,000).

Principle 8: Relations with Shareholders and Other Key Stakeholders

The Board should be responsible for ensuring that an appropriate dialogue takes place among the organisation, its shareholders and other key stakeholders. The Board should respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose

Shareholders' Agreement

The Board has no knowledge of any such agreement entered by the shareholders.

Employee Share Option Plan

The Group has no Employee Share Option Plan.

Third Party Management Agreement

Save and except for management contracts between RHT and its subsidiaries, there was no agreement between third parties and the Company or its subsidiaries during the year under review.

Shareholders and Stakeholders Communication

The Board of Directors places great importance on transparency and optimal disclosure to shareholders and hence ensures that shareholders are kept informed on matters affecting the Group.

To this end, the website of RHT has been redesigned and relaunched. It will be reviewed and augmented regularly to provide maximum information to both our business partners and our shareholders.

Shareholders are also invited to attend the Company's Annual Meeting, which remains the ideal forum for discussions with the Directors and the Management team.

The Chairperson, Chief Executive Officer and other Board members attend the Annual Meeting and invite Shareholders to put questions on different aspects of the Company's activities and directions the business will take in the future.

The Annual Report is sent to each shareholder of the Company at least 14 days before the meeting. However, pursuant to the amendments made to the Companies Act 2001, the Notice of the Annual Meeting of shareholders is sent to each shareholder of the Company at least 21 days before the meeting.

The Group continuously engages with its stakeholders to understand their priorities and concerns through benchmarking, sector meetings, client surveys and direct contacts.

Timetable of Important Events

Months	Events
December 2021	Interim dividend for financial year 2021/2022*
December 2021	Annual Meeting of Shareholders
June 2022	Financial year end
June 2022	Final dividend for financial year 2021/2022*

* Subject to the approval of the Board of Directors

Paul Chung Kim Fung Ah Leung
Chairperson

Dr Sidharth Sharma
Group Chief Executive Officer

Date: 29 November 2021

Directors' Statement of Responsibilities

The Directors acknowledge their responsibilities for:

(i) adequate accounting records and maintenance of effective internal control systems;

(ii) the preparation of consolidated financial statements which fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of their operations and cash flows for the year then ended which comply with International Financial Reporting Standards (IFRS) and the Mauritius Companies Act 2001;

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

The external auditors are responsible for reporting on whether the consolidated financial statements are fairly presented.

The Directors report that:

- adequate accounting records and an effective system of internal controls and risk management have been maintained;
- appropriate accounting policies supported by reasonable and prudent judgments and estimates have been used consistently;
- International Financial Reporting Standards and the Mauritius Companies Act 2001 have been adhered to. Any departure in the interest in fair presentation has been disclosed, explained and quantified; and
- the Code of Corporate Governance has been adhered to.

Approved by the Board of Directors on 29 November 2021 and signed on its behalf by:

Paul Chung Kim Fung Ah Leung
Chairperson

Dr Sidharth Sharma
Group Chief Executive Officer

Certificate from the Company Secretary

In our capacity as Company Secretary, we hereby confirm that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 June 2021, all such returns as are required of the Company under the Mauritius Companies Act 2001.

Navitas Corporate Services Ltd

Secretary

Registered office:

Navitas House
Robinson Road
Floréal
Republic of Mauritius

Date: 29 November 2021

Statutory Disclosures

Year ended 30 June 2021 (Section 221 of the Mauritius Companies Act 2001)

The Board of Directors of RHT Holding Ltd ('RHT' or the 'Company') is pleased to present the Annual Report together with the audited consolidated financial statements of the Company and its subsidiaries, collectively referred to as the "Group" for the year ended 30 June 2021.

Nature of Business

RHT Holding Ltd is a public company, incorporated in the Republic of Mauritius and listed on the Development & Enterprise Market ("DEM") of the Stock Exchange of Mauritius Ltd. Its registered office is situated at 32 (ex. 14) Hugnin Street, Rose Hill, Republic of Mauritius.

The activity of the Company is an investment holding company. The activities of the subsidiaries are disclosed in Note 9 of the financial statements.

Directors

The Directors of the Company for the year under review are:

Paul Chung Kim Fung Ah Leung	Chairperson and Non-Executive Director
Sidharth Sharma	Group CEO and Executive Director
Meha Desai	Non-Executive Director
Ravindra Goburdhun	Executive Director
Uday Kumar Gujadhur	Independent Non-Executive Director
Yoosuf Mohammad Kureeman	Non-Executive Director
Gilbert Patrick Stephane Leal	Non-Executive Director
Michel Patrice Leal	(Alternate to Gilbert Patrick Stephane Leal)
Kamil Patel	Independent Non-Executive Director

The list of Directors of the subsidiaries is disclosed on page 24.

Directors' Service Contract

During the year under review, Dr. Sidharth Sharma and Mr. Ravindra Goburdhun have a service contract with the Company with no expiry date.

Contracts Of Significance

There were no contracts of significance subsisting during the period to which the Company or its subsidiaries was a party and in which a director was materially interested either directly or indirectly.

Directors' Share Interests

The Directors' direct and indirect interests in the stated capital of the Company or its subsidiaries are detailed in the Corporate Governance Report.

Directors' Remuneration and Benefits

Remuneration and benefits received or due and receivable from the Company and its subsidiaries were as follows:

Name	Independent & Non - Executive Directors 2021 MUR	Executive Directors 2021 MUR	Independent & Non - Executive Directors 2020 MUR	Executive Directors 2020 MUR
Paul Chung Kim Fung Ah Leung	**605,417**		555,000	
Meha Desai	**362,417**		317,417	
Uday Kumar Gujadhur	**454,667**		410,500	
Yoosuf Mohammad Kureeman	**570,652**		579,819	
Gilbert Patrick Stephane Leal	**610,083**		542,834	
Kamil Patel	**528,583**		506,500	
Van Man Sin Kwok Win	**-**		230,709	
Sidharth Sharma		**4,731,180**		4,722,732
Ravindra Goburdhun		**1,545,066**		966,672
Total	**3,131,818**	**6,276,246**	**3,142,779**	5,689,404

None of the Directors received any remuneration and benefits from the other subsidiaries of the Company.

Donations

	The Group 2021 MUR'000	The Group 2020 MUR'000	The Company 2021 MUR'000	The Company 2020 MUR'000
Donations made during the year	**Nil**	31.5	**Nil**	Nil

Auditors' Fees

The fees paid to the Auditors, BDO & Co for audit and other services were:

	The Group 2021 MUR'000	The Group 2020 MUR'000	The Company 2021 MUR'000	The Company 2020 MUR'000
Audit fees	**1,695**	1,780	**475**	462
Other services:	**155**	200	**15**	15
	1,850	1,980	**490**	465

Approved by the Board of Directors on 29 November 2021 and signed on its behalf by:

Paul Chung Kim Fung Ah Leung
Chairperson

Dr Sidharth Sharma
Group Chief Executive Officer

Statement of Compliance

Year ended 30 June 2021 (Section 221 of the Mauritius Companies Act 2001)

Name of Public Interest Entity ('PIE'):

RHT Holding Ltd
('the Company' or 'RHT')

Reporting Period

30 June 2021

On behalf of the Board of Directors of RHT, we confirm that, to the best of our knowledge, that, save for the disclosures on the website (Principles 1, 3, 4, 6 and 7), the Company has, complied with all the obligations and requirements of the National Code of Corporate Governance for Mauritius (2016) (the 'Code').

Paul Chung Kim Fung Ah Leung
Chairperson

Dr Sidharth Sharma
Group Chief Executive Officer

29 November 2021

Independent Auditor's Report

To the Shareholders of RHT Holding Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of RHT Holding Ltd (the Group), and the Company's separate financial statements on pages 5 to 71 which comprise the statements of financial position as at June 30, 2021, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 5 to 71 give a true and fair view of the financial position of the Group and of the Company as at 30 June 2021, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"). 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.

Material Uncertainty related to Going Concern

On 11 March 2020, COVID-19 was labelled as pandemic by the World Health Organisation causing extensive disruptions to business operations around the globe. In Mauritius, there have been lockdowns in both 2020 and 2021 and these have impacted significantly the economic actvities of the country. The bus operations and dividend income of the Group have been adversely affected by the economic downturn. We draw attention to note 40 in the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 Matter

Group revenue is mainly made up of Bus Operations. More than 55% of revenue is in the form of cash collected directly from end customers, which is handled by employees before being banked on a daily basis.

Therefore, there is a inherent risk of misappropriation and fraud with regards to handling of cash. There is a high risk that revenue is materially misstated as it is measured by cash collection.

We have therefore considered Group Revenue as a Key Audit Matter.

Related Disclosures

Refer to note 24 of the accompanying financial statements.

Accounting policy note 2.16.

Audit Response

- We have performed walkthroughs on the Revenue cycle to identify key controls with regards Cash collection and Revenue recognition. we have tested the key controls around the Cash collection and Revenue process.
- For a sample of daily Cash collection, we have reconciled Cash collected to bank deposit slips and we have traced receipts to bank statements in order to ensure that Cash collected matches with deposits in the bank.
- We have ensured that all reconcilations are reviewed and approved by the respective parties.
- We have performed analytical procedures on Revenue to ascertain trends and patterns to determine overall reasonableness in order to ascertain whether Revenue is not materially misstated.
- We have tested a sample of journal entries in Revenue to identify unusual transactions.

Other Information

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

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

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

Corporate Governance Report

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

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

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

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

Those charged with governance are responsible for overseeing the Group and 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 judgment and maintain professional scepticism 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 Group and the Company's internal control.

Report on the audit of the Financial Statements

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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, actions taken to eliminate threats or safeguards applied.

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 these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

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

We have obtained all information and explanations we have required.

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

Other Matter

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

BDO & Co

BDO & CO
Chartered Accountants

Shabnam Peerbocus, FCA
Licensed by FRC

Port Louis
Mauritius

Statements of Financial Position

for the year ended 30 June 2021

	Notes	The Group 2021 MUR	Restated* 2020 MUR	Restated* 1 July 2019 MUR	The Company 2021 MUR	2020 MUR
ASSETS						
Non-current assets						
Property, plant and equipment	5	**195,078,913**	196,744,563	170,529,488	**803,725**	467,001
Right-of-use assets	5.1	**10,686,186**	16,330,753	22,751,067	**2,709,101**	3,537,771
Investment properties	6	**48,200,000**	30,468,809	84,066,351	**-**	-
Finance lease receivable	7	**123,302,701**	128,603,355	45,439,998		
Intangible assets	8	**2,451,786**	2,689,074	3,178,781	**901**	169,864
Investment in subsidiaries	9	**-**	-	-	**495,624,066**	495,624,066
Financial assets at fair value through other comprehensive income	10	**362,854,612**	370,188,227	369,744,153	**-**	-
Financial assets at amortised cost	10.1	**21,025,000**	20,717,367	18,456,700	**-**	-
Financial assets at fair value through profit or loss	11	**178,743,543**	133,375,379	136,668,100	**-**	-
Other assets	12	**-**	2,122,800	4,245,600	**-**	-
Deferred tax assets	13	**4,093,117**	5,151,661	72,443	**188,979**	202,341
		946,435,858	906,391,988	855,152,681	**499,326,772**	500,001,043
Current assets						
Inventories	14	**7,202,667**	7,828,219	4,143,464	**-**	-
Trade and other receivables	15	**42,699,428**	31,754,118	60,427,176	**19,073,076**	18,001,408
Finance lease receivable	7	**50,768,480**	40,830,101	98,524,302	**-**	-
Other assets	12	**2,122,800**	2,122,800	2,122,800	**-**	-
Cash at bank and in hand	34	**40,432,109**	56,559,928	68,141,162	**3,074,858**	3,785,163
		143,225,484	139,095,166	233,358,904	**22,147,933**	21,786,571
Non-current assets held for sale	21	**-**	19,500,000	-	**-**	-
TOTAL ASSETS		**1,089,661,342**	1,064,987,154	1,088,511,585	**521,474,705**	521,787,614
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	16	**24,324,300**	24,324,300	24,324,300	**24,324,300**	24,324,300
Retained earnings		**279,003,646**	252,026,969	286,743,588	**362,958,755**	369,035,338
Other reserves	23	**366,941,473**	336,916,810	402,357,946	**-**	-
Total equity attributable to owners of the company		**670,269,419**	613,268,079	713,425,834	**387,283,055**	393,359,638
Non-current liabilities						
Borrowings	17	**99,188,751**	101,860,234	32,665,122	**-**	-
Lease liabilities	5.2	**101,481,485**	109,369,477	94,160,842	**2,028,174**	2,835,365
Employee benefit liabilities	18	**46,328,000**	41,853,000	39,223,000	**1,790,000**	1,709,000
Deferred tax liabilities	13	**375,179**	390,095	523,976	**-**	-
Deferred income	19	**3,683,334**	6,571,667	5,710,000	**-**	-
		251,056,749	260,044,473	172,282,940	**3,818,174**	4,544,365
Current liabilities						
Trade and other payables	20	**28,284,479**	47,745,024	45,105,161	**96,154,553**	97,687,342
Borrowings	17	**84,303,228**	112,306,776	116,702,648	**27,101,737**	18,357,279
Lease liabilities	5.2	**43,649,676**	18,976,613	25,164,022	**807,191**	757,655
Dividend payable	22	**6,309,995**	7,081,335	10,945,935	**6,309,995**	7,081,335
Current tax liabilities	13(b)	**2,899,463**	2,676,521	2,355,045	**-**	-
Deferred income	19	**2,888,333**	2,888,333	2,530,000	**-**	-
		168,335,174	191,674,602	202,802,811	**130,373,476**	123,883,611
TOTAL EQUITY AND LIABILITIES		**1,089,661,342**	1,064,987,154	1,088,511,585	**521,474,705**	521,787,614

These financial statements have been approved for issue by the Board of Directors on 29 November 2021

Chairperson

Group Chief Executive Officer

The notes on pages 63 to 119 form an integral part of these financial statements.
Auditor's Report on pages 54 to 57.

Statements of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2021

	Notes	The Group 2021 MUR	Restated* 2020 MUR	The Company 2021 MUR	2020 MUR
Revenue	24	**181,787,815**	213,850,606	**13,121,035**	13,961,682
Cost of sales	25	**(192,972,792)**	(202,087,023)	**-**	-
Gross (loss)/income		**(11,184,977)**	11,763,583	**13,121,035**	13,961,682
Investment income	26	**12,956,835**	17,480,632	**-**	-
Profit on recognition of net investment	27	**10,040,891**	12,278,704		
Gain/(loss) on financial asset at fair value through profit or loss	11	**34,832,071**	(24,263,197)	**-**	-
Loss allowance recognised during the year	15	**(545,841)**	(3,095,535)		
Other income	28	**69,612,235**	54,167,596	**15,272,030**	4,330,060
Administrative expenses	25	**(99,451,074)**	(92,646,269)	**(29,368,606)**	(22,191,575)
Profit / (loss) from operations		**16,260,139**	(24,314,486)	**(975,541)**	(3,899,833)
Finance income	29	**12,812,329**	11,556,660	**88,270**	131,145
Finance costs	30	**(17,617,010)**	(17,657,351)	**(5,287,950)**	(5,361,236)
Profit / (loss) before taxation		**11,455,458**	(30,415,177)	**(6,175,221)**	(9,129,924)
Taxation	13	**(2,240,048)**	3,560,821	**5,678**	135,848
Profit / (loss) for the year		**9,215,410**	(26,854,356)	**(6,169,543)**	(8,994,076)
Other comprehensive income					
Items that will not be reclassified to profit or loss		**45,616,575**	(65,460,514)	**92,960**	29,050
Changes in fair value of equity instruments at fair value through other comprehensive income	10	**30,238,693**	(65,679,634)	**-**	-
Gain of revaluation of PPE	5	**18,483,742**	-	**-**	-
Re-measurement loss on employee benefit liabilities	18	**(3,742,000)**	264,000	**112,000**	35,000
Tax effect of re-measurement loss on employee benefit liabilities	13(a)	**636,140**	(44,880)	**(19,040)**	(5,950)
Items that may be reclassified subsequently to profit or loss					
Currency translation differences	23	**2,169,355**	(123,750)	**-**	-
Other comprehensive income		**47,785,930**	(65,584,264)	**92,960**	29,050
Total comprehensive income		**57,001,340**	(92,438,620)	**(6,076,583)**	(8,965,026)
Profit / (loss) attributable to:					
Owners of the parent company		**9,215,410**	(26,854,356)	**(6,169,543)**	(8,994,076)
Total comprehensive income/(loss) attributable to:					
Owners of the parent company		**57,001,340**	(92,438,620)	**(6,076,584)**	(8,965,026)
Basic and diluted earnings/(loss) per share	31	**0.76**	(2.21)		

* The financial statements have been restated (see note 38)

The notes on pages 63 to 119 form an integral part of these financial statements.

Auditor's Report on pages 54 to 57.

Statements of Changes in Equity

for the year ended 30 June 2021

	Notes	Stated capital MUR	Translation reserve MUR	Fair value and Investment revaluation reserves MUR	Retained earnings MUR	Total
At July 1, 2020						
- as previously reported		**24,324,300**	**3,228,960**	**333,687,850**	**212,081,105**	**573,322,215**
- effect of prior year adjustments	38				**39,945,864**	**39,945,864**
- as restated		**24,324,300**	**3,228,960**	**333,687,850**	**252,026,969**	**613,268,079**
Profit for the year		**-**	**-**	**-**	**9,215,410**	**9,215,410**
Other comprehensive profit for the year	23	**-**	**2,169,355**	**48,722,435**	**(3,105,860)**	**47,785,930**
Total comprehensive profit for the year		**-**	**2,169,355**	**48,722,435**	**6,109,550**	**57,001,340**
Dividends	22	**-**	**-**	**-**	**-**	**-**
Transfer		**-**	**-**	**(20,867,127)**	**20,867,127**	**-**
At 30 June 2021		**24,324,300**	**5,398,315**	**361,543,158**	**279,003,646**	**670,269,419**
At 1 July 2019						
- *as previously reported*		24,324,300	3,352,710	399,005,236	247,068,465	673,750,711
- effect of prior year adjustments	38				39,675,123	39,675,123
- as restated		24,324,300	3,352,710	399,005,236	286,743,588	713,425,834
Loss for the year (as restated)		-	-	-	(26,854,356)	(26,854,356)
Other comprehensive loss for the year	23	-	(123,750)	(65,679,634)	219,120	(65,584,264)
Total comprehensive loss for the year		-	(123,750)	(65,679,634)	(26,635,236)	(92,438,620)
Dividends	22	-	-	-	(6,081,075)	(6,081,075)
Transfer		-	-	362,248	(362,248)	-
Consolidation adjustments		-	-	-	(1,638,060)	(1,638,060)
At 30 June 2020 (as restated)		**24,324,300**	**3,228,960**	**333,687,850**	**252,026,969**	**613,268,079**

The notes on pages 63 to 119 form an integral part of these financial statements.
Auditor's Report on pages 54 to 57.

THE COMPANY	**Notes**	**Stated capital MUR**	Retained earnings MUR	Total MUR
At 1 July 2020		24,324,300	369,035,338	393,359,638
Profit for the year		-	(6,169,543)	(6,169,543)
Other comprehensive income for the year		-	92,960	92,960
Total comprehensive loss for the year		-	(6,076,583)	(6,076,583)
Dividend	22	-	-	-
At 30 June 2021		**24,324,300**	**362,958,755**	**387,283,055**
At 1 July 2019		24,324,300	384,081,439	408,405,739
Profit for the year		-	(8,994,076)	(8,994,076)
Other comprehensive income for the year		-	29,050	29,050
Total comprehensive loss for the year		-	(8,965,026)	(8,965,026)
Dividend	22	-	(6,081,075)	(6,081,075)
At 30 June 2020		**24,324,300**	**369,035,338**	**393,359,638**

The notes on pages 63 to 119 form an integral part of these financial statements.
Auditor's Report on pages 54 to 57.

Statements of Cash Flows

for the year ended 30 June 2021

	Notes	The Group 2021 MUR	The Group 2020 MUR	The Company Total MUR	The Company 2020 MUR
Cash flows from operating activities					
Profit/(loss) before taxation		**11,455,458**	(30,415,177)	**(6,175,221)**	(9,129,924)
Adjustments for:					
Depreciation on property, plant and equipment	5	**12,987,793**	15,031,468	**5,048,393**	230,848
Depreciation of right-of-use assets	5.1	**7,208,745**	6,420,314	**828,670**	452,462
Impairment on property, plant and equipment	5(iv)	**-**	1,762,284	**-**	-
Dividend income	22(b)	**(10,377,081)**	(13,382,500)	**(13,121,035)**	(13,961,682)
Release of government grant	19	**(2,888,333)**	(2,913,333)	-	-
Release of upfront payments	12	**2,122,800**	2,122,800	**-**	-
Increase in fair value of Investment properties	6	**(5,831,191)**	-	**-**	-
(Increase)/decrease in fair value of financial assets at fair value through profit or loss	11	**(34,832,071)**	24,263,197	**-**	-
Amortisation of intangible assets	8	**532,723**	895,486	**168,963**	186,675
Interest expense	30	**17,617,010**	17,657,351	**5,287,950**	5,361,236
Interest income	29	**(12,812,329)**	(11,556,660)	**(88,270)**	(131,145)
Profit on sale of investment in securities		**-**	(4,098,131)	**-**	-
Provision for retirement benefits obligations	18	**5,569,000**	7,972,000	**193,000**	1,631,000
Profit on disposal of investment property		**-**	(1,837,403)	**-**	-
Profit on disposal of non-current asset held for sale	21	**(10,000,000)**	-	**-**	-
Profit on disposal of property, plant and equipment	5	**(1,563,920)**	(168,071)	**-**	-
Operating (loss)/profit before working capital changes		**(20,811,395)**	11,753,624	**(7,857,550)**	(15,360,530)
Change in inventories	14	**625,552**	(3,684,754)	**-**	-
Change in trade and other receivables	15	**(1,711,136)**	13,270,557	**4,656,876**	(561,627)
Change in trade and other payables	20	**(19,460,546)**	3,596,316	**(1,532,789)**	(4,566,334)
Cash generated from operating activities		**(41,357,525)**	24,935,743	**(4,733,463)**	(20,488,491)
Tax paid	13(b)	**(849,217)**	(1,375,682)	**-**	-
Interest paid	30	**(8,219,608)**	(9,624,389)	**(5,087,223)**	(5,234,508)
Retirement benefit contribution paid	18	**(4,836,000)**	(5,078,000)	**-**	-
Dividends received	22(b)	**-**	-	**7,386,861**	32,721,075
Net cash (used in)/generated from operating activities		**(55,262,350)**	8,857,672	**(2,433,825)**	6,998,076
Cash flows from investing activities					
Purchase of intangible assets	7	**(295,435)**	(405,779)	**-**	-
Purchase of property, plant and equipment	5	**(5,357,425)**	(20,754,097)	**(5,385,117)**	(174,560)
Interest received	29	**12,812,329**	11,556,660	**88,270**	-
Dividends received	22(b)	**1,142,907**	21,471,975	**-**	-
Increase in financial assets at amortised cost		**(307,633)**	-	**-**	-
Proceeds on disposal of investment property		**-**	5,300,000	**-**	-
Proceeds on disposal of non current asset held for sale	21	**29,500,000**	-	**-**	-
Proceeds on disposal of property, plant and equipment		**2,615,614**	182,073	**-**	-
Purchase of investments in securities	10/11	**(38,791,808)**	(164,222,801)	**-**	-
Proceeds on sale of investments in securities		**65,828,023**	80,864,501	**-**	-
Net cash generated from/(used in) investing activities		**67,146,572**	(66,007,468)	**(5,296,847)**	(174,560)
Cash flows used in financing activities					
Dividend paid	22(a)	**(771,340)**	(9,945,675)	**(771,340)**	(9,945,675)
Change in finance lease receivable	7	**40,185,183**	24,545,204	**-**	-
Interest paid on lease liabilities	29	**(9,260,721)**	(8,373,741)	**(206,358)**	(126,728)
Principal paid on lease liabilities	34(b)	**(30,072,809)**	(28,097,247)	**(752,023)**	(397,213)
Proceeds from bank loans	34(b)	**31,000,000**	78,000,000	**-**	-
Repayment of bank loans	34(b)	**(19,903,115)**	(47,970,594)	**-**	-
Grant received	19	**-**	2,300,000	**-**	-
Net cash generated from/(used in) financing activities		**11,177,198**	10,457,947	**(1,729,721)**	(10,469,616)
Net increase/(decrease) in cash and cash equivalents		**23,061,420**	(46,691,849)	**(9,460,394)**	(3,646,100)
Movement in cash and cash equivalents					
At 1 July		**(31,897,160)**	14,453,909	**(14,572,116)**	(10,926,016)
Increase/(decrease)		**23,061,420**	(46,691,849)	**(9,460,394)**	(3,646,100)
Exchange (loss)/gain		**(136,681)**	340,780	**5,631**	-
At 30 June	34(a)	**(8,972,421)**	(31,897,160)	**(24,026,879)**	(14,572,116)

The notes on pages 63 to 119 form an integral part of these financial statements.

Auditor's Report on pages 54 to 57.

Notes to the Financial Statements

for the year ended 30 June 2021

1. General Information

RHT Holding Ltd is a public Company, incorporated in the Republic of Mauritius and listed on the Development & Enterprise Market ("DEM") of the Stock Exchange of Mauritius Ltd. Its registered office is situated at 32 (ex. 14) Hugnin Street, Rose Hill, Republic of Mauritius.

The activity of the Company is an investment holding Company. The activities of the subsidiaries are disclosed in Note 8 of the financial statements.

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

2. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are stated in Mauritian Rupees, which is the Company's functional and presentation currency.

2.1 Basis of preparation

The consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board ("IASB") and complied with the Companies Act 2001 and Financial Reporting Act 2004 except that :

(i) land and buildings, which are carried at revalued amounts;

(ii) Investment properties, which are stated at their fair value;

(iii) investments held for trading and relevant financial assets are stated at their fair value;

(iv) relevant financial assets and financial liabilities are carried at amortised cost.

Going concern

The Board of Directors has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future.

The Directors have in their going concern assessment, considered the impact of COVID-19 on the Group. COVID-19 has had a significant impact on the Group and the Company as evidenced by the significant drop in revenue and the deterioration of the net current liabilities position to MUR83.5M (2020: MUR64.2M). As of yet there are still many uncertainties around COVID-19 and making an assessment of future cashflows is an extremely subjective and judgemental area.

Whilst the Group has used its best estimate of its cashflows based on its judgement, the impact of COVID-19 will have on its operations and investments and the duration of the impact remain uncertain.

In light of the above assessment and key areas of uncertainty, the Directors having considered the adequacy of the Group and Company's funding, borrowing facilities and operating cashflows, for at least the next 12 months, are satisfied that the financial statements are prepared on a going concern basis based on the future plans that the directors have for the Group.

Amendments to published Standards effective in the reporting period

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

- IAS 1 Presentation of Financial Statements - Amendments regarding the definition of material
- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of material
- IAS 39 Financial Instruments: Recognition and Measurement - Amendments regarding pre-replacement issues in the context of the IBOR reform
- IFRS 3 Business combinations - Amendments to clarify the definition of a business
- IFRS 7 Financial Instruments: Disclosures - Amendments regarding pre-replacement issues in the context of the IBOR reform
- IFRS 9 Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform
- IFRS 16 Leases - Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2021 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Notes to the Financial Statements (continued)

2.1 Basis of preparation (continued)

- IAS 1 Presentation of Financial Statements - Amendments regarding classification of liabilities (effective 1 January 2023)
- IAS 1 Presentation of Financial Statements - Amendment to defer the effective date of the January 2020 amendments (effective 1 January 2023)
- IAS 1 Presentation of Financial Statements - Amendment regarding the disclosure of accounting policies (effective 1 January 2023)
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Amendment regarding the definition of accounting estimates (effective 1 January 2023)
- IAS 16 Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use (effective 1 January 2022)
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous (effective 1 January 2022)
- IAS 39 Financial Instruments: Recognition and Measurement Amendments regarding replacement issues in the context of the IBOR reform (effective 1 January 2021)
- IFRS 3 Business combinations - Amendments updating a reference to the Conceptual Framework (effective January 1, 2022)
- IFRS 7 Financial Instruments: Disclosures - Amendments regarding replacement issues in the context of the IBOR reform (effective January 1, 2021)
- IFRS 9 Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (fees in the '10 per cent' test for derecognition of financial liabilities) (effective 1 January 2022)
- IFRS 9 Financial Instruments - Amendments regarding replacement issues in the context of the IBOR reform (effective 1 January 2021)
- IFRS 16 Leases - Amendments regarding replacement issues in the context of the IBOR reform (effective 1 January 2021)
- IFRS 16 Leases - Amendment to extend the exemption from assessing whether a COVID-19-related rent concession is a lease modification (effective 1 April 2021)

The Directors anticipate that these amendments will be applied in the annual financial statements for the annual periods beginning on the respective dates as indicated above. The Directors are still evaluating the application and the potential impact of these amendments.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of RHT Holding Ltd and its subsidiaries as at 30 June 2021.

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

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

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

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

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

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

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

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

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

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

2.3 Property, plant and equipment

Property, plant and equipment are measured at cost at recognition. Garage & buildings are subsequently stated at their revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Land is subsequently stated at its revalued amount being the fair value at the date of revaluation, less subsequent accumulated impairment losses. All other property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the assets' carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent costs are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Land and garage & buildings are revalued on a regular basis, unless there is evidence that the fair value of the assets differ materially from the carrying amount. Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation surplus in shareholders' equity. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to profit or loss.

Depreciation on all other property, plant and equipment is provided on the cost of each asset or the revalued amount on a straight line basis over its estimated useful life to its residual value. The annual depreciation rates applied are as follows:

Garage and buildings	20 years
Buses	15 years
Other vehicles	5-6.25 years
Plant and machinery	8 years
Furniture, fittings and equipment	3-10 years
Computer equipment	3-5 years

Depreciation is charged to either cost of sales or other expenses based on the function the asset holds. For those assets which are involved in the core operations of the entity, the depreciation is charged to cost of sales. For those assets which are involved in administrative operations, the depreciation is charged to administrative expenses.

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

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

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the net proceeds and the carrying amount of the assets. On disposal of revalued assets, amounts in revaluation and other reserves relating to that asset are transferred to retained earnings.

2.4 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs.

Cost includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included

Notes to the Financial Statements (continued)

2.4 Investment properties (continued)

in profit or loss in the period in which they arise. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer, applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised when either they have been disposed of. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the cost, or fair value, at the date of transfer. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

2.5 Intangible assets

Intangible assets are recorded at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Trading rights acquired separately in a business combination are initially recognised separately from goodwill at their fair value at the acquisition date (which is regarded as cost).

The annual amortisation rates applied are as follows:

Trading rights and Trademarks	10 years
Computer software	5 years

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

No intangible asset arising from research, or from the research phase of an internal project, shall be recognised. Expenditure on research, or on the research phase of an internal project, shall be recognised as an expense when it is incurred.

An intangible asset arising from development, or from the development phase of an internal project, may be recognised if, and only if, all of the following criteria are met:

(a) It is technically feasible to complete the intangible asset so that it will be available for use or sale;

(b) There is a firm intention to complete the intangible asset and use or sell it;

(c) The ability to use or sell the intangible asset is present;

(d) It can be demonstrated that the intangible asset will generate probable future economic benefits;

(e) When the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset is present;

(f) When the ability to measure reliably the expenditure attributable to the intangible asset during its development is present.

In-built software is categorised under "Development" and is recorded as an intangible asset at cost less accumulated amortisation and accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised

Goodwill

Goodwill arising on the acquisition of a subsidiary or an investment in associate represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or investment in associate recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination.

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described under investments in associates above.

2.6 Investments in subsidiaries

Separate financial statements

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

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

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

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

Disposal of subsidiaries

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

2.7 Investments in associates

Separate financial statements

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not in control or joint control over those policies.

Investments in associates are recognised at cost less impairment losses.

Basis of consolidation

Investments in associates are accounted for using the equity method.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5.

2.7 Investments in associates (continued)

(i) *Non-Current Assets Held for Sale and Discontinued Operations.* Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised.

(ii) Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in the statement of profit or loss and other comprehensive income.

(iii) Where a Group entity transacts with an associate of the Group, profits or losses are eliminated to the extent of the Group's interest in the relevant associate.

2.8 Financial assets

The Group and the company classify their financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

(i) Fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI;
- equity investments that are held for trading.
- equity investments for which the entity has not elected to recognise fair value gains and loss through OCI.

(ii) Amortised cost

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

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

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

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

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents. The Company's financial assets measured at amortised cost comprise of trade and other receivables, cash and cash equivalents, loans to related parties and corporate bonds.

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

(iii) Fair value through other comprehensive income

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

The Group has debt securities whose objective is achieved by both holding these securities in order to collect contractual cash flows and having the intention to sell the debt securities before maturity. The contractual terms of the debt securities give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified to profit or loss.

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

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

2.9 Financial liabilities

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

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

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from proceeds.

2.11 Current and deferred income tax

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

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

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and

Notes to the Financial Statements (continued)

2.11 Current and deferred income tax (continued)

liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also recognised with in equity.

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

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the investment property over time, rather than through sale. The directors of the Group reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to IAS 12 is not rebutted. However, the Group has not recognised any deferred taxes on changes in the fair value of the investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

2.12 Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using Mauritian rupees, the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Mauritian rupees, which is the Group's functional and presentation currency.

(ii) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in statement of profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in statement of profit or loss within 'other (losses)/gains - net'.

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

2.13 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises of all costs of purchase, cost of conversion and other costs incurred in bringing such inventories to their present condition and location. Cost is determined on the weighted average basis. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.14 Leases

Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, all leases are accounted for by recognising a right-of-use asset and a lease liability except for:

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

Identifying Leases

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

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

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.
- Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

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

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

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

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

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

- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

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

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

2.15 Retirement benefit obligations

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(i) Workers Rights Act 2019

Employees are entitled to a gratuity which is computed based on the number of years of service. This provision is not funded and is accounted for as a Defined Benefit Obligation. The benefit accruing

2.15 Retirement benefit obligations (continued)

under this item is calculated by a qualified actuary who carries out a full valuation of the plan. The present value of retirement benefits as provided under the Workers Rights Act 2019 is recognised in the statements of financial position as a non-current liability. Actuarial gains and losses on the present value of the Group's pension obligations and fair value of plan assets are recognised in other comprehensive income.

(ii) State plan and defined contribution plan

Contributions to the National Pension Scheme and defined contribution plan are charged to profit or loss in the year in which they fall due.

2.16 Revenue recognition

Revenue for the Company consists of dividend income. Dividend income from investments is recognised when the shareholder's right to receive payment is established.

Revenue for the Group comprises of income from bus fare and hire charges and the invoiced values of goods and services net of value added tax, discounts, allowances and returns, service fees and after eliminating sales within Group companies.

Performance obligations and timing of revenue recognition

The majority of the revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

(a) (Revenue from contracts with customers

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligationsFor all contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the Company is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Maintenance and Service fees income is recognised by reference to the terms of the agreement.

Revenue from bus fare and hire charges are recognised upon customer acceptance.

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

- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).
- Dividend income - when the shareholder's right to receive payment is established.
- Lease income arising from operating leases-on a straight-line basis over the lease term.

2.17 Provisions

Provisions are recognised when the Group has a present obligation as a result of past events, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

2.18 Impairment

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less cost to sell and value in use. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

2.19 Government grants

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received. Government grants whose primary condition is that the Group should purchase or otherwise acquire non-current assets are recognised against the carrying amount of the asset. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Financial support from government is recognised on accrual basis.

2.20 Non-current assets held for sale

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

Events or circumstances may extend the period to complete the sale beyond one year but if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset, such extension does not preclude the asset from being classified as held for sale.

Impairment losses on initial classification as held for sale and subsequent gains or losses on measurement are recognised in profit or loss.

2.21 Dividend Distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statement in the period in which the dividend is declared.

2.22 Common control transactions

Transactions in which combining entities are controlled by the same party or parties before and after the transaction and where that control is not transitory are referred to as common control transactions. The Group's accounting policy for the acquiring entity would be to account for the transaction at book values as reflected in the consolidated financial statements of the selling entity.

The excess, if any, of the cost of the transaction over the acquirer's proportionate share of the net assets value acquired in common control transactions will be allocated to the common control reserve in equity.

3. Financial Risk Management

3.1 Financial Risk Factors

The treasury function provides services to the business, co-ordinates access to financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(a) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group manages its exposure to interest rate and foreign currency risk by use of a proper mix in fixed and floating rate borrowings.

(i) Currency risk

The Group and the Company undertake certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

Currency profile

The currency profile of the Group's and the Company's financial assets and liabilities are summarised below:

THE GROUP	MUR	USD	ZMK	TOTAL
At 30 June 2021				
Financial assets at fair value through other comprehensive income	**359,522,476**	**3,332,136**	**-**	**362,854,613**
Financial assets at amortised cost	**-**	**21,025,000**	**-**	**21,025,000**
Financial assets at fair value through profit or loss	**178,743,543**	**-**	**-**	**178,743,543**
Trade and other receivables	**49,640,531**	**2,844,244**	**158,886**	**52,643,661**
Cash and cash equivalents	**40,432,109**	**-**	**-**	**40,432,109**
Total financial assets	**628,338,659**	**27,201,380**	**58,886**	**655,698,926**
Trade payables and other payable	**44,380,784**	**-**	**291,723**	**44,672,507**
Borrowings	**183,491,979**	**-**	**-**	**183,491,979**
Lease liabilities	**145,131,161**	**-**	**-**	**145,131,161**
Total financial liabilities	**373,003,925**	**-**	**291,723**	**373,295,648**

3.1 Financial Risk Factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

THE GROUP	MUR	USD	EUR	ZMK	TOTAL
At 30 June 2021					
Financial assets at fair value through other comprehensive income	362,440,650	7,747,577	-	-	370,188,227
Financial assets at amortised cost	-	20,717,367	-	-	20,717,367
Financial assets at fair value through profit or loss	133,375,379	-	-	-	133,375,379
Trade and other receivables	31,060,566	-	-	693,552	31,754,118
Cash and cash equivalents	56,559,928	-	-	-	56,559,928
Total financial assets	583,436,523	28,464,944	-	693,552	612,595,019
Trade and other payables	40,580,580	-	308,083	6,856,361	47,745,024
Borrowings	214,167,010	-	-	-	214,167,010
Obligations under finance leases	128,346,090	-	-	-	128,346,090
Total financial liabilities	383,093,680	-	308,083	6,856,361	390,258,124
THE COMPANY					
At 30 June 2021					
Trade and other receivables	19,073,076	-	-	-	19,073,076
Cash and cash equivalents	3,074,858	-	-	-	3,074,858
Total financial assets	22,147,934	-	-	-	22,147,934
Trade and other payables	96,154,554	-	-	-	96,154,554
Lease liabilities	2,835,365	-	-	-	2,835,365
Total financial liabilities	98,989,919	-	-	-	98,989,919
At 30 June 2020					
Trade and other receivables	18,001,408	-	-	-	18,001,408
Cash and cash equivalents	3,785,163	-	-	-	3,785,163
Total financial assets	21,786,571	-	-	-	21,786,571
Trade and other payables	97,379,259	-	-	-	97,379,259
Lease laiblities	3,533,020				3,593,020
Total financial liabilities	100,912,279	-	-	-	100,972,279

The following significant exchange rates have been applied.

3. Financial Risk Management (continued)

3.1 Financial Risk Factors (continued)

	AVERAGE RATE		YEAR-END SPOT RATE	
	2021 MUR	2020	**2021 MUR**	2020
USD	**39.50**	35.66	**42.05**	36.35
EUR	**46.88**	39.79	**49.80**	40.64
ZMK	**1.88**	2.48	**1.86**	2.81

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis

At 30 June 2021, if the rupee had weakened/strengthened by 5% against the US dollar/Euro/Kwacha, with all other variables held constant, post tax profit for the year and equity would have been impacted as follows mainly as a result of measurement of financial instruments denominated in a foreign currency.

THE GROUP	**2021 MUR000's**	2020 MUR000's
	+/-8%	+/-3%
USD	**2,176,110**	1,217,857
	+/-9%	+/-2%
EUR	**-**	(5,320)
	+/-29%	+/-10%
ZMK	**(37,999)**	(636,067)
THE COMPANY	**2021**	2020
	Rs000's	Rs000's
	+/-8%	+/-3%
USD	**-**	-

(b) Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The interest rate profile of the Group's financial assets and financial liabilities at 30 June 2021 was:

Financial assets	**Currency**	**2021 %**	2020 %
Balances with banks	MUR	**2.95 - 4.75**	2.95 - 4.75
Loan and receivables	MUR	**4.75 - 5.50**	4.75 - 5.50

	Floating interest rate		**Fixed interest rate**	
Financial assets	**2021 %**	2020 %	**2021 %**	2020 %
Bank overdrafts	**4.1 - 5.66**	4.1 - 5.66	**-**	-
Finance lease obligations	**-**	-	**6.25 - 7.5**	6.25 - 7.5
Loans	**4.1 - 5.1**	4.1 - 5.1	**-**	-
Trade and other payables	**-**	-	**4.75 - 5.50**	4.75 - 5.50

3.1 Financial Risk Factors (continued)

(b) Interest rate risk management (continued)

Interest rate sensitivity analysis

The interest rate sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative financial instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rate.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the profit for the year ended 30 June 2021 and 2020 would have decreased/increased by:

	THE GROUP		THE COMPANY	
THE GROUP	**2021 MUR**	2020 MUR	**2021 MUR**	2020 MUR
Profit or loss	**863,180**	616,011	**162,610**	91,786

(c) Price risks

The Group is exposed to price risks arising from investments in listed investments quoted on the Stock Exchange of Mauritius. The Group is exposed to equity price risks arising from equity investments classified either as financial assets at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVTPL).

The sensitivity analysis below have been determined based on the exposure to equity price risks at the reporting date.

Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of the investments on the Group's post-tax profit for the year and on equity. The analysis is based on the assumption that the fair value had increased/decreased by 5%.

	Impact on post-tax profit		Impact on equity	
FVOCI	**2021 MUR**	2020 MUR	**2021 MUR**	2020 MUR
	-	-	**26,189,411**	35,377,508
Fair value through profit or loss (FVTPL)	**12,901,002**	12,746,188	**-**	-

The Group's sensitivity to equity prices has not changed significantly from the prior year.

(d) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The Group and the company have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group and the company uses other publicly available financial information and its own trading records to rate its major customers. The Group's and the company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Notes to the Financial Statements (continued)

3. Financial Risk Management (continued)

3.1 Financial Risk Factors (continued)

(d) Credit risk management (continued)

The Group and the Company's credit risk are primarily attributable to trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables and represents the Group's and the Company's maximum exposure to credit risk. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group and the company have no concentration of credit risk in its trade receivables in 2021 and 2020. Financial assets that are neither past due nor impaired are of a high credit quality.

(e) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	THE GROUP				
	On Demand MUR	Less than 1 year MUR	1 - 5 years MUR	More than 5 years MUR	Total MUR
June 2021					
Bank overdrafts	**49,404,530**	**-**	**-**	**-**	**49,404,530**
Bank loans	**-**	**34,898,698**	**99,188,751**	**-**	**134,087,449**
Lease liabilities	**-**	**43,649,676**	**101,481,485**	**-**	**145,131,161**
Trade and other payables	**-**	**28,284,479**	**-**	**-**	**28,284,479**
	49,404,530	**106,832,853**	**200,670,236**	**-**	**356,907,619**
June 2020					
Bank overdrafts	88,457,088	-	-	-	88,457,088
Bank loans	-	23,849,688	95,997,895	5,862,339	125,709,922
Lease liabilities	-	18,976,613	109,369,477	-	128,346,090
Trade and other payables	-	47,745,024	-	-	47,745,024
	88,457,088	90,571,325	205,367,372	5,862,339	390,258,124

	THE COMPANY				
	On Demand MUR	Less than 1 year MUR	1 - 5 years MUR	More than 5 years MUR	Total MUR
2021					
Bank overdraft	**27,101,737**	**-**	**-**	**-**	**27,101,737**
Trade and other payables	**96,154,554**	**-**	**-**	**-**	**96,154,554**
	123,256,291	**-**	**-**	**-**	**123,256,291**
2020					
Bank overdraft	18,357,279	-	-	-	18,357,279
Trade and other payables	97,687,342	-	-	-	97,687,342
	116,044,621	-	-	-	116,044,621

3.2 Fair value estimation

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

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

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Investments in unquoted entities are included in level 3. Level 3 instruments include unquoted equity investments under financial assets at FVOCI.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

3.3 Capital risk management

The Group and the company manage its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company and the Group set the amount of capital in proportion to risk. The Company and the Group manage the capital structure and make adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. Consistent with others in the industry, the Company and the Group monitor capital on the basis of the net debt-to-adjusted capital ratio. Adjusted capital comprises all components of equity (i.e stated capital, other reserves, and retained earnings).

During 2020, the Company's and the Group's strategy, which was unchanged from 2020, was to reduce the net debt-to-adjusted capital ratio to a reasonable level in order to secure access to finance at a reasonable cost.

The capital structure of the Group consists of net debt, which includes borrowings, offset by cash at bank and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

	THE GROUP		THE COMPANY	
Gearing ratio	**2021 MUR**	2020 MUR	**2021 MUR**	2020 MUR
The gearing ratio at the year end was as follows:				
Debt (i)	**328,623,140**	342,513,100	**29,937,102**	21,950,299
Cash at bank	**(40,432,109)**	(56,559,928)	**(3,074,858)**	(3,785,163)
Net debt	**288,191,031**	285,953,172	**26,862,245**	18,165,136
Equity (ii)	**665,188,175**	606,933,673	**387,283,054**	393,359,638
Net debt to equity ratio	**0.43**	0.47	**0.07**	0.05

(i) Debt is defined as long and short term borrowings.
(ii) Equity includes all capital and reserves of the Group.
(iii) Management believes the gearing ratio is within an acceptable range.

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

4. Critical Accounting Estimates and Judgements

The preparation of financial statements in accordance with IFRS requires the directors and management to exercise judgement 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. The actual results could, by definition therefore, often differ from the related accounting estimates.

In the application of the Group's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

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

Key sources of estimation uncertainty

The key sources assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) *Impairment of financial assets*
The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group`s past history, existing market conditions as well as forward looking estimates at the end of each reporting period (note 15).

(b) *Impairment of goodwill*
Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value, as described in note 7 of the financial statements.

(c) *Investment properties*
Investment property has been valued based on directors' estimate with reference to their knowledge on the current market evidence of transaction prices for similar properties and with the valuer's report. The actual results could differ from their estimates as management uses an average of the most recent transaction prices, or, depending on the location, the exact transaction price of a similar property which has recently traded on the market in the vicinity of the subject property being valued. Note 6 provides further details on the revaluation method.

(d) *Retirement benefit obligations*
Retirement benefit obligations has been valued by actuaries based on accounting estimates in respect of inter-alia, discount rate, future salary increases, and average retirement age. Due to the long term nature of the plan, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. Management consider that the actuary has used its best estimates to value the retirement benefit obligation provisions and note 18 provides further information on same.

4. Critical Accounting Estimates and Judgements (continued)

(e) *Measurement of the expected credit loss (ECL) allowance*
The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of debtor segment and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

When using the simplified approach for measurement of expected credit loss for trade receivables, the application of a provision matrix requires significant assumptions and judgements, such as:

- Determining the appropriate groupings of receivables into categories of shared credit risk characteristics;
- Determining the period over which historical loss rates are obtained to develop estimates of expected future loss rates;
- Determining the historical loss rates;
- Considering macro-economic factors and adjusting historical loss rates to reflect relevant future economic conditions; and
- Calculating the expected credit losses.

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

(g) *Impact of COVID-19*
The ongoing COVID-19 pandemic has increased the estimation uncertainty in the preperation of these financial statements. The Group and the Company have developed various accounting estimates in these financial statements based on forecastsof economic conditions which reflect expectations and assumptions as at June 30, 2021 about future events that the Directors believe are reasonable in the circumstances. There is a considerable degree of judgement involved in preparing these forecasts. The underlying assumptions are also subject to uncertainties which are often outside the control of the Group and the Company. Accordingly, actual economic conditions may be different from these forecasts since anticipated events may not occur as expected, and the effect of those differences may significantly impact accounting estimates included in these financial statements. The significant accounting estimates particularly impacted by these associated uncertainties are predominantly related to the recoverable amount assessments of non-financial assets, expected credit losses of trade receivables and fair value of investments.

(h) *Going concern*
Going concern assessment is based on forecasts for the 12 months following the June 30, 2021. In making these forecasts, management uses significant estimates such as growth rates and inflation rates.

Notes to the Financial Statements (continued)

5. Property, Plant and Equipment

THE GROUP	Freehold land MUR	Garage and Buildings MUR	Buses MUR	Plant and machinery MUR	Other vehicles MUR	Fittings and equipment MUR	Computer equipment MUR	Total MUR
COST OR VALUATION								
At 1 July 2020								
As previously Stated	**89,200,000**	**33,760,303**	**171,570,662**	**8,095,446**	**15,144,562**	**5,560,105**	**27,232,651**	**350,563,729**
restatements (note 38(b))		**(662,330)**	**947**	**(7,709,919)**	**3,781,470**	**3,077,131**	**(292,878)**	**(1,805,579)**
effect of prior period error (note 38(a))	-	-	-	-	**(13,989,633)**	-	-	**(13,989,633)**
As restated	**89,200,000**	**33,097,973**	**171,571,609**	**385,527**	**4,936,399**	**8,637,236**	**26,939,773**	**334,768,517**
Additions	-	**1,465,815**	-	**86,565**	**684,855**	**424,921**	**2,695,269**	**5,357,425**
Revaluation gains/ (losses)	**26,000,000**	**(7,516,256)**	-	-	-	-	-	**18,483,744**
Transfer to investment properties (note 6)	**(11,900,000)**	-	-	-	-	-	-	**(11,900,000)**
Disposal	-	-	**(2,164,723)**	-	**(1,523,443)**	**(20,000)**	**(76,831)**	**(3,784,997)**
Scrapped	-	-	-	-	-	**(391,689)**	-	**(391,689)**
Exchange differences	-	-	-	**(7,251)**	**(81,479)**	-	**(82,420)**	**(171,150)**
At 30 June 2021	**103,300,000**	**27,047,532**	**169,406,886**	**464,841**	**4,016,332**	**8,650,468**	**29,475,791**	**342,361,850**
ACCUMULATED DEPRECIATION								
At 1 July 2020								
- *As previously Stated*	-	**917,960**	**103,143,299**	**2,305,679**	**5,716,719**	**2,693,433**	**27,366,777**	**142,143,867**
- restatements (note 38(b))	-	-	**104,394**	**(2,156,043)**	**130,893**	**2,709,206**	**(2,594,030)**	**(1,805,580)**
- effect of prior period error (note 38(a))	-	-	-	-	**(2,314,333)**	-	-	**(2,314,333)**
- As restated	-	**917,960**	**103,247,693**	**149,636**	**3,533,279**	**5,402,639**	**24,772,747**	**138,023,954**
Charge for the year	-	**917,960**	**8,769,909**	**42,279**	**94,428**	**631,019**	**2,532,199**	**12,987,793**
Disposal adjustment	-	-	**(1,882,164)**	-	**(1,261,483)**	**(20,000)**	**(40,450)**	**(3,204,097)**
Scrapped	-	-	-	-	-	**(391,689)**	-	**(391,689)**
Exchange differences	-	-	-	**(3,154)**	**(48,261)**	-	**(81,609)**	**(133,025)**
At 30 June 2021	-	**1,835,920**	**110,135,439**	**188,760**	**2,317,962**	**5,621,969**	**27,182,886**	**147,282,936**
CARRYING AMOUNT								
At 30 June 2021	**103,300,000**	**25,211,612**	**59,271,447**	**276,080**	**1,698,370**	**3,028,499**	**2,292,905**	**195,078,913**
At 30 June 2020	89,200,000	32,180,013	68,323,916	235,891	1,403,120	3,234,597	2,167,026	196,744,563

5. Property, Plant and Equipment (continued)

THE GROUP	Freehold land MUR	Garage and Buildings MUR	Buses MUR	Plant and machinery MUR	Other vehicles MUR	Fittings and equipment MUR	Computer equipment MUR	Total MUR
COST OR VALUATION								
At 1 July 2019								
As previously Stated	75,800,000	16,525,358	165,225,881	9,741,689	4,722,787	4,369,799	32,268,757	308,654,271
restatements (note 38(b))		(662,330)	947	(9,415,218)	3,781,470	3,077,131	1,412,421	(1,805,579)
Effect of prior period errors (note 38(a))	-	-	-	-	(4,788,734)	-	-	(4,788,734)
As restated	75,800,000	15,863,028	165,226,828	326,471	3,715,523	7,446,930	33,681,178	302,059,958
Additions	-	-	6,344,781	96,700	1,158,900	2,583,753	1,369,063	11,553,197
Impairment (note 5(iii))	-	-	-	-	-	-	(4,743,114)	(4,743,114)
Scrapped assets	-	-	-	(42,734)	-	(1,393,447)	(3,397,382)	(4,833,563)
Transfer to investment properties (note 6)	13,400,000	17,234,945	-	-	-	-	-	30,634,945
Disposal	-	-	-	-	(7,579)		(26,000)	(33,579)
Exchange differences	-	-	-	5,090	69,556	-	56,028	130,674
At 30 June 2020	89,200,000	33,097,973	171,571,609	385,527	4,936,400	8,637,236	26,939,773	334,768,518
ACCUMULATED DEPRECIATION								
At 1 July 2019	-	917,960	94,426,029	2,300,404	4,855,835	3,299,950	29,088,322	134,888,500
- restatements (note 38(b))	-	-	104,394	(2,156,043)	130,894	2,709,206	(2,594,030)	(1,805,579)
- Effect of prior period errors (note 38(a))					(1,552,451)			(1,552,451)
- As restated	-	917,960	94,530,423	144,361	3,434,278	6,009,156	26,494,292	131,530,470
Charge for the year	-	-	8,717,270	46,032	71,620	786,930	4,647,942	14,269,794
Impairment adjustment (note 5(iii))	-	-	-	-	-	-	(2,980,830)	(2,980,830)
Disposal adjustment	-	-	-	-	(1,089)	-	(18,489)	(19,578)
Scrapped assets	-	-	-	(42,734)	-	(1,393,447)	(3,397,382)	(4,833,563)
Exchange differences	-	-	-	1,977	28,471	-	27,214	57,662
At 30 June 2020	-	917,960	103,247,693	149,636	3,533,280	5,402,639	24,772,747	138,023,955
CARRYING AMOUNT								
At 30 June 2020	89,200,000	32,180,013	68,323,916	235,891	1,403,120	3,234,597	2,167,026	196,744,563
At 30 June 2019	75,800,000	14,945,068	70,696,405	182,110	281,245	1,437,774	7,186,886	170,529,488

Notes to the Financial Statements (continued)

5. Property, Plant and Equipment (continued)

THE COMPANY	Plant and machinery MUR	Fittings and equipment MUR	Computer equipment MUR	Total MUR
2021				
COST				
At 1 July	117,918	124,577	528,211	770,706
Additions	42,733	1,460,137	3,882,247	5,385,117
Scrapped assets	-	-	-	-
At 30 June 2021	**160,651**	**1,584,714**	**4,410,458**	**6,155,823**
ACCUMULATED DEPRECIATION				
At 1 July 2021	10,286	28,293	265,126	303,705
Charge for the year	66,278	1,467,995	3,514,120	5,048,393
Scrapped assets adjustment				
At 30 June 2021	**76,564**	**1,496,288**	**3,779,246**	**5,352,098**
CARRYING AMOUNT	-	-	-	-
At 30 June 2021	**84,087**	**88,426**	**631,212**	**803,725**

2020	Plant and machinery MUR	Fittings and equipment MUR.	Computer equipment MUR.	Total MUR.
COST				
At 1 July 2021	63,952	1,463,664	3,902,093	5,429,709
Additions	96,700	54,360	23,500	174,560
Scrapped assets	(42,734)	(1,393,447)	(3,397,382)	(4,833,563)
At 30 June 2020	**117,918**	**124,577**	**528,211**	**770,706**
ACCUMULATED DEPRECIATION				
At 1 July 2021	44,750	1,407,537	3,454,133	4,906,420
Charge for the year	8,270	14,203	208,375	230,848
Scrapped assets adjustment	(42,734)	(1,393,447)	(3,397,382)	(4,833,563)
At 30 June 2020	**10,286**	**28,293**	**265,126**	**303,705**
CARRYING AMOUNT				
At 30 June 2020	**107,632**	**96,284**	**263,085**	**467,001**

THE GROUP

Fair value measurement of the Group's freehold land and buildings

The Group's freehold land and buildings were last revalued in June 2021 by Broll Valuation and Advisory Services, independent valuers not related to the Group. The fair value has been determined by the comparative method. The comparative method is based on comparison of prices paid of similar properties within close vicinity of the site and adjusted to reflect the characteristics of the subject property, at the relevant date. Broll Valuation and Advisory Services have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The basis of valuation in estimating the open market values has been effected in accordance with the principles set out by the International Valuation Standards Committee as per the International Valuation Application 1 (IVA 1) which deals with valuation for financial reporting and which is to be used in the context of International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB).

5. Property, Plant and Equipment (continued)

THE GROUP

Fair value measurement of the Group's freehold land and buildings (continued)

Sensitivity analysis

The following tables show the significant unobservable inputs used and the sensitivity of these inputs on the fair value:

		Fair value hierarchy	Significant unobservable inputs	Range of unobservable inputs
2021				**MUR**
	Land	**Level 3**	**Price per toise**	**27K - 39K**
	Garage and buildings	**Level 3**	**Price per square metre**	**7,900 - 9,700**
2020				**MUR**
	Land	**Level 3**	**Price per arpent**	**18K - 33K**
	Garage and buildings	**Level 3**	**Price per square metre**	**6,900 - 8,900**

An increase in the price per toise and the price per square metre would result in an increase in fair value.

If freehold land and garage and buildings were stated at historical cost, the carrying amounts would have been as follows:

	2021 MUR	2020 MUR
Net book value	**37,367,203**	**39,203,123**

(i) Bank borrowings are secured by fixed and floating charges on the assets of the Group (notes 15 and 28).

(ii) Leased assets in the Group financial statements included above comprise of buses and other vehicles as follows:

For the year ended 30 June 2020, leased assets are shown in Note 5.1.

(iii) Depreciation charge is allocated as follows in the statements of profit or loss and other comprehensive income:

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Cost of sales	**10,468,579**	10,634,972	**-**	-
Administrative expenses	**2,519,214**	3,634,822	**5,048,393**	230,848
	12,987,793	14,269,794	**5,048,393**	230,848

(iv) The impairment booked in 2020 was for an electronic machine which no longer had any use; the recoverable amount was Nil as both the fair value less cost to sell and the value in use were Nil based on the fact that the machine was not going to generate any future cash flows nor had any value on the open market. Therefore the carrying amount was reduced to the recoverable amount which was Nil.

Notes to the Financial Statements (continued)

5.1 Right-of-use Assets

	THE GROUP							THE COMPANY	
	2021				2020			2021	2020
	Buildings MUR	**Buses MUR**	**Motor Vehicles MUR**	**Total MUR**	Buses MUR	Motor Vehicles MUR	Tota MUR	**Motor Vehicles MUR**	
At 1 July 2019									
- as previously reported	**-**	**11,329,551**	**119,528,735**	**130,858,286**	16,994,326	105,684,443	122,678,769	**3,537,771**	3,990,233
- Effect of prior year adjustment (note 39)	**-**	**-**	**(114,527,532)**	**(114,527,532)**		(99,927,702)	(99,927,702)	**-**	-
- As restated	**-**	**11,329,551**	**5,001,203**	**16,330,754**	6,994,326	5,756,741	22,751,067	**3,537,771**	3,990,233
Additions	**2,034,971**	**-**	**-**	**2,034,971**	-	-	-	**-**	-
Disposals	**-**	**-**	**(470,794)**	**(470,794)**	-	-	-	**-**	-
Depreciation	**(113,054)**	**(5,664,775)**	**(1,430,916)**	**(7,208,745)**	(5,664,775)	(755,538)	(6,420,314)	**(828,670)**	(452,462)
At 30 June	**1,921,917**	**5,664,776**	**3,099,493**	**10,686,186**	11,329,551	5,001,202	16,330,753	**2,709,101**	3,537,771

5.2 Lease Liabilities

	THE GROUP							THE COMPANY	
	2021				2020			2021	2020
	Buildings MUR	**Buses MUR**	**Motor Vehicles MUR**	**Total MUR**	Buses MUR	Motor Vehicles MUR	Tota MUR	**Motor Vehicles MUR**	
At 1 July 2019	**-**	**11,280,669**	**117,065,421**	**128,346,090**	16,994,326	102,330,537	119,324,863	3,593,020	3,990,233
Additions	**2,034,971**	**-**	**44,822,909**	**46,857,880**	-	37,118,474	37,118,474	-	-
Interest expense	**148,169**	**684,324**	**8,428,228**	**9,260,721**	393,250	7,980,491	8,373,741	206,358	126,728
Lease payments	**(251,743)**	**(6,106,907)**	**(32,974,880)**	**(39,333,530)**	(6,106,907)	(30,364,081)	(36,470,988)	(964,013)	(523,941)
At 30 June	**1,931,397**	**5,858,086**	**137,341,678**	**145,131,161**	11,280,669	117,065,421	128,346,090	2,835,365	3,593,020
Current				**43,649,676**			18,976,613	2,028,174	757,655
Non current				**101,481,485**			109,369,477	807,191	2,835,365
At 30 June				**145,131,161**			128,346,090	2,835,365	3,593,020

5.2 Lease Liabilities (continued)

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

The Group and the Company leases motor vehicles for use in its operations.

(b) Lease payments

The lease payments for motor vehicles are fixed yearly amounts.

(c) Lease term

The motor vehicles leases are for a period of 5 years.

(d) Interest expense and cash outflows

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Interest expense (included in finance cost)	**9,260,721**	8,373,741	**206,358**	126,728
Total cash outflows	**(39,333,530)**	(36,470,988)	**(964,013)**	(523,941)
Short term lease expenses	**854,887**	1,233,543	**-**	-

6. Investment Properties

	THE GROUP	
	2021 MUR	2020 MUR
Fair value		
At 1 July	**30,468,809**	84,066,351
Disposals	**-**	(3,462,597)
Fair value gain	**5,831,191**	-
Transfer From Property, Plant and Equipment (note 5)	**11,900,000**	-
Transfer to Property, Plant and Equipment (note 5)	**-**	(30,634,945)
Transfer to non-current assets held for sale (note 22)	**-**	(19,500,000)
At 30 June	**48,200,000**	30,468,809

(a) Details of fair value measurement including sensitivity analysis are disclosed in note 5(i)

The Group's policy is to revalue its property every year. The Directors have re-assessed the fair value of the investment properties as at 30 June 2021. They took into consideration current market conditions, made comparisons to the carrying amount to recent observable transactions and held discussions with their independent valuer to confirm their views of no major change in the values.

	THE GROUP	
	2021 MUR	2020 MUR
Freehold land	**48,200,000**	30,468,809

There was no rental income nor direct operating expenses linked to the investment properties; freehold land recognised as investment property relate to plots of land held for capital appreciation.

The transfers from and to property, plant and equipment are due to changes in management's intentions.

MUR40M of investment properties have been pledged to secure banking facilities within RHT Group of companies (note 17).

Notes to the Financial Statements (continued)

7. Finance Lease Receivable

	THE GROUP 2021 MUR	2020 MUR
Year 1	**52,064,932**	50,459,547
Year 2	**51,825,781**	43,311,087
Year 3	**51,554,370**	41,911,193
Year 4	**20,812,343**	42,014,142
Year 5	**19,426,795**	9,817,549
Onwards	**-**	5,351,230
Undiscounted lease payments	**195,684,221**	192,864,748
Less: unearned finance income	**(21,613,039)**	(23,431,292)
Present value of lease payments receivable	**174,071,181**	169,433,456
Net investment in the lease	**174,071,181**	169,433,456
Undiscounted lease payments analysed as:	**52,064,932**	50,459,547
Recoverable after 12 months	**143,619,289**	142,405,201
Recoverable within 12 months	**195,684,221**	192,864,748
Net investment in the lease analysed as:		
Recoverable after 12 months	**50,768,480**	40,830,101
Recoverable within 12 months	**123,302,701**	128,603,355
	174,071,181	169,433,456

The Group entered into finance leasing arrangements as a lessor for motor vehicles.

The terms of the leases entered into vary between 3 and 7 years and are non-cancellable.

The Company is not exposed to foreign currency risk as a result of the lease arrangement, as the lease is denominated in MUR.

8. Intangible Assets

THE GROUP	In built software MUR	Purchased goodwill MUR	Computer software MUR	Trademarks MUR	Trading rights MUR	Total MUR
COST						
At 1 July 2019	1,621,493	3,730,364	4,832,401	28,571	4,000,000	14,212,829
Additions	-	-	405,779	-	-	405,779
At 30 June 2020	1,621,493	3,730,364	5,238,180	28,571	4,000,000	14,618,608
Additions	-	-	295,435	-	-	295,435
At 30 June 2021	**1,621,493**	**3,730,364**	**5,533,615**	**28,571**	**4,000,000**	**14,914,043**
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES						
At 1 July 2019	1,600,000	1,411,806	4,417,968	4,274	3,600,000	11,034,048
Charge for the year	-	-	495,702	-	399,784	895,486
At 30 June 2020	1,600,000	1,411,806	4,913,670	4,274	3,999,784	11,929,534
Charge for the year	21,493	-	486,717	24,297	216	532,723
At 30 June 2021	**1,621,493**	**1,411,806**	**5,400,387**	**28,571**	**4,000,000**	**12,462,257**
CARRYING AMOUNT						
At 30 June 2021	**-**	**2,318,558**	**133,228**	**-**	**-**	**2,451,786**
At 30 June 2020	21,493	2,318,558	324,510	24,297	216	2,689,074

Amortisation charge is charged to administrative expenses in the statements of profit or loss.

Purchased goodwill relates to the surplus of the amount paid compared to the net assets on acquisition of wholly owned subsidiaries. It has an indefinite useful life and is tested annually for impairment.

Goodwill has been allocated for impairment testing purposes to the following cash generating unit ("CGU"):

	THE GROUP 2021 MUR	2020 MUR
Cash-generating-unit - Island Communications Ltd	**2,318,558**	2,052,558
Cash-generating-unit - Transport and Micropayments System Ltd	-	266,000
	2,318,558	2,318,558

During the financial year, TMSL was amalgamated into ICL and therefore the goodwill was reallocated to the CGU related to ICL.

The impairment test was performed using cash flow projections based on financial budgets approved by management covering a five year span. The Directors have reviewed the carrying value of the goodwill and are of opinion that at year end, the carrying value has not suffered any impairment loss (2020: nil) by virtue of the above fact whereby recoverable amount is higher than carrying amount. A reasonable change in the assumptions used would not cause the recoverable amount to fall below the carrying amount.

Notes to the Financial Statements (continued)

8. Intangible Assets (continued)

The recoverable amounts of all the above CGUs have been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five year period to 30 June 2026. Other major assumptions are as follows:

	ICL	
THE COMPANY	**2021 %**	2020 %
Discount rate	**13.26**	13.76
Growth rate	**3.2**	2

The growth rate assumption applies only to the period beyond the formal budgeted period with the value in use calculation based on an extrapolation of the budgeted cash flows for year five. It is based on the projected inflation rate at year end.

If any one of the following changes were made to the above key assumptions, the carrying amount and recoverable amount would be equal.

Discount rate increase from 13.26% to 16.35%
Growth rate decrease from 3.2% to -2.17%

	Computer software	
THE COMPANY	**2021 MUR**	2020 MUR
COST AND VALUATION		
At 1 July	1,118,179	1,118,179
Additions	**-**	-
At 30 June	**1,118,179**	**1,118,179**
AMORTISATION		
At 1 July	948,315	761,640
Charge for the year	168,963	186,675
At 30 June	**1,117,278**	**948,315**
CARRYING AMOUNT		
At 30 June	**901**	**169,864**

9. Investment in Subsidiaries

	THE COMPANY	
	2021 MUR	2020 MUR
Unquoted at cost		
At 1 July and 1 June	**495,624,066**	495,624,066

(a) Investment in subsidiaries is stated at cost. The Directors have assessed that for one of the subsidiaries, namely RHT Bus Services Ltd there was an indication of impairment.

The impairment test was performed using cash flow projections based on financial budgets approved by management covering a five year span. The Directors have reviewed the carrying value of the investment and are of opinion that at year end, the carrying value has not suffered any impairment loss (2020: nil) by virtue of the above fact whereby recoverable amount is higher than carrying amount. A reasonable change in the assumptions used would not cause the recoverable amount to fall below the carrying amount.

The recoverable amount of the investment have been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five year period to 30 June 2026. Other major assumptions are as follows:

9. Investment in Subsidiaries (continued)

RHT Bus Services Ltd	**2021 %**
Discount rate	**5.57**
Growth rate	**3.2**

The growth rate assumption applies only to the period beyond the formal budgeted period with the value in use calculation based on an extrapolation of the budgeted cash flows for year five. It is based on the projected inflation rate at year end.

If any one of the following changes were made to the above key assumptions, the carrying amount and recoverable amount would be equal.

Discount rate increase from 5.57% to 12.8%
Growth rate decrease from 3.2% to -11.2%

	Type of holding	Class of shares held	Principal activity	Shareholding 2021 %	2020 %
RHT Bus Services Ltd	Direct	Ordinary	Bus transport industry	**100**	100
RHT Ventures Ltd	Direct	Ordinary	Investment holding	**100**	100
RHT Investments Ltd	Direct	Ordinary	Investment holding	**100**	100
Island Communications Ltd	Indirect	Ordinary	Information technology	**100**	100
Flo Mobility Services Ltd	Indirect	Ordinary	Chauffeur services	**100**	100
FleetPro Services Ltd	Indirect	Ordinary	Maintenance and servicing of vehicles	**100**	100
Advance Institute of Motoring Ltd	Indirect	Ordinary	Motoring training	**100**	100
Transport and Micropayment System Ltd	Indirect	Ordinary	Information technology	**100**	100
RHT Systems India Private Limited	Indirect	Ordinary	Information technology	**100**	100
ICL Zambia Ltd	Indirect	Ordinary	Information technology	**100**	100

(a) The subsidiary Companies are incorporated and carry activities in Mauritius except for two subsidiaries, namely, RHT Systems India Private Limited and ICL Zambia Ltd, which are incorporated in India and Zambia respectively. All the subsidiary Companies have a June year end.

(b) RHT Bus Services Ltd acquired 552,765 additional shares from Advance Institute of Motoring Ltd for a consideration of MUR5,527,650.

(c) RHT Properties Ltd and Hugnin Property Development Ltd amalgamated with and into RHT Investments Ltd on 15 July 2020.

(d) Transport and Micropayment System Ltd amalgamated with and into Island Communications Ltd on 15 June 2021.

(e) Through its subsidiary RHT Investments Ltd, the investments in securities have been pledged to secure banking facilities of RHT Group of Companies.

(f) RHT Bus Services Ltd (RHT BS) and acquired 3446 shares of Island Communications Ltd (ICL) from RHT Ventures Ltd (RHTV) for a consideration of MUR 23,812,728. RHTB owns 48% of ICL.

Notes to the Financial Statements (continued)

9.1 Investment in Associate

2020	THE GROUP	
	2021 MUR	2020 MUR
THE GROUP		
At 30 June	**-**	-

(i) Investment in associate has been fully impaired since prior years. The results of the associate that is not individually material is listed below:

Name of company	Activity	Type of holding	Description	Effective Group shareholding 2020	2019
				%	%
Showbizz Entertainment Ltd	Advertising on digital screen	Indirect	Ordinary shares	50	50

(ii) The summarised financial information in respect of the associate that is not material is set out below. The summarised financial information below represents amount shown in the associate financial statements as at 30 June 2021.

	2021 MUR	2020 MUR
Non current assets	**-**	-
Current assets	**-**	-
Non current liabilities	**-**	-
Current liabilities	**-**	-
Unrecognised cumulative share of losses in the associate	**-**	-
Revenue	**-**	-
Loss for the year	**-**	-
Other comprehensive income	**-**	-
Group's share of associates loss	**-**	-
Dividend received from associates	**-**	-
Unrecognised cumulative share of losses in the associate	**-**	-

10. Financial Assets at Fair Value through Other Comprehensive Income

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

2021	THE GROUP		
	Level 1 MUR	**Level 2 MUR**	**Level 3 MUR**
At 1 July	**275,970,657**	**94,217,570**	**370,188,227**
Additions	**-**	**8,549,000**	**8,549,000**
Disposals	**(46,121,308)**	**-**	**(46,121,308)**
Change in fair value recognised in OCI	**33,746,679**	**(3,507,986)**	**30,238,693**
At 30 June	**263,596,028**	**99,258,584**	**362,854,612**

2020	THE GROUP		
	Level 1 MUR	Level 2 MUR	**Level 3 MUR**
At 1 July	**342,739,512**	27,004,641	**369,744,153**
Additions	**1,431,611**	72,081,150	**73,512,761**
Disposals	**(7,389,055)**	-	**(7,389,055)**
Change in fair value recognised in OCI	**(60,811,411)**	(4,868,221)	**(65,679,632)**
At 30 June	**275,970,657**	94,217,570	**370,188,227**

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

2020	THE GROUP	
	2021 MUR	2020 MUR
Quoted - Level 1:	**263,596,028**	271,127,360
Equity securities - [Mauritius]	**-**	4,843,297
Equity securities - [Other jurisdictions]		
Unquoted - Level 3:	**99,258,584**	94,217,570
Equity securities - [Mauritius]	**362,854,612**	370,188,227

(iii) Financial assets measured at fair value through other comprehensive income include the Group's strategic equity investments not held for trading. The Group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these strategic investments. The current portion relates to those assets the Group expects to sell within the next 12 months.

Notes to the Financial Statements (continued)

10. Financial Assets at Fair Value through Other Comprehensive Income (continued)

(iv) Level 1

The fair value of quoted securities is based on published market prices.

Level 3

The significant unobservable inputs used in measuring the fair value of Level 3 securities are as follows:

Description	2021 MUR'M	2020 MUR'M	Valuation technique	Unobservable inputs
Unquoted investments	**3.03**	**6.2**	Dividend valuation model	"Cost of equity Growth rate"
Unquoted investments	**19.7**	**-**	Discounted Cashflow Model	Cashflow

The following table indicates the approximate change in the Group's and Company's equity in response to reasonably possible changes in net asset value of investment.

	Impact on equity	
	2021 MUR	2020 MUR
5% increase in Cost of equity (2020: 5%)	**(147,482)**	(374,791)
5% increase in discount rate (2020: 5%)	**(708,000)**	-
5% increase in growth rate (2020: 5%)	**890,000**	95,241

The fair value of the unquoted securities are based on observable market data and at cost.

(v) Fair value through other comprehensive income financial assets are denominated in the following currencies:

	THE GROUP	
	2021 MUR	2020 MUR
MUR	**359,522,476**	362,440,650
USD	**3,332,136**	7,747,577
	362,854,613	370,188,227

The investments in securities have been pledged to secure banking facilities of the Group.

10.1. Financial Assets at Amortised Cost

	2021		
	MUR Current	**MUR Non-current**	**MUR Total**
Corporate bonds		**21,025,000**	**21,025,000**
Less: Loss allowance for debt investments at amortised cost		**-**	**-**
	-	**21,025,000**	**21,025,000**

10. Financial Assets at Fair Value through Other Comprehensive Income (continued)

	2020		
	MUR Current	**MUR Non-current**	**MUR Total**
Corporate bonds	967,367	19,750,000	20,717,367
Less: Loss allowance for debt investments at amortised cost	-	-	-
	967,367	19,750,000	20,717,367

The corporate bond is held with the State Bank of Mauritius USD bond fund. The carrying amount is considered to be the same as their fair value.

The fair value is determined based on the net present value of future cash flows discounted at the rate of interest attached to the bond.

(a) Maturity dates and interest rates are as follows:

	2021		
	Maturity Date	**Interest Rate**	**Total**
	2025	**4.75%**	**21,025,000**
			21,025,000

(b) The carrying amounts of the financial assets at amortised cost are denominated in USD.

11. Financial Assets at Fair Value through Profit or Loss

(i) The carrying amounts of the financial assets at fair value through profit or loss are classified as follows:

	THE GROUP	
	2021 MUR	2020 MUR
Level 1		
At 1 July	**133,375,379**	136,668,100
Additions	**30,242,808**	90,710,042
Disposals	**(19,706,715)**	(69,739,566)
Fair value gains/(losses)	**34,832,071**	(24,263,197)
At 30 June	**178,743,543**	133,375,379

	2021 MUR	2020 MUR
Non-current	178,743,543	133,375,379
Current	**-**	-
	178,743,543	133,375,379

(ii) Level 1

The fair value of quoted securities is based on published market prices.

Notes to the Financial Statements (continued)

11. Financial Assets at Fair Value through Profit or Loss (continued)

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

	THE GROUP	
	2021 MUR	2020 MUR
Quoted - Level 1:		
Listed equity securities - [Mauritius]	**99,071,700**	85,644,400
Equity securities - [Ireland, USA, Germany, Switzerland, Luxembourg]	**79,671,843**	47,730,979
	178,743,543	133,375,379

(iv) Fair value through other comprehensive income financial assets are denominated in the following currencies:

	THE GROUP	
	2021 MUR	2020 MUR
MUR	**99,071,700**	85,644,400
EUR	**5,417,408**	1,031,586
USD	**74,254,434**	46,699,393
	178,743,542	133,375,379

12. Other Assets

(a) The carrying amounts of the financial assets at fair value through profit or loss are classified as follows:

	THE GROUP	
	2021 MUR	2020 MUR
Non-Current	**-**	2,122,800
Current	**2,122,800**	2,122,800

	2021 MUR	2020 MUR
Non-current	178,743,543	133,375,379
Current	**-**	-
	178,743,543	133,375,379

Other assets consist of upfront payments made to bus manufacturers and suppliers to reduce the operating lease rentals paid to lessor on new buses acquired. The amount is being amortised over the operating lease term being 5 years.

13. Deferred Tax and Taxation

(a) Deferred taxes

Deferred tax is calculated on all temporary differences under the liability method at 17%, 30% and 35% (2020: 17%, 30% and 35%). The following amounts are shown in the Statement of Financial Position:

There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity. The following amounts are shown in the statements of financial position:

	THE GROUP		THE GROUP	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Deferred tax assets	**(4,093,117)**	(5,151,661)	**(188,979)**	(202,341)
Deferred tax liabilities	**375,179**	390,095	**-**	-
Net	**(3,717,938)**	(4,761,566)	**(188,979)**	(202,341)

The movement on the deferred tax account is as follows:

	THE GROUP		THE GROUP	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
At 1 July				
As previously Stated	**(6,303,348)**	451,533	**(202,341)**	(72,443)
- Effect of prior period errors (note 38(a))	**1,541,782**	-	**-**	-
- As restated	**(4,761,566)**	451,533	**(202,341)**	(72,443)
Recognised in profit or loss				
Exchange difference	**511,879**	-	**-**	-
Charge/(credit) for the year - restated	**1,167,889**	(5,257,979)	**(5,678)**	(135,848)
Recognised in other comprehensive income				
Deferred tax on retirement benefit obligations	**(636,140)**	44,880	**19,040**	5,950
At 30 June	**(3,717,938)**	(4,761,566)	**(188,979)**	(202,341)

13. Deferred Tax and Taxation (continued)

(a) Deferred taxes (continued)

Deferred tax liabilities and deferred tax assets charge in the statement of profit or loss and other comprehensive income are attributable to the following items:

THE GROUP	2020 As previously reported MUR	2020 Effect of prior period error MUR	2020 As restated MUR	Recognised profit or loss MUR	Recognised other comprehensive income MUR	Exchange Difference MUR	2021 MUR
Deferred taxes							
Accelerated capital allowances	**3,710,861**	**(1,270,653)**	**2,440,208**	**1,292,499**	**-**	**511,879**	**4,244,586**
Revaluation of land and buildings	**80,681**	**-**	**80,681**	**-**	**-**		**80,681**
	3,791,542	**(1,270,653)**	**2,520,889**	**1,292,499**	**-**	**511,879**	**4,325,267**
Retirement benefit obligations	**(7,115,010)**		**(7,115,010)**	**(124,610)**	**(636,140)**	**-**	**(7,875,760)**
Tax losses	**(2,812,435)**	**2,812,435**	**-**	**-**	**-**	**-**	**-**
Expected credit losses	**(167,445)**	**-**	**(167,445)**	**-**	**-**	**-**	**(167,445)**
	(10,094,890)	**2,812,435**	**(7,282,455)**	**(124,610)**	**(636,140)**	**-**	**(8,043,205)**
Net deferred tax assets	**(6,303,348)**	**1,541,782**	**(4,761,566)**	**1,167,889**	**(636,140)**	**511,879**	**(3,717,938)**

	2019 MUR	Recognised in profit or loss MUR	Recognised in other comprehensive income MUR	2020 MUR
Deferred taxes				
Accelerated capital allowances	596,178	1,844,030	-	2,440,208
Revaluation of land and buildings	80,681	-	-	80,681
	676,859	1,844,030	-	2,520,889
Retirement benefit obligations	(57,881)	(7,102,009)	44,880	(7,115,010)
Tax losses	-	-	-	(167,445)
Provision for bad debts	(167,445)	(7,102,009)	-	(7,282,455)
	(225,326)		44,880	
Net deferred tax assets	451,533	(5,257,979)	44,880	(4,761,566)

	2021 MUR	2,020 MUR
Tax losses not accounted for	**106,542,738**	82,679,893

13. Deferred Tax and Taxation (continued)

(a) Deferred taxes (continued)

THE COMPANY	**2020 MUR**	**Recognised profit or loss MUR**	**Recognised other comprehensive income MUR**	**2021 MUR**
Deferred taxes				
Accelerated capital allowances	**88,189**	**27,132**	-	**115,321**
Retirement benefit obligations	**(290,530)**	**(32,810)**	19,040	**(304,300)**
Net deferred tax assets	**(202,341)**	**(5,678)**	19,040	**(188,979)**

THE COMPANY	**2019 MUR**	**Recognised profit or loss MUR**	**Recognised other comprehensive income MUR**	**2020 MUR**
Deferred taxes				
Accelerated capital allowances	**(14,562)**	**102,751**	-	**88,189**
Retirement benefit obligations	**(57,881)**	**(238,599)**	5,950	**(290,530)**
Net deferred tax assets	**(72,443)**	**(135,848)**	5,950	**(202,341)**

(b) Taxation

The Group is taxable at the rate of 17% (2020: 17%) on companies incorporated in Mauritius, at 30% (2020: 30%) on its Indian operations as adjusted for tax purposes and at 35% (2020: 35%) on its Zambian operations as adjusted for tax purposes. The Company is taxable at 17% on the profit for the year as adjusted for income tax purposes.

Tax liability	THE GROUP **2021 MUR**	THE GROUP 2020 MUR
At 1 July		
- As previously Stated	**933,544**	1,229,853
- Effect of prior period errors (note 38(a))	**1,742,977**	1,125,192
- As restated	**2,676,521**	2,355,045
Current year tax liability @ 15% (2020 : 15%)	**990,679**	1,514,250
CSR @ 2% (2020 : 2%)	**161,427**	191,918
Overprovision in prior years	**(79,947)**	(9,010)
Less:		
Tax paid	**(849,217)**	(1,375,682)
At 30 June	**2,899,463**	2,676,521

	THE GROUP **2021 MUR**	THE GROUP 2020 MUR	THE GROUP **2021 MUR**	THE GROUP 2020 MUR
Tax expense				
Current tax expenses	**990,679**	1,514,250	**-**	-
CSR	**161,427**	191,918	**-**	-
Overprovision in previous years	**(79,947)**	(9,010)	**-**	-
	1,072,159	1,697,158	**-**	-

Notes to the Financial Statements (continued)

13. Deferred Tax and Taxation (continued)

(b) Taxation (continued)

Major components of tax expense:

	THE GROUP		THE GROUP	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Deferred tax				
Deferred tax charge/(credit) (note 13(a))	**1,167,889**	(5,257,979)	**(5,678)**	(135,848)
	1,167,889	(5,257,979)	**(5,678)**	(135,848)
Tax (credit)/charge	**2,240,048**	(3,560,821)	**(5,678)**	(135,848)

Numerical reconciliation between tax expenses and the product of accounting profit multiplied by the applicable tax rate

	THE GROUP		THE GROUP	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
(Loss)/profit before taxation	**11,455,458**	(30,415,177)	**(6,175,221)**	(9,129,924)
Tax at the applicable tax rate 17%-35% for the Group and 17% for the Company	**2,622,738**	(5,685,243)	**(1,049,788)**	(1,552,087)
Less: Tax effect of :-				
Expenses not deductible in determining taxable profits	**16,159,656**	15,118,944	**3,299,213**	3,299,213
Deferred tax movement not recognised	**1,096,857**	1,318,441	**490,512**	490,512
Exempt income	**(27,575,812)**	(10,077,899)	**(2,745,615)**	(2,373,486)
Deferred tax asset not previously recognised	**9,936,609**	(4,218,769)	**-**	-
Other adjustments	**-**	(16,295)	**-**	-
	(382,690)	2,124,422	**1,044,110**	1,416,239
Tax (credit)/charge	**2,240,048**	(3,560,821)	**(5,678)**	(135,848)

14. Inventories

	THE GROUP	
	2021 MUR	2020 MUR
Spare parts and consumables	**8,191,594**	7,828,219
Provision on stock losses and obsolescence	**(988,927)**	-
	7,202,667	7,828,219

The cost of inventories recognised as an expense amount to MUR 41m (2020: MUR 40.4m).

The inventories have been pledged to secure banking facilities for the Group.

15. Trade and other Receivables

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Trade receivables	**30,554,945**	30,216,332	**2,867,157**	3,210,891
Less: provision for impairment	**(6,529,824)**	(7,214,295)	**-**	-
Trade receivables - net	**24,025,121**	23,002,037	**2,867,157**	3,210,891
Dividend receivable	**9,801,920**	567,746	**6,301,920**	3,880,608
Other receivables	**7,075,709**	5,687,281	**7,071,143**	1,803,635
Prepayments	**1,796,677**	2,497,054	**381,826**	-
Amount due from fellow subsidiaries (note 35)	**-**	-	**2,451,030**	9,106,275
	42,699,428	31,754,118	**19,073,076**	18,001,408

Dividend is receivable from the Group's investment in a local listed entity, the dividend was declared before year end but payment was received just after year end.

The average credit period on trade and other receivables for sale of goods is one month. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. The attributes of the customers are reviewed on a yearly basis. There is no interest charged on trade receivables for sale of goods.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. There is no concentration of credit risk at Group level.

(i) Impairment of trade receivables

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

The expected loss rates are based on the payment profiles of sales over a period of one year before 30 June 2021 or 1 July 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows for trade receivables:

	Current	**More than 30 days past due**	**More than 60 days past due**	**More than 120 days past due**	**Total**
At 30 June 2021	**MUR**	**MUR**	**MUR**	**MUR**	**MUR**
Expected loss rate	**3%**	**21%**	**86%**	**64%**	**21%**
Gross carrying amount -					
trade receivable	**21,801,608**	**801,875**	**2,899,672**	**5,051,791**	**30,554,945**
Loss allowance	**621,671**	**167,846**	**2,502,881**	**3,237,426**	**6,529,824**
At 30 June 2020					
Expected loss rate	**11%**	**5%**	**5%**	**45%**	**24%**
Gross carrying amount -					
trade receivable	4,502,272	3,855,978	8,256,939	13,601,143	30,216,332
Loss allowance	506,661	182,307	442,694	6,082,634	7,214,295

Notes to the Financial Statements (continued)

15. Trade and other Receivables (continued)

The movements in loss allowances for trade receivables as at 30 June 2020 are as follows:

	Trade receivables	
	THE GROUP	
	2021 MUR	2020 MUR
Loss allowance as at 1 July 2020	**7,214,295**	6,030,217
Loss allowance recognised in profit or loss during the year	**(684,472)**	3,095,535
Receivables written off during the year as uncollectible	**-**	(2,288,480)
Unused amount reversed	**-**	377,023
At 30 June 2021	**6,529,823**	7,214,295

The decrease in loss rates and the loss allowance is due to a change in the concentration of trade debtors balances; the proportion of current balances over total trade debtors is much higher in 2021 than in 2020, therefore the risk has decreased.

(i) The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Rupee	**39,696,298**	31,060,566	**19,073,076**	18,001,408
US Dollar	**2,844,244**	-	**-**	-
Kwacha	**158,886**	693,552	**-**	-
	42,699,428	31,754,118	**19,073,076**	18,001,408

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

(iv) The amount due from related parties is unsecured, repayable on demand with interest bearing of 5.5% (2020 :5.5%) per annum. No allowance for doubtful debts has been provided on the basis that these debtors are related entities within the Group and they are expected to be in good financial health once they progress out of their start-up phase into the growth stage, with the support of the Group.

16. Stated Capital

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
	Number of shares			
Issued and fully paid ordinary shares				
Ordinary shares issued	**12,162,150**	12,162,150	**24,324,300**	24,324,300

The ordinary shares are entitled to dividend and one share carry one voting right.

17. Borrowings

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Non-current				
Bank loans	**99,188,751**	101,860,234	**-**	-
Current				
Bank overdrafts (note 28(b))	**49,404,530**	88,457,088	**27,101,737**	18,357,279
Bank loans	**34,898,698**	23,849,688	**-**	-
	84,303,228	112,306,776	**27,101,737**	18,357,279
	183,491,979	214,167,010	**27,101,737**	18,357,279

(a) The maturity of non-current loans is as follows:

	THE GROUP	
	2021 MUR	2020 MUR
- after one year and before two years	**36,927,725**	25,680,169
- after two years and before three years	**36,625,246**	27,389,263
- after three years and before four years	**21,207,922**	27,086,784
- after four years and before five years	**4,427,858**	15,841,679
- after five years	**-**	5,862,339
	99,188,751	101,860,234

(b) The floating interest rate charged by the bank on secured loan repayable by monthly instalments is based on the Prime Lending Rate ("PLR") prevailing in Mauritius, plus Fixed Margins which vary between 0.25% to 1.25% per annum. The rates ranged between a minimum of 1.50% (Covid loan programme) to 5.10%. During the year ended 30 June 2021, the PLR decreased to 4.10%.

(c) The loans are secured by floating charges on the assets of the Group for MUR260.1m and fixed charges on Investment property for MUR40m (notes 5, 6, 10 and 11).

18. Employee Benefit Liabilities

The Group and the Company has an unfunded plan which relates to employees who are entitled to retirement gratuities under the Workers Rights Act 2019. The liability under the unfunded plan is typically impacted by changes in discount rate and salary growth.

The valuation of the unfunded retirement benefit obligations for the year ended 30 June 2021 is based on figures reported in the report from actuaries Aon Hewitt Ltd (Actuarial Valuer) and applying accounting estimates as determined by the Directors.

Movement in liability recognised in the statement of financial position:

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
At 1 July	**41,853,000**	39,223,000	**1,709,000**	113,000
Amount recognised in profit or loss	**5,569,000**	7,972,000	**193,000**	1,631,000
Amount recognised in OCI	**3,742,000**	(264,000)	**(112,000)**	(35,000)
Benefits paid	**(4,836,000)**	(5,078,000)	**-**	-
At 30 June	**46,328,000**	41,853,000	**1,790,000**	1,709,000

The details of the component of the unfunded retirement benefit obligation as per the actuarial report is detailed below for the year ended 30 June 2021.

18. Employee Benefit Liabilities (continued)

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Liability recognised in the statement of financial position	**46,328,000**	41,853,000	**1,790,000**	1,709,000

Amount recognised in the statement of profit or loss:

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Current service cost	**3,489,000**	2,945,000	**143,000**	138,000
Past service cost	**935,000**	2,787,000	**-**	1,486,000
Net interest on net defined benefit	**1,145,000**	2,240,000	**50,000**	7,000
Included in staff costs	**5,569,000**	7,972,000	**193,000**	1,631,000

Components of amounts recognised in other comprehensive income

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Liability experience gain	**1,581,000**	(411,000)	**(187,000)**	(37,000)
Liability (gain)/loss due to change in financial assumptions	**2,161,000**	147,000	**75,000**	2,000
	3,742,000	(264,000)	**(112,000)**	(35,000)

Reconciliation of the present value:

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Present value of obligation at 1 July	**41,853,000**	39,223,000	**1,709,000**	113,000
Current service cost	**3,489,000**	2,945,000	**143,000**	138,000
Interest expense	**1,145,000**	2,240,000	**50,000**	7,000
Past service cost	**935,000**	2,787,000	**-**	1,486,000
Other benefits paid	**(4,836,000)**	(5,078,000)	**-**	-
Liability experience gain	**1,581,000**	(411,000)	**(187,000)**	(37,000)
Liability (gain)/loss due to change in	**2,086,000**		**-**	
financial assumptions	**75,000**	147,000	**75,000**	2,000
Present value of obligation at 30 June	**46,328,000**	41,853,000	**1,790,000**	1,709,000

The principal assumptions used for the purpose of computing the present value of the unfunded retirement benefit obligations:

18. Employee Benefit Liabilities (continued)

	THE GROUP AND THE COMPANY	
	2021 %	2020 %
Annual discount rate	**4.9**	2.9
Future annual salary increase	**3.1**	0.8
Average retirement age (ARA)	**65**	65

Sensitivity Analysis on Defined Benefit Obligation at End of Period

		2021	2020
- Increase due to 1% decrease in discount rate	- RHT Holding Ltd	**194,000**	177,000
	- RHT BUS Services Ltd	**5,936,000**	5,473,000
- Decrease due to 1% decrease in discount rate			
	- RHT Holding Ltd	**145,000**	146,000
	- RHT BUS Services Ltd	**4,969,000**	4,570,000
- Increase due to 1% increase in salary increase rate			
	- RHT Holding Ltd	**200,000**	187,000
	- RHT BUS Services Ltd	**6,151,000**	5,756,000
- Decrease due to 1% decrease in salary increase rate			
	- RHT Holding Ltd	**151,000**	127,000
	- RHT BUS Services Ltd	**5,225,000**	3,957,000

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate or salary increase while leaving all other assumptions unchanged. The results are particularly sensitive to a change in those rates due to the nature of the liabilities being the difference between the pure retirement gratuities under the Workers Rights Act 2019 and the deductions allowable, being five times the annual pension provided and half the lump sum received by the member at retirement from the pension fund with reference to the Company's share of contributions.

Future cash flows

- The funding policy is to pay benefits out of the reporting entity's cashflow as and when due.
- Expected contributions from employer Group MUR 4,856,000 (Company MUR 1,867,000).
- Weighted average duration of the defined benefit obligation:
- RHT Holding Ltd 21 Years
- RHT Bus Services Ltd1 3 Years

Notes to the Financial Statements (continued)

19. Deferred Income

	THE GROUP	
	2021 MUR	2020 MUR
At 1 July	**9,460,000**	8,240,000
Reclassification from other payables	**-**	1,833,333
Government grant received during the year	**-**	2,300,000
Government grant released during the year	**(2,888,333)**	(2,913,333)
At 30 June	**6,571,667**	9,460,000
Analysed as follows :		
Non-current	**3,683,334**	6,571,667
Current	**2,888,333**	2,888,333
	6,571,667	9,460,000

The Group received a government subsidy of MUR 13.3m in 2017 to finance twelve semi-low floor buses and a double decker bus under the Bus Replacement Mechanism. Out of the subsidy, MUR 12m is being amortised over five years which is the operating lease period of the 12 buses. The remaining subsidy, relating to the double decker bus, is being amortised over ten years of the latter finance lease period.

20. Trade and Other Payables

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Trade payables	**16,686,692**	14,984,946	**5,468,987**	3,159,406
Other payables	**3,574,624**	5,099,945	**445,814**	403,676
Accruals	**4,123,163**	12,810,133	**1,200,887**	467,250
Provisions	**3,900,000**	3,900,000	**-**	-
Deposits	**-**	10,950,000	**-**	-
Amount due to related companies (Note 35)	**-**	-	**89,038,865**	93,657,010
	28,284,479	47,745,024	**96,154,553**	97,687,342

(i) The average credit period on purchases is two months. The Group and the Company have financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

(ii) The amount due to related companies as above are unsecured, and carries interest at the rate of 5.5% (2020: 5.5%) per annum and repayable on demand.

(iii) The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Mauritian Rupee	**27,992,756**	40,580,580	**96,154,553**	97,379,259
Euro	**-**	308,083	**-**	308,083
Kwacha	**291,723**	6,856,361	**-**	-
	28,284,479	47,745,024	**96,154,553**	97,687,342

21. Non-Current assets held for Sale

	THE GROUP	
	2021 MUR	2020 MUR
At 1 July	**19,500,000**	-
Disposal	**(19,500,000)**	19,500,000
At 30 June	**-**	19,500,000

The asset was land held by the group at St Martin. It was disposed during the second quarter of the financial year for MUR29,500,000 and a profit on disposal of MUR10,000,000 was recognised in other income (note 28).

22. Dividend

(a) Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividend are declared. The liability is extinguished when actual payments are made to the shareholders.

	THE GROUP AND THE COMPANY	
	2021 MUR	2020 MUR
Interim dividend		
Interim ordinary dividend of MUR.0.50 (2020: MUR.0.50) per ordinary share	**-**	6,081,075
Dividend declared		
Final ordinary dividend of MUR.Nil (2020: MUR.0.40) per ordinary share	**-**	-
	-	6,081,075
At 1 July	**7,081,335**	10,945,935
Dividend declared during the year	**-**	6,081,075
Dividend paid	**(771,340)**	(9,945,675)
At 30 June	**6,309,995**	7,081,335

No dividend was declared during the year.

(b) Dividend income was as follows:

	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
At 1 July	**567,746**	8,657,221	**567,746**	22,640,000
Dividend receivable declared during the year	**10,377,081**	13,382,500	**13,121,035**	13,961,682
Dividend received	**(1,142,907)**	(21,471,975)	**(7,386,861)**	(32,721,074)
At 30 June	**9,801,920**	567,746	**6,301,920**	3,880,608

23. Other Reserves

	Translation reserves MUR	**Fair value and revaluation reserves MUR**	**Total reserves MUR**
At 1 July 2019	3,352,710	399,005,236	402,357,946
Changes in fair value of equity instruments at fair value through other comprehensive income	-	(65,679,634)	(65,679,634)
Transfer	-	362,248	362,248
Currency translation differences	(123,750)	-	(123,750)
At 30 June 2020 and 1 July 2020	**3,228,960**	**333,687,850**	**336,916,810**
Changes in fair value of equity instruments at fair value through other comprehensive income	**-**	**30,238,693**	**30,238,693**
Gain of revaluation of PPE	**-**	**18,483,742**	**18,483,742**
Transfer	**-**	**(20,867,127)**	**(20,867,127)**
Currency translation differences	**2,169,355**	**-**	**2,169,355**
At 30 June 2021	**5,398,315**	**361,543,158**	**366,941,473**

Translation reserves relate to the reserve create upon retranslation of the foreign subsidiary upon consolidation.

Fair value and revaluation reserves relate to the revaluation of financial asset at fair value through other comprehensive income and the revaluation of land and garage & buildings in property, plant and equipment.

Notes to the Financial Statements (continued)

24. Revenue

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Recognised at a point in time:				
Mobility	**148,062,857**	175,242,250	**-**	-
Technology	**33,724,958**	38,608,356	**-**	-
Dividend income	**-**	-	**13,121,035**	13,961,682
	181,787,815	213,850,606	**13,121,035**	13,961,682

Further segmental and geographical breakdowns are provided in segmental reporting (note 33).

25. Expenses by Nature

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Raw materials and consumables used (note 14)	**41,041,812**	40,401,240	**-**	-
Employee benefit expenses (note 25(a))	**157,592,172**	155,639,898	**15,941,277**	12,263,141
Motor vehicle running expenses and repairs	**5,809,347**	1,428,298	**487,926**	457,146
Insurance	**6,928,351**	5,502,285	**-**	-
Software and support	**6,960,887**	5,664,818	**1,354,777**	747,004
SIM card charges	**3,009,611**	2,582,189	**-**	-
Advertising	**1,450,072**	1,660,625	**211,200**	264,118
Utilities	**2,514,486**	2,784,211	**170,218**	22,073
Repairs and maintenance	**4,362,430**	4,296,235	**-**	-
Impairment of property,plant and equipment (note 5)	**-**	1,762,283	**-**	-
Depreciation of property,plant and equipment (note 5)	**12,987,793**	15,031,468	**187,940**	230,848
Amortisation of right-of-use assets (note 5A)	**7,208,744**	5,658,639	**828,670**	452,462
Amortisation of intangible assets (note 8)	**532,720**	895,486	**168,964**	186,675
Cost of equipment sold	**1,214,612**	5,035,311	**-**	-
Provision for obsolescence, impairment and write-off	**497,173**	4,174,285	**-**	-
Rentals	**854,887**	1,233,543	**-**	-
Professional fees and training	**6,386,165**	6,262,829	**2,627,143**	3,748,320
Security office	**219,965**	131,197	**-**	-
Other operating expenses	**5,499,311**	9,487,063	**-**	-
General expenses	**15,448,802**	14,250,347	**7,390,491**	1,588,964
Other sundry expenses	**11,904,526**	10,851,042	**-**	2,230,824
	292,423,866	294,733,292	**29,368,606**	22,191,575
Disclosed as follows:				
Cost of sales	**192,972,792**	202,087,023	**-**	-
Administrative expenses	**99,451,074**	92,646,269	**29,368,606**	22,191,575
	292,423,866	294,733,292	**29,368,606**	22,191,575

25. Expenses by Nature (continued)

(a) Employee benefit expenses

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Wages and salaries	**140,784,329**	138,431,631	**13,558,270**	9,995,064
Short-term benefits	**1,969,144**	1,936,500	**-**	-
Defined contribution pension cost	**4,092,495**	1,170,527	**2,190,007**	637,077
Defined benefit scheme cost	**5,569,333**	6,787,095	**193,000**	1,631,000
Other long-term employee benefits	**-**	1,114,707	**-**	
Social security contributions	**5,176,871**	6,199,438	**-**	
	157,592,172	155,639,898	**15,941,277**	12,263,141

26. Investment Income

	THE GROUP	
	2021 MUR	2020 MUR
Dividend income (note 22(b))	**10,377,081**	13,382,500
Gain on sale of investments	**2,579,754**	4,098,131
	12,956,835	17,480,632

The Company recognises dividend income as revenue.

27. Profit on Recognition of Net Investment

	THE GROUP	
	2021 MUR	2020 MUR
Profit on recognition of net investment	**10,040,891**	12,278,704
	10,040,891	12,278,704

The Group has intermediate lessor arrangements and the profit on recognition of net investment relates to the difference between the finance lease receivable recognised for the sublease (note 7) and the amount of right of use asset derecognised for the headlease.

28. Other Income

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Bus advertising	**2,362,563**	1,575,923	**-**	-
Insurance claims	**248,355**	1,378,946	**-**	-
Profit on disposal of property, plant and equipment	**11,563,920**	168,071	**-**	-
Other income	**4,987,706**	7,093,458	**3,015,918**	107,999
Release of deferred income (note 19)	**2,888,333**	2,888,333	**-**	-
Management services	**3,927,232**	-	**3,927,232**	-
Government wage assistance scheme	**8,160,935**	12,415,062	**-**	463,973
Financial support*	**29,642,000**	26,810,400	**356,111**	-
Monthly support fee	**-**	-	**7,972,769**	3,758,088
Gain on fair value of investment property (note 6)	**5,831,191**	-	**-**	-
Profit on disposal of investment property	**-**	1,837,403	**-**	-
	69,612,235	54,167,596	**15,272,030**	4,330,060

Financial Support relates to subsidy received from Government to help bus operators cater for increases in the price of diesel.

29. Finance Income

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Interest on finance lease receivable (note 7)	**11,807,071**	10,638,416	**-**	-
Interest from intercompany balances	**-**	-	**88,270**	131,145
Interest on corporate bonds	**1,005,258**	918,244	**-**	-
	12,812,329	11,556,660	**88,270**	131,145

30. Finance Costs

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
	4,886,624	6,028,443	**-**	-
Bank loans	**3,332,984**	3,595,946	**1,022,547**	755,931
Bank overdrafts	**9,260,721**	8,373,741	**206,358**	126,728
Lease liabilities	**-**	-	**4,064,676**	4,478,577
Loan from group companies	**136,681**	(340,780)	**(5,631)**	-
Exchange loss/(gain)	**17,617,010**	17,657,351	**5,287,950**	5,361,236
	8,219,608	9,624,389	**5,087,223**	5,234,508
Other interest paid	**9,260,721**	8,373,741	**206,358**	126,728
Interest paid on lease libilities	**17,480,329**	17,998,130	**5,293,581**	5,361,236

31. Earnings Per Share

	THE GROUP	
	2021 MUR	2020 MUR
Basic and diluted earnings/(loss) per share		
Profit/(loss) for the year attributable to owners of the Company	**9,215,410**	(26,854,356)
Equity shares in issue	**12,162,150**	12,162,150
Basic and diluted earnings/(loss) per share	**0.76**	(2.21)

As the Group has not issued any class of share, option or otherwise which have dilution potential, the basic and diluted earnings per share are the same.

32. Net Asset Value Per Share

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Net asset value per share				
Equity attributable to holders of the Company	**670,269,419**	613,268,079	**387,283,055**	393,359,638
Equity shares in issue	**12,162,150**	12,162,150	**12,162,150**	12,162,150
Net asset per share	**55.11**	50.42	**31.84**	32.34

33. Segmental Reporting

Information regarding the Group's reportable segments is presented below.

Products and services from which reportable segments derive their revenues

Segment information reported externally are analysed on the basis of the business segments provided by the Group's operating divisions (i.e. Bus operating services, investing activities, rental of offices and trading activities). Information reported to the Group's chief operating decision maker is more specifically focused on these business segments.

Geographical information

The Group operates in two principal geographical areas - Mauritius (country of domicile) and Zambia for its subsidiary ICL Zambia Ltd.

The Group's revenue from continuing operations from external customers and information about its segment assets by geographical location are detailed below:

	THE GROUP					
	Total MUR	**Adjustments MUR**	**Consolidated MUR**	**Total MUR**	**Adjustments MUR**	**Consolidated MUR**
GEOGRAPHICAL						
Geographical revenue:						
Mauritius	**221,008,686**	**(44,605,964)**	**176,402,722**	259,771,721	(47,857,616)	211,914,105
India	**-**		**-**	-	-	-
Zambia	**5,385,093**	**-**	**5,385,093**	1,936,501	-	1,936,501
Total revenue	**226,393,779**	**(44,605,964)**	**181,787,815**	261,708,222	(47,857,616)	213,850,606
Geographical results:						
Mauritius	**63,827,698**	**(52,974,753)**	**10,852,945**	21,920,861	(51,142,940)	(29,222,079)
India	**-**	**-**	**-**	-	-	-
Zambia	**602,513**	**-**	**602,513**	(1,193,098)	-	(1,193,098)
Profit /(Loss) before tax	**64,430,211**	**(52,974,753)**	**11,455,458**	20,727,763	(51,142,940)	(30,415,177)

	THE GROUP	
	2021 MUR	2020 MUR
Segment assets		
Mauritius	**1,087,981,334**	1,061,725,705
India	**-**	-
Zambia	**1,680,008**	3,261,449
	1,089,661,342	1,064,987,154
Segment liabilities		
Mauritius	**415,898,450**	448,204,341
India	**-**	-
Zambia	**3,493,473**	3,514,734
	419,391,923	451,719,075

Notes to the Financial Statements (continued)

33. Segmental Reporting (continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Mobility 2021 MUR	Investment 2021 MUR	Technology 2021 MUR	Adjustments 2021 MUR	Total 2020 MUR
Segmental revenue	148,062,857	44,471,080	33,859,842	(44,605,964)	181,787,815
Investment income	-	-	-	12,956,835	12,956,835
Gain on financial asset at FVTPL	-	34,832,071	-		34,832,071
Other income	50,073,659	76,712,888	2,029,202	(59,203,514)	69,612,235
Profit on recognition of net investments	-	10,040,891	-		10,040,891
Segment results - (Loss)/profit from Operations	(18,701,439)	102,187,225	(4,112,078)	(63,113,568)	16,260,140
Finance income	-	-	-	12,812,329	12,812,329
Finance costs	(5,015,856)	(19,044,425)	(163,500)	6,606,771	(17,617,010)
Profit before taxation					11,455,459

The accounting policies of the reportable segments are the same as the group's accounting policies described in note 2. Segment profit represents the profit earned by each segment, share of results of associates and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Mobility represents companies involved in the mobility sector. It replaces the Operating Segment.

Investments represents the parent company, the investment company and its subsidiary (leasing company). It replaces Financial and Rentals segments.

Technology represents the companies involved in the technology business and mobility solutions. It replaced the Trading segment.

The 2020 figures have not been restated for the change in segments, however they have been restated for the prior period error (note 38).

2020	Operating MUR	Financial MUR	Rentals MUR	Trading MUR	Adjustments MUR	Total
Segmental revenue	187,380,062	33,059,599	4,159,601	37,108,960	(47,857,616)	213,850,606
Investment income	-	-	-	-	17,480,632	17,480,632
Gain/(loss) on financial asset at FVTPL	-	(24,263,197)	-	-		(24,263,197)
Other income	88,409,007	14,305,443	2,981,187	1,624,533	(53,152,574)	54,167,596
Profit on recognition of net investments	12,278,704	-	-	-	-	12,278,704
Segment results - (Loss)/profit from Operations	40,362,977	(3,736,893)	5,088,277	1,216,274	(67,245,121)	(24,314,486)
Finance income	-	-	-	-	11,556,660	11,556,660
Finance costs	(14,668,251)	(8,150,695)	(7,019,337)	(572,697)	12,753,629	(17,657,351)
Profit/(loss) before taxation						(30,415,177)

33. Segmental Reporting (continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Mobility 2021 MUR	Mobility 2020 MUR	Investment 2021 MUR	Investment 2020 MUR	Rentals 2021 MUR	Rentals 2020 MUR	Technology 2021 MUR	Technology 2020 MUR	Total 2021 MUR	Total 2020 MUR
Segment assets	86,399,008	170,601,625	980,338,829	764,942,780	-	115,740,323	22,923,505	13,702,426	1,089,661,342	1,064,987,154
Associates	-	-	-	-		-		-	-	-
									1,089,661,342	1,064,987,154
Segment liabilities	75,923,292	201,200,100	155,811,634	16,743,084	-	12,870,667	4,502,943	6,348,119	235,524,765	237,161,970
Borrowings									183,491,979	214,167,010
Deferred tax liabilities									375,179	390,095
									419,391,923	451,719,075
Additions to:										
Property, Plant and Equipment	1,523,835	17,688,512	998,072	1,405,596	-	479,714	1,127,431	1,180,275	5,357,425	11,553,197
Intangible assets	88,000	-	-	-	-	405,779	21,890	-	295,435	405,779
Depreciation and amortisation:										
Property, Plant and Equipment	9,770,723	9,945,945	1,277,332	11,023	-	2,117,034	1,939,739	2,195,792	12,987,793	14,269,794
Amortisation of right of use asset	5,896,177	5,732,455	1,199,514	452,462	-	-	113,054	235,397	7,208,745	6,420,314
Intangible assets	78,836	285,191	168,964	-	-	183,011	284,923	427,284	532,723	895,486

Segment assets consist primarily of property, plant and equipment, investment properties, investment in securities, inventories, receivables and share of investment in associates, intangible assets, cash and cash equivalents and deferred taxation.

Segment liabilities comprise operating liabilities and exclude items such as deferred taxation and borrowing. Capital expenditure comprises additions to property, plant and equipment, investment properties and intangible assets.

Information about major customers

There is no single customer who generates more than 10% of the revenues of the Group and the Company.

Notes to the Financial Statements (continued)

34. Notes to Statement of Cash Flows

(a) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Cash at bank and in hand	**40,432,109**	56,559,928	**3,074,858**	3,785,163
Bank overdraft	**(49,404,530)**	(88,457,088)	**(27,101,737)**	(18,357,279)
	(8,972,421)	(31,897,160)	**(24,026,879)**	(14,572,116)

(b) Reconciliation of liabilities arising from financing activities

2021	THE GROUP				
	At 1 July 2020 MUR	**Additions MUR**	**Payments MUR**	**Non-cash transactions MUR**	**At 30 June 2021 MUR**
Bank loans (note 17)					
Lease liabilities (note 5B)	**125,709,922**	**31,000,000**	**(19,903,115)**	**(2,719,358)**	**134,087,449**
Total liabilities from	**128,346,090**	**46,857,880**	**(30,072,809)**	**-**	**145,131,161**
financing activities	**254,056,012**	**77,857,880**	**(49,975,924)**	**(2,719,358)**	**279,218,610**

	THE COMPANY				
	At 1 July 2020 MUR	**Additions MUR**	**Payments MUR**	**Non-cash transactions MUR**	**At 30 June 2021 MUR**
Lease liabilities (note 5B)	**3,593,020**	**-**	**(757,655)**	**-**	**2,835,365**
Total liabilities from financing activities	**3,593,020**	**-**	**(757,655)**	**-**	**2,835,365**

2020	THE GROUP				
	At 1 July 2020 MUR	Additions MUR	Payments MUR	Non-cash transactions MUR	At 30 June 2021 MUR
Bank loans (note 17)	95,680,516	78,000,000	(47,970,594)	-	125,709,922
Lease liabilities (note 5B)	119,324,863	37,118,474	(28,097,247)	-	128,346,090
Total liabilities from financing activities	215,005,379	115,118,474	(76,067,841)	-	254,056,012

	THE COMPANY				
	At 1 July 2019 MUR	Additions MUR	Payments MUR	Non-cash transactions MUR	At 30 June 2020 MUR
Lease liabilities (note 5B)	-	3,990,233	(397,213)	-	3,593,020
Total liabilities from financing activities	-	-	(397,213)	-	3,593,020

35. Commitments

Capital commitments

Capital commitment for the acquisition of new motor vehicles, computer equipment, electronic equipment, furniture and fittings and new bus depot which have been approved by the Board but not yet contracted for is as disclosed below:

	THE GROUP	
	2021 MUR	2020 MUR
- Property, plant and equipment	**28,000,000**	50,000,000

36. Related Party Transactions

Related parties are entities with common direct or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

THE GROUP

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

THE COMPANY

Details of transactions between the fellow subsidiaries are disclosed below.

Oustanding balances :	Amount payable to subsidiaries		Amount receivable from subsidiaries		Dividend Receivable		Rental payable	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR	**2021 MUR**	2020 MUR	**2021 MUR**	2020 MUR
Cash at bank and in hand	**89,038,865**	93,657,010	**2,451,030**	9,106,275	**6,301,920**	3,880,608	**-**	-

Nature and volume of transaction	Costs recharges		Management fees		Dividend		Rental expenses	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR	**2021 MUR**	2020 MUR	**2021 MUR**	2020 MUR
	4,400,344	749,840	**7,972,769**	3,758,088	**13,121,035**	13,961,682	**561,492**	561,492

All inter-company loan bear interest at 5.5% per annum (2020: 5.5% per annum). The loans are unsecured and repayable on demand to the extent that the Company has the ability to settle the amount due.

For the financial year ended 30 June 2021, the Company assessed that no provision for impairment losses relating to amounts owed by related parties is necessary (2020: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the entity related party operates.

Compensation of key management personnel

The remuneration of directors during the year is as follows:

	THE GROUP		THE COMPANY	
	2021 MUR	2020 MUR	**2021 MUR**	2020 MUR
Short term benefit				
- Executive	**6,221,809**	5,689,404	**761,275**	-
- Non-Executive	**3,445,147**	3,142,779	**3,445,147**	3,142,779
	9,666,955		**4,206,421**	3,142,779

37. Government Grant

(a) Cash and cash equivalents

	THE GROUP	
	2021 MUR	2020 MUR
Government grants received for:	**54,768,000**	54,768,000
Bus fare, wages and diesel	**26,892,000**	26,810,400
Financing of buses on operating leases (Note 36)	**-**	2,300,000

Government grants have been received for operation of bus services and were in respect of bus fares of students, disabled persons and pensioners and financial support for wages and diesel. There are no unfulfilled conditions or contingencies attached to these grants. Government grants amounting to Rs.54.8m (2020: Rs.54.8M) have been included in revenue and financial support for wages and diesel amounting to Rs.26.8m (2020: Rs.26.8M) has been included in other income.

38. Effect of Prior Period Error

For the year ended 30 June 2021, the following balances were restated retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The effect of the restatements are summarised as follows:

Statement of financial position		THE GROUP 2020		
	Notes	**As previously reported**	**Prior year adjustments**	**Restated balance**
		MUR	**MUR**	**MUR**
Non-current assets				
Property, plant and equipment	(a)	208,419,863	(11,675,300)	196,744,563
Right-of-use assets	(a)	130,858,286	(114,527,533)	16,330,753
Finance lease receivable	(a)	-	169,433,456	169,433,456
Deferred tax asset	(a)	6,693,443	(1,541,782)	5,151,661
		345,971,592	41,688,841	387,660,433
Equity				
Retained earnings	(a)	212,081,105	33,611,458	245,692,563
		212,081,105	33,611,458	245,692,563
Current liabilities				
Current tax liabilities	(a)	933,544	1,742,977	2,676,521
		933,544	1,742,977	2,676,521

38. Effect of Prior Period Error (continued)

		2020		
Statement of profit or loss and other comprehensive income	**Notes**	**As previously reported**	**Prior year adjustments**	**Restated balance**
		MUR	**MUR**	**MUR**
Revenue	(a)	254,535,844	(40,685,238)	213,850,606
Finance income	(a)	(222,511,183)	20,424,160	(202,087,023)
Operating expenses				
		32,024,661	(20,261,078)	11,763,583
Gross income		18,398,876	(918,244)	17,480,632
Investment income				-
Loss on financial asset at fair value		(24,263,197)	-	(24,263,197)
through profit or loss	(a)	54,393,331	(225,735)	54,167,596
Other income	(a)	-	12,278,704	12,278,704
Profit on net investment		(95,741,804)	-	(95,741,804)
Administrative expenses				
		(15,188,133)	(9,126,353)	(24,314,486)
Loss from operations	(a)	-	11,556,660	11,556,660
Finance costs		(17,657,351)	-	(17,657,351)
Loss before taxation		(32,845,484)	2,430,307	(30,415,177)
Taxation	(a)	5,720,388	(2,159,567)	3,560,821
Loss for the year		**(27,125,096)**	**270,740**	**(26,854,356)**

Statement of financial position		THE GROUP 2020		
	Notes	**As previously reported**	**Prior year adjustments**	**Restated balance**
		MUR	**MUR**	**MUR**
Non-current assets	(a)	173,765,771	(3,236,283)	170,529,488
Property, plant and equipment		122,678,769	(99,927,702)	22,751,067
Right-of-use assets	(a)	-	134,656,649	134,656,649
Finance lease receivable		296,444,540	31,492,664	327,937,204
Equity				
Retained earnings	(a)	247,068,465	31,492,665	278,561,130
		247,068,465	31,492,665	278,561,130
Current liabilities				
Current tax liabilities	(a)	1,229,853	1,125,192	2,355,045
		1,229,853	1,125,192	2,355,045

(a) Application of IFRS 16 for intermediate lessor

One of the Group's subsidiaries (Fleet Pro Services Ltd) wrongly accounted for subleases in previous years; the sublease was accounted as an operating lease and therefore the headlease was not derecognised and rental income was recognised as revenue. The sublease meets the criteria of a finance lease under IFRS 16 Leases and therefore the headlease should have been derecognised with a finance lease receivable recognised for the subleases. A finance income has been recognised relating to the unwinding of the finance lease receivable and a profit on net investment recognised being the difference between the finance lease receivable recognised and the derecognition of the headlease asset.

38. Effect of Prior Period Error (continued)

(b) Group restatements of opening balances in property, plant and equipment (with no impact on the primary statements)

The split into the different categories of the opening balances property, plant and equipment was incorrectly reported due to the consolidation process not aligned with the audited numbers of the components.

The numbers of the opening balances in those notes have been restated accordingly but the restatements did not impact the opening balances reported in the primary statements. There is also no impact on the Earnings Per Share (EPS).

(c) Reclassification in statement of cash flows

In prior years, the Group classified dividend income received as cashflows from operating activities in its statement of cashflows.

Management believes that the dividend income received should be classified under "cashflows from investing activities" as it does not pertain to income derived from the principal revenue-producing activities and is an income derived from its subsidiary through which it holds various investments.

In prior years, the Group classified purchase of investment in securities and proceeds on sale of investments in securities as cashflows from operating activities. Management believes that these should be classified under "cashflows from investing activites" as these relate to investment operations through its subsidiary which holds various investments.

The effect on separate statement of cash flows are as shown below:

Statement of cash flows 30 June 2020	As previously reported MUR	Prior year adjustments MUR	Restated balance MUR
Net cash (used in)/generated from operating activities	(17,504,253)	26,702,704	9,198,451
Net cash generated from/(used in) investing activities	(14,759,559)	(51,247,909)	(66,007,468)
Net cash generated from/(used in) financing activities	(14,087,257)	24,545,204	10,475,947

39.Events After Reporting Date

Investing into garage operations

Fleetpro Services Ltd took over the operations of the garage activities of a well-known player in the hospitality industry. It will also be launching its new garage during the year ended 30 June 2022.

Providing parking management solutions

Island Communications Ltd will be providing parking management equipment and systems to potential clients.

40.Going Concern Assessment

The Group has a net current liabilities of MUR25.1M at 30 June 2021 and incurred a gross loss of MUR11.2M in that financial year. The gross loss relates mainly to its bus operations (Mobility cluster) and Technology cluster which have been affected by the lockdown from March 2021 to May 2021.

41. Impact of COVID-19

The impact of COVID-19 on the Group has been considerable in terms of loss of revenues and fair value of its investments.

Governments worldwide announced relief packages to support affected businesses to mitigate the impact of COVID-19. The Government of Mauritius has introduced a Wages Assistance Scheme as from March 2020. In addition, the Group took immediate and decisive action to mitigate the impact of COVID-19.

Recovery Plan

Key actions of the Company's recovery plan include:

(i) Freezing of all non-urgent capital expenditure

(ii) Deferral of loan/lease repayments and additional banking facilities sought with the banks

(iii) Negotiation with creditors to stretch payment terms

(iv) Continued support from Government in respect of Wages Assistance Scheme

(v) Cost reduction exercises across the Group.

In line with the Recovery Plan above, the Group has diversified its activities during the financial year and has executed a Head of Terms agreement with Tondeka Metro Company Ltd (Uganda) in October 2020 for the provision of operations and management services to the latter.

The Operations and Management Agreement with Tondeka Metro Company Ltd has been signed in May 2021 and the Group is expecting to receive management fees of the order of MUR20M for those services in year ending 30 June 2022.

With the opening of borders in October 2021, the Group has prepared five year forecasts based on assumptions for increased economic activity in the country and a return to normal in a few years' time.

The Group is also relying on continuous support from its bankers in the foreseeable future.

Following their going concern assessment and key areas of uncertainty, the Directors having considered the adequacy of the Company's and Group's funding, borrowing facilities and operating cash flows, for at least the next 12 months, are satisfied that the financial statements are prepared on a going concern basis.

The five year cash flow forecasts prepared by the Group involve known and unknown risks and uncertainties, which may cause actual performance and financial performance in future periods to differ materially from forecasted cash flows. Uncertainties relate principally to the timing as to when economic actvities will be back to normal which is beyond the control of the Group.

The Directors continue to monitor the impact of COVID-19 on the actvities of the Group as the situation develops and becomes clearer.

41. Contingent Liabilities

The Group had contingent liabilities as at 30 June 2021 in respect of 4 cases against subsidiaries of the Group. The outcome of these cases is unknown.

Corporate Information

Directors

Paul Chung Kim Fung Ah Leung	Chairperson and Non-Executive Director
Sidharth Sharma	Group CEO and Executive Director
Meha Desai	Non-Executive Director
Ravindra Goburdhun	Executive Director
Uday Kumar Gujadhur	Independent Non-Executive Director
Yoosuf Mohammad Kureeman	Non-Executive Director
Gilbert Patrick Stephane Leal	Non-Executive Director
Michel Patrice Leal	(Alternate to Gilbert Patrick Stephane Leal)
Kamil Patel	Independent Non-Executive Director
Khevin Seebah	Non-Executive Director, Island Communications Ltd
Kavirasen Sornum	Non-Executive Director, RHT Bus Services Ltd
Yan Kwizera	Managing Director, RHT Africa

Senior Management Team

Alexandre Daruty	Group Executive – Head Marketing, Sales & Business Development RHT Holding Ltd
Yudheesha Napaul Crouche	Group Human Resources Manager RHT Holding Ltd
Prakash Rajkomar	Group Chief Accountant RHT Holding Ltd
Devarajen Adiapen	Procurement Manager RHT Bus Services Ltd
Ashwin Ramchurn	Workshop Manager RHT Bus Services Ltd
Reehaz Soobhany	Chief Operating Officer RHT Bus Services Ltd
Hussayn Baulum	Senior Lead/Trainer Advance Institute Of Motoring Ltd
Ganesan Veeraragoo	Operations Manager FleetPro Services Ltd
Ajmal Abdool	Chief Operating Officer RHT Ventures Ltd

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Company Secretary:

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Floréal
Tel: (230) 670 7277
Fax: (230) 698 5351

External Auditor:

BDO & Co.
10, Frère Félix de Valois Street
Port Louis
Mauritius

Internal Auditor:

PwC Mauritius ("PwC")
18, Cybercity
Ebène, Réduit 72201
Mauritius

Main Bankers:

The Mauritius Commercial Bank Ltd
SBM Bank (Mauritius) Ltd
Absa Bank (Mauritius) Limited
MauBank Ltd

Share Registry:

MCB Registry and Securities Ltd
Raymond Lamusse Building
Sir William Newton Street
Port Louis

Notes