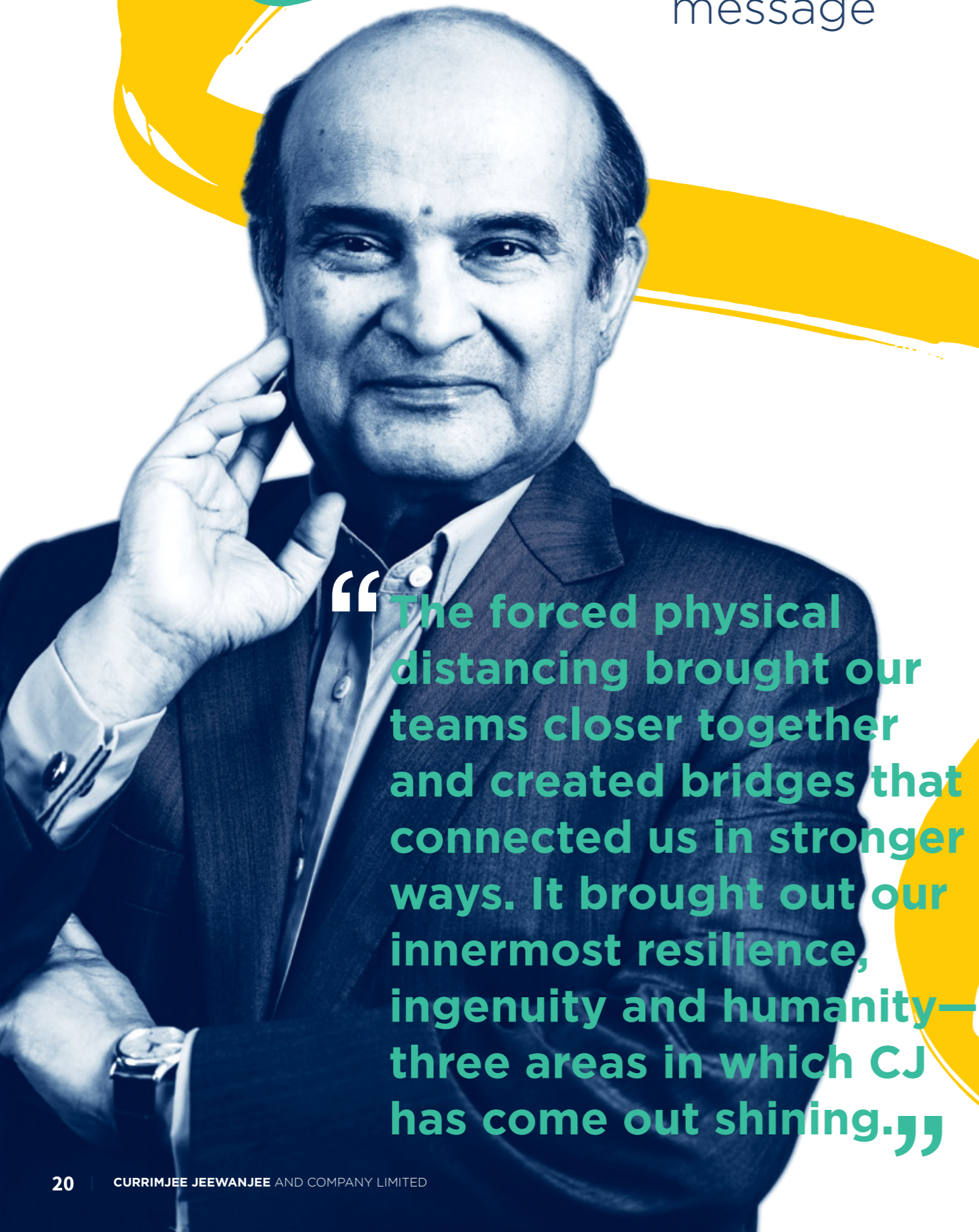


Chairman's message



“The forced physical distancing brought our teams closer together and created bridges that connected us in stronger ways. It brought out our innermost resilience, ingenuity and humanity—three areas in which CJ has come out shining.”

Dear shareholders, 2021 proved to be a challenging and remarkable sequel to 2020. Against this backdrop, Currimjee Group pursued its upward trajectory, as evidenced by our financial results and the achievement of major strategic objectives and milestones. I share this with no lesser regard for the pandemic's profound impacts on the economy, on entire communities and livelihoods.

As a Group, we believe that our business is all about human endeavour. Even though we continued to invest in growth-building projects and future-shaping activities, our financial decisions were secondary to the welfare of our employees and communities. Our original purpose of building a better tomorrow, bequeathed by our ancestors, remained our guiding force.

Having navigated two years of the tragedies spawned by the pandemic, I beam with pride when I look at the way the people of CJ care for each other and our stakeholders. The forced physical distancing brought our teams closer together and created bridges that connected us in stronger ways. It brought out our innermost resilience, ingenuity and humanity—three areas in which CJ has come out shining.

Operating environment

Even though high vaccination rates presented a breakthrough for managing the pandemic, economic volatility and uncertainty remained key features of our operating environment. A new lockdown struck in March 2021, delaying the reopening of borders and constricting social and economic activities well into the year. Even after being removed from France's list of 'Scarlet Red' destinations, holidaymakers' intention to travel was hampered by concerns over new variants, entry and exit requirements, testing, and insurance coverage, amongst others. The island faced a string of booking cancellations in peak tourist season, severely impacting the entire value chain—from hotels, airlines and restaurants, to taxis and attractions—which was barely getting back on its feet.

At the time of this message, the Ukraine-Russia war is in full swing. With both countries accounting for almost 30% of wheat exports, and Russia being one of the largest producers of oil, energy and commodity prices have escalated in Mauritius. Inflation and food insecurity are serious concerns. Mauritians continue to face challenges on a daily basis: ongoing supply chain challenges, surges in the cost of basic goods and services, fluctuations in exchange rates, psychological distress, and higher levels of economic inequality. Scores of people, particularly those in the informal sector, have been pushed into poverty as their incomes are disappearing and their resources diminishing.

Seeing this, one thing is clear: we cannot remain set in our ways. Our complex interconnected systems—whether our travel, food or healthcare systems—are no longer compatible with our present and future needs. We are seeing unseen levels of climate destabilisation and inequalities, many of which have been ingrained in our systems since well before the crisis. The pandemic may have come as a late lesson from an early warning, but it is our conviction that collective efforts between the private sector, the government, NGOs and citizens are key to our island's sustainable development and prosperity. This will be even more instrumental in countering the economic fallout of the Ukraine-Russia conflict.

CHAIRMAN'S MESSAGE

This brings me to Trampoline, the Group's social impact accelerator, which was set up to support entrepreneurs whose business ideas address social inequality. By giving them access to technical expertise, capital, advice and mentorship, we help them develop economically sustainable and scalable enterprises, and maximise their social impact. Trampoline marks only the beginning of the Group's commitment to boost our country's rebound and shape positive outcomes through the power of the community.

Review of our performance

In 2021, Currimjee Group generated revenues of MUR 4.9BN, a marginal increase over the previous year, and recorded an operating profit of MUR 401M, representing a decline of 49% over 2020. Closed borders, reduced tourist arrivals and the devaluation of the Mauritian Rupee all had an impact on the operating profits of Emtel, MC Vision and the Hospitality Cluster; on the other hand, our Real Estate, retail and insurance businesses fared much better.

In parallel, the Group is benefitting from years of laying a solid foundation for sustainable growth by investing the right resources—funds, time, asset, talents, performance metrics—in reinforcing our core competencies and sources of competitive advantage. In 2021, we moved from the planning phase to the execution phase, putting our strategic plans into action:

- We issued a bond of MUR 2,200M in September 2021. We have also started to restructure our Real Estate cluster in a way that will build scale, substantially increase the value of our portfolio of properties, and generate more liquidity for the Group.
- In keeping with the Group's strategy to build on our core competencies, certain businesses divested from non-core activities and strengthened their foothold in their existing markets; others gained market share in new segments, and diversified their suite of offerings to meet new customer needs. The MD's message offers more details into the successful diversification of our portfolio across our clusters.
- We continued to leverage synergies between our clusters and business units to standardise processes, unify different teams around common objectives, and generate new revenue streams. For instance, we saw increased collaboration between CINF and Island Life Assurance, Emtel and the Real Estate cluster, Screenage and Anantara iko, and the continued convergence of the TMIT cluster's businesses. Looking ahead, our strength as a Group will also lie in how well we capture cost and revenue synergies.

These initiatives were made possible by our focus on four underlying principles:

- by nurturing a customer-focused, innovative and agile mindset, which I can say with reasonable confidence is firmly embedded within the organisation.
- by putting our people at the centre of our priorities. CJ is focused on creating an enabling and diverse work environment that supports our workforce's desire for flexibility, meaningful work, and opportunities to learn, grow and acquire new skills. These themes are central to our Human Capital strategy, as laid out on pages 46-47.
- by having in place a clearly articulated governance framework and rigorous risk management controls. The financial security and resilience we have achieved was not created overnight. It is a long-term and continuous journey to improve our ERM process, regularly review our investment portfolio mix and mobilise our workforce around a strong risk culture.
- by playing a constructive role in building a future-ready and inclusive Mauritius. It is time for us to govern ourselves in a way that respects planetary and social health as a precondition for our economic and human health. (More information in our E&S and CSR sections on pages 118-133.)

Improving our odds at positive disruption

From our origins as a family-run trading company, I am humbled when I reflect on our journey into a conglomerate with activities in various industries, each one satisfying a different need, each one holding its own. I credit our leading position to our innovative mindset and strategic foresight. Change has been constant across our operating markets, and experimenting and course-correcting have been the lifeblood of our business.

What we have witnessed at CJ since the pandemic is positive disruption on full display: the development of brand-new products and services; expansion into uncharted markets and industries; the emergence of new business models to realise efficiencies and cost savings, while unlocking new growth opportunities; above all, our team members making voluntary contributions to the Currimjee Covid-19 Relief Fund despite facing their own personal challenges. All of these are a strong expression of our strong values and culture.

Prospects for 2022 and acknowledgements

While it is heartening to see an increase in the desire to travel to Mauritius, uncertainty and instability will continue to dominate our landscape. The conflict in Russia-Ukraine, and trade wars between the US and China, will no doubt affect the global and local economy in the form of increases in the price of fuel and commodities, putting additional strain on livelihoods.

Despite this unfavourable context, several major projects at Emtel, Anantara iko and in our Real Estate business are scheduled for completion in 2022 and expected to yield positive results. We are confident in our long-term strategy, our internal risk controls, and the quality and relevance of our offerings in meeting emerging customer needs.

Now that we have shaken off the initial shock of Covid-19, we cannot ignore the lasting scars it has left on the country. We must be firm in redirecting our strategies away from the here-and-now, and towards the longer-term interests of all our stakeholders. Innovation must be put to the use of societal transformation and balanced economic systems.

As we look to the long-term sustainability of our business, our purpose remains as clear as ever. We are determined to achieve balanced growth and success such that we make those who passed the torch to us, and the generations that will take over, proud.

I would like to thank all our employees, customers, partners, suppliers and industry peers for their continued support and trust over the past year. I am certain that the lessons we have drawn from this crisis will make for richer and deeper relationships, and contribute to a more resilient Mauritius.

“ We are determined to achieve growth and success such that we make those who passed the torch to us, and the generations that will take over, proud. ”