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Transparency

We communicate clearly and openly about the scheme we administer.

Flexibility

We allow for and respond to our members' various needs without becoming unduly complex.

Innovation

We keep imagining the future and help prepare for it now.

Dedication

We are result-oriented and we go the extra mile to meet our goals.

Reliability

We are committed to being responsible stewards of the funds entrusted to us.





2. 3.



Making your memories last a lifetime



President's Message

"The net asset value of Super Fund was MUR 1.75 billion at 31 December 2022. This is expected to grow to at least MUR 1.9 billion by the end of 2023."



Dear Members

I am pleased to present to you Super Fund's Annual Report and audited Financial Statements for the year ended 31 December 2022. I trust that this report will give you a useful update on the financial status of the Fund, as well as a summary of the activities in relation to members and beneficiaries and the investment performance over the last year.

INVESTING IN A VUCA WORLD

2022: A Challenging year

We are operating in a world of ever increasing Volatility, Uncertainty, Complexity and Ambiguity (VUCA). Globalisation of financial and capital markets creates growth opportunities paralleled by increased vulnerabilities to the domestic economy and increased risks to investors.

Super Fund, like all pension funds, is navigating in times of high inflation, rising interest rates, conflict in the Ukraine, Covid-19 effects and supply chain disruptions.

The Year 2022 was indeed a challenging year. The world was barely recovering from the Covid-19 pandemic when war broke in the Ukraine. This war led to an energy crisis, disruption in agricultural supplies such as seeds oil, wheat and corn. With China's zero-Covid policy, exports from China were delayed causing disruption to the entire supply chain. The price of oil kept increasing while inflation across the world also increased to alarming levels.

Share prices in the year 2022 fell. Investors were hit by sharp fall in share prices. The S&P 500 (in USD) was down by 19%. Eurostoxx 50 (in EUR) was down by 12%. The Shanghai Composite Index (in CNY) was down to 15%. SEMDEX (in MUR) was down by 2%.

To the consternation of investors, the fixed income markets also went down in 2022. With rising interest rates across the world, bond markets suffered from losses.

Pension Funds have struggled to perform in 2022. Super Fund was down by 8.5% for the year due to the adverse market conditions. The annualised return over the last 10 years is +5.2%.

Fund Size and Growth

Over the past 10 years, Super Fund grew from MUR 0.4 billion in 2013 to MUR 1.75 billion. The Fund is expected to grow to MUR 1.9 billion by the end of 2023. The Fund's growth is remarkable at 17% per annum (annualised). The total number of Active Members increased from 2915 to 4705 in the year 2022. There were 124 Participating Employers and 146 Active Schemes at 31 December 2022.

Perspectives

The economic outlook remains uncertain. The US may be heading towards a recession in the coming months. Despite this uncertainty, the first Quarter of 2023 was positive for foreign equities. But local equities remained volatile with SEMTRI losing 4.5% during the Quarter. Overall, Super Fund gained 4.1% in Q1 of 2023.

6. | 7





"Super Fund invests in long term assets and the ultimate objective is to maximise returns over the long-term..."

The Fund is collectively managed by Ekada Capital Ltd, Swan Wealth Managers Ltd, and MCB Investment Managers Ltd. They are provided with a discretionary mandate and invest in line with the Investment Policy Statement. Super Fund invests in long term assets and the ultimate objective is to maximise returns over the long term, bearing in mind risk levels and diversification. In anticipation of the growth in the fund size, the Management Committee has started the process to appoint a fourth Investment Manager.

VUCA has become the new normal. To be more effective, Super Fund will operate with more clarity. Clarity in terms of goals, roles and responsibilities to better deliver. Pension Funds will have to be more agile.

Flexible pension withdrawal

Upon retirement, Super Fund provides to the retiree member a monthly pension. With a view to providing more flexibility, the Management Committee is considering the additional option of "Income Drawdown" for new retirees. This is being studied by the Management Committee with the help of its advisers, and further details will be communicated to members in due course.

Governance

During the year 2022, the Management Committee had four meetings. With their individuality and distinctiveness, each member of the Committee contributed in the governing aspects of Super Fund. The three sub-committees of the Board, namely: Investment, Audit and Marketing, contribute with great effectiveness to the overall governance of Super Fund. To sharpen our skills, Members of the Committee had training sessions on Investments, Board effectiveness and dynamics. Recently, the Trustees met with AON and Swan Pensions for a brainstorming session on pension Annuity and Income Drawdown.

In closing

Once again, I would like to express my thanks in the work accomplished this past year by the whole team; our Fund Managers, Administrators, Actuaries, Custodians, Advisers and Business Mauritius (Secretariat). I also take this opportunity to thank our dedicated Committee Members particularly the chairpersons of the subcommittees. It is indeed a pleasure for me to work and collaborate with the entire team for the growth of Super Fund.

We are committed more than ever to raising Super Fund to higher levels for the good of all our stakeholders and especially to our Members and Beneficiaries.

Sincerely

President

Daniel Chan Chong

J. chickey

"We value the sharing of ideas and understanding to reach the common goal of Super Fund."

• • •

• • •









Who Are We?

Set in 1999, Super Fund is an umbrella pension fund providing retirement, withdrawal, death and disability benefits to employees of enterprises which are members of Business Mauritius.

It is targeted at enterprises wanting to pool together their contributions into a common fund, in order to benefit from better investment opportunities and economies of scale on costs.

Super Fund is governed by the Private Pensions Schemes Act 2012 and operates under a license from the FSC.

Management Committee

The Management Committee is the governing body vested with the power to administer the Fund, and, is accordingly the strategy and policy making arm of the Fund. The Management Committee retains ultimate responsibility for the Fund, even when delegating certain functions to internal staff and external service providers.

Comprising of representatives of Employers and Employees, the Management Committee is totally independent and has for objective the best interest of its members.

Management Committee Members



Mr Daniel Chan Chong

FGY Services Ltd President



Mr Jean-Marc Desvaux

General Construction Co Ltd Vice President



Mrs Naveena Dhanoopa

Business Mauritius Secretary



Mr Rakesh Rajcoomar

Dale International Trust Company Ltd
Treasurer



Ms Hanishta Camadoo

Reinsurance Solutions Ltd Vice Treasurer



Mrs Valérie Tranquille

Maureva Ltd **Member**



Mr Dominique A. Béchard

Ekium Amio Ltd Member



Mr Jerome Valin

Digital Island Ltd **Member**



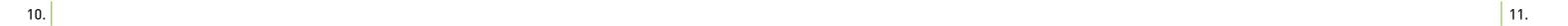
Mr Salim Albeerdy

Orange Business Services Ltd Member

The Management Committee met four times during the year.

The Audit and Corporate Governance, and Investment Sub-Committees have also held meetings to assist the Management Committee in its decision-making processes.









Audit, Risk and Governance Committee

The Committee is chaired by Mr Rakesh Rajcoomar and is composed of the following members:



Mr Rakesh Rajcoomar

Dale International Trust Company Ltd Treasurer



Mrs Naveena Dhanoopa

Business Mauritius Secretary



Ms Hanishta Camadoo

Reinsurance Solutions Ltd Vice Treasurer

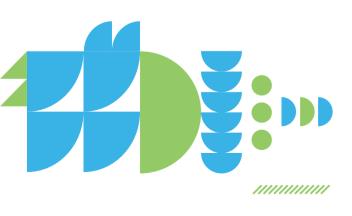


Mrs Valérie Tranquille

Maureva Ltd Member

The Audit, Risk and Governance Committee operates under an approved charter, which clearly spells out the roles and responsibilities of the committee members. Its main tasks are to maintain and, where necessary, review the effectiveness of internal controls of the Fund in the light of the findings of the external auditors and review the financial statements.

During the year, the Audit, Risk and Governance Committee met once.



Investment Committee

The Investment Committee is chaired by Mr Jean-Marc Desvaux and is composed of the following members:



Mr Jean-Marc Desvaux

General Construction Co Ltd Vice President



Mrs Naveena Dhanoopa

Business Mauritiu



Ms Hanishta Camadoo

Reinsurance Solutions Ltd Vice Treasurer



Mrs Valérie Tranquille

Maureva Ltd Member



Mr Dominique A. Béchard

Ekium Amio Ltd Member

The Investment Sub-Committee monitors the investment performance of the entire fund as well as the sub funds on a quarterly basis. The Investment Committee lays down and reviews on a regular basis the investment strategy of the different sub funds under management by our Fund Managers. The Committee reviews periodically the investment policies and ensure that investment decisions and investment operations are consistent with the Fund's investment policies and strategies.

During the year, five meetings were held by the Committee.



Activities during the year



Training Session

"Super Fund recognizes the importance of ensuring that all members of the Pension Fund Committee and Investment Sub Committee charged with the financial management and decision making with regard to the pension scheme are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them."

A full-day Investment related training to the Management Committee was held on 08 April 2022 at Voila Hotel, Bagatelle. The objective was to ensure that all applicable contents relating to the management of a Pension Scheme were addressed in the context of Investments/Investment Strategy. The training was conducted by Aon Solution's Investment Consulting Unit.

On 07 October 2022, a one-day Workshop focused on Board dynamics was organised at Le Domaine des Aubineaux, Forest Side, Curepipe. It was an opportunity for members to reinforce their mutual trust and strengthen their ways of working together. The Workshop was facilitated by White & White Associates Ltd.

Annuity Rate

The annuity rates used by the Fund were reviewed with effect from 1 July 2022 to align with prevailing market conditions.

Actuary Certificate

With respect to the Actuary's certification of the employer's contribution rate, two such certificates were issued in 2022 in relation to new schemes under Super Fund.

Auditors

Following a Request for Proposal (RFP), Kemp Chatteris Ltd has been appointed as the External Auditors.

Onboarding

In November 2022, the FSC approved the onboarding of new participating employer, namely Rehm Grinaker Construction Co. Ltd.

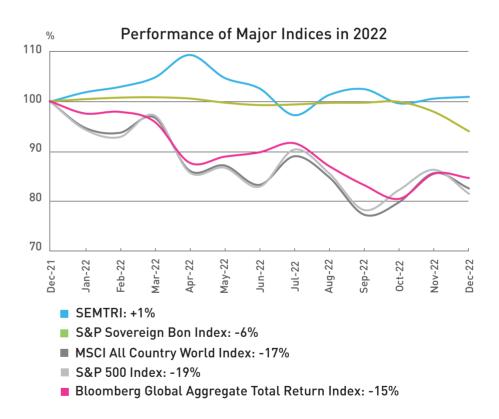


Market Review: Year 2022

2022 was quite an exceptional year for the financial markets. The Covid-19 pandemic continued to affect people's lives and economies around the world. Moreover, the invasion of Ukraine by Russia brought about greater volatility in the markets. Inflation climbed to record levels. Central banks around the world also raised interest rates several times to combat rising prices.

Higher interest rates are usually detrimental for economic growth. Therefore, these events adversely impacted the financial markets (both local and foreign) in 2022. Given rising interest rates, bond markets also suffered from losses during the year.

The below chart shows the performance of major market indices (in Mauritian Rupee terms) in 2022.



Note that:

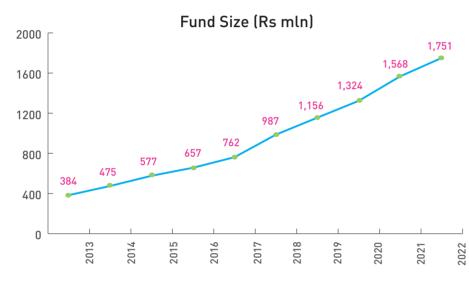
- SEMTRI is the local stock market total return index (inclusive of dividends).
- The S&P Mauritius Sovereign Bond Index tracks the performance of government instruments in Mauritius. To note that bond prices move inversely with interest rates.
- The Bloomberg Global Aggregate Total Return Index tracks the performance of foreign fixed income instruments around the world. To note that bond prices move inversely with interest rates.
- . The MSCI All Country World Index tracks the performance of well-known stocks in developed and emerging countries.
- The S&P 500 Index is a famous index, which shows the performance of US stocks.





Investment Overview: Consolidated Portfolio

Evolution of Fund Size over the Past 10 Years



Over the past 10 years, Super Fund grew from MUR 0.4bln in 2013 to MUR 1.75bln as at end-December 2022.

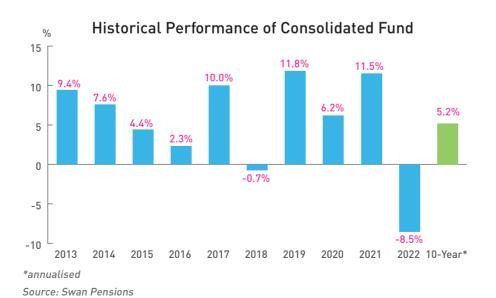
The intention of the Management Committee is to further grow the fund size over the upcoming years. Assuming no adverse market conditions, the target is to reach a fund size of at least MUR 1.9bln by the end of 2023.

Source: Swan Pensions

Historical Performance over the Past 10 Years

The negative return of 8.5% in 2022 was mainly due to the adverse financial market conditions highlighted above.

Over the past 10 years, Super Fund however returned +5.2% on an annualised basis.



Investment Strategy

Members have the choice to select their own combination out of four sub-funds or follow default strategies based on the remaining number of years until retirement.

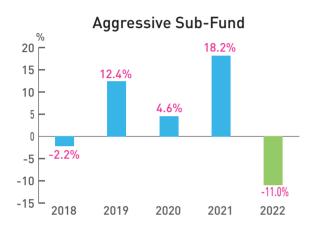
The four sub-funds are as per the below. They provide access to two major asset classes namely matching assets (lower risk assets such as cash, government bonds, corporate bonds and deposits) and growth assets (riskier assets such as equities and alternative investments).

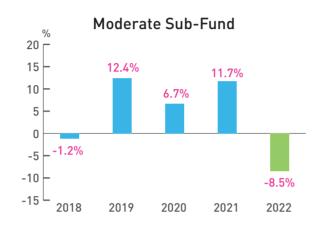
• Higher exposure to growth assets **Aggressive Sub-Fund** • Suitable for members with a high risk tolerance Term to retirement of →25 years Balanced exposure to growth and matching assets Moderate Sub-Fund • Suitable for members with an average level of risk tolerance • Term to retirement of 15-25 years · Focus on matching assets **Conservative Sub-Fund** • Suitable for members with a low risk tolerance • Term to retirement of 5-15 years • Higher exposure to matching assets **Defensive Sub-Fund** • Suitable for members with very low risk tolerance • Term to retirement of ←5 years

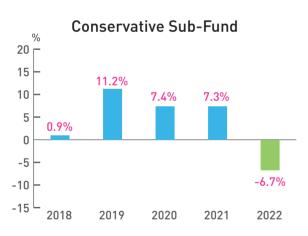




Historical Performance of Sub-Funds









The Aggressive sub-fund has a higher allocation to riskier assets and therefore fell the most over the past year. However, even the sub-fund with the lowest risk (Defensive) suffered from losses due to the fall in bond prices.

How are Assets Invested?

The assets of Super Fund are currently managed by three investment managers: namely Ekada Capital Ltd (Ekada), Swan Wealth Managers Ltd (Swan WM) and MCB Investment Management Co. Ltd (MCBIM). These managers have a discretionary mandate to invest both in local and foreign assets. All of them have the same mandate, as outlined in the Investment Policy Statement (IPS) of Super Fund.

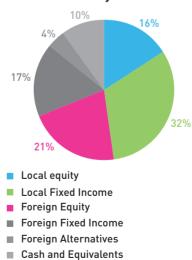
Asset Allocation: Where are assets invested?

In line with its IPS, Super Fund invests across various asset classes, such as Local Equities, Foreign Equities, Foreign Alternative Investments (Commodity Funds, Gold Funds, Private Equity Funds, Infrastructure Funds, etc.), Local and Foreign Fixed Income Instruments and Cash and Equivalents.

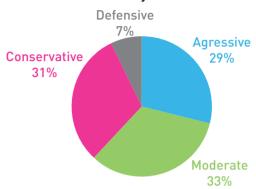
Note that investment performance is closely monitored by the Investment Subcommittee of Super Fund, with the assistance of Aon Solutions Ltd and LCF Securities.

As at end-December 2022, the breakdown of the consolidated Fund by sub-fund, by asset class, by investment manager and by currency exposure was as follows:

Breakdown by Asset Class



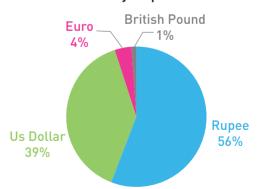
Breakdown by Sub-Fund



Breakdown by Investment manager



Currency Exposure







Outlook

In the near term, the economic outlook remains uncertain. Investors are likely to keep a close eye on the level of inflation, evolution of interest rates and economic growth both locally and abroad. A global slowdown could contribute to further volatility in stock prices. Nevertheless, a significant drop in inflation rates could benefit the markets.

It is worth noting that foreign equity markets have rebounded during the first quarter of 2023. The foreign equity benchmark of Super Fund rose by 7.3% in US Dollar terms. Latest economic data also showed evidence of cooling inflation.

Based on draft figures, the consolidated portfolio of Super Fund rose by 4.1% (in Rupee terms) during the first three months of 2023.

The Management Committee of Super Fund continues to closely monitor the performance of the Fund and it will ensure that the Fund holds a diversified portfolio across all four sub-funds. Moreover, in anticipation of further growth in the fund size, the Management Committee is also exploring the possibility of appointing a fourth investment manager following a tender exercise.

Members are encouraged to have a medium to long term focus when making pension contributions to Super Fund.

Other Frequently Asked Questions

How is the investment strategy of the Fund determined?

The investment strategy is recommended by the Actuary/ Investment Consultant of the Fund, Aon Solutions Ltd and approved by the Management Committee. This strategy is also reviewed at least every 3 years to ensure that investments are in line with the age profile of the members of the Fund.

This is clearly stipulated in the Fund's IPS. Investment Managers have to comply to the recommended allocation at all times. Note that the IPS is reviewed on an annual basis by the Management Committee and updated, if necessary.

When was the third investment manager, MCB Investment Management Co. Ltd appointed?

Following a tender exercise, MCBIM was appointed as the third investment manager for Super Fund in December 2021. The Management Committee gave the new manager around 6 months to make changes to its portfolio. Full investment monitoring and comparison of the performance of MCBIM started as from the third guarter of 2022.

How is the Fund/Sub-fund's performance impacted by the depreciation of the Mauritian Rupee?

The depreciation of the Mauritian Rupee implies that foreign currencies are rising relative to our local currency. As shown in the above pie chart, 44% of the consolidated portfolio of Super Fund was invested in foreign-denominated investments (US Dollar, British Pound and Euro). Therefore, the depreciation of the Rupee against these foreign currencies is beneficial to the performance of Super Fund. In instances of a depreciating Rupee, returns on foreign investments are enhanced when converted into local currency terms.

What is the impact of rising interest rates on the Fund/Sub-fund's performance?

Interest rates and bonds have an inverse relationship. When interest rates rise, bond prices fall, and vice versa. Newly issued bonds will have higher coupons after interest rates rise, making bonds with lower coupons issued in recent years' worth less. This inverse relationship led to a sharp fall in bond prices in

2022, dragging down the performance of the sub-funds. These losses are, however, unrealised if the bonds are held till maturity. At maturity date, the Fund will usually receive the capital invested.

Moreover, rising interest rates also generally hurt the performance of stocks due to lower growth prospects or lower expected profitability of companies in future.

Why is the return for 2022 negative despite rising interest rates, yields and saving rates?

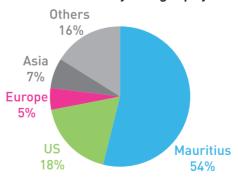
As shown above, Super Fund holds a diversified portfolio and invests in several asset classes to spread risk. Rising interest rates have been positive for certain investments in terms of higher yields on fixed income instruments and cash and equivalents. However, bond and share prices fell in 2022 due to higher interest rates. This reduced the returns for Super Fund.

It should be noted that most pension funds have been affected by these events.

How is Super Fund positioned geographically?

Super Fund seeks to hold a diversified global portfolio over time. The country breakdown was as follows at end-December 2022:

Breakdown by Geography



Super Fund holds investments both locally and overseas. As at end-December 2022, around 46% of Super Fund's consolidated portfolio was invested in foreign assets. The Private Pension Schemes Act 2012 requires a minimum of 30% of a Fund's total assets to be invested locally.

Which inflation rate does Super Fund use for monitoring purposes?

Super Fund measures its performance relative to the year-on-year inflation rate, as measured by the change in the local Consumer Price Index published by Statistics Mauritius. As at end-December 2022, the year-on-year inflation rate stood at 12.2%.

Why is it important to have a long-term view when contributing to the pension fund?

Super Fund invests in long-term assets with the aim of earning returns above the inflation rate in the medium-to-long term. The Management Committee is committed to doing so by bearing in mind risk levels and sufficient diversification across all four sub-funds.

Having a long-term view also helps weather short-term market fluctuations and volatility.

Recall as well that pension funds invest for the long term and focus is on achieving long term capital growth via a diversified investment portfolio. Pension funds usually do not engage in short-term investment transactions just to make quick gains.



Helping you live the retirement you've always dreamt of





Total Assets
1.8 B

2021: 1.7 Billion

Annuity Fund

125 M

2021: 128 Million

Participating Employers

124

2021: 96

Beneficiaries / Active Members

4705

2021: 2915

Average Monthly Contribution

22 M

2021: 13 Million

Annual Return

-8.5%

2021: 11.5%

Pensioners

185

2021: 165

Deferred Pensioners

2008

2021: 1402



Remarks by the Investment Advisor

It was a difficult year for investors after a series of events and market consolidation - most asset classes were in red except for commodities that ended in positive territory.

Over the years, investors were used to the low interest rate environment and quantitative easing by the central bank but the year 2022 was a different one: tightening monetary policies dictated markets. For the calendar year ended 2022, Super Fund's performance retreated 8.5% while the benchmark slipped 4.9% over the same period. The four investment profiles ended sharply lower with the aggressive one mostly been hit. Even the defensive fund closed in red as fixed income instruments suffered. The Fund's investments were made within the required limits and permitted variances of the IPS.

It was an up-and-down year for markets - in the end, one with more down than up. The world gave financial markets a lot to process. The coronavirus pandemic eased but remained a global concern, as did the supply-chain issues that accompanied its arrival. Inflation reached a 40-year high in the US and the Federal Reserve pursued a series of interest rate hikes to combat rising prices, actions similar to those taken by other nations' central banks. Russia's invasion of Ukraine in February brought uncertainty about political stability and energy prices, among other worries. A midterm US election shifted more power to Republicans but left Democrats in a stronger position than some had expected. Against this backdrop, equity and bond markets fell for the year, despite several rallies. Major global indices posted sharp decline for the calendar year 2022: MSCI World -19.5%, MSCI EM -22.4%, MSCI EFM Africa ex ZA -25.5%, Nasdag -33.1%, SEMDEX -2.03% and global aggregate bond index -16.3%. Some may view fixed income as a safe haven for investors, expecting bonds to rise in value when stocks fall. However, this was not the case in 2022. The local market was roughly resilient despite several rate hikes by the Bank of Mauritius, but price adjustment may operate with a lag effect. Corporate earnings have been rather solid lately. Yields on local fixed income instruments have picked up remarkably well while the Mauritian rupee strengthened in the final months of the year on the back of several interventions in the FX market by the central bank.

During the period under review, we assisted the IC to carry out the following:

- Review the investment management process and standardising the format of investment presentations by investment managers in view of ensuring overall good governance, comparability of performance and to align investment managers interest with the fund beneficiaries.
- Monitoring investment in listed and unlisted securities and ensuring disclosure of related party transactions, such as investment in fund managers' in-house funds or funds distributed by themselves.
- Stringent monitoring and follow up of investment managers' investment actions and proposed investment strategy as well as investment allocation across different asset classes to ensure consistency in their investment actions and investments are made as per risk profile characteristics of each sub-fund.
- Follow-up on the onboarding of the new Fund Manager and monitoring of the Fund's rebalancing and realignment strategy.

The worries are not yet over for investors as inflations are declining at lower pace and interest rate remains elevated. Market volatility and turbulence will still persist throughout the year. However, there are signs that major damages are behind us on the international markets and handsome rebounds after steep declines can help put investors in position to capture the long-term benefits the markets offer. Some further consolidation and market adjustment are expected on the local scene unless we see inflation easing and corporate earnings' resiliency.

We are confident that the long-term strategy of the Fund will create value for the members despite market turbulence. Our aim is to ensure the creation of alpha and superior returns over time whilst adopting risk mitigating measures in tight economic context. Super Fund will continue to leverage on the expertise of its Advisors, Fund Managers, Actuaries and Board Members for achieving its overall objectives. We would like to end on Warren Buffet's famous quote: "Successful investing takes time, discipline and patience. No matter how..."

LCF Securities Ltd

Remarks by the Investment Consultant

Market Review of 2022

2022 was quite an exceptional and volatile year for the global capital markets, which had to deal with a range of geopolitical and economic headwinds after the pandemic. Amid rising commodity and energy prices, inflation was the dominant narrative during the year. Another important event which negatively impacted markets was the on-going Russia/ Ukraine conflict. In an attempt to tame inflation, global economies saw unprecedented interest rate hikes, daily price swings, and recession worries.

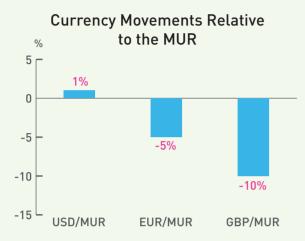
Global central banks responded to inflationary pressures with one of the strongest hiking cycles in decades. Over 80 central banks tightened their respective monetary policies in 2022. The US Federal Reserve (Fed) raised its policy rates by 4.25% across the seven meetings held in 2022. Disproportionately impacted by the historic rise in rates, equities fell sharply during the year. It is to be noted that even bond markets around the world registered negative returns during 2022.

Equity Markets in 2022 (MUR) 5 1% -4% -10 -15 -20 SEMTRI SEM-10 MSCI All Country World Index Markets Index Markets Index

Other Investments (in MUR) 20 12% 18 18 Oliopal Aggregate Total Return Index



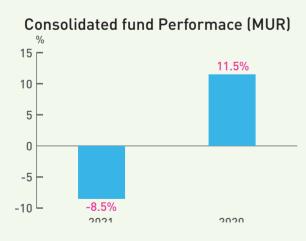
Remarks by the Investment Consultant (Cont'd)

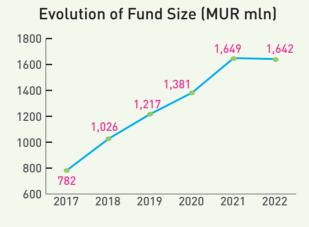


Following the steps of global central banks, the Bank of Mauritius also raised the Key Repo Rate (now known as the Key Rate) by 2.65% during the year to 4.5% in order to fight rising inflation locally. This seems to have had an adverse effect on some of the local listed companies. Moreover, spillovers of global economic uncertainty were felt among local investors. The SEMTRI (which is a total return index, inclusive of dividends), was the only local equity index to register a positive return of 1% during 2022. Note that during the year, many local companies resumed or increased dividend payments post the pandemic. It is also to be highlighted that several listed companies reported improved results during the year under review.

On the commodities side, gold and oil prices remained volatile during the year, amidst the on-going Russia-Ukraine war.

Investment Overview



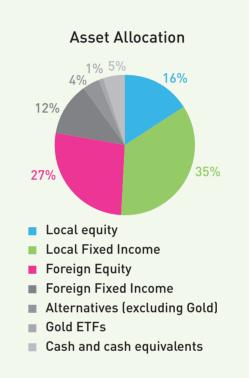


Due to market movements, the fund size fell slightly from MUR 1.65bln to MUR 1.64bln over the year. Total contributions amounted to around MUR 140mln for the financial year under review.

The overall fund returned -8.5% for the year ended 31 December 2022.

Asset Allocation





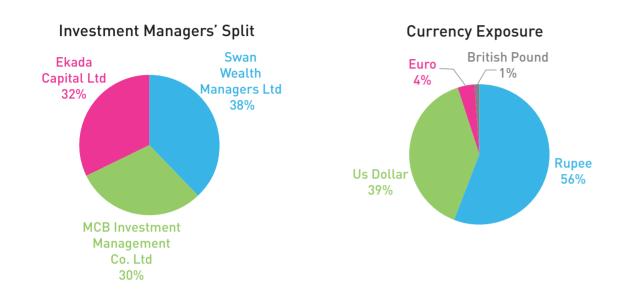
As at end of December 2022, allocation to the Defensive sub-fund remained fairly low (7%). The Moderate sub-fund had the highest allocation (33%) closely followed by the Conservative sub-fund (31%).

In terms of overall asset allocation to different asset classes, around 52% of the overall Fund was invested in matching assets (local and foreign fixed income instruments, cash and cash equivalents) as at end of the financial year. The remaining 48% were invested in growth assets (equities and alternative investments).

Note that cash and cash equivalents include cash holdings at bank and short-term instruments and money market funds.

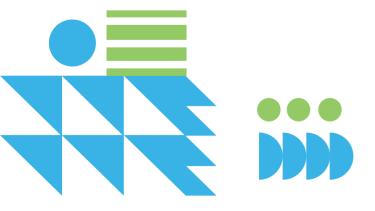


Remarks by the Investment Consultant (Cont'd)

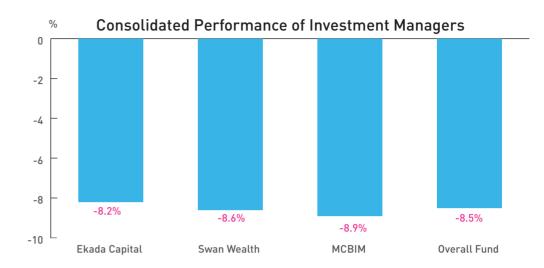


It should be highlighted that MCB Investment Management Co. Ltd had been appointed as a third investment manager during the previous financial year.

As at end-December, around 44% of the overall portfolio was invested in foreign investments. Therefore, the appreciation of foreign currencies relative to the Rupee contributed positively to the overall performance of the fund. For instance, the US Dollar appreciated by 1.1% relative to the Mauritian Rupee during 2022.

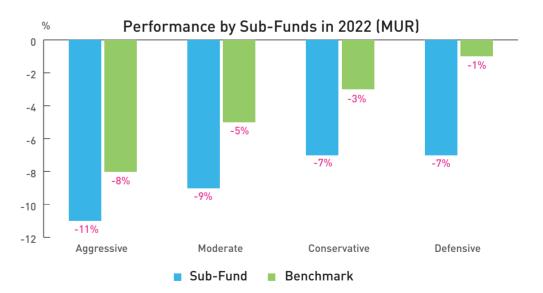


Consolidated Performance of Investment Managers



Over the year, all the three investment managers posted negative returns. Their performance was quite comparable.

Performance by Sub-Funds in 2022



For the year ended 31 December 2022, all the four sub-funds underperformed their respective benchmarks. The Aggressive sub-fund, which had the highest allocation to growth/riskier assets registered the biggest drop among the four portfolios.

The portfolios were negatively impacted by the sharp drop in equity prices and the rise in yields, both local and overseas. Further details on performance will be provided separately by the investment managers.





Investment Strategy Review of the Fund

In March 2022, the investment strategy of the Fund was reviewed, following the latest actuarial valuation of the Fund (carried out as at 31 December 2020).

The new investment strategy proposed a slight shift from local investments to foreign investments for the four-sub funds in view of improving the risk-adjusted investment returns in the medium-to-long term. Given the low yield environment, allocation to local fixed income instruments has also been reduced for the four sub-funds.

The Investment Policy Statement was subsequently updated and came into effect on 01 July 2022.

Annuity Fund

In past years, the Annuity Fund had been fully invested in the Defensive sub-fund. In today's context, given the low yields and rising inflation, the investment strategy of the Annuity Fund was also reviewed during the year.

The new strategy (20% Moderate, 40% Conservative and 40% Defensive) now takes a more balanced approach and targets a real return of 1% p.a. (i.e., 1% above inflation rate) in the medium term.

The annuity rates used by the Fund at retirement to determine the pensions payable from the Fund are based on prevailing market conditions and life expectancy. As these conditions change over time, the annuity rates are subject to regular review to ensure that they remain appropriate.

Outlook

In the near term, the economic outlook remains uncertain. Much will depend on the pace and sequence of further monetary tightening, the consequences of the war in Ukraine and any potential global banking crisis.

Investors are likely to keep a close eye on the level of inflation, evolution of interest rates and economic growth both locally and abroad. A global slowdown could contribute to further volatility in stock prices. Nevertheless, a significant drop in inflation rates could benefit the markets.

The Management Committee of Super Fund will continue to closely monitor the performance of the Fund and it will ensure that the Fund holds a diversified portfolio across all four sub-funds.

Aon Solutions Ltd



The Finance (Miscellaneous Provisions) Act 2022 introduced certain changes to the Workers' Rights Act 2019, which brought about a major change in the way that private pension schemes operate in Mauritius. Private pension schemes in Mauritius have always been voluntary arrangements with no required minimum rate of employer contributions until this major change.

Under the amended Section 90 of the Workers' Rights Act, only private pension schemes whose respective actuaries have certified in writing that the employer contribution rate is at least equal to the Portable Retirement Gratuity Fund (PRGF) rate will be exempted from contributing to the PRGF.

Under the new Section 90A of the Workers' Rights Act, from 1 July 2022, all existing and new defined contribution (DC) pension schemes will need to demonstrate that they satisfy the eligibility criteria in order for the respective sponsoring employers to be exempt from PRGF contributions. This will be done via the provision of a certificate issued by the actuary to the scheme that the rate of employer contribution is not less than the PRGF rate. New DC schemes will also have to submit a resolution from the governing body stating that the scheme is compliant. For existing schemes where the Financial Services Commission (FSC) had already issued an exemption certificate, the administrator of the scheme has until 31 December 2023 to submit the actuarial certificate.

Before 31 December 2023, an assessment of the employer contribution rate will have to be carried out for each of the 100+ schemes in Super Fund, and an actuarial certificate will be issued for each scheme that meets the requirement. Otherwise, the participating employer will have to increase its contribution rate.

The pros and cons of this new requirement are:

Pros

- This removes the risk that an employer might deliberately set up a DC pension scheme with low contribution rates in order to be exempted from contributing (higher rates) to the PRGF.
- Having a minimum contribution rate requirement will benefit members (where the contribution rate might otherwise have been lower).

Con

- It would be more effective to introduce a minimum benefit check on resignation to ensure that the benefit is
 at least equal to the gratuity under the PRGF (there is already such a benefit check in case of retirement and
 death). Setting a minimum contribution rate is no guarantee that the benefit will be at least equal to the PRGF
 gratuity since the latter is based on a defined formula.
- Several aspects of this new requirement are still vague, in particular regarding what rate to certify (since most pension scheme contributions are based on basic salary—plus, often, the 13th month bonus—while the PRGF contributions are based on basic salary, excluding the 13th month bonus, plus any productivity bonus, attendance bonus and payment for extra work performed) and the frequency of certification.
- If a pension scheme fails the certification test at any point in time, then the consequence would be that the
 sponsoring employer would then have to amend the rules of the scheme and increase its contributions to be able
 to pass the test. This introduces considerable uncertainty and additional cost for the employer.

The Management Committee, Actuary and Administrator will work together on the certification process for all schemes in Super Fund.

Aon Solutions Ltd

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Making every step of the way count





Investment Report 2022

As of 31st December 2022, the net asset value of the consolidated fund under management of EKADA Capital Ltd stood at MUR 525.85 million. The performances of the four sub portfolios (Aggressive, Moderate, Conservative and Defensive) are tabled below:

Performance (%)	Super Fund Aggressive	Super Fund Moderate	Super Fund Conservative	Super Fund Defensive
1 - Year	-10.73%	-8.67%	-6.94%	-5.89%
2 – Year	5.28%	0.32%	-0.43%	-2.71%
Since Inception (March 2014)	52.99%	42.86%	46.27%	41.66%
Annualized	4.93%	4.12%	4.40%	4.02%

Superfund Aggressive





^{*} Asset-Weighted Benchmark Aggressive: 25% Semtri / 45% MSCI ACWI / 5% MSCI ACWI + 2% / 15% (50% Yield on 5yr GOM Bonds+50% Yield on 10yr GOM Bonds) / 10% Barcap

Superfund Moderate





^{*} Asset-Weighted Benchmark Moderate: 20% Semtri / 35% MSCI ACWI / 5% MSCI ACWI + 2% / 30% (50% Yield on 5yr GOM Bonds+50% Yield on 10yr GOM Bonds) / 10% Barcap

Superfund Conservative





^{*} Asset-Weighted Benchmark Conservative: 10% Semtri / 20% MSCI ACWI / 5% 91D T-Bill / 50% (50% Yield on 5yr GOM Bonds+50% Yield on 10yr GOM Bonds) / 15% Barcap

36. 37.



Fund Manager's Review Ekada Capital Ltd (Cont'd)

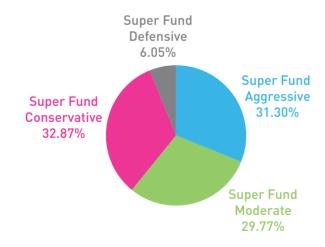
Superfund Defensive





^{*} Asset-Weighted Benchmark Defensive: 7.5% Semtri / 7.5% MSCI ACWI / 5% 91D T-Bill / 65% (50% Yield on 5yr GOM Bonds+50% Yield on 10yr GOM Bonds) / 15% Barcap

Consolidated Fund Position



Fund Manager Comment

Equity markets have been highly volatile in 2022 with market headwinds including inflation, geopolitical risks, slowing economic growth and an uncertain earnings picture weighing on the minds of investors, resulting in significant market rotation. Global equities, as measured by the MSCI All Country World Index posted a return of -19.80 % in USD for the year 2022. For the period, value stocks outperformed growth by the largest margin since 2000. The coronavirus pandemic eased but remained a global concern, as did the supply-chain issues. Inflation reached a 40-year high in the US and the Federal Reserve pursued a series of interest rate increases to combat rising prices, as did other central banks around the world. Russia's invasion of Ukraine in February 2022 brought uncertainty about political stability and energy prices, among other worries. Some may view fixed income as a safe haven for investors, expecting bonds to rise in value when stocks fall. However, this was not the case in 2022 with the Barclays Global Aggregate Bond Index returning -16.25% in USD. The tandem decline for equities and fixed income was relatively rare. The Bloomberg Commodity Index, which tracks energy, metal and crop futures, amongst others ended the year with a 13.75% gain. However, gold price dropped by -0.28% in 2022.

In Mauritius, the reopening of the borders boosted the tourism sector significantly. The improvement in tourism revenue has been largely driven by more revenue per tourist, while the number of tourists has been stabilising at only 85% of the pre-covid level. Despite the tourism revival, Bank of Mauritius forex interventions and exchange rationing by banks, forex stayed scarce and the rupee remained under pressure for the year 2022. The SEMDEX posted a return of -2.03% during the year mostly impacted by MCB Group Ltd, MUA Ltd, Gamma Civic Ltd and United Basalt Product Ltd, which were in the red territory.

The sub-portfolios were significantly underweight foreign equity, which contributed positively on the overall performance. The overweight exposure to the foreign fixed income particularly through treasury bonds as well as selected corporate bonds (via Funds, ETFs and direct bonds) did not help much to the performance since last year was the worst for bond markets in more than a century. On the domestic side, the portfolios benefitted from the positive returns of the hotel industry while the decrease in the mark to market value of the domestic bonds impacted the performance of the sub-portfolios. The strategy of holding a significant cash position acted as a cushion to the portfolio in a year where most asset classes were in the red territory.









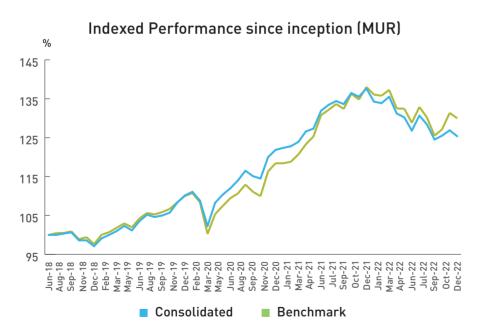
The consolidated Fund value under management of Swan Managers Ltd as at 31-Dec-22 was MUR 631 million. The Fund tracked market trends downwards and trailed it benchmark in CY2022 mainly on the back of:

- (i) the local fixed income asset class which is being fairly valued against the benchmark which is yield oriented and thus, leading to an underperformance as yields went up during the year; &
- (ii) an overweight exposure on the alternative investments asset class which experienced a more pronounced fall as the latter tends to be more sensitive to heightened market volatilities.

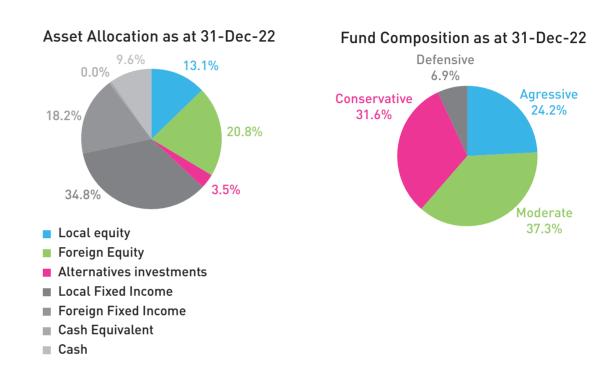
However, support was obtained from an underweight exposure on foreign equity, an overweight exposure on an outperforming foreign fixed income portfolio and consolidation on cash equivalents which helped cushion market downtrond.

MUR performance for the year ending 31 December 2022:

	Aggressive	Moderate	Conservative	Defensive	Consolidated
Superfund	-12.0%	-9.4%	-5.5%	-9.4%	-8.9%
Benchmark	-7.5%	-5.4%	-2.8%	-0.7%	-5.8%



The benchmark is an asset-weighted benchmark comprising of SEMTRI (for local equity), MSCI All Country World Index (for foreign equity), MSCI All Country World Index + 2% (for alternative investments), 50% Yield on 5Y GOM Bonds + 50% Yield on 10Y GOM Bonds (for local fixed income), 91-Day Treasury Bills (for cash equivalents) and Barclays Capital Global Aggregate Index (for foreign fixed income).



Based on instructions from Super Fund, the Fund Manager transferred assets and cash for an equivalent of MUR 32m from Defensive to Conservative and MUR 16m from Defensive to Moderate. On the equity side, we maintained our cautious stance as we continued to build-up our exposure by targeting attractive entry opportunities on local stocks while ensuring we remain underweight on the asset class. With regards to the foreign equity portfolio, the Manager triggered its de-risking strategy by reducing its exposure mainly on Growth strategies. On the alternative investment side, no transaction was made. On the local fixed income front, we invested available cash leeway in local corporate bonds, offering attractive risk-return trade off and consolidated on GoM bonds. At the international level, we adopted an overweight exposure to foreign fixed income to benefit from higher yields resulting from surging interest rates. We rebalanced the bond fund & ETF portfolios, via exiting the High-Yield and Emerging Markets and rechannelling proceeds in foreign direct bonds from high-quality issuers.





Market Review (CY 2022)

The local bourse (as represented by SEMDEX: -2.0%) kicked off on a strong note following the strong recovery in the tourism sector and supportive budgetary measures. However, momentum gradually faded as heightened international uncertainties revived selling pressure from foreign investors mid-year, weighing on market sentiment. Year's main detractors were P.O.L.I.C.Y (-43.8%), Innodis (-38.2%) and UBP (-29.2%), while top performers were mostly hotel counters: SUN (+60.5%), Bluelife (+34.0%) and NMHL (+28.2%). In Nov-22, Alteo Group split its operations into 2 distinct entities: Miwa Sugar for its regional operations and Alteo for its domestic one. On the macroeconomic front, real GDP growth grew from 3.4% in 2021 to 8.7% in 2022 and inflation rate rose from 4.0% in 2021 to 10.8% in 2022.

Internationally, global equities (as represented by the MSCI All Country World Index: -17.3%) was knockdown by the Russia-Ukraine war, soaring inflation levels to decades high and a synchronized tightening of monetary policies across the world, which increased recessionary fears. US equities market took a hit, with the S&P 500 closing its worst calendar year since 2008. European equities experienced a pronounced fall during the first half of the year owing to rising energy shock from tensions in neighbouring countries, but then partially recovered its losses following governmental support. UK equities registered a relatively more constrained drop vis-à-vis its European peer owing to its higher exposure on the Energy and Healthcare sector which remained relatively resilient in 2022. Emerging Market equities was the worst performing region. Its weakness was mainly attributable to Europe, Middle East and Africa which was heavily impacted by the prolonged Russia-Ukraine conflict and Chinese stock market which was weighted down by its property market crisis and the spread new Covid lockdown measures were imposed in several cities.

On the fixed income side, the local market was characterised by leaping bond yields, excessive cash liquidity and high inflation. 364D GoM T-Bills and 10Yr GoM bonds closed at 4.80% (+403bps y-o-y) and 5.93% (+157bps y-o-y) respectively. During the year, the MPC of the BoM hiked the Key Repo Rate on five occasions, by an aggregate of 265bps to 4.50%. Excess cash holdings dropped from MUR 97.6m to 46.4m (-52.5% y-o-y). Headline inflation surged to 10.80% (+680bps y-o-y). On the forex side, the EUR and GBP depreciated y-o-y vis-à-vis the MUR while the USD appreciated against the MUR. This prompted the BoM to intervene and supply a record level of USD 1,020m on the domestic foreign exchange market.

On the international level, 2022 was marked by high inflation levels and the resulting hawkish stance adopted by central banks worldwide in hiking interest rates to end the year with lower inflation levels. This led to a surge in sovereign yields. In the US, FED rose its federal funds rate seven times, cumulatively from 0.00%-0.25% to 4.25%-4.50%. This caused annual inflation to recede for the sixth straight month to 6.5% in Dec-22 (-50bps y-o-y). The US 10Yr yield gained 237bps v-o-v to close at 3.88%. In the same light, in the Eurozone, the ECB raised its key rates by a combined amount of 200bps throughout 2022 and withdrew policy accommodation. As a result, annual inflation dropped to 9.2% in Dec-22 (+450bps y-o-y), the lowest in four months, encouraging claims that inflation in the Eurozone may have peaked. The 10Yr German Bund maintained its upwards trend and closed at 2.56% (+274bps y-o-y). In the UK, the BoE implemented an aggregate hike of 325bps spanned over eight MPC meetings and released gloomy forecasts for the UK. The 10Yr UK Gilt fell and ended the year at 3.66% (+269bps y-o-y). On the Japanese side, the BoJ adjusted its yield curve control policy in Dec-22, allowing the 10Yr Japanese bond to move 50bps either side of its 0% target, to "improve market functioning and encourage a smoother formation of the entire yield curve". This resulted in the 10Yr Japanese bond closing much higher at 0.40% (+35bps y-o-y).

Fund Manager's Review MCB Investment Managers Ltd

For the year ended 31 December 2022, the SEMDEX closed in negative territory of -2.0% (in MUR) despite a bright start to the year underpinned by encouraging earnings releases, improving perspectives for several sectors, opening of our frontiers to tourist and dividend payment resumption. At end of December 2022, market PE stood at 10.2x with a dividend yield of 3.6%. The rising uncertainties on the basis of the Russian - Ukraine war, rising inflationary pressures and rapid rise in interest rates have had significant reverberations on equities locally and globally. Accordingly, the MSCI All Country World Index was down by 18.4% (in USD) for the corresponding period.

The Monetary Policy Committee (MPC) of the Bank of Mauritius rose interest rates by 265 basis points in 2022 in a bid to contain a headline inflation of above 10%, largely driven by supply-side factors including surging imported food and energy prices, causing supply-chain disturbances and higher freight costs. Foreign Bonds continued to sell off sharply, with yields markedly higher amid still elevated inflation data, hawkish central banks and rising interest rates. The high inflationary pressures are expected to persist through 2022 locally and abroad.

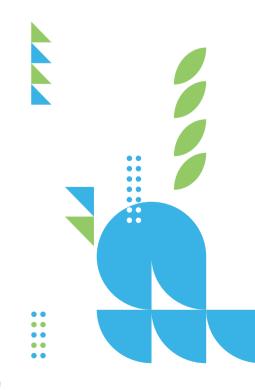
All these factors negatively affected the portfolios with returns being as follows:

Portfolio Name	Return for the year 2022
Moderate	- 6.5%
Aggressive	- 9.0%
Defensive	- 10.9%
Conservative	- 7.6%

The performance in the global fixed income world was affected with of the Bloomberg Mauritius Sovereign Bond Index registering a performance of -7.3% and the Barclays Global Aggregate Bond index recording a performance -16.2%. Hence, the defensive and moderate portfolios were equally impacted by this historic rise in yields.

Outlook

Going forward, market volatility will persist. Besides the war in Ukraine, the pace of interest rate hike globally to combat rising inflation, threat of a recession are the main concerns for investors. The fund manager has inherited certain positions in the different portfolios and has tried to preserve value instead of further enhancing any loss. We are yet to apply our investment strategy and fully rebalance the portfolio as per the new investment policy statement.







Membership and Analysis







Membership Data	
No. of Schemes	124
Cancellations	701
New	2491
Active Members	4705
Deferred Pensioners	2008
Pensioners	185
Total Monthly Salary (Rs)	176,829,914.00
Average Monthly Salary (Rs)	37,591.00

Participating Employers

No.	Employers
1	AGENCE FRANCAISE DE DEVELOPPEMENT
2	ANALYSIS CO. LTD.
3	APSA INTERNATIONAL
4	ARUP - SIGMA LTD.
5	ASSOCIATED CONTAINER SERVICES LTD.
6	ASSOCIATED TEXTILES SERVICES LTD.
7	ASSOCIATION DES HOTELIERS ET RESTAURATEURS ILE MAURICE (AHRIM)
8	ASSOCIATION SYNDICALE DE LOTISSEMENT VILLAS VALRICHE
9	BLINDS & SHADES LTD.
10	BOSTON CAMPUS LIMITED
11	BRITISH AIRWAYS (MAURITIUS)
12	BUSINESS & DECISION LTEE
13	BUSINESS MAURITIUS PROVIDENT ASSOCIATION
14	CARI AGENCY LTD.
15	CCMA CONSULTING
16	CIM FINANCIAL SERVICES LTD.
17	CKLB INTERNATIONAL MANAGEMENT LTD.
18	COMMUNAUTE FIAT
19	CREASIM LIMITEE
20	CREATIVE HR SOLUTIONS LTD.
21	DALE INTERNATIONAL TRUST CO. LTD.
22	DECORATIVE BLINDS CO. LTD
23	DPD LASER (MAURITIUS) LTD CHRONOPOST (MAURITIUS)
24	E.R.C LEVAGE
25	ECOVADIS (MAURITIUS) LTD.
26	EGECO LTD.
27	EGLISES CHRETIENNES OCEAN INDIEN
28	EKADA CAPITAL LTD.

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Participating Employers (Cont'd)

No.	Employers
29	EKIUM AMIO LTD
30	ENGINEERING TECHNICAL & MANAGEMENT SERVICES LTD.
31	ENGLISH BAY CO LTD
32	ENNOVATEK LTD.
33	ESTATE PROPERTY SOLUTIONS LTD.
34	ETAIROS LTD.
35	FGY MANAGEMENT SERVICES LTD.
36	FLEXEOS LTD.
37	FLEXICOM CO. LTD.
38	GAMMA CIVIC LTD
39	GAMMA CONSTRUCTION LTD.
40	GAMMA CORPORATE SERVICES LTD
41	GAMMA MATERIALS LTD.
42	GAMMA TREASURY MANAGEMENT LIMITED
43	GAMMATECH LTD
44	GAZ CARBONIQUE LTD
45	GMF LTD
46	GRANDE RIVIERE INVESTMENT CO. LTD.
47	GREEN YELLOW INDIAN OCEAN
48	GREENZONE LTD.
49	GUARDRISK INTERNATIONAL LTD PCC
50	HELLO ISLANDS LTD
51	HI- TECHNOLAB LTD
52	I CAN
53	IMATECH LTD
54	IMMOSPHERE
55	IN & OUT TRADING LTD.
56	INTEGO GREEN LTD

No.	Employers
57	INTEGO LTD
58	INTERNATIONAL SOS (AFRICA HOLDINGS) LIMITED
	INTERNATIONAL SOS (AFRICAN SERVICES LIMITED
59	
60	INVESTIA CORPORATE SERVICES LTD
61	ISLAND SALT LTD.
62	JPH OFFICES LTD
63	KREOLA LTD.
64	LA MOISSON LTEE
65	LOOK & FEEL
66	LORETO INSTITUTE
67	LOTTOTECH LTD.
68	LUIGI'S CO LTD.
69	MARAND TRADING COMPANY LTD
70	MAURCO LTD
71	MAUREVA LTD
72	MECHANIZATION CO. LTD.
73	MEDSCHEME (MTIUS) LTD.
74	MIROVERRE LTD
75	NEO FOODS
76	NESTLE'S PRODUCTS (MAURITIUS) LIMITED
77	NILCANT AWOTAR & ASSOCIATES LTD
78	ORANGE BUSINESS SERVICES MAURITIUS LTD.
79	OZIMATE LTD
80	PAIE SERVICE LTEE
81	PAJR MEDICAL LTD.
82	PANACHE & CO LTD
83	PASTEUR PHARMACEUTICALS LIMITED
84	PATRIMONIA PARTNERS LIMITED



Participating Employers (Cont'd)

No.	Employers
85	PEX HYDRAULICS (MTIUS) LTD.
86	POOL JOSEPH MERVEN LTD
87	PRINCES TUNA (MAURITIUS) LTD
88	PRO DESIGNER POOL LTD
89	PROWEBIN LTD
90	QED ACTUARIES & CONSULTANTS
91	QUANTILAB LTD.
92	REHM GRINAKER CONSTRUCTION CO. LTD
93	REINSURANCE SOLUTIONS INTERNATIONAL LTD
94	ROLEM BUREAUTIQUE LTD.
95	SANLAM PROPERTIES LTD
96	SHIBANI FINANCE CO LTD
97	SIK YUEN LIMITED
98	SMAG LTEE
99	SOPHIA OUTSOURCING LIMITED
100	SOVEREIGN CONSULTING LIMITED
101	SOVEREIGN CORPORATE SERVICES
102	SOVEREIGN TRUST (MAURITIUS) LTD.
103	STARTING BLOC
104	SWAN PENSIONS LTD.
105	TERRA MARKETING LTD.
106	THE GENERAL CONSTRUCTION CO. LTD.
107	TMF (MAURITIUS) LTD.
108	TRIANON CONVENTION CENTRE LTD
109	TRIDENT TRUST COMPANY (MAURITIUS) LTD.
110	TSAR LTD.
111	UC SOLUTIONS LTD
112	UNICORN TRADING COMPANY (MSJ LTD)

No.	Employers
113	UTEEM CHAMBERS LIMITED
114	VALENTIN LAGESSE ASSOCIES
115	VELOGIC GARAGE SERVICES LTD.
116	VELOGIC HAULAGE SERVICES LTD.
117	VENDORS LIMITED
118	VENTURE CORPORATE SERVICES (MAURITIUS) LIMITED
119	VENTURE LAW LTD
120	VILLAS EXPERIENCE LTD
121	WAGTECH PROJECTS MAURITIUS LTD.
122	XCLUSIVE CONCEPT
123	ZAC ASSOCIATES
124	ZIGZAG LIMITEE



Making retirement the next great adventure of your life







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Statement of Changes in Net Assets Available for Benefits

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Report of the Management Committee

For the Year Ended December 31, 2022

The Management Committee has pleasure in submitting its report together with the audited financial statements for the year ended December 31, 2022.

1. DESCRIPTION OF THE FUND

1.1 Registration

The inception date of the Fund was January 1, 1999 and the registration date was July 15, 1999. It was registered under the Employees Superannuation Fund Act 1954 on January 1, 1999. A new Pension Scheme Licence was issued on 3 August 2013 by the Financial Services Commission pursuant to section 9 of the Private Pension Scheme Act 2012 on the Financial Services (Consolidated Licensing and Fees) Rules 2008 with effect from November 1, 2012 in replacement of the Employers Superannuation Fund Act 1954.

1.2 Object

The object of the Fund is to provide retirement, withdrawal, death and disablement benefits for the Beneficiaries as described in the Rules and Regulations of the fund and according to their contracts of employment.

Both employees and employers contribute to the Fund as follows:

Employees: 0 - 20% of pensionable emoluments
Employers: 3 - 20% of pensionable emoluments

The employers also contribute an additional percentage of pensionable emoluments to the Employer reserve account.

1.3 Type of scheme

The Fund is a defined contribution scheme, meaning that amounts to be paid as benefits are determined by contributions to the Fund together with investment earnings thereon less management fees and other charges.

The scheme also provides for death and disability benefits which are insured with various insurance companies.

1.4 Membership

	2022	2021
Deferred pensioners	2,008	1,402
Number of pensioners	185	165
Number of pensionable active staff covered by the Fund	4,705	2,915

1.5 Benefits payable under the scheme

The main benefits under the scheme, as specified in paragraphs 4 and 5 of the Rules and Regulations, are:

- (a) A pension for life for Members only or a joint pension on a Member's life and that of his Spouse, Child or Dependant on the Normal Retirement Date.
- (b) An early age retirement or early ill health retirement.
- (c) A gratuity on death of a Member in service before Normal Retirement Date.
- (d) A benefit on the Total and Permanent Disablement of a Member whilst in the Service of the Company before attainment of his Normal Retirement Date.

2. MANAGEMENT COMMITTEE

The Management Committee is made up as follows:

Mr. Daniel Chan Chong	- Chairperson (appointed June 23, 2017)
Mrs. Naveena Dhanoopa	- Secretary (appointed October 26, 2022)
Mr. Jean Marc Desvaux de Marigny	- Vice Chairperson (appointed June 29, 2018)
Mr. Rakesh Rajcoomar	- Treasurer (appointed August 16, 2021)
Ms. Hanishta Camadoo	- Vice Treasurer (appointed August 27, 2021)
Mr. Jerome Valin	- Member (appointed August 27, 2021)
Ms. Valérie Tranquille	- Member (appointed August 27, 2021)
Mr. Dominique Béchard	- Member (appointed August 27, 2021)
Mr. Salim Albeerdy	- Member (appointed April 7, 2022)
Mr. Nilesh Gammoo	- Member (resigned August 25, 2022)

Report of the Management Committee

For the Year Ended December 31, 2022

3. INVESTMENT POLICY

The Management Committee determines the investment policy to be adopted by the Fund. The investment portfolios are actively managed by Ekada Capital Ltd (formely known as Afrasia Capital Management Ltd), Swan Wealth Managers Ltd and MCB Investment Management Co Ltd.

4. INVESTMENT REPORT

The Fund's net assets at December 31, were as follows:	2022	2021
	Rs.	Rs.
Cash at bank, including dealing accounts	216,559,667	182,771,408
Investment at fair value	1,465,768,905	1,499,604,753
Other assets less liabilities	215,334,911	28,573,060
	1,897,663,483	1,710,949,221
Less employer reserve account	(18,118,326)	(14,452,167)
Less annuity fund	(124,629,146)	(128,354,514)
	1,754,916,011	1,568,142,540

The annual returns on investment for the year under review is as follows:

	2022	2021
Annual Return	-8.50%	11.50%

As from April 2014, the investment portfolio has been split into 4 sub-funds to give members an investment choice. Below is the returns on each sub funds.

	2022	2021
Aggressive	-11.10%	18.50%
Moderate	-9.70%	11.20%
Conservative	-6.30%	7.00%
Defensive	-4.40%	4.40%

5. AUDITORS

December 31,

The auditors, Kemp Chatteris, have been appointed during the year.

S. ADMINISTRATORS

Swan Pensions Ltd, formerly Pension Consultants and Administrators Ltd, are the administrators of the Fund

7. ACTUARY

Aon Solutions Ltd. is the actuary to the Fund.

8. CUSTODIAN

The Mauritius Commercial Bank Limited is the custodian to the Fund.

9. TERMINATION

The Fund may be wound up by a resolution of a majority of at least three quarters of the total number of the participants of the Fund present or represented at an Extraordinary Meeting called for the purpose.

10. ANNUITY FUND

As from April 2013, the Management Committee has changed its rule concerning Annuity Fund. Annuity payments are being paid out of Super Fund, instead of being bought out with insurance companies as from October 2013. This will allow a more dynamic and consistent pension payout, with discretionary increases instead of a flat-rate pension.

For and on behalf of the Management Committee.

D. Charles

Chairman

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Independent Auditors' Report to the Members of Super Fund

Opinion

In our opinion, the financial statements on pages 8 to 26 give a true and fair view of the financial position of Super Fund (the "Fund") as at 31 December 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Private Pension Schemes Act 2012.

What We Have Audited

The financial statements of Super Fund (the "Fund") set out on pages 8 to 26 comprise:

- the statement of net assets available for benefits as at 31 December 2022;
- the statement of changes in net assets available for benefits;
- the employer reserve account;
- the annuity fund;
- the statement of cash flows for the year then ended; and
- the notes to financial statements comprising significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Other Information

The Management Committee is responsible for the other information. The other information comprises of the report of the Management Committee which we obtained prior to the date of the auditors' report. Other information does not include the financial statements and our auditors' report thereon.

Our opinion on these 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.

Management Committee' Responsibilities for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and comply with the Private Pension Funds Act 2012, regulations made under the Act, rules issued by the Financial Services Commission and with the rules of Fund. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, they are responsible for assessing the Fund'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 trustees either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Management Committee is responsible for overseeing the Fund's financial reporting process.

Independent Auditors' Report to the Members of Super Fund

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 Fund's ability
 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors'
 report. However, future events or conditions may cause the Fund 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.

We communicate with the Management Committee 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.

Report on Other Legal and Regulatory Requirements

Private Pension Funds Act 2012

The Private Pension Funds Act 2012 require in carrying out our audit, we consider and report to you on the following matters. We confirm that:

- (a) the financial statements set on pages 8 to 29 have been prepared, in all material respects, in accordance with the Private Pension Funds Act 2012, regulations made under the Act and rules issued by the Financial Services Commission and reflect the accounting records of the Fund;
- (b) we have obtained all the information and explanations we have required; and
- (c) In our opinion, proper accounting records have been kept by the Fund as far as appears from our examination of those records.

Other Matter

This report is made solely to the Fund's members, as a body, in accordance with terms of the rules of the Fund. Our audit work has been undertaken so that we might state to the Fund's members, as a body, those matters we are required to state to them in an auditors' report and for no other purpose. We do not accept or assume responsibility to anyone other than the Fund and the Fund's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kup Challeriz

Kemp Chatteris

Chartered Accountants

16 May 2023

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Martine Ip Min Wan, FCA

Licensed by FRC



Statement of Net Assets Available for Benefits

December 31, 2022

	Notes	2022	2021
		Rs.	Rs.
ASSETS			
Non-current assets			
Financial assets at fair value	5	1,416,415,598	1,441,107,620
Financial assets at amortised cost	6	8,501,188	8,500,571
		1,424,916,786	1,449,608,191
Current assets			
Accounts receivable	7	177,685,167	23,312,571
Financial assets at fair value	5	49,353,307	58,497,133
Financial assets at amortised cost	6	34,451,413	3,506,233
Other financial assets at amortised cost	7A	3,102,728	1,405,129
Bank balance		82,542,179	42,828,777
Dealings account	8	134,017,488	139,942,631
		481,152,282	269,492,474
Total assets		1,906,069,068	1,719,100,665
LIABILITIES			
Current liabilities			
Accounts payable	9	8,405,585	8,151,444
TOTAL ASSETS LESS TOTAL LIABILITIES		1,897,663,483	1,710,949,221
Employer reserve account	10	(18,118,326)	(14,452,167)
Annuity fund		(124,629,146)	(128,354,514)
NET ASSETS AVAILABLE FOR BENEFITS		1,754,916,011	1,568,142,540

Approved by the Management Committee and authorised for issue on 16 May 2023

D. Chickey

CHAIRMAN

Bhonagar

SECRETARY

Statement of Changes in Net
Assets Available for Benefits

Year Ended December 31, 2022

	Notes	2022	2021
		Rs.	Rs.
Contributions and benefits			
Contributions received and receivable	11	361,220,690	143,194,519
Benefits paid and payable	12	(5,362,416)	(8,736,909)
Payments to and on account of leavers	13	(23,705,095)	(54,477,617)
		(29,067,511)	(63,214,526)
Net additions from dealings with members		332,153,179	79,979,993
Returns on investments			
Investment income	14	39,623,375	32,378,222
(Decrease)/increase in fair value of financial assets		(165,652,311)	92,826,031
(Loss)/profit on disposal of financial assets		(11,387,642)	39,083,620
Investment management expenses	15	(6,146,585)	(4,336,491)
Foreign exchange (losses)/gains		(1,816,545)	4,139,166
Other income		-	7,689
Net returns on investments		(145,379,708)	164,098,237
Net increase for the year		186,773,471	244,078,230
Not accept and both for boards			
Net assets available for benefits			
At January 1,		1,568,142,540	1,324,064,310
Net increase		186,773,471	244,078,230
At December 31,		1,754,916,011	1,568,142,540

The notes on pages 63 to 71 form an integral part of these financial statements. Auditor's report on pages 56 to 57.

The notes on pages 63 to 71 form an integral part of these financial statements. Auditor's report on pages 56 to 57.



Employer Reserve Account

Year Ended December 31, 2022

Notes Notes	2022	2021
	Rs.	Rs.
Contributions	22,947,515	18,328,122
Disability claims refund	271,627	137,408
Death refund	10,015,516	1,582,888
Transfer from statement of changes in net		
assets available for benefits	29,067,511	63,214,526
	62,302,169	83,262,944
Withdrawal benefits	10,271,212	13,830,431
Disability claims	271,627	137,408
Death claims	10,015,516	1,582,888
Lump sums 12	5,362,416	8,736,909
Transfer to annuity fund	12,717,702	49,847,188
Transfer to employer contribution	-	1,088,836
Administration fees	6,923,357	5,200,262
Actuarial fees	599,500	414,000
Assurance costs	10,320,942	8,633,051
Audit fees	241,250	126,500
Other expenses	1,912,488	1,236,275
	58,636,010	90,833,748
Surplus/(deficit) for the year 10	3,666,159	(7,570,804)



Year Ended December 31, 2022

	2022	2021
	Rs.	Rs.
At January 1,	128,354,514	81,671,336
Transfer from employer reserve account	12,717,702	49,847,188
Interest income	3,060,690	2,496,870
Dividend income	942,944	583,233
(Decrease)/increase in fair value of financial assets	(9,995,293)	624,599
(Loss)/profit on disposal of financial assets	(698,800)	308,603
Foreign exchange (losses)/gains	(179,230)	168,744
Other income	-	-
	5,848,013	54,029,237
Pensions paid	(8,981,817)	(6,996,317)
Bank charges	(2,703)	(1,472)
Management fees	(427,698)	(191,831)
Custody fees	(161,151)	(156,439)
Other expenses	(12)	-
	(9,573,381)	(7,346,059)
(Deficit)/surplus	(3,725,368)	46,683,178
At December 31,	124,629,146	128,354,514

The notes on pages 63 to 71 form an integral part of these financial statements. Auditor's report on pages 56 to 57.

The notes on pages 63 to 71 form an integral part of these financial statements. Auditor's report on pages 56 to 57.



Statement of Cash Flows

Year Ended December 31, 2022

	2022	2021
	Rs.	Rs.
Cash flows from operating activities		
Contributions received	229,795,609	156,396,104
Disability refund	271,627	137,408
Death claim refund	10,015,516	4,174,544
Pensions and retirement gratuities paid	(14,437,085)	(15,079,131)
Administrative expenses	(6,977,005)	(4,959,011)
Insurance premium paid	(10,889,124)	(8,178,737)
Withdrawal benefits paid	(10,272,569)	(13,032,091)
Disability payment	(258,410)	(126,888)
Other expenses paid	(2,170,571)	(1,437,098)
Death gratuities	(9,731,459)	(4,185,280)
Net cash generated from operating activities	185,346,529	113,709,820
Cash flows from investing activities		
Income from quoted securities	10,994,089	10,789,490
Interests received	29,316,789	24,102,655
Proceeds from disposal of investments	273,670,554	706,215,133
Purchase of investments	(456,885,497)	(779,487,772)
Management and other charges	(6,658,430)	(4,393,446)
Net cash used in investing activities	(149,562,495)	(42,773,940)
Foreign exchange (losses)/gains	(1,995,775)	4,307,910
Net increase in cash and cash equivalents	33,788,259	75,243,790
Movement in cash and cash equivalents		
At January 1,	182,771,408	107,527,618
Increase	33,788,259	75,243,790
At December 31,	216,559,667	182,771,408
	_	
Represented by:		
Bank balance	82,542,179	42,828,777
Dealings account	134,017,488	139,942,631
	216,559,667	182,771,408

2022

2021

The notes on pages 63 to 71 form an integral part of these financial statements. Auditor's report on pages 56 to 57.

Notes to the Financial Statements

Year Ended December 31, 2022

1. GENERAL INFORMATION

Super Fund (the "Fund") was registered under the Employees Superannuation Act 1954 on July 15, 1999. In August 2013, the Fund has been issued with a Pension Scheme Licence pursuant to Section 9 of the Private Pension Schemes Act 2012 and the Financial Services (Consolidated Licensing and Fees) Rules 2008 with effect from November 1, 2012 in replacement to the Employees Superannuation Act 1954. Membership is open to employees of companies who are members of Business Mauritius. The Fund is a defined contribution plan.

The financial statements of Super Fund for the year ended December 31, 2022 were authorised for issue in accordance with a resolution of Management Committee as dated on page 8.

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.

2.1 Basis of preparation

The financial statements are prepared under the historical cost convention, except that investments in financial assets are stated at fair value. The financial statements are presented in Mauritian Rupee ('Rs.') and all values are rounded to the nearest rupee unless where otherwise stated. The Members consider this basis suitable to meet the financial provisions of the Private Pension Schemes Act 2012.

Statement of compliance

The Financial Statements of the Fund have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

Standards, Amendments to published Standards and Interpretations effective in the reporting period

IFRS 3 Business Combinations

Reference to the Conceptual Framework: The amendment updates a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendments have no impact on the Scheme's financial statements.

IFRS 9 Financial Instruments

Annual Improvements to IFRS Standards 2018–2020: The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability. The amendments have no impact on the Scheme's financial statements.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts—Cost of Fulfilling a Contract: The amendments specify which costs should be included in an entity's assessment whether a contract will be loss-making. The amendments have no impact on the Scheme's financial statements.

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 January 1, 2022 or later periods, but which the Fund has not early adopted.

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

Effective date January 1, 2023

IAS 1 Presentation of Financial Statements

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged.

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items.



Notes to the Financial Statements

Year Ended December 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (Cont'd)

Effective date January 1, 2024

IAS 1 Presentation of Financial Statements

Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

2.2 Financial assets

The Fund classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Fund's accounting policy for each category is as follows:

(i) Financial assets at fair value

The Fund classifies its investments at fair value.

(ii) Accounts receivable

Accounts receivable (contributions receivable) are recognised when due. Contributions receivable are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Impairment provisions for contribution receivable 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 contribution receivable is assessed. This probability is multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the contribution receivables. For contribution receivables, which are reported net, such provisions are recorded in a separate provision account. On confirmation that the contribution receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

(iii) Financial assets at amortised cost

Financial assets at amortised cost are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(iv) Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank, and other short-term highly liquid investments with original maturities of 3 months or less.

2.3 Financial liabilities

Accounts payable

(a) Benefits payable

Benefits payable are stated at their nominal value.

The nominal value of contributions receivable and benefits payable are assumed to approximate their fair values.

(b) Other payables

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

2.4 Revenue recognition

Revenue earned by the Fund are recognised at one point in time on the following bases:

- Employers' and employees' contributions to the Pension Fund on an accrual basis in accordance with the substance of the relevant agreements.
- 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.



Year Ended December 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 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 Fund operates ("functional currency"). The financial statements are presented in Mauritian rupees, which is the Fund'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 statement of changes in net assets available for benefits.

Translation differences on non-monetary items, such as equities held at fair value, are reported as part of the fair value gain or loss.

2.6 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Fund's activities expose it to a variety of financial risks: market risk (including currency and price risk) and liquidity risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

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

(a) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as foreign exchange rates, interest rates and equity prices.

(i) <u>Currency risk</u>

The Fund operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar, Great Britain Pound, Australian Dollar and Euro.

The Fund invests in global markets and holds both monetary and non-monetary assets denominated in foreign exchange currencies other than the functional currency. Foreign exchange risk, as defined in IFRS 7, arises as the value of future transactions recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk.

Foreign currency sensitivity analysis

The following table details the Fund's sensitivity to a 5% increase and decrease in the Mauritian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk and represents Management Committee's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A negative number below indicates a decrease in net assets available for benefits where the Mauritian Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Mauritian Rupee against the relevant currency, there would be an equal and opposite impact on the net assets available for benefit, and the balances below would be positive.





Year Ended December 31, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

Currency risk (cont'd)	2022	2021
	Rs.	Rs.
Impact on:		
US Dollar	32,639,752	33,052,386
UK Pound	844,758	576,083
Euro	3,210,072	4,614,157
Australian Dollar	89	94
	36.694.671	38.242.720

(ii) Price risk

The Fund is exposed to equity securities price risk because of investments held by the Fund and classified on the statement of net assets available for benefits as financial assets at fair value. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Fund.

Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of investments on the Fund's surplus for the year. The analysis is based on the assumption that the fair value had increased/decreased by 5%.

		for benefits
Category of investments:	2022	2021
	Rs.	Rs.
Designated at fair value	73,288,445	74,980,238

iii) Cash flow and fair value interest rate risk

The interest rate profile of the financial assets and financial liabilities of the Fund as at December 31:

<u>Financial assets</u>	Currency	2022	2021
		% p.a.	% p.a.
Financial assets at fair value	MUR	2 - 10	2 - 10

Financial liabilities

None of the Fund's financial liabilities are interest-bearing.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date.

If interest rates had been 25 basis points higher, the effect on changes in net assets available for benefits would have been as follows:

	2022	2021
	Rs.	Rs.
Surplus	73,292	60,257



Year Ended December 31, 2022

. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(b) Credit risk

Credit risk is the risk that the Fund will incur a loss because its counterparties fail to discharge their contractual obligations. The Fund manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for industry concentrations, and by monitoring exposures in relation to such limits. The Fund has established a credit quality review process to provide early identification of possible changes in the credit worthiness of counterparties. The risk of default on investment is almost inexistent given that Fund managers are of good reputation and inspire credibility. The risk that contribution may not be received is minimal. Credit risk on contribution is deemed to exist only when the going concern status of the participating employer is at stake

The maximum exposure with respect to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amount of the Fund's financial assets.

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	2022	2021
	Rs.	Rs.
Contributions and other receivables	177,685,167	23,312,571
Bank balance	82,542,179	42,828,777
Dealing account	134,017,488	139,942,631
	394.244.834	206.083.979

There is no concentration of credit risk since the receivable from the customer base is large and unrelated.

(c) <u>Liquidity risk</u>

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the ability to close out market positions.

The maturity profile of the non-derivative financial liabilities is summarised as follows:

Less tha	in i year
2022	2021
Rs.	Rs.
8.405.585	8.151.444

3.2 Fair value estimation

Fair values estimation

Accounts payable

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

Fair value measurements recognised in the statement of net assets available for benefits

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.
 These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

3.3 Capital risk management

The capital of the Fund is represented by the net assets attributable to the members. The amount of net assets attributable to members can change significantly as the Fund is subject to members leaving and joining the Fund at their own discretion. The Fund's objective when managing the capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for members and to maintain a strong capital base for future payment of obligations towards members.

6. 67.





Year Ended December 31, 2022

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1 Critical accounting estimates and assumptions

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

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

(a) Impairment of financial assets

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

(b) Limitation of sensitivity analysis

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

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

(c) 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 Fund using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Fund 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.

5. FINANCIAL ASSETS AT FAIR VALUE

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

	Local	Foreign	Total
	Rs.	Rs.	Rs.
At January 1,	816,756,100	682,848,653	1,499,604,753
Reclassification	(19,596,008)	19,596,008	-
Additions	206,270,709	204,584,994	410,855,703
Disposals	(156,869,082)	(112,154,194)	(269,023,276)
Fair value losses	(41,667,603)	(134,000,672)	(175,668,275)
At December 31,	804,894,116	660,874,789	1,465,768,905
Non-current Control of the Control o	761,646,539	654,769,059	1,416,415,598
Current	43,247,577	6,105,730	49,353,307
	804,894,116	660,874,789	1,465,768,905
Denominated in the following currencies:			
- Rupee	804,894,116	-	804,894,116
- US Dollar	-	596,257,476	596,257,476
- British Pound	-	9,183,163	9,183,163
- Euro	-	55,434,150	55,434,150
	804,894,116	660,874,789	1,465,768,905



Year Ended December 31, 2022

5. FINANCIAL ASSETS AT FAIR VALUE (CONT'D)

(b)	At December 31, 2022	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.	Total Rs.
	Total	926,251,485	529,849,315	9,668,105	1,465,768,905

(c) Changes in fair values of financial assets at fair value are recorded in the statement of changes in net assets available for benefits.

			2021	
		Local	Foreign	Total
		Rs.	Rs.	Rs.
	At January 1,	696,285,268	580,707,301	1,276,992,569
	Additions	222,660,596	553,327,176	775,987,772
	Disposals	(141,770,430)	(505,050,317)	(646,820,747)
	Fair value gains	39,580,666	53,864,493	93,445,159
	At December 31,	816,756,100	682,848,653	1,499,604,753
	Non-current	758,258,967	682,848,653	1,441,107,620
	Current	58,497,133	-	58,497,133
		816,756,100	682,848,653	1,499,604,753
	Denominated in the following currencies:			
	- Rupee	816,756,100	-	816,756,100
	- US Dollar	-	597,211,356	597,211,356
	- British Pound	-	5,877,608	5,877,608
	- Euro	-	79,759,689	79,759,689
		816,756,100	682,848,653	1,499,604,753
)	At December 31, 2021	Level 1	Level 2	Total
		Rs.	Rs.	Rs.
	Total	920,861,426	578,743,327	1,499,604,753

c) Changes in fair values of financial assets at fair value are recorded in the statement of changes in net assets available for benefits.

6. FINANCIAL ASSETS AT AMORTISED COST

(b)

	2022	2021
SHORT TERM DEPOSIT	Rs.	Rs.
Fixed Deposits	26,932,029	-
La Prudence Leasing Finance	7,519,384	3,506,233
	34,451,413	3,506,233
LONG TERM DEPOSIT		
Mutual Aid Association	8,501,188	8,500,571
	2022	2021
Denominated in the following currencies:	Rs.	Rs.
- Rupee	16,020,571	12,006,803
- US Dollar	20,777,400	-
- Euro	6,154,629	-
	42,952,600	12,006,803



Notes to the **Financial Statements**

Year Ended December 31, 2022

ACCOUNTS RECEIVABLE		
ACCOUNTS RECEIVABLE	2022	2021
	Rs.	Rs.
Contributions receivable	177,685,167	23,312,571
Less: provision for impairment	-	-
	177,685,167	23,312,571
The carrying amount of accounts receivable approximate their fair value.		
The ageing of contributions receivable is as follows:	2022	2021
	Rs.	Rs.
0 to 3 months	174,607,838	21,524,922
3 to 6 months	2,801,816	1,787,649
6 months to 1 year	-	-
Greater than 1 year	275,513	-
	177,685,167	23,312,571

The carrying amount of contributions receivable is denominated in Mauritian rupees.

Impairment of contributions receivable

The Scheme applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables. However, since its receivables are mostly related with reputed corporates and based on available information such as history of payments made, assessment of recoverability of outstanding amount, statutory and regulatory mandatory contributions to be given by the schemes and forward looking information, there is unlikely to have loss due to default.

The Scheme did not account for any loss allowances as at December 31, 2022.

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

7A.	OTHER FINANCIAL ASSETS AT AMORTISED COST	2022	2021
		Rs.	Rs.
	Other receivables	3,102,728	1,405,129

		KS.	RS.
	Other receivables	3,102,728	1,405,129
8.	DEALINGS ACCOUNT		
	The dealings account represent monies with the custodian for investments by the Fund Manage	rs.	
9.	ACCOUNTS PAYABLE	2022	2021
		Rs.	Rs.
	Benefits payable	2,118,493	1,928,645
	Other payables and accruals	6,287,092	6,222,799
		8,405,585	8,151,444
	The carrying amount of accounts payable approximate their fair value.		
	Accounts payable are denominated in Mauritian rupee.		
10.	EMPLOYER RESERVE ACCOUNT	2022	2021
		Rs.	Rs.
	At January 1,	14,452,167	22,022,971
	Surplus/(deficit) for the year	3,666,159	(7,570,804)
	At December 31,	18,118,326	14,452,167

The employer reserve account represents employers' contributions to meet costs and expenses, and any portion of a member's total accumulated share not paid as a benefit.



Year Ended December 31, 2022

11.	CONTRIBUTIONS RECEIVABLE		
111.	CONTRIBUTIONS RECEIVABLE	2022	2021
		Rs.	Rs.
	Employers' contributions	171,131,643	114,830,160
	Employees' contributions	39,254,182	26,712,967
	Transfer from other funds	150,834,865	1,651,392
		361,220,690	143,194,519
12.	BENEFITS PAYABLE		
		2022	2021
		Rs.	Rs.
	Lump sums retirement benefits	5,362,416	8,736,909
13.	PAYMENTS TO AND ON ACCOUNT OF LEAVERS	2022	2021
		Rs.	Rs.
	Individual transfers to other schemes	10,271,212	13,830,431
	Transfer to employers' reserve	13,433,883	40,647,186
		23,705,095	54,477,617
			2 1, 11 1, 2 1 1
14.	INVESTMENT INCOME	2022	2021
		Rs.	Rs.
	Dividend income	13,367,275	10,772,436
	Interest income	26,256,100	21,605,786
		39,623,375	32,378,222
15.	INVESTMENT MANAGEMENT EXPENSES		
		2022	2021
		Rs.	Rs.
	Management and custodian fees	6,125,218	4,326,863
	Other expenses	21,367	9,628
		6,146,585	4,336,491

Super Fund, being an exempt body of persons under part 1 of the second schedule of Income Tax Act 1995, is exempt from income tax.

17. ACTUARIAL ASSUMPTIONS VALUATION AND FUNDING POLICY

An actuarial study has been carried out at December 31, 2020 based on the following principles:

- (a) Assets of the Fund would earn an average long term investment return of 4.5% p.a.
- (b) Pension in payment increase is discretionary.

The Fund liabilities with respect to active and deferred members amounted to Rs.1,324.1 million as at December 31, 2020. These were fully backed by assets of the same amount.

The reserves built up in the Annuity Fund as at December 31, 2020 were Rs.81.7 million. The Total Accumulated Share (TAS) of retiring members is transferred to this Fund and pensions are then paid out from this Fund.

The estimated liability in respect of pensioners at the valuation date is Rs. 90.9 million assuming no future pension increases. These are backed by assets of Rs.81.7 million. The Annuity Fund therefore had a deficit of Rs.9.2 million at the valuation date. This represents a funding level of 90%. The Management Committee has approved the transfer of Rs 9.2m from the Employer Reserve Account to the Annuity Fund, which will restore the overall funding level to 100%.

The study also recommended a change in the investment strategy for the Annuity Fund which is expected to improve the financial position of the Annuity Fund over time as it continues to grow.

The Fund is in a sound financial condition as at 31 December 2020.

The next full actuarial valuation report is expected to be carried out not later than December 31, 2023.

18. SUBSEQUENT EVENTS

There have been no material events since the end of the reporting period which would require disclosures or adjustments to these financial statements for the year ended December 31, 2022.

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