

Annual Report 2023





Dear Shareholder,

The Board of Directors is pleased to present the Annual Report of Novus Properties Ltd and its subsidiaries for the year ended June 30, 2023, the contents of which are listed below:

This report was approved by the Board of Directors on 29 September 2023.

Didier Merven
Chairman

Omabhinavsingh Juddoo
Director

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Corporate Information

(YEAR ENDED JUNE 30, 2023)

DIRECTORS

Jean Didier Merven *(Appointed December 8, 2005)*
 Laurent Bourgault Du Coudray *(Appointed April 3, 2014)*
 Mark Colin Cridlan *(Appointed June 30, 2018)*
 Omabhinavsingh Juddoo *(Appointed June 30, 2018)*
 Marie Christine Dove *(Appointed June 30, 2018)*

SECRETARY

NWT Secretarial Services Ltd
 6th & 7th Floor, Dias Pier Building
 Le Caudan Waterfront
 Caudan, Port Louis
 Mauritius



REGISTERED OFFICE

C/o NWT Secretarial Services Ltd
 6th & 7th Floor, Dias Pier Building
 Le Caudan Waterfront
 Caudan, Port Louis
 Mauritius

AUDITORS

Mazars LLP
 4th Floor, Unicorn Centre
 Frère Felix de Valois Street
 Port Louis
 Mauritius

BANKERS

The Mauritius Commercial Bank Limited
 Sir William Newton Street
 Port Louis
 Mauritius

Statutory Disclosures

(YEAR ENDED JUNE 30, 2023)

PRINCIPAL ACTIVITY

The principal activity of the Company is property development for sale and/or rent.

BUSINESS REVIEW

Results

Company

The results for the year are shown on page 36.

The Company's rental, investment and other income for the year amounted to Rs. 9,325,583 (Restated 2022: Rs.12,253,384). The profit for the year after taxation amounted to Rs. 12,863,661 (Restated 2022: Rs. 8,834,218).

Group

The Group's rental, investment and other income for the year amount to Rs. 16,425,666 (Restated 2022: Rs. 15,716,234) and the profit for the year after tax amounted to Rs. 22,233,349 (Restated 2022: Rs. 9,871,274).

DIRECTORS

The name of directors of the Company and each subsidiary at the end of the accounting period are:

Novus Properties Ltd

Mr. Jean Didier Merven
Mr. Laurent Bourgault Du Coudray
Mr. Mark Colin Cridlan
Mr. Omabhinavsingh Juddoo
Mrs. Marie Christine Dove

Novus Industrial Properties Ltd

Mr. Jean Didier Merven
Mr. Laurent Bourgault Du Coudray
Mr. Omabhinavsingh Juddoo

Novus GRNW Properties Ltd

Mr. Laurent Bourgault Du Coudray
Mr. Omabhinavsingh Juddoo

Novus Northern Properties Ltd

Mr. Jean Didier Merven
Mr. Omabhinavsingh Juddoo

DIRECTORS' SERVICE CONTRACTS

None of the directors of the Company and its subsidiaries have service contracts.

DIRECTORS' REMUNERATION AND BENEFITS

Remuneration and benefits received, or due and receivable:

	COMPANY		SUBSIDIARIES	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Executive Director				
Mr. Omabhinavsingh Juddoo	-	-	-	-
Non Executive Director				
Mr. Jean Didier Merven	-	-	-	-
Mr. Laurent Bourgault Du Coudray	-	-	-	-
Mr. Mark Colin Cridlan	100,000	100,000	-	-
Mrs. Marie Christine Dove	-	-	-	-
	100,000	100,000	-	-

CONTRACT OF SIGNIFICANCE WITH DIRECTORS

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

DONATIONS

The Company and its subsidiaries did not make any political or charitable donations during the year (2022: Nil).

AUDITORS' FEES

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
The fees to the auditors for audit and other services were accrued } as follows:				
Audit fees	170,000	157,000	170,000	157,000
Other services	-	-	-	-
	170,000	157,000	170,000	157,000

Approved by the Board of Directors on 29 September 2023 and signed on its behalf by:


Didier Merven
Chairman


Omabhinavsingh Juddoo
Director

Chairman's Statement



Dear Shareholders,

I am pleased to present the report for NOVUS Properties Ltd and its subsidiaries ("NOVUS Group") for the fiscal year ended 30 June 2023. It has been a year of resilience and stability, where our unwavering commitment to maintaining a steady yield for our investors has been paramount.

GENERAL OUTLOOK

In a post-COVID world, marked by unprecedented challenges in the real estate sector, NOVUS has remained steadfast in its mission to provide our investors with consistent yields. Our core business, leasing land and buildings to tenants in Mauritius, has not seen significant expansion during this year, but rather a strategic focus on safeguarding our existing portfolio and ensuring uninterrupted rental income, via improved facilities with regular maintenance and constant upgrading.

The COVID-19 pandemic brought about a paradigm shift in the global real estate landscape, and Mauritius was no exception. While the real estate sector in Mauritius has shown remarkable resilience, it has also witnessed notable changes.

1. **Remote Work Impact:** The adoption of remote work has influenced tenant preferences, with increased demand for flexible office spaces and residences that accommodate work-from-home arrangements.
2. **Offshore Sector:** The offshore sector has faced challenges due to travel restrictions and reduced trade activities. However, it has gradually recovered as international borders reopened, presenting opportunities for the office segment and improved our occupancy rates.
3. **Tenant Relationships:** We continue to foster strong relationships with our tenants, ensuring that their needs are met, and their businesses can thrive on our properties. This tenant-centric approach has resulted in higher occupancy rates and stable rental income.

NOVUS Properties Ltd recognizes the evolving dynamics in the real estate market post-COVID. Whilst we have not pursued aggressive expansion during this year, we have focused on prudent financial management and maintaining strong tenant relationships.

RESULTS

We have again carried out our annual valuation exercise with the result that the value of the portfolio was increased to Rs 206.0M (2022: Rs 190.7M).

Our income was up by 5% with inflation adjustment on rental coupled with increase in occupancy rates at the end of the financial year being reported. It is noted that we have adopted the straight-line concept from IFRS 16, this year, which is based on the idea that the usage of the rental arrangement is on a consistent basis over time; that is, the rented asset is used at about the same rate from month to month. Therefore, our previous year figures were restated to reflect this consistent approach. Administrative expenses were maintained. However, we have experienced a significant increase in our finance costs (+39%) linked to the increase in the Key Rate. Despite this situation, the operational profits after tax before the revaluation adjustments, reduced merely by 2% while our net profit after tax experienced an important hike with the revised valuation to Rs 22.2M (2022: Rs 9.9M). Whilst the headline EPS increased Rs1.61 (2022: Re0.72) the underlying performance without the valuation impact was down on the year at Re0.50. For the financial year ended 30 June 2023, the Board took the decision to declare a dividend of Re0.39 per share (2022: Re0.38).

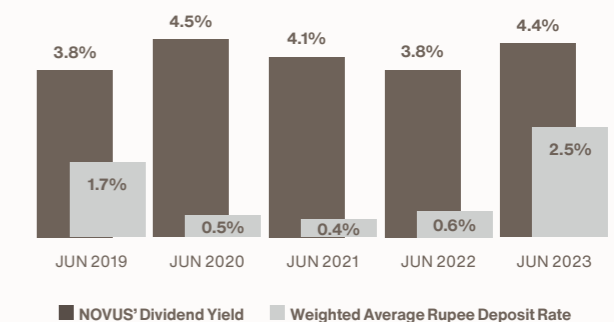
FORWARD LOOKING

At the time of writing, I am proud to confirm that our assets are fully occupied with new tenants, and we expect this financial year to be better should all remaining market parameters remained unaffected.

In conclusion, I want to extend my appreciation to our shareholders for their continued trust in NOVUS

Properties Ltd. This year has demonstrated that stability and consistency are valuable attributes in uncertain times. As we navigate the changing landscape of the real estate sector, we remain dedicated to our mission of providing steady yields to our investors.

As we move forward into the next fiscal year, we are excited about the opportunities that lie ahead. We will continue to monitor market trends, adapt to evolving tenant needs, and explore strategic opportunities for improving our yields whilst staying true to our commitment to financial stability and sustainability.



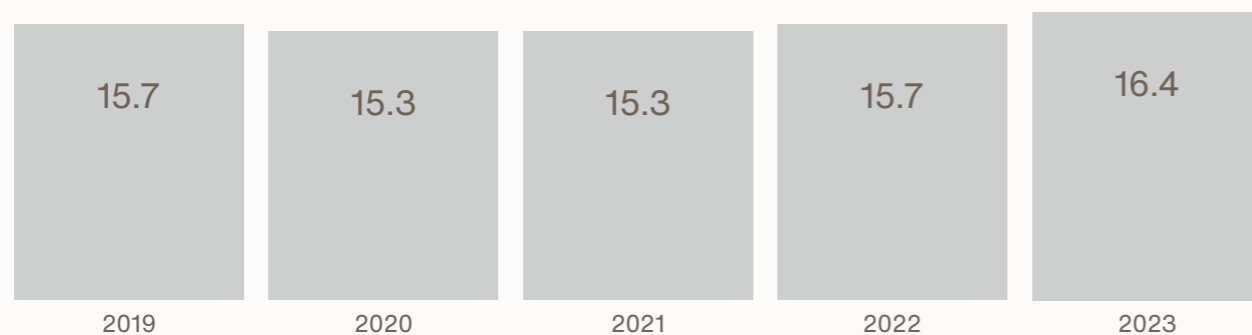
Thank you for your ongoing support and confidence in NOVUS Properties Ltd.

Sincerely,

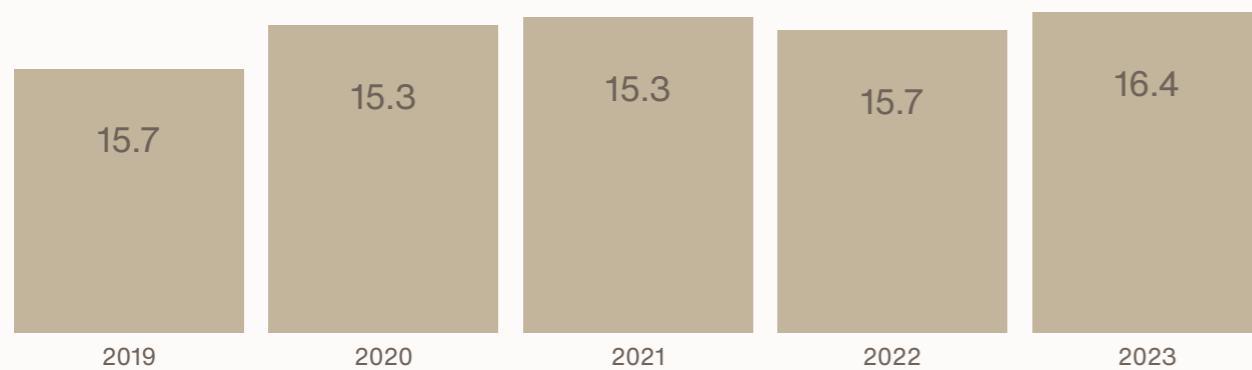
Didier Merven
Chairman

Five Year Review

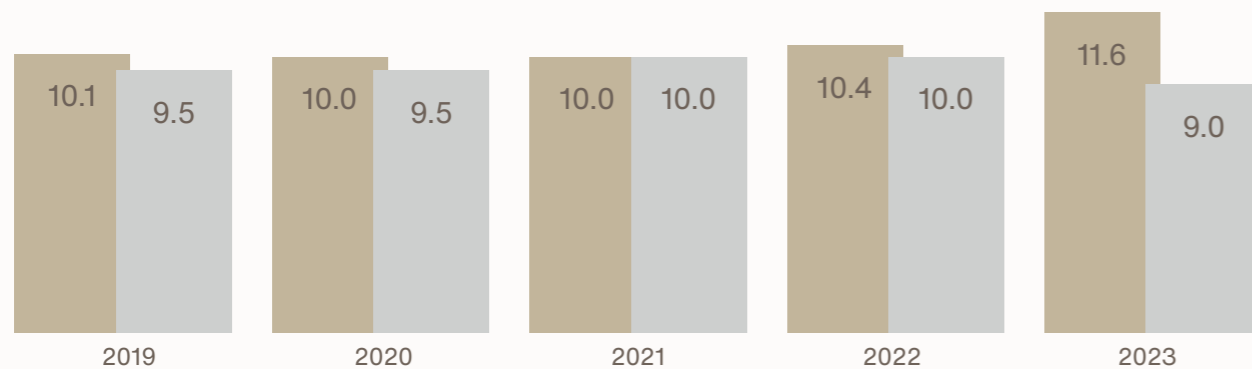
Revenue (Rs M)



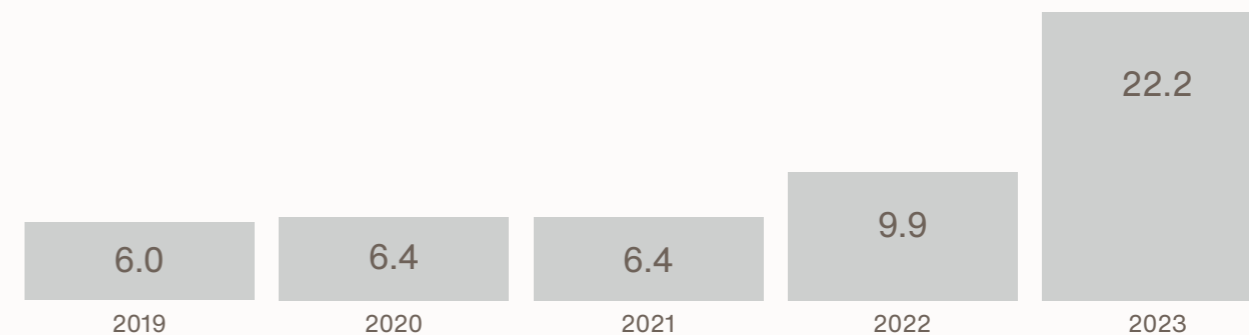
Operating Profit (Rs M)



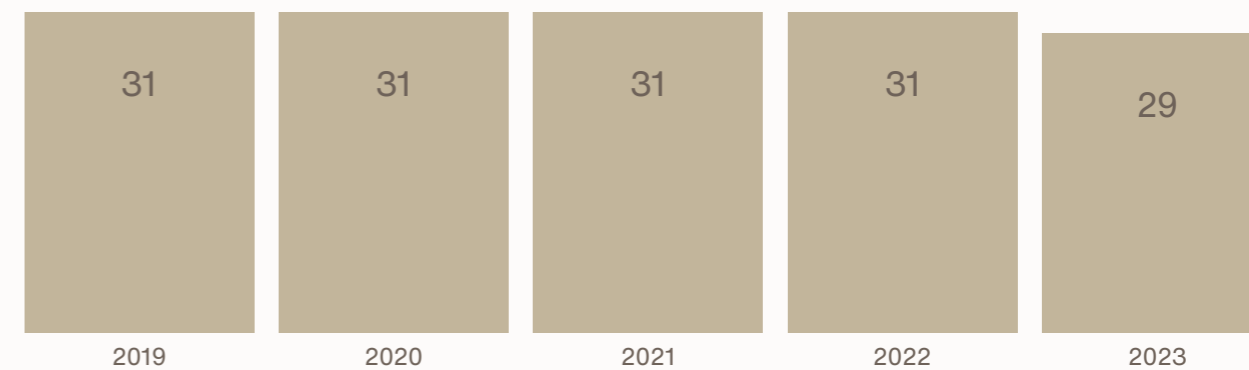
NAV per Share (Rs) NOVUS Share Price (Rs)



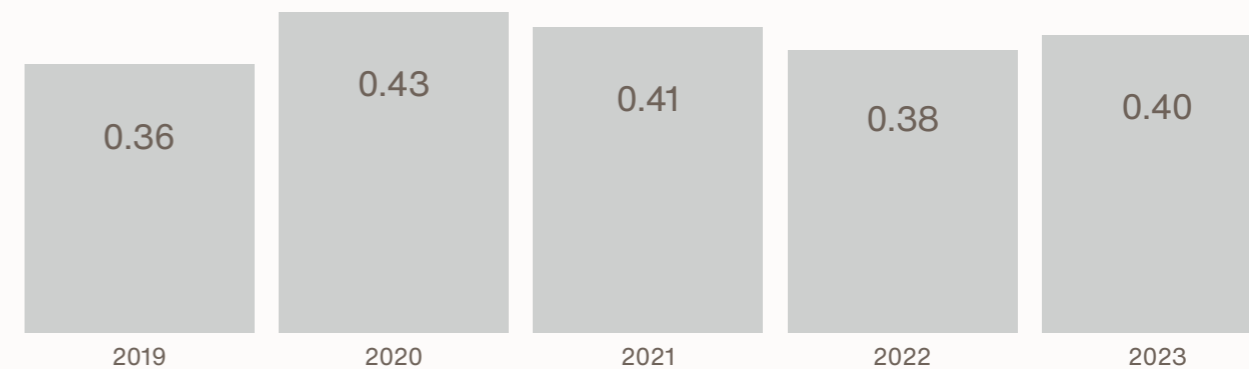
PAT (Rs M)



Loan-to-Value Ratio (%)



NOVUS Dividend per Share (Rs)



* In 2019, final dividend of 18 cents with respect to the financial year end 30 June 2019, was declared after year end.

Corporate Governance Report

(YEAR ENDED JUNE 30, 2023)

INTRODUCTION

Novus Properties Ltd ('Novus' or the 'Company') and its subsidiaries (together referred to as the 'Group') are committed to achieving high standards of corporate governance and recognises the importance of good governance to ensure continued growth and create sustainable value for all its stakeholders. The principal activity of the Group is property development for sale and/or rent. As a Public Interest Entity ('PIE'), the Board of Directors (the 'Board') has made concerted effort to apply the principles as set out in the National Code of Corporate Governance for Mauritius (2016) (the 'Code') which is based on a 'apply and explain' basis.

PRINCIPLE 1: GOVERNANCE STRUCTURE

The Role of the Board

The Board is collectively responsible for the Group's leadership, strategy, values, standards, control, management and the long-term success of the Group. It is also responsible for providing strong leadership and independent judgement for complying with all legal and regulatory requirements.

The following documents which have been approved by the Board are readily available at the registered office address of the Company

- Constitution
- Board Charter
- Terms of Reference of the Audit Committee
- Code of Ethics
- Organisational Chart and Statement of Accountabilities

Key Governance Positions

Chairman of the Board

The key responsibilities of the Chairman of the Board are as follows:

- To preside over meetings, encourage participation of Directors in Board matters and mediate differences of opinion;
- To participate in the nomination of Directors to ensure that the Board has the right mix of competencies, skills, objectivity and expertise;
- To monitor and evaluate Board and directors' appraisals;
- To guide the Board and Senior Management, ensuring time for consultation, preparing of Board's agenda and minutes, and supervision of implementation of resolutions;
- To ensure adequate succession planning for the Directors and Management;
- To ensure that all relevant information on financial and operating matters are placed before the Board to enable Directors to reach informed decisions;
- To ensure adoption of good corporate governance practices; and
- To maintain relations with the shareholders of the Company and ensure that information is clearly communicated to them through appropriate disclosure.

Mr Jean Didier Merven is the Chairman of the Board and a brief profile is found on page 14.

PRINCIPLE 1: GOVERNANCE STRUCTURE (CONTINUED)

Executive & Managing Director

The key responsibilities of the Executive & Managing Director are as follows:

- To develop and implement the Group's long and short-term strategy with a view to creating shareholder value;
- To responsible for the day to day management of the Group;
- To monitor and supervises all processes, work in progress and the activities of the Group as a whole; and
- To be the main point of contact between the Board and Management.

Mr. Omabhinavsingh Juddoo is the Executive & Managing Director and a brief profile is found on page 14.

The Company does not have any employees at senior governance position and has an accounting services contract with UHY Advisory Ltd.

Company Secretary

All directors have access to the advice and services of the Company Secretary, NWT Secretarial Services Ltd, through its representative V.Oomadevi (Lavineea) Chetty, who is responsible for providing guidance to the Board as to their duties, responsibilities and powers. The Company Secretary is appointed by the Board in accordance with the Company's Constitution.

The Company Secretary ensures that the Board procedures are followed and that applicable rules and regulations as well as principles of good governance are adhered to.

Lavineea graduated in Economics and Finance from the University of Natal, South Africa. She is a Chartered Secretary and Chartered Governance Professional from The Chartered Governance Institute, UK. She previously worked as Underwriter in the Motor and General Insurance Department at Swan Insurance for ten years and as Company Secretary at Executive Services Ltd for 8 years. Lavineea joined NWT (Mauritius) Ltd as Company Secretary since 2015 and through NWT Secretarial Services Ltd provides company secretarial services to various companies within the AXYS Group

PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

The Board has aimed to create the right balance and composition in such a way as to best serve the Group. Given the size and the sector of activities of the Group, the Directors consider that the current Board is of reasonable size and possesses the appropriate mix of competencies, experience, skill, independence including gender to efficiently manage the affairs of the Group. The appointment process of an additional independent director in line with the Companies Act 2001 and the Code is ongoing. A majority of the Directors has a relationship with the Company.

The Group is currently managed by a unitary Board of five members (5) who are all residents of Mauritius, out of whom one (1) Executive Director, three (3) Non-Executive Directors and one (1) Independent Non-Executive Director.

Members of the Board at June 30, 2023 are as follows:

Corporate Governance Report (continued)

(YEAR ENDED JUNE 30, 2023)



**JEAN
DIDIER MERVEN**
Non-Executive Director & Chairman

Jean Didier Merven spent many years in Australia and moved back to Mauritius in 1988. He started portfolio management on an individual basis before setting up Portfolio & Investment Management Ltd (PIM) in 1992, the very first professional portfolio management company in Mauritius. Over the following 23 years, PIM developed the AXYS Group which evolved from these beginnings into a diversified financial services company.

Directorship in other listed companies: United Investments Ltd, Novare Africa Fund PCC in respect of its cell Novare Africa Property Fund One.



**OMABHINAVSINGH
JUDDOO**
Managing Director

Omabhinavsingh Juddoo holds a Masters in International Business from Curtin University of Australia and is a member of the ACCA (UK and Member of the Chartered Institute of Bankers in Scotland). His fields of expertise are Project Management, Treasury and Transaction Advisory. He has been involved in the operations of the Company and its subsidiaries since he joined AXYS Group in 2013 and contributes to the expansion of the Group.

Directorship in other listed companies: None.



**LAURENT
BOURGAULT DU COUDRAY**
Non-Executive Director

Laurent Bourgault du Coudray graduated in accounting and finance from Curtin University in Perth, Australia and is a member of the Institute of Chartered Accountants in Australia. He has worked over four years in Perth providing corporate and international tax services before joining United Investments Limited (UIL) in January 2013 where he acted as Project Manager and Business Developer. With a focus on the hospitality sector, Laurent joined in April 2019 one of UIL's investees, namely Attitude Hospitality Management Ltd, as the Chief Business Development Officer.

Directorship in other listed companies: Les Gaz Industriels Ltd.



**MARIE
CHRISTINE DOVE**
Non-Executive Director

Marie Christine Dove is a qualified member of ACCA (UK). She has previously worked for three years in the Audit department at DCDM and a further 3-years in the Accounting team of Rogers Group. She joined AXYS Group in 2005 as Financial Accountant, where she headed the Accounts and Finance department. In August 2010, Christine was appointed Financial Accountant for UIL Group.

Directorship in other listed companies: None.



**MARK
COLIN CRIDLAN**
Independent Director

Mark Cridlan is a Chartered Quantity Surveyor (RICS) and a member of the Mauritius Association of Quantity Surveyors. He is director of Milestone Construction Consultants Ltd and has more than 38 years of experience in the construction industry. He has vast experience in the construction of large mass housing projects, high end houses under the PDS / RES / IRS schemes, office buildings and showrooms, refurbishment of offices including fit-out, power stations, commercial developments, new hotels and renovation of hotels as well as residential developments.

Directorship in other listed companies: None.

Corporate Governance Report (continued)

(YEAR ENDED JUNE 30, 2023)

PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)

Directors' and Officers' Interests in Novus Shares

The Directors follow the principles of the model code on securities transactions as detailed in the Mauritius Stock Exchange listing rules and in accordance with the Companies Act 2001, written records of the interests of the Directors and their closely related parties in the shares of the Company are kept in a Register of Directors' Interests by the Company Secretary. The register is available to shareholders upon request to the Company Secretary.

As soon as a Director becomes aware that he is interested in a transaction or that his holdings or his associates' holdings have changed, the interest should be reported to the Group in writing. The Register of Interests is updated with every transaction entered into by the Directors and persons closely associated with them. When it appears to be a conflict of interest, any Director who could have such a conflict of interest will abstain from discussions at Board meetings when the relevant matter is tabled.

Moreover, pursuant to the Securities Act 2005, Novus registered itself as a reporting issuer with the Financial Services Commission ('FSC') and makes every effort to follow the relevant disclosure requirements. The Group keeps a Register of its Insiders and the said register is updated with the notification of interest in securities submitted by the Directors, the officers and the other insiders of Novus.

List of Directors' Direct and Indirect Interest in Novus as at June 30, 2023

DIRECTORS	DIRECT SHAREHOLDING		INDIRECT SHAREHOLDING
	Number of shares	Percentage (%)	Percentage (%)
Jean Didier Merven	-	-	0.31
Omabhinavsingh Juddoo	4,400	0.03	0.09
Laurent Bourgault Du Coudray	23,000	0.17	0.00
Marie Christine Dove	-	-	0.00
Mark Colin Cridlan	-	-	-

Board Committees

The Audit Committee (the 'AC') provides assistance to the Board and its Directors in discharging their duties through a more comprehensive evaluation of specific issues. The AC reports regularly to the Board to whom it submits its recommendations. The Company Secretary also acts as secretary to the AC. The AC operates within clearly defined Terms of Reference which is available on the Company's website.

Composition of the Audit Committee:

- Laurent Bourgault Du Coudray (Chairperson)
- Marie Christine Dove
- Mark Cridlan

The profiles and qualification of the members of the AC are disclosed on page 15. The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities their role requires. Reasonable resources are made available to the AC to discharge its functions properly with the cooperation of Management. The internal & external Auditors have unrestricted access to the members of the AC.

PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)

Board Committees (continued)

The core functions of the Audit Committee are to:

- Review the appropriateness of the accounting policies and assess the effectiveness of the systems of internal controls and auditing processes in the day-to-day management of the Group;
- Determine the balance between the scope of financial and operational priorities to ensure, procedurally, a value-added contribution to the interactive processes governing both the economic imperatives and effectiveness of internal controls of the Company;
- Facilitate communication between the Board, Management and internal and external auditors; and
- Serve as an independent arbitrator to the stakeholders of the Group.

During the year under review, the Audit Committee met on 4 occasions and the external and internal auditors are requested to attend the meetings as and when required.

Board and Committees Attendance

During the year under review, attendance at Board and Committee meetings were as follows:

DIRECTORS	BOARD	AUDIT COMMITTEE
Number of meetings	4	4
Jean Didier Merven	4	-
Omabhinavsingh Juddoo	4	-
Laurent Bourgault Du Coudray	4	4
Marie Christine Dove	4	4
Mark Colin Cridlan	2	2

PRINCIPLE 3: DIRECTOR'S APPOINTMENT PROCEDURES

The Board is responsible in appointing Directors and major factors that are considered in the appointment procedures are:

- Skills, knowledge and expertise required on the Board and of the proposed Director;
- Balance on the Board such as gender and age;
- Fees requested by prospective Director; and
- Potential conflict of interest.

The appointment of new directors is subject to confirmation by shareholders at the next Annual Meeting of Shareholders following their appointment.

Succession planning and Board Induction

The Board is responsible for succession planning of senior executives which involves the identification and development of candidates for leadership role in the Company in order to ensure continuity of management and leadership. The Board is also responsible for the induction of new Directors and the newly appointed Directors receive a complete induction pack which includes their duties and responsibilities under the respective legislations.

Corporate Governance Report (continued)

(YEAR ENDED JUNE 30, 2023)

PRINCIPLE 3: DIRECTOR'S APPOINTMENT PROCEDURES (CONTINUED)

Succession planning and Board Induction (continued)

Though the Board does not organise or enrol its members on specific training session, it encourages all its Directors to keep on enhancing their knowledge and competencies through development programmes offered by various institutions in Mauritius.

Board Evaluation

Good governance encourages the Board to undertake a formal, regular and rigorous evaluation of its own performance and that of its Committees and individual Directors and produce a development plan on an annual basis.

No performance evaluation of the Board, its committees and its individual directors was carried out during the year under review.

PRINCIPLE 4: DIRECTOR'S DUTIES, REMUNERATION AND PERFORMANCE

All the Directors on the Board are fully apprised of their legal and fiduciary duties as laid out in the Companies Act 2001.

The Group is committed to the highest standards of integrity and ethical conduct in dealing with all its stakeholders. This commitment, which is actively endorsed by the Board, is based on the fundamental belief that business should be conducted honestly, fairly and legally.

Related Party Transactions

Related party transactions are disclosed on note 24 of the financial statements.

Remuneration Policy

The remuneration policy is focused on optimizing performance within the Group while taking into account the efforts and merits of the personnel. The remuneration of Directors is dealt with at Board level and only the independent directors are remunerated. The non-executive directors have not received remuneration in the form of share options or bonuses associated with organisational performance. A fee of Rs 100,000 has been paid to the independent director during financial year ended June 30, 2023.

Information Technology and information IT Security

The Board of Directors is aware that a strategic alignment of information security with business strategy is important to achieve organisational goals. As such, it ensures that appropriate resources are allocated for the implementation of an information and IT security framework within the organisation.

The Board is responsible to ensure that adequate controls and information systems are in place to implement the Group's policy on IT which also falls under the Operational Risks of the Group.

In performing their functions, the Board of Directors has unrestricted access to the records of the Company and possibility to seek independent professional advice at the Company's expense to enable them to discharge their responsibilities at their utmost abilities.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

The Directors are responsible for maintaining an effective system of risk management and internal control. The governance of risk, the nature and risk appetite of the Group remain the ultimate responsibility of the Board which is assisted by management to monitor, implement and enforce internal controls to minimise risk as well as achieve strategic objectives.

While it is not possible to identify or anticipate every risk due to the changing business environment, the Group has an established risk management process to manage and mitigate those key risks which could impact on its activities.

The following key risks have been identified:

- **Financial Risk**

The Group maintains a system of financial control that is designed to provide assurance regarding the keeping of proper accounting records and the reliability of financial information used within the business and for publication. This risk is addressed by Internal Control, Accounting, Auditing and Internal Audit practices (as detailed below).

- **Compliance Risk**

The Board takes the necessary actions to ensure compliance to the applicable laws and regulations in the operations of the Group.

- **Technological Risk**

The Board ensures that IT systems are in place to provide financial and operational performance data for management accounting purposes.

- **Business Continuity**

Daily back-ups of data are made and are kept offsite.

- **Solvency and Liquidity Risk**

Prudent solvency and liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market conditions. The Company aims at maintaining flexibility in funding by keeping committed credit lines available.

- **Physical, Operational and Human Resource Risk**

The Group has a renewal insurance contract covering the Group's assets against disasters, loss of rent and public liability.

For each major risk identified, a mitigating or correcting measure is taken.

Corporate Governance Report (continued)

(YEAR ENDED JUNE 30, 2023)

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal Controls

The Board has overall responsibility for the system of internal control. A sound system of internal control is designed to manage the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The system of internal control put in place by management to respond to the above includes:

- Maintaining proper accounting records to ensure effective operation of the business and compliance;
- Implementing the strategies and policies adopted by the Board, and for managing all of the activities, including the operation of the internal control system.

The Board has also established key processes for monitoring the system of internal control as follows:

- IT systems are in place to provide financial and operational performance data for management accounting purposes; and
- Review of the accounting information takes place on a regular basis at Board level and remedial action is taken promptly, where necessary.

During the year under review there were no significant deficiencies in the Company's system of internal controls.

PRINCIPLE 6: REPORTING WITH INTEGRITY

The Board is responsible for the preparation of the financial statements in accordance to the International Financial Reporting Standards which fairly present the state of affairs of the Group. The financial, environmental, social, governance position as well as the operational performance of the Group is detailed in the Annual Report which is published in full on the Company's website.

Having taken all the matters considered by the Board and brought to its attention during the year into account, the Board is satisfied that the Annual Report and accounts taken as a whole are fair, balanced and understandable.

Safety, Health and Environment

Novus has its registered address at the office of United Investments Ltd, which believes in providing and maintaining a safe and healthy work environment for all Directors of Novus and its project administrators. The Group through its established policies encourages the enhancement of safety and health standards in the workplace.

Code of Ethics

The Code of Ethics which includes a whistle-blowing process has been approved during the year under review is available on the Company's website.

PRINCIPLE 7: AUDIT

Internal Auditors

No internal audit investigation was requested during the year ended June 30, 2023 (2022: Nil).

The Company has contracted an external accounting firm to prepare and maintain its financial results and statements in line with International Accounting Standards. This external company, in turn, reports to management and ultimately to the Audit Committee.

The Audit Committee meets independently of the main Board to review the financial statements, before reporting its findings and recommendations to the main Board for approval and implementation. The Directors are confident that the implementation of the said process allows the internal audit function to operate in the best interest of the Company whilst maintaining its independence and objectivity.

External Auditors

Mazars was appointed on 16 September 2021 as external auditors of the Company and their tenure of office will be reviewed in due course in line with good governance.

The Audit Committee is responsible for reviewing the external auditors' the letter of engagement, terms and nature of the audit scope and approach and ensure that no restrictions or limitations have been placed on their scope. The external auditors report directly to the Audit Committee which is also responsible for monitoring the external auditors' independence, objectivity and compliance with ethical, professional and regulatory requirements. The Audit Committee did not meet the external auditor without management presence during the year under review.

The financial statements and accounting policies applicable as well as the effectiveness of the external audit process are discussed in the Audit Committee. Issues in relation to the financial statements which the Audit Committee considers significant are then addressed by the external auditors.

Auditors are expected to observe the highest standards of business and professional ethics and, in particular, that their independence is not impaired in any manner. Audit fees are set in a manner that enables an effective external audit and are as per table below for the year under review.

The fees to the auditors Mazars for audit and other services were as follows:

	THE GROUP		THE COMPANY	
	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.
Audit fees	170,000	157,000	170,000	157,000
Other services	-	-	-	-
	170,000	157,000	170,000	157,000

Non-Audit Related Services

No non-audit related services have been provided by Mazars during the year under review (2022: Nil).

Corporate Governance Report (continued)

(YEAR ENDED JUNE 30, 2023)

PRINCIPLE 8: RELATIONS WITH SHAREHOLDER AND OTHER KEY STAKEHOLDERS

Shareholder's Information

The Board of Directors places great importance on an open and transparent communication with all the stakeholders of the Group. It also endeavours to regularly inform the shareholders on matters affecting the Group by announcements in the press, disclosures in the Annual Report and at the Annual Meeting of shareholders.

Key Stakeholders

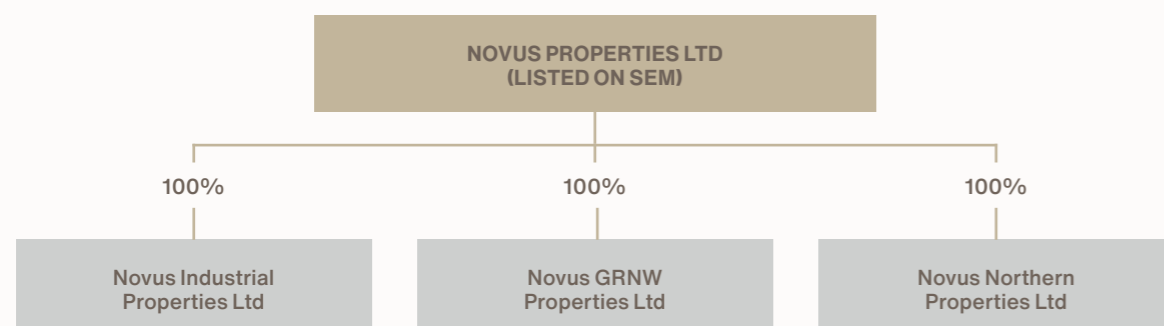
The Company is committed to engage actively with its stakeholders to meet their expectations and interests in an effective and efficient manner and takes into consideration their contribution to the Company's organisational performance and outlook. The Company's key stakeholders and the way it has responded to their expectations are described below:

Shareholders	Send notice of annual meetings within the prescribed delay imposed by law and promote dialogue.
Regulators	The Company ensures that at all times it complies with the regulatory provisions and guidelines in the conduct of its activities.
Employees	The Company ensures a pleasant working environment for all its staff.
Customers	Each customer is important to the Company which ensures a personalised service to each and every client.

The following shareholders held 5% or more of the shareholding of the Group as at June 30, 2023:

SHAREHOLDERS	% HOLDING
Firefox Ltd	34.44%
Mr Marie Adrien Robert Michel PITOT	9.92%
Mr Paul Andre Jacques Pierre-Henri LESCURAS	9.10%
United Investments Ltd	6.70%

The shareholding structure of the Group as at June 30, 2023 was as follows:



PRINCIPLE 8: RELATIONS WITH SHAREHOLDER AND OTHER KEY STAKEHOLDERS (CONTINUED)

Calendar

November 2023	Publication of 1 st quarter results
November/December 2023	Annual Meeting of Shareholders
February 2024	Publication of 2 nd quarter results
May 2024	Publication of 3 rd quarter results
September 2024	Publication of the condensed audited financial statements for the year ending June 30, 2023

Agreements

No major agreements, other than those in the ordinary course of business, were contracted by Novus during the year under review.

Dividend Policy

The Company does not have any formal dividend policy and the dividend pay-out is subject to the performance of the Company and to the satisfaction of the solvency test as defined in the Companies Act 2001.

A total dividend 40 cents per share was declared during the financial year June 30, 2023.

Employee Share Option Plan

The Group does not have any Share Option Plan.

Donations

The Group made no social or political donations during the year under review (2022: Nil).

Statement of Directors' Responsibilities

IN RESPECT OF THE FINANCIAL STATEMENTS AT JUNE 30, 2023

The Directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position at June 30, 2023 the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes for the year ended June 30, 2023, in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001 and Financial Reporting Act 2004.

The Directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting judgments and estimates that have been used consistently.

The Directors have made an assessment of Group's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The Directors report that the external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors confirm that:

- i. adequate accounting records and an effective system of internal controls and risk management have been maintained;
- ii. appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently; and
- iii. International Financial Reporting Standards have been complied with.

The Directors confirm that the Code of Corporate Governance has been adhered to, except to those disclosed in the Statement of Compliance on page 25.



Didier Merven
Chairman



Omabhinavsingh Juddoo
Director

Statement of Compliance

NAME OF PIE: NOVUS PROPERTIES LTD

Reporting Period: 30 June 2023

We, the Directors of the Company confirm that to the best of our knowledge that the Group has complied with all its obligations and requirements under the Code of Corporate Governance except for the following:

PRINCIPLES	REASONS FOR NON-COMPLIANCE
Principle 1: Website	The Company's website is being revamped. However, all relevant documents are available at the registered office address of the Company.
Principle 2: Independent Director	The appointment process is ongoing.
Principle 7: Internal Audit	No internal audit investigation was requested during the year ended June 30, 2023.



Didier Merven
Chairman



Omabhinavsingh Juddoo
Director

29 September 2023

Company's Secretary Certificate

(YEAR ENDED JUNE 30, 2023)

(Pursuant to Section 166 (d) of the Companies Act 2001)

We certify that, based on the records and information made available to us by the directors and shareholders of the Company, the Company has filed with the Registrar of Companies, for the financial year ended June 30, 2023, all such returns as are required of the Company under the Companies Act 2001.



V.Oomadevi Chetty

*Per NWT Secretarial Services Ltd
Company Secretary
6th & 7th Floor, Dias Pier Building
Le Caudan Waterfront
Caudan, Port Louis
Mauritius*

29 September 2023

Independent Auditor's Report

TO THE MEMBERS OF NOVUS PROPERTIES LTD AND ITS SUBSIDIARIES

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Novus Properties Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 34 to 71 which comprise the statements of financial position as at 30 June 2023 and the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company and its subsidiaries in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters. For each matter below, our description of how audit addressed the matter is provided in that context. The key audit matters described below relates to both the consolidated and separate financial statements.

Independent Auditor's Report (continued)

TO THE MEMBERS OF NOVUS PROPERTIES LTD AND ITS SUBSIDIARIES

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

MATTER	AUDIT RESPONSE
<p>Valuation on Investment Properties <i>(Refer to Note 2.5 for accounting policies and Note 6 relating to Investment Properties)</i></p> <ul style="list-style-type: none"> Investment Properties is the Group's most significant asset comprising of 90% of the total assets and is valued at Rs 233m as at 30 June 2023. The Group measures its Investment Properties at fair value. Valuations are performed by an independent professionally accredited expert, in accordance with Royal Institute of Chartered Surveyors (RICS) Standards and performed with sufficient regularity to ensure that the carrying value is not materially different from the fair value at the Statement of Financial Position date. For property not covered by the External Valuers as at 30 June 2023, the fair value of the property has been based on the purchase option made during the year. The policy of the Group is to value its Investment Properties by External Valuers, every year, the last one being performed in September 2023. 	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> We have obtained, read and understood the reports from the independent valuation specialist. We have tested the mathematical accuracy of the reports and evaluated the valuation methodology used by the external independent valuation specialist. We included our valuation specialist in validating the appropriateness of the methodology and the assumptions used in the fair valuation of the investment properties. We assessed the competence, capacity, experience and the independent of the external independent valuation specialist. We held discussion with the external independent valuation specialist, challenging key assumption adopted in the valuations, including available market selling prices, market rents and by comparing them with historical rates and other available market data. We reviewed the forecasted data used in the valuations and corroborated the major inputs used in the forecasts such as rental income and operating costs by comparing the actual tenancy information in the underlying contracts and by comparing with actual operating costs. We reviewed the disclosures about significant estimates and critical judgements made by management in the financial statements in respect of the valuation of investment properties. <p>We have also verified the adequacy of the disclosures in accordance with IAS 40, Investment Property and IFRS 13 Fair value Measurement made in the financial statements.</p> <p>Our procedures in relation to valuation of goodwill included the following:</p> <p>Our audit procedures involved the assessment of controls over the Group's process for the recognition and measurement of goodwill impairment including the assumptions used. We also tested the key assumptions forming the Group's value-in-use calculation including cashflow projections and discount rates.</p>
<p>Assessment of the carrying value of goodwill <i>(Refer to Note 2.6 for accounting policies and Note 8 relating to goodwill)</i></p> <p>The impairment review of goodwill with a carrying value of Rs 2m is considered to be a risk area due to the size of the balance as well as the fact that it involves significant judgment by management. Judgment aspects include: future rental yield, occupancy and lease tenor.</p>	

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

MATTER	AUDIT RESPONSE
<p>Amount due from subsidiaries (Financial assets) <i>(Refer to the Note 2.8 for the accounting policies and Note 12 relating to financial assets at amortised cost)</i></p> <ul style="list-style-type: none"> As at 30 June 2023, the amount due from subsidiaries amounted to Rs 19.6M. Under IFRS 9 "expected loss" model, a credit event (or impairment "trigger") no longer has to occur before credit losses are recognised. 12 month expected credit losses is recognised in the profit or loss or lifetime expected losses recognised on assets for which there is a significant increase in credit risk after initial recognition. As at 30 June 2023, no impairment indicators were identified. As at Balance Sheet date, the directors assessed the receivables from subsidiaries taking into account the financial health, the carrying value of the assets and the ability of the subsidiaries to repay their financial obligations. Based on the assessment made by the directors, no provision for impairment have been booked with respect to balance receivables. 	<p>Our procedures in relation to impairment on amount due from subsidiaries included the following:</p> <ul style="list-style-type: none"> Evaluation of the financial performance of the subsidiaries, including its solvency and liquidity position, as evidenced by the latest audited financial summary. We challenged the assumptions used by management on recoverability assessment: <ol style="list-style-type: none"> Applying our knowledge and understanding of the subsidiaries and the industry in which they operate; Obtaining the valuation reports for properties owned by the subsidiaries and evaluating whether the market value of the properties is sufficient to cover their obligations towards the Company; Assessing the credit history of the subsidiaries based on their historical trends of repayments. We have evaluated whether the impairment assessment of the amount due from subsidiaries and the related assumptions and judgments applied are adequately disclosed in the financial statements.

Other Information

The Directors are responsible for the other information. The other information comprises the Commentary of Directors and the Secretary's Certificate as required by the Mauritius Companies Act 2001 which we have obtained prior to date of the audit report. Other information does not include the financial statements and our auditor's report thereon.

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

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

Corporate Governance Report

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

Independent Auditor's Report (continued)

TO THE MEMBERS OF NOVUS PROPERTIES LTD AND ITS SUBSIDIARIES

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Company to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- We have no relationship with, or interests in, the Company or any of its subsidiaries, other than in our capacity as auditors the Company;
- We have obtained all information and explanations we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

OTHER MATTER

This report, including the opinion has been prepared for and only the Company's shareholders, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into those whose hands it may come save where expressly agreed by our prior consent in writing.



Mazars LLP
Audit, Tax and Advisory Services



Udaysingh Taukoordass, FCA
Licensed by FRC

29 September 2023



Financial Statements

Statements of Financial Position

AS AT JUNE 30, 2023

	Notes	THE GROUP			THE COMPANY		
		2023	Restated 2022	Restated 01 July 2021	2023	Restated 2022	Restated 01 July 2021
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
ASSETS							
Non-current assets							
Plant and equipment	5	1,617,440	1,839,510	1,763,433	1,112,673	1,237,384	1,019,713
Investment properties	6	206,000,000	190,700,000	188,000,000	104,500,000	95,800,000	94,500,000
Straight-line accrued income	7	2,773,877	1,369,469	30,035	1,913,216	861,359	30,035
Intangible assets	8	2,038,641	2,038,641	2,038,641	-	-	-
Investment in subsidiaries	9	-	-	-	22,149,272	22,149,272	22,149,272
Other financial assets at amortised cost	12	-	-	-	19,806,104	21,666,338	20,915,645
Deferred tax assets	10(a)	264,304	453,892	503,145	264,304	453,892	503,145
		212,694,262	196,401,512	192,335,254	149,745,569	142,168,245	139,117,810
Current assets							
Trade receivables	11	2,127,024	2,203,914	2,245,977	392,569	1,411,067	68,776
Other financial assets at amortised cost	12	2,005,676	2,251,795	1,191,305	1,376,886	706,405	3,771,347
Cash and cash equivalents	23(a)	11,518,697	9,847,872	11,404,991	4,856,601	6,173,883	4,792,718
		15,651,397	14,303,581	14,842,273	6,626,056	8,291,355	8,632,841
TOTAL ASSETS		228,345,659	210,705,093	207,177,527	156,371,625	150,459,600	147,750,651

	Notes	THE GROUP			THE COMPANY		
		2023	Restated 2022	Restated 01 July 2021	2023	Restated 2022	Restated 01 July 2021
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
EQUITY AND LIABILITIES							
Equity							
Share capital	13	106,042,887	106,042,887	106,042,887	106,042,887	106,042,887	106,042,887
Retained earnings		53,731,286	37,009,417	32,374,049	22,495,633	15,143,452	11,545,140
Total equity		159,774,173	143,052,304	138,416,936	128,538,520	121,186,339	117,588,027
Non-current liabilities							
Deferred tax liabilities	10(a)	166,901	185,608	152,957	166,901	185,608	152,957
Borrowings	14	59,000,000	22,000,000	59,000,000	22,000,000	22,000,000	22,000,000
		59,166,901	22,185,608	59,152,957	22,166,901	22,185,608	22,152,957
Current liabilities							
Trade and other payables	15	5,912,707	2,719,142	3,236,602	2,634,890	1,851,747	2,360,400
Borrowings	14	-	37,000,000	-	-	-	-
Current tax liabilities	20(b)	460,564	512,133	721,765	-	-	-
Dividends payable	16(a)	3,031,314	5,235,906	5,649,267	3,031,314	5,235,906	5,649,267
		9,404,585	45,467,181	9,607,634	5,666,204	7,087,653	8,009,667
Total liabilities		68,571,486	67,652,789	68,760,591	27,833,105	29,273,261	30,162,624
TOTAL EQUITY AND LIABILITIES		228,345,659	210,705,093	207,177,527	156,371,625	150,459,600	147,750,651

These financial statements have been approved for issue by the Board of Directors on 29 September 2023



Didier Merven
Chairman



Omabhinavsinh Juddoo
Director

The notes on pages 40 to 71 form an integral part of these financial statements.
Auditor's report on pages 27 to 31.

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	THE GROUP		THE COMPANY	
		2023	Restated 2022	2023	Restated 2022
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Property revenue	17	14,846,258	13,234,402	7,146,544	6,168,162
Straight-line rental income accrual	7	1,404,408	1,339,434	1,051,857	831,324
		16,250,666	14,573,836	8,198,401	6,999,486
Investment and other income	17(a)	175,000	1,142,398	1,127,182	5,253,898
EXPENSES					
Direct operating expenses relating to investment properties		(1,635,124)	(1,716,635)	(819,139)	(919,119)
Administrative expenses		(3,419,097)	(3,503,136)	(2,749,587)	(2,693,064)
Finance costs	18	(3,814,898)	(2,749,076)	(1,422,315)	(1,025,079)
		(8,869,119)	(7,968,847)	(4,991,041)	(4,637,262)
Increase in fair value of investment properties	6	15,300,000	2,700,000	8,700,000	1,300,000
PROFIT BEFORE TAXATION	19	22,856,547	10,447,387	13,034,542	8,916,122
Income tax charge	20(a)	(623,198)	(576,113)	(170,881)	(81,904)
PROFIT FOR THE YEAR		22,233,349	9,871,274	12,863,661	8,834,218
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		22,233,349	9,871,274	12,863,661	8,834,218
EARNINGS PER SHARE	22	1.61	0.72		

The notes on pages 40 to 71 form an integral part of these financial statements.
Auditor's report on pages 27 to 31.

Statement of Changes in Equity

FOR THE YEAR ENDED JUNE 30, 2023

Notes	Share capital	Retained earnings	Total
	Rs.	Rs.	Rs.
THE GROUP			
	106,042,887	32,344,014	138,386,901
27	-	30,035	30,035
	106,042,887	32,374,049	138,416,936
			-
	-	9,871,274	9,871,274
			-
16	-	(5,235,906)	(5,235,906)
	106,042,887	37,009,417	143,052,304
			-
	106,042,887	37,009,417	143,052,304
			-
	-	22,233,349	22,233,349
			-
16	-	(5,511,480)	(5,511,480)
	106,042,887	53,731,286	159,774,173
			-
			-
THE COMPANY			
	106,042,887	11,515,105	117,557,992
27	-	30,035	30,035
	106,042,887	11,545,140	117,588,027
			-
	-	8,834,218	8,834,218
			-
16	-	(5,235,906)	(5,235,906)
	106,042,887	15,143,452	121,186,339
			-
	106,042,887	15,143,452	121,186,339
			-
	-	12,863,661	12,863,661
			-
16	-	(5,511,480)	(5,511,480)
	106,042,887	22,495,633	128,538,520

The notes on pages 40 to 71 form an integral part of these financial statements.
Auditor's report on pages 27 to 31.

Statements of Cash Flows

FOR THE YEAR ENDED JUNE 30, 2023

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities					
Profit before taxation		22,856,547	10,447,387	13,034,542	8,916,122
Adjustments for:					
Depreciation on plant and equipment	5	361,907	517,241	176,111	175,888
Interest expense	18	3,814,898	2,749,076	1,422,315	1,025,079
Dividend income	17(a)	-	-	-	(4,000,000)
Straight-line rental income accrual	7	(1,404,408)	(1,339,434)	(1,051,857)	(831,324)
Interest income	17(a)	-	(28,948)	(887,182)	(987,529)
Assets written off		-	54,800	-	-
Fair value on revaluation of investment property	6	(15,300,000)	(2,700,000)	(8,700,000)	(1,300,000)
Changes in working capital:					
- trade and other payables		3,193,565	(517,461)	783,144	(508,653)
- trade receivables		76,890	42,061	1,018,498	(1,342,291)
- financial assets at amortised cost		246,119	(1,060,490)	1,189,753	(685,751)
Cash generated from operations		13,845,518	8,164,232	6,985,324	461,541
Tax paid	20(b)	(503,886)	(703,841)	-	-
Interest paid	18	(3,814,898)	(2,749,076)	(1,422,315)	(1,025,079)
Interest received	17(a)	-	28,948	887,182	987,529
Net cash from operating activities		9,526,734	4,740,263	6,450,191	423,991

	Notes	THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs.	Rs.	Rs.	Rs.
Cash flows from investing activities					
Purchase of plant and equipment	5	(139,837)	(648,115)	(51,400)	(393,559)
Dividends from subsidiaries		-	-	-	7,000,000
Net cash used in investing activities		(139,837)	(648,115)	(51,400)	6,606,441
Cash flows from financing activities					
Dividends paid to Company's shareholders	16(a)	(7,716,072)	(5,649,267)	(7,716,072)	(5,649,267)
Net cash used in financing activities		(7,716,072)	(5,649,267)	(7,716,072)	(5,649,267)
Net increase/(decrease) in cash and cash equivalents					
		1,670,825	(1,557,119)	(1,317,281)	1,381,165
Movement in cash and cash equivalents					
At July 1,		9,847,872	11,404,991	6,173,882	6,173,882
Increase/(Decrease)		1,670,825	(1,557,119)	(1,317,281)	(1,317,281)
At June 30,	23(a)	11,518,697	9,847,872	4,856,601	4,856,601

The notes on pages 40 to 71 form an integral part of these financial statements.
Auditor's report on pages 27 to 31.

Notes to the Financial Statements

(YEAR ENDED JUNE 30, 2023)

1. GENERAL INFORMATION

Novus Properties Ltd (the "Company") is a limited liability company incorporated in Mauritius under the Companies Act 2001. The address of its registered office and principal place of business is at 6th/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307. The principal activity of the Company is property development for sale and/or rent. As from October 20, 2014, the Company is listed on the Development & Enterprise Market. These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Novus Properties Ltd comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements include the consolidated financial statements of the parent company and its subsidiary companies (The "Group") and the separate financial statements of the parent company (The "Company"). The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest unit, except when otherwise indicated.

Where necessary, comparative figures have been amended to conform with change in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

- (i) investment properties are stated at fair values; and
- (ii) relevant financial assets and financial liabilities are stated at their fair values.

The preparation of the financial statements in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are described in Note 4.

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

The following standards and amendments are effective for annual periods beginning on or after 01 July 2022:

Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statements 2 Making Materiality Judgements, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirements to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Standards, Amendments to published Standards and Interpretations effective in the reporting period (continued)

Deferred Tax related to Assets and Liabilities arising from a Single Transactions - Amendments to IAS 12

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transaction that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

The amendments have no impact on the Group's financial statements.

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

Several standards and interpretations have been issued, but not yet effective, up to the date of issuance of the Group's financial statements. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. The directors anticipate that these Standards and Interpretation will be applied on their effective dates in future periods, if relevant to the Group. The directors have not yet assessed the potential impact of the application of these amendments.

	Effective date
Non-current liabilities with covenants - Amendments to IAS 1	01 January 2024
Lease liability in sale and leaseback - amendments to IFRS 16	01 January 2024
Sale or contribution of assets between an investor and its associate or joint venture -	
Amendments to IFRS 10 and IAS 28	01 January 2024

2.4 Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives. The annual rates used are as follows:

	%
Office Equipment	10
Furniture & Fittings	10 - 20
Plant & Equipment	10 - 20
Computer Equipment	33

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

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

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

2.5 Investment properties

Investment properties, held to earn rentals or capital appreciation or both and not occupied by the Group are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value, representing open market value determined by external valuers.

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Investment properties (continued)

Changes in the fair values are included in profit or loss and in the period in which they arise.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use. Changes in fair values are included in profit or loss as part of other income.

2.6 Intangible assets

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested annually for impairment.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

2.7 Investment in subsidiaries

Separate financial statements of the investor

In the separate financial statements of the investor, investment in subsidiaries is carried at cost. The carrying amount is reduced to recognise any impairment in the value of the individual investments.

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control.

The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

(i) Amortised cost

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

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

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

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

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

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

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial liabilities

Financial liabilities include the following items:

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised until such time as the assets are substantially ready for their intended use or sale.

Other borrowing costs are expensed.

2.11 Current and deferred income tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

2.12 Share capital

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Borrowings

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.14 Trade and other payables

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

2.15 Provisions

Provisions are recognised when: the Group 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. When a provision is measured using the cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.16 Foreign currencies

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

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

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

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

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

2.18 Revenue recognition

The Group's main source is rental income. The accounting of rental income is discussed below:

(a) Rental income

The Group earns revenue from acting as a lessor in operating leases. Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term except for contingent rental income, which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

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

- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

- Other income is recognised as it accrues unless collectability is in doubt.
- Dividend income - when the shareholder's right to receive payment is established.

2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are declared.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, including liquidity risk, credit risk, cash flow and fair value interest rate risk and insurable risks.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the Group's financial performance.

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

(i) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(i) Liquidity risk (continued)

The table below analyses the Group's and the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

	Less than 1 year Rs.	Between 1 and 2 years Rs.	Between 2 and 5 years Rs.	Over 5 years Rs.	Total Rs.
The Group					
At June 30, 2023					
Bank borrowings	-	59,000,000	-	-	59,000,000
Trade and other payables	5,912,707	-	-	-	5,912,707
	5,912,707	59,000,000	-	-	64,912,707
At June 30, 2022					
Bank borrowings	37,000,000	22,000,000	-	-	59,000,000
Trade and other payables	2,719,142	-	-	-	2,719,141
	39,719,142	22,000,000	-	-	61,719,141
The Company					
At June 30, 2023					
Bank borrowings	-	22,000,000	-	-	22,000,000
Trade and other payables	2,634,890	-	-	-	2,634,890
	2,634,890	22,000,000	-	-	24,634,890
At June 30, 2022					
Bank borrowings	-	22,000,000	-	-	22,000,000
Trade and other payables	1,851,747	-	-	-	1,851,747
	1,851,747	22,000,000	-	-	23,851,747

(ii) Credit risk

Credit risk arises from cash and cash equivalents and credit exposure to customers, including outstanding receivables.

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties are accepted.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Group has policies in place to ensure that property is rented to customers with an appropriate credit history. Advance payments are requested where necessary until positive credit rating is established.

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(iii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

The following table demonstrates the sensitivity of the Group's profit before tax and equity to a reasonably possible change in the market interest rates.

		THE GROUP		THE COMPANY	
		2023	2022	2023	2022
		Rs.	Rs.	Rs.	Rs.
Increase in interest rates	0.10%	(59,000)	(59,000)	(22,000)	(22,000)
Decrease in interest rates	0.10%	59,000	59,000	22,000	22,000

(iv) Insurable Risks

The Group has adequate insurance cover for its properties and material contents, loss of profits and public liability. The sum insured for each insurance cover are reviewed annually in accordance with recommendations from professional advisers, where applicable.

3.2 Financial instruments by category

Financial assets

The carrying amounts of each of the categories of the financial instruments as at the date of the statement of financial position are as follows:-

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Cash and cash equivalents	11,518,697	9,847,872	4,856,601	6,173,883
Trade receivables	2,127,024	2,203,914	392,569	1,411,067
Other financial assets at amortised cost	2,005,676	2,251,795	21,182,990	22,372,743
	15,651,397	14,303,581	26,432,160	29,957,693
Financial liabilities				
Trade and other payables	5,912,707	2,719,142	2,634,890	1,851,747
Borrowings	59,000,000	59,000,000	22,000,000	22,000,000
	64,912,707	61,719,142	24,634,890	23,851,747

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation

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

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.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

3.4 Capital Risk Management

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sells assets to reduce debt.

The Group monitors its capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by shareholders' fund. Net debt is calculated as total borrowings (including current and non current borrowings) less cash and cash equivalents. The shareholders' fund comprise of issued capital, reserves and shareholders funding.

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.4 Capital Risk Management

The gearing ratio at June 30, 2023 and June 30, 2022 were as follows:

	THE GROUP		THE COMPANY	
	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.
Total debt (Note 14)	59,000,000	59,000,000	22,000,000	22,000,000
Less cash and cash equivalents (Note 23(a))	(11,518,697)	(9,847,872)	(4,856,601)	(6,173,883)
Net debt	47,481,303	49,152,128	17,143,399	15,826,117
Total equity	159,774,173	143,052,304	128,538,520	121,186,339
Net debt to equity ratio	30%	34%	13%	13%

There has been no major fluctuation in the debt-to-equity ratio for both the Group and the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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.

4.1 Critical accounting estimates and assumptions

The Group 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) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.6.

If the actual gross margin had been higher or the pre-tax discounted rate lower than management's estimates, the Group would not be able to reverse any prior impairment losses that had arisen on goodwill.

(b) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit and loss and other comprehensive income. The Group engaged independent valuation specialists (the 'Valuer') on a regular basis to determine fair value of its investment properties held for capital appreciation or rental. The Valuer has assessed the fair value on an open-market basis, valuation which is based on a number of assumptions using their best expertise as well as judgements. The estimated fair value could differ from actual market value.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

4.1 Critical accounting estimates and assumptions (continued)

(c) 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 Group's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty.

(d) Asset lives and residual values

Plant and equipment are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

(e) Depreciation policies

Plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Group and the Company would currently obtain from disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of the assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

(f) Impairment of assets

Goodwill is considered for impairment at least annually. Property, plant and equipment, and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. The impairment loss is first allocated to goodwill and then to the other assets of a cash-generating unit.

Cash flows which are utilised in these assessments are extracted from annual budgeted figures. The Group utilises the valuation model to determine asset and cash-generating unit values supplemented, where appropriate, by discounted cash flow and other valuation techniques.

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

4.1 Critical accounting estimates and assumptions (continued)

(g) Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties, the directors reviewed the Group's and the Company's investment property portfolio and concluded that none of the Group's and the Company's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's and the Company's deferred taxation

on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of investment properties as the Group and the Company are not subject to any capital gain taxes on disposal of its investment properties.

(h) Going concern

The Group made an assessment of its ability to continue as a going concern and are satisfied that it has the resources to continue its business for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

5. PLANT AND EQUIPMENT

(a) THE GROUP

	Office Equipment	Furniture & Fittings	Plant & Equipment	Computer Equipment	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
COST					
At July 1, 2022	1,464,003	151,108	4,208,514	128,990	5,952,615
Additions	31,400	20,000	88,437	-	139,837
Assets written off	-	-	-	-	-
At June 30, 2023	1,495,403	171,108	4,296,951	128,990	6,092,452
DEPRECIATION					
At July 1, 2022	290,340	108,895	3,606,390	107,480	4,113,105
Charge for the year	147,969	6,632	185,796	21,510	361,907
Disposal adjustments	-	-	-	-	-
At June 30, 2023	438,309	115,527	3,792,186	128,990	4,475,012
NET BOOK VALUE					
At June 30, 2023	1,057,094	55,581	504,765	-	1,617,440

5. PLANT AND EQUIPMENT (CONTINUED)

THE GROUP

	Office Equipment	Furniture & Fittings	Plant & Equipment	Computer Equipment	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
COST					
At July 1, 2021	1,438,630	140,153	3,953,958	128,990	5,661,731
Additions	382,604	10,955	254,556	-	648,115
Assets written off	(357,231)	-	-	-	(357,231)
At June 30, 2022	1,464,003	151,108	4,208,514	128,990	5,952,615
DEPRECIATION					
At July 1, 2021	438,624	104,477	3,290,709	64,488	3,898,298
Charge for the year	154,150	4,418	315,681	42,992	517,241
Disposal adjustments	(302,434)	-	-	-	(302,434)
At June 30, 2022	290,340	108,895	3,606,390	107,480	4,113,105
NET BOOK VALUE					
At June 30, 2022	1,173,663	42,213	602,124	21,510	1,839,510

(b) THE COMPANY

	Office Equipment	Furniture & Fittings	Computer Equipment	Total
	Rs.	Rs.	Rs.	Rs.
COST				
At July 1, 2022	1,464,001	49,651	128,990	1,642,642
Additions	31,400	20,000	-	51,400
At June 30, 2023	1,495,401	69,651	128,990	1,694,042
DEPRECIATION				
At July 1, 2022	290,340	7,438	107,480	405,258
Charge for the year	147,969	6,632	21,510	176,111
At June 30, 2023	438,309	14,070	128,990	581,369
NET BOOK VALUE				
At June 30, 2023	1,057,092	55,581	-	1,112,673

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

5. PLANT AND EQUIPMENT (CONTINUED)

THE COMPANY

	Office Equipment	Furniture & Fittings	Computer Equipment	Total
	Rs.	Rs.	Rs.	Rs.

COST

At July 1, 2021	1,081,397	38,696	128,990	1,249,083
Additions	382,604	10,955	-	393,559
At June 30, 2022	1,464,001	49,651	128,990	1,642,642

DEPRECIATION

At July 1, 2021	161,862	3,020	64,488	229,370
Charge for the year	128,478	4,418	42,992	175,888
At June 30, 2022	290,340	7,438	107,480	405,258

NET BOOK VALUE

At June 30, 2022	1,173,661	42,213	21,510	1,237,384
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Depreciation charge of **Rs. 361,907** (2022: Rs. 517,241) for the Group and **Rs. 176,111** (2022: Rs. 175,888) for the Company has been included in administrative expenses.

6. INVESTMENT PROPERTIES

(a) Valuation

	THE GROUP		THE COMPANY	
		Restated		Restated
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Investment properties at 01 July,	190,700,000	188,000,000	95,800,000	94,500,000
Increase in fair value	15,300,000	2,700,000	8,700,000	1,300,000
Investments properties at 30 June,	206,000,000	190,700,000	104,500,000	95,800,000
Straight-line rental income adjustments	2,773,877	1,369,469	1,913,216	861,359
	208,773,877	192,069,469	106,413,216	96,661,359

(b) Details of rental income and the direct operating expenses relating to investment properties are shown on the statement of profit or loss and other comprehensive income.

(c) As at June 30, 2023, the fair value of the investment properties is based on its market value, which is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

The market value of land and buildings have been valued by Elevante Investments Limited, an independent professional qualified valuer using the following approach:

- (i) Comparative Method of Valuation involves the assessment of the property based on sale comparable in the neighborhood and adjusted to reflect its location, characteristics and size, and
- (ii) Income Capitalisation Approach takes a property's forecast net operating income and allocates these future benefits to the mortgage and equity components, based on market rates of return and loan ratios which is capitalised at an appropriate rate of return to produce a capital value.

(d) Transfers between levels 2 and 3 and changes in valuation techniques

The change in the valuation approach has resulted in a change in the classification from level 2 to level 3.

	THE GROUP			Total Rs
	Level 1	Level 2	Level 3	
	Rs	Rs	Rs	
At 01 July 2021	-	188,000,000	-	188,000,000
Transfer	-	(154,500,000)	154,500,000	-
Increase in fair value	-	(3,500,000)	6,200,000	2,700,000
At June 30, 2022	-	30,000,000	160,700,000	190,700,000
At 01 July 2022	-	30,000,000	160,700,000	190,700,000
Increase in fair value	-	-	15,300,000	15,300,000
At June 30, 2023	-	30,000,000	176,000,000	206,000,000

	THE COMPANY			Total Rs
	Level 1	Level 2	Level 3	
	Rs	Rs	Rs	
At July 1, 2021	-	94,500,000	-	94,500,000
Transfer	-	(94,500,000)	94,500,000	-
Increase in fair value	-	-	1,300,000	1,300,000
At June 30, 2022	-	-	95,800,000	95,800,000
At July 1, 2022	-	-	95,800,000	95,800,000
Transfer	-	-	-	-
Increase in fair value	-	-	8,700,000	8,700,000
At June 30, 2023	-	-	104,500,000	104,500,000

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

6. INVESTMENT PROPERTIES (CONTINUED)

The investment property held by Novus Industrial Property Ltd was valued based on an offer received from a potential buyer. This resulted in a Level 2 fair value.

(e) Valuation techniques and key inputs

	Fair value		Inputs
	2023		
	Rs.		
Comparative Method	30,000,000	Comparative Valuation Method	
Income Capitalisation	176,000,000	Cap Rate	
	<u>206,000,000</u>		

The table below shows the sensitivity of the properties to a reasonably possible change in the inputs. The sensitivity assumes that the changes in one input are in isolation to other inputs.

	Change in inputs	Effect on
		fair value
		2023
		Rs.
<i>Grand Baie Business Park</i>		
Cap Rate	+ 0.5%	2,700,000
	- 0.5%	3,100,000
<i>Grand Riviere Nord Ouest</i>		
Cap Rate	+ 0.5%	3,700,000
	- 0.5%	(4,100,000)

(f) Bank borrowings are secured by floating charges on the assets of the Group including investment properties.

7. STRAIGHT-LINE RENTAL INCOME

	THE GROUP		THE COMPANY	
	2023	Restated 2022	2023	Restated 2022
	Rs.	Rs.	Rs.	Rs.
Balance as at 01 July,	1,369,469	30,035	861,359	30,035
Current year movement	1,404,408	1,339,434	1,051,857	831,324
	<u>2,773,877</u>	<u>1,369,469</u>	<u>1,913,216</u>	<u>861,359</u>

8. INTANGIBLE ASSETS

THE GROUP

At July 1, 2022 and June 30, 2023

2023 & 2022
Rs.2,038,641

Intangible assets represent goodwill arising on acquisition of subsidiaries. Based on the impairment test performed at the reporting date, the directors have not identified an impairment of goodwill.

9. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2023	2022
	Rs.	Rs.
At July 1,	22,149,272	22,149,272
Additions	-	-
Impaired amount	-	-
At June 30,	<u>22,149,272</u>	<u>22,149,272</u>

The details of the Company's subsidiaries are as follows:

Name	Year end	Country of incorporation and operation	Class of shares held	Proportion of direct ownership interest	
				2023	2022
Novus Industrial Properties Ltd	June 30	Mauritius	Ordinary	100%	100%
Novus GRNW Properties Ltd	June 30	Mauritius	Ordinary	100%	100%
Novus Northern Properties Ltd	June 30	Mauritius	Ordinary	100%	100%

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

10. DEFERRED INCOME TAX

Deferred income tax is calculated on all temporary differences under the liability method at 15% (2022: 15%).

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

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Deferred tax assets	264,304	453,892	264,304	453,892
Deferred tax liabilities	(166,901)	(185,608)	(166,901)	(185,608)
	97,403	268,284	97,403	268,284

At the end of the reporting period, the Company had unused tax losses of Rs. 1,762,026 (2022: Rs. 2,976,576) available for offset against future profits. A deferred tax asset has been recognised in respect of such losses. The tax losses is not subject to expiry since they comprise of tax losses on capital allowances.

- (b) The movement in the deferred income tax account is as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
<i>Net deferred tax assets</i>				
At July 1,	268,284	350,188	268,284	350,188
Profit or loss charge (Note 20(a))	(170,882)	(81,904)	(170,882)	(81,904)
At June 30,	97,403	268,284	97,403	268,284

10. DEFERRED INCOME TAX (CONTINUED)

- (c) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows:

	Accelerated capital allowance	Tax losses	Total
	Rs.	Rs.	Rs.
<i>Net deferred tax assets</i>			
THE GROUP			
At June 30, 2021	(152,957)	503,145	350,188
Charged to statement of profit or loss	32,651	(49,253)	(81,904)
At June 30, 2022	(185,608)	453,892	268,284
Charged to statement of profit or loss	18,707	(189,588)	(170,881)
At June 30, 2023	(166,901)	264,304	97,403
THE COMPANY			
At June 30, 2021	(152,957)	503,145	350,188
Charged to statement of profit or loss	32,651	(49,253)	(81,904)
At June 30, 2022	(185,608)	453,892	268,284
Charged to statement of profit or loss	18,707	(189,588)	(170,881)
At June 30, 2023	(166,901)	264,304	97,403

11. TRADE RECEIVABLES

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Trade receivables	2,127,024	3,370,444	392,569	1,484,134
Less provisions for impairment	-	(1,166,530)	-	(73,067)
Trade debtors - net	2,127,024	2,203,914	392,569	1,411,067

(a) Impairment of trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

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

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

11. TRADE RECEIVABLES (CONTINUED)

(a) Impairment of trade receivables (continued)

The expected loss rates are based on the payment profiles of rental income over a period of 36 months before June 30, 2023 or July 1, 2022 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

On that basis, the loss allowance as at June 30, 2023 and July 1, 2022 was determined as follows for the trade receivables.

THE GROUP	Current	Less than	More than	More than	Total
		30 days	30 days	90 days	
	Rs.	Rs.	Rs.	Rs.	Rs.
At June 30, 2023					
Expected loss rate	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount - trade receivables	231,870	1,055,607	200,699	638,848	2,127,024
Loss allowance	-	-	-	-	-
At June 30, 2022					
Expected loss rate	0.00%	0.00%	0.00%	56.76%	
Gross carrying amount - trade receivables	50,188	248,417	1,016,646	2,055,193	3,370,444
Loss allowance	-	-	-	1,166,530	1,166,530
THE COMPANY					
	Current	Less than	More than	More than	Total
	Rs.	30 days	30 days	90 days	Rs.
	Rs.	past due	past due	past due	Rs.
At June 30, 2023					
Expected loss rate	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount - trade receivables	231,870	105,590	54,101	1,008	392,569
Loss allowance	-	-	-	-	-
At June 30, 2022					
Expected loss rate	0.00%	0.00%	0.00%	8.12%	
Gross carrying amount - trade receivables	4,188	248,417	331,798	899,731	1,484,134
Loss allowance	-	-	-	73,067	73,067

11. TRADE RECEIVABLES (CONTINUED)

(a) Impairment of trade receivables (continued)

The closing loss allowances for trade receivables as at June 30, 2023 reconcile to the opening loss allowances as follows:

	Trade receivables			
	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
At July 1,	1,166,530	2,280,712	73,067	542,750
Loss allowance recognised in profit or loss during the year	-	28,948	(73,067)	28,948
Unused amount reversed	(1,166,530)	(1,143,130)	-	(498,631)
At June 30,	-	1,166,530	-	73,067

(b) The carrying amounts of the trade receivables are denominated in Mauritian Rupees.

(c) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above.

12. FINANCIAL ASSETS AT AMORTISED COST

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
NON CURRENT ASSETS				
Receivable from related parties (Note 24)	-	-	19,806,104	21,666,338
	-	-	19,806,104	21,666,338
CURRENT ASSETS				
Other receivables (see note (a) below)	2,005,676	2,251,795	1,376,886	706,405
	2,005,676	2,251,795	1,376,886	706,405

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

12. FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

(a) Financial assets at amortised cost

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(b) Impairment and risk exposure

(i) Financial assets at amortised cost did not include any loss allowance at June 30, 2023.

(ii) All of the financial assets at amortised cost are denominated in Mauritian rupee. As a result, there is no exposure to foreign currency risk.

13. SHARE CAPITAL

THE GROUP AND THE COMPANY	
Number of shares	Amount Rs.
At July 1, 2022 and June 30, 2023	13,778,700 106,042,887

- The shares are issued at no par value.

- All issued shares are fully paid

- Fully paid ordinary shares carry one vote per share and carry a right to dividends.

14. BORROWINGS

	THE GROUP		THE COMPANY	
	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.
Bank loan	59,000,000	59,000,000	22,000,000	22,000,000
Analysed as follows:				
Current				
- Bank loan	-	37,000,000	-	-
Non-current				
- Bank loan	59,000,000	22,000,000	22,000,000	22,000,000
Total borrowings	59,000,000	59,000,000	22,000,000	22,000,000

(a) THE GROUP

The Group's borrowings include secured liabilities amounting to Rs. 59,000,000 (2022: Rs.59,000,000). The bank borrowings are secured by a floating charge and a fixed charge on the Group's assets comprising of its investment properties (Note 6). The rate of interest on those borrowings is between 5% to 7.75% per annum (2022: between 4.6% to 5%)

THE COMPANY

The Company's borrowings include secured liabilities amounting to Rs. 22,000,000 (2022: Rs.22,000,000). The bank borrowings are secured by a floating charge and a fixed charge on the Company's assets comprising of its investment properties (Note 6). The rate of interest on those borrowings is between 5% to 7.75% per annum (2022: 4.60% to 5%).

(b) The exposure of the Group's and the Company's borrowings to interest-rate changes and the contractual repricing dates are as follows:

	THE GROUP		THE COMPANY	
	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.
Borrowings (more than 6 months)	-	37,000,000	-	-

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

14. BORROWINGS (CONTINUED)

(c) The maturity of non-current borrowings is as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
2 - 5 years	59,000,000	22,000,000	22,000,000	22,000,000

(d) The carrying amounts of the Group's and the Company's borrowings are denominated in Mauritian Rupees.

(e) The carrying amounts of borrowings are approximate to their fair values.

15. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Deposits on rent	2,988,179	1,769,295	1,241,781	1,139,113
Other payables and accrued expenses	2,924,528	949,847	1,393,109	712,634
	5,912,707	2,719,142	2,634,890	1,851,747

16. DIVIDENDS

Amounts recognised as distributions to equity holders during the year:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
<i>Interim</i>				
Dividends for the year ended 30 June 2023 of Rs 0.18 per share and paid in March 2023	2,480,166	-	2,480,166	-
<i>Final</i>				
Dividends for the year ended 30 June 2022 of Rs 0.38 per share and paid in August 2022	-	5,235,906	-	5,235,906
Dividends for the year ended 30 June 2023 of Rs 0.22 per share and paid in October 2023	3,031,314	-	3,031,314	-
	5,511,480	5,235,906	5,511,480	5,235,906

16. DIVIDENDS (CONTINUED)

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
(a) Statement of financial position				
At July 1,	5,235,906	5,649,267	5,235,906	5,649,267
Interim dividend for the year ended June 30, 2023 of Re.0.18 per share	2,480,166	-	2,480,166	-
Final dividend for the year ended June 30, 2023 of Re.0.22 per share (2022: Re.0.38 per share)	3,031,314	5,235,906	3,031,314	5,235,906
Paid during the year	(7,716,072)	(5,649,267)	(7,716,072)	(5,649,267)
At June 30,	3,031,314	5,235,906	3,031,314	5,235,906

17. PROPERTY REVENUE AND OTHER INCOME

The following is an analysis of the Group's and the Company's revenue for the year:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Rental income	14,846,258	13,234,402	7,146,544	6,168,162
Investment and other income	175,000	1,142,398	1,127,182	5,253,898
	15,021,258	14,376,800	8,273,726	11,422,060

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

17. PROPERTY REVENUE AND OTHER INCOME (CONTINUED)

(a) Investment and other income

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Interest income	-	28,948	887,182	987,529
Dividend income	-	-	-	4,000,000
Management fees	-	-	240,000	240,000
Other income	175,000	1,113,450	-	26,369
	175,000	1,142,398	1,127,182	5,253,898

The period of lease whereby the Group leases out its properties under operating lease is more than one year. Revenue is recognised over the life after operating leases. Refer to Note for the minimum lease rentals receivables under non-cancellable operating lease.

18. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Interest on bank loans	3,814,898	2,749,076	1,422,315	1,025,079

19. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Profit before taxation is arrived at after:				
<i>Crediting:</i>				
Increase in fair value of investment properties	20,300,000	2,700,000	8,700,000	1,300,000
<i>and charging:</i>				
Depreciation on plant and equipment	361,907	517,241	176,111	175,888

20. TAXATION

(a) Statements of profit or loss and other comprehensive income

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Current tax on the adjusted profit for the year at 15% (2022: 15%)	399,104	436,751	-	-
CSR charge	53,213	57,458	-	-
Deferred tax charge/(credit) (Note 10(b))	170,881	81,904	170,881	81,904
Tax charge/(credit)	623,198	576,113	170,881	81,904

(b) Statements of financial position

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
At July 1,	512,133	721,765	-	-
Current tax on the adjusted profit for the year at 15% (2022: 15%)	399,104	436,751	-	-
CSR charge	53,213	57,458	-	-
Tax paid	(503,886)	(703,841)	-	-
At June 30,	460,564	512,133	-	-

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

20. TAXATION (CONTINUED)

(c) Tax reconciliation

The tax on the Group's and the Company's profit before taxation differs from the theoretical amount that would arise using the basic tax rate of the Group and the Company as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Profit before taxation	22,856,547	10,447,387	13,034,542	8,916,122
Tax calculated at a rate of 15% (2022: 15%)	3,428,482	1,567,108	1,955,181	1,337,418
Income not subject to tax	(2,542,871)	(1,130,915)	(1,473,739)	(919,699)
Capital allowances	(567,152)	(561,760)	(396,041)	(445,402)
Expenses not deductible for tax purpose	116,513	557,095	116,513	44,813
Utilisation of previously unrecognised tax losses	(201,911)	(35,509)	(201,914)	(17,130)
Underprovision from previous year	-	40,732	-	-
Tax losses carried forward	166,043	-	-	-
CSR charge	53,213	57,458	-	-
Deferred tax movement	170,881	81,904	170,881	81,904
Tax charge	623,198	576,113	170,881	81,904

21. COMMITMENTS

The Group has entered into operating lease for investment properties consisting of building for business rental. These leases have terms ranging from one to ten years. The leases include escalation clause to enable upward revision of the rental charge. The escalation relates to Consumer Price Index (CPI) only. Future minimum rental receivables under non-cancellable operating leases as at reporting date are as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Not later than one year	7,349,520	6,999,540	-	-
Later than one year and not later than two years	7,716,996	7,349,520	-	-
Later than two years and not later than three years	8,102,844	7,716,996	-	-
Later than three years and not later than four years	8,507,988	8,102,844	-	-
Later than four years and not later than five years	7,444,490	8,507,988	-	-
Later than 5 years	-	7,444,490	-	-
	39,121,838	46,121,378	-	-

22. EARNINGS PER SHARE

The calculation of earnings per ordinary share is based on the following parameters:

	THE GROUP	
	2023	2022
	Rs.	Rs.
Profit attributable to the equity shareholders	22,233,349	9,871,274
Number of shares in issue	13,778,700	13,778,700
Earnings per share	1.61	0.72

23. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Cash in hand and at bank	11,518,697	9,847,872	4,856,601	6,173,883

(b) Reconciliation of liabilities arising from financing activities

	THE GROUP			
	At July 1, 2022	Cash flows	Non-cash changes Acquisitions	At June 30, 2023
	Rs.	Rs.	Rs.	Rs.
Long-term borrowings	59,000,000	-	-	59,000,000

	THE COMPANY			
	At July 1, 2022	Cash flows	Non-cash changes Acquisitions	At June 30, 2023
	Rs.	Rs.	Rs.	Rs.
Long-term borrowings	22,000,000	-	-	22,000,000

Notes to the Financial Statements (continued)

(YEAR ENDED JUNE 30, 2023)

24. RELATED PARTY TRANSACTIONS

	Management fees	Amount owed by related parties
	Rs.	Rs.
THE COMPANY - 2023		
Subsidiaries	240,000	19,806,104
THE COMPANY - 2022		
Subsidiaries	240,000	21,666,338

- The above transactions have been made at arm's length, on normal commercial terms and in the normal course of business.
- The amount owed by the related party are unsecured, interest free and settlement occurs in cash.
- There has been no guarantees provided or received for any related party receivables.
- For the year ended June 30, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by the related party (2022: Nil). This assessment is undertaken each financial year through the examining the financial position of the related party and the market in which the related party operates.

25. NET ASSETS VALUE

The net assets value per share (NAV) as at the end of the reporting date is as follows:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
Net Assets Value	11.96	10.38	9.33	8.80

26. SEGMENT INFORMATION

The main revenue derived by the Group is from rental of properties. The Board of Directors considers the business as a single reporting segment.

There were no changes in the reportable segment during the year.

27. CORRECTION OF ERRORS - NON RECOGNITION OF RENTAL INCOME USING STRAIGHT LINE METHOD

Prior year adjustments relate to the recognition of rental income using the straight line method for the financial year ended 30 June 2021 and 30 June 2022. The rental income has been recognised using the straight line method by restating each of the affected financial statements line items for the prior periods as follows:

	30 June 2021	Increase / (Decrease)	30 June 2021 - Restated	30 June 2022	Increase / (Decrease)	30 June 2022 - Restated
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
THE GROUP						
STATEMENT OF FINANCIAL POSITION						
Straight-line accrued income	-	30,035	30,035	-	1,369,469	1,369,469
Retained earnings	(32,344,014)	(30,035)	(32,374,049)	(35,639,949)	(1,369,469)	(37,009,418)
		-			-	
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
Straight-line rental income accrual	-	(30,035)	(30,035)	-	1,339,434	1,339,434

	30 June 2021	Increase / (Decrease)	30 June 2021 - Restated	30 June 2022	Increase / (Decrease)	30 June 2022 - Restated
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
THE COMPANY						
STATEMENT OF FINANCIAL POSITION						
Straight-line accrued income	-	30,035	30,035	-	861,359	861,359
Retained earnings	(11,515,105)	(30,035)	(11,545,140)	(14,282,093)	(861,359)	(15,143,452)
		-			-	
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
Straight-line rental income accrual	-	(30,035)	(30,035)	-	831,324	831,324

28. EVENTS AFTER REPORTING DATE

On 24 February 2022, Russian Federation launched a full-scale invasion into Ukraine sovereign state. The potential impacts from the emerging Ukraine and Russian conflict remain uncertain, including but not limited to, on global economic conditions, asset valuations, interest rate expectations and exchange rates. The extent of these impacts on the Company are unclear at this stage.

There have been no other material events after the end of the reporting date which would require disclosures of adjustments to the financial statements for the year ended 30 June 2023.



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