

ECU WORLDWIDE (MAURITIUS) LTD

Financial statements

31 December 2021

ECU WORLDWIDE (MAURITIUS) LTD

Financial statements
For the year ended 31 December 2021

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ECU WORLDWIDE (MAURITIUS) LTD

Corporate data

		<i>Date of appointment</i>
Directors:	Hawanty Teeluck Mohamed Nazir Saleem Mohamedhusein	30 March 2015 13 July 2012
Company secretary:	HLB Corporate Services (Mauritius) Ltd 29bis, Mère Barthélemy Street 2nd Floor, Appavoo Business Centre Port Louis Republic of Mauritius	
Registered office:	MFD Business Centre Freeport Zone 7 Mer Rouge Port Louis Republic of Mauritius	
Auditor:	NJC ASSOCIATES 5 th Floor, Orbis Court St Jean Road Quatre Bornes Republic of Mauritius	
Bankers:	Bank of Baroda Sir William Newton Street Port Louis Republic of Mauritius. HSBC HSBC Centre 18, Cybercity Ebene Republic of Mauritius	

ECU WORLDWIDE (MAURITIUS) LTD

Directors' report

The directors are pleased to present the audited financial statements of ECU WORLDWIDE (MAURITIUS) LTD (the "Company") for the year ended 31 December 2021.

Principal activity

The principal activity of the Company is to move cargo through sea freight, air freight and local transport.

Results and dividend

The results for the year are shown on page 8.

No dividend has been declared and paid for the financial year ended 31 December 2021 (2020: Nil).

Directors

The following officers held office as directors of the Company as at 31 December 2021:

- Mr. Saleem Mohamed Nazir Mohamedhusein
- Mrs. Hawanty Teeluck

Statement of Directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company and the Company.

The directors are responsible for the preparation of financial statements which comply with the Mauritius Companies Act 2001. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue to operate.

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 estimates that are reasonable in the circumstances.

COVID-19 and the Ukraine-Russia conflict situation

The directors are reviewing and closely monitoring the COVID-19 and the Ukraine-Russia conflict situation, ensuring compliance and cooperation with the protocols and advise as and when issued by respective countries.

ECU WORLDWIDE (MAURITIUS) LTD

Directors' report (continued)

COVID-19 and the Ukraine-Russia conflict situation (continued)

The directors are reviewing as well the business operations and strategies and assessing the impact of these two global events on the Company. Accordingly, the Company has not been negatively impacted by the COVID-19 and the Ukraine-Russia conflict outbreak and therefore the directors has no reason to believe that the Company will not be a going concern in the year ahead.

The WHO declared the COVID-19 outbreak to be a pandemic on 11 March 2020. The identification of the virus post 31 December 2019 as a new coronavirus and its subsequent spread are considered as non-adjusting events after the reporting period.

Management has not been aware of any cases of COVID-19 infection among its people and the outbreak has not had a significant impact to the Company's operations to date. Management currently has an appropriate response plan in place. Management will continue to monitor and assess the ongoing development and respond accordingly.

The Board of Directors is also closely monitoring the evolution of this pandemic, including how it may affect the Company, the economy and the general population. Management has not yet determined the financial impact of these events.

As the situation is fluid and rapidly evolving, a definitive assessment on the extent of the impact on the Company's financial performance and liquidity in 2021 is not possible at current point of time. The directors will continue to closely monitor the situation and implement appropriate actions deemed necessary to maximize liquidity and ensure sustainability of the Company.

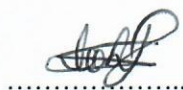
The Company has a strong financial health which is evidenced by high amount of cash held at 31 December 2021 amounting to Rs 12,125,099; realizable assets amounting to Rs 593,299 and receivables of Rs 9,201,416 while liabilities stood at Rs 18,346,304. Recurring annual expenses is around Rs 5 million and therefore the Company has sufficient cash and other assets to sustain it for the next 12 months comfortably. In addition, it is part of a group which could assist should there be an event/ circumstance or uncertainty which could arise due to the pandemic. Management will also review and revise budgets and cash flow on a continual basis depending on the evolution of the pandemic and its adverse impacts on the business activities of the Company.

The Board of Directors is of the view that the significant doubt associated with the current uncertainties related to the COVID-19 virus and the Ukraine-Russia conflict currently does not result in a material uncertainty related to such events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Auditors

The auditors, NJC ASSOCIATES, have indicated their willingness to continue in office and have already been re-appointed at the annual meeting.

By order of the Board



.....
Director

Date: 27TH JUNE 2022

ECU WORLDWIDE (MAURITIUS) LTD

Secretary's Certificate

for the year ended 31 December 2021

To the Members of ECU WORLDWIDE (MAURITIUS) LTD

In accordance with section 166 (d) of the Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Companies Act 2001.



HLB Corporate Services (Mauritius) Ltd
Company Secretary

Date: 27TH JUNE 2022

ECU WORLDWIDE (MAURITIUS) LTD**Statement of profit or loss and other comprehensive income**
for the year ended 31 December 2021

Appendix		2021 Rs	2020 Rs
Revenue	1	71,807,240	24,576,390
Cost of sales	2	(64,973,853)	(18,978,359)
Gross profit		6,833,387	5,598,031
Other income	3	165,226	177,526
Administrative expenses	4	(6,123,273)	(5,261,304)
Profit from operations		875,340	514,253
Net finance (costs)/income	5	(264,253)	22,844
Profit before taxation		611,087	537,097

ECU WORLDWIDE (MAURITIUS) LTD

Appendix

for the year ended 31 December 2021

1. Revenue

	2021 Rs	2020 Rs
Operating revenue – import	69,652,204	22,181,249
Operating revenue - export	2,155,036	2,395,141
	<u>71,807,240</u>	<u>24,576,390</u>

2. Cost of sales

	2021 Rs	2020 Rs
Operational costs – import	63,555,267	17,295,634
Operational costs - export	1,418,586	1,682,725
	<u>64,973,853</u>	<u>18,978,359</u>

3. Other income

	2021 Rs	2020 Rs
Proceeds from disposal of vehicles	-	5,357
Bad debts recovered	165,226	154,481
Sundry creditors written back	-	17,688
	<u>165,226</u>	<u>177,526</u>

ECU WORLDWIDE (MAURITIUS) LTD

Appendix

for the year ended 31 December 2021

4. Administrative expenses

	2021 Rs	2020 Rs
Salaries & wages	2,721,988	2,644,735
Employee benefits	159,317	47,285
Management fees	899,257	821,153
Rent	334,205	320,531
Motor vehicle running expenses	117,187	134,757
Overseas travelling	49,200	-
Communication costs	81,203	84,835
Other staff costs	79,322	73,158
Depreciation	260,355	260,973
Professional fees	628,811	181,020
Repairs and maintenance	59,989	13,940
Stationery, postage, printing & office supplies	81,619	82,876
Bank charges	45,002	85,886
Staff welfare & entertainments	2,845	49,396
License & permits	255,072	259,320
Marketing expenses	13,543	243
Insurance expenses	118,000	105,993
Subscriptions & memberships	18,604	10,590
Other receivables written off	136,140	-
Office expenses	49,479	50,512
Donations	6,175	12,700
Penalties	-	21,401
Sundries	5,960	-
	<u>6,123,273</u>	<u>5,261,304</u>

5. Net finance (costs)/ income

	2021 Rs	2020 Rs
Finance income		
Exchange gain	124,883	191,821
Interest income	-	-
	<u>124,883</u>	<u>191,821</u>
Finance expense		
Exchange loss	(389,136)	(168,977)
	<u>(389,136)</u>	<u>(168,977)</u>
Net finance(costs)/ income	<u>(264,253)</u>	<u>22,844</u>

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ECU WORLDWIDE (MAURITIUS) LTD

Report on the Audit of the Financial Statements

We have audited the financial statements of **ECU WORLDWIDE (MAURITIUS) LTD** (the "Company") on pages 8 to 47 which comprise the statement of financial position as at 31 December 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements on pages 8 to 47 give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of its operations and cash flows for the year ended 31 December 2021 in accordance with International Financial Reporting Standards and in compliance with the Mauritius Companies Act 2001.

Emphasis of matter

Material Uncertainty due to Outbreak of Coronavirus (COVID-19) and impact of Ukraine-Russia Conflict

Without qualifying our opinion, we draw attention to Note 21 to the financial statements that describes the material uncertainty related to the current outbreak of Coronavirus (COVID-19) and the Ukraine-Russia conflict and their potential adverse economic impact in Mauritius and markets in which the Company operates. We consider that appropriate disclosures have been made in this respect.

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 are independent of the Company in accordance with International Ethics Standards Board for Accountants (IESBA Code) *Code of Ethics for Professional Accountants*, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report and certificate from the secretary. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or 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.



INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ECU WORLDWIDE (MAURITIUS) LTD (CONTINUED)

Report on the Audit of the Financial Statements (continued)

Directors Responsibility for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ECU WORLDWIDE
(MAURITIUS) LTD (CONTINUED)**

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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.

Other Matter

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


Report on Other Legal and Regulatory Requirements

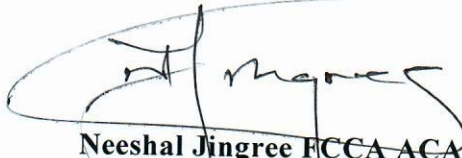
Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors and tax advisors.

We have obtained all information and explanations we have required.

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


NJC ASSOCIATES
Chartered Accountants
Quatre Bornes
Mauritius


Neeshal Jingree FCCA-ACA
Licensed by FRC

Date:

27 June 2022

ECU WORLDWIDE (MAURITIUS) LTD

Statement of profit or loss and other comprehensive income for the year ended 31 December 2021

	Note	2021 Rs	2020 Rs
Revenue	6	71,807,240	24,576,390
Cost of sales		(64,973,853)	(18,978,359)
Gross profit		6,833,387	5,598,031
Other income		165,226	177,526
Administrative expenses		(6,123,273)	(5,261,304)
Profit from operations		875,340	514,253
Net finance (costs)/income	8	(264,253)	22,844
Profit before taxation		611,087	537,097
Taxation	9	(104,859)	(222,026)
Profit for the year		506,228	315,071
Other comprehensive income		-	-
Total comprehensive income for the year		506,228	315,071

The notes on pages 12 to 47 form part of these financial statements.


ECU WORLDWIDE (MAURITIUS) LTD

Statement of financial position


As at 31 December 2021

	Note	2021 Rs	2020 Rs
ASSETS			
Non-current assets			
Plant and equipment	10	593,307	799,661
Net deferred tax assets	11	41,011	7,712
Total non-current assets		634,318	807,373
Current assets			
Trade and other receivables	12	9,201,416	1,717,499
Cash and cash equivalents	13	12,125,099	3,166,714
Total current assets		21,326,515	4,884,213
Total assets		21,960,833	5,691,586
EQUITY AND LIABILITIES			
Equity			
Share capital	14	675,000	675,000
Retained earnings		2,939,529	2,433,301
Total equity		3,614,529	3,108,301
Non-current liabilities			
Retirement benefit obligations	15	344,982	185,665
Current liabilities			
Trade and other payables	16	17,798,779	2,164,015
Income tax payable	9	202,543	233,065
Total current liabilities		18,001,322	2,397,620
Total liabilities		18,346,304	2,583,285
Total equity and liabilities		21,960,833	5,691,586

Approved by the Board on 27TH JUNE 2022



 Mrs. Hawanty TEELUCK
 Director



 Mr. Saleem Mohamed Nazir MOHAMEDHUSEIN
 Director

The notes on pages 12 to 47 form part of these financial statements.

ECU WORLDWIDE (MAURITIUS) LTD

Statement of changes in equity for the year ended 31 December 2021

	Share capital	Retained earnings	Total
	Rs	Rs	Rs
At 01 January 2020	675,000	2,118,230	2,793,230
Total comprehensive income for the year			
Profit for the year	-	315,071	315,071
Other comprehensive income	-	-	-
Total comprehensive income for the year		315,071	315,071
Balance at 31 December 2020	675,000	2,433,301	3,108,301
Total comprehensive income for the year			
Profit for the year	-	506,228	506,228
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	506,228	506,228
Balance at 31 December 2021	675,000	2,939,529	3,614,529

The notes on pages 12 to 47 form part of these financial statements.

ECU WORLDWIDE (MAURITIUS) LTD

Statement of cash flows

for the year ended 31 December 2021

	2021 Rs	2020 Rs
Cash flows from operating activities		
Profit before taxation	611,087	537,097
<i>Adjustments for:</i>		
Depreciation	260,355	260,973
Write offs	(136,140)	-
Payables write back	-	(17,688)
Bad debts recovered	(165,226)	(154,481)
Gain on disposal of plant and equipment	-	(5,357)
Movement in retirement benefit obligations	159,317	47,285
	<hr/>	<hr/>
Change in trade and other receivables	729,393	667,829
Change in trade and other payables	(7,182,552)	1,945,115
	<hr/>	<hr/>
Cash used from operations	9,181,605	1,775,094
Income tax paid	(169,220)	(80,036)
	<hr/>	<hr/>
Net cash from operating activities	9,012,385	1,695,058
	<hr/>	<hr/>
Cash flows from investing activities		
Proceeds from disposal of plant and equipment	-	41,351
Acquisition of plant and equipment	(54,000)	(112,519)
	<hr/>	<hr/>
Net cash used in investing activities	(54,000)	(71,168)
	<hr/>	<hr/>
Net change in cash and cash equivalents	8,958,385	1,623,890
Cash and cash equivalents at 1 January	3,166,714	1,542,824
	<hr/>	<hr/>
Cash and cash equivalents at 31 December (note 13)	12,125,099	3,166,714
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The notes on pages 12 to 47 form part of these financial statements.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements *for the year ended 31 December 2021*

1. General information

The Company is a private limited company, incorporated and domiciled in Mauritius. The address of the registered office is MFD Business Centre, Freeport Zone 7, Mer Rouge, Port Louis. The main activity of the Company is to move cargo through sea freight, air freight and local transport.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis except that financial assets and financial liabilities are fair valued.

(c) Functional and presentation currency

The financial statements are presented in Mauritian Rupees (Rs) which is the Company's functional and presentation currency.

(d) Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 9 – Income tax expense
- Note 10 – Plant and equipment
- Note 15 – Retirement benefit obligations

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising there on are dependent on the functional currency selected. As described in 2(c), the directors have considered those factors therein and have determined that the functional currency of the company is Mauritian Rupees (Rs).

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

2. Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

Calculation of loss allowance

When measuring expected credit losses, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Useful lives and residual values of property, plant and equipment

The useful lives and residual values of property, plant and equipment are based on management's judgment of the historical pattern of useful lives and the general standards in the industry. As described in Note 3, the useful lives and residual values are reviewed for reasonableness by management on an annual basis.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

2. Basis of preparation (continued)

(d) Use of the estimates and judgement (continued)

Going concern – Impact of COVID -19 and Ukraine-Russia conflict

The financial statements have been prepared on a going concern which assumes the continuity of normal business activities and the realisation of asset and the settlement of liabilities in the ordinary course of business.

In determining that the financial statement is appropriately prepared on a going concern basis, the directors have considered the following:

The directors are satisfied that the Company has adequate resources to continue operational existence for the foreseeable future.

The outbreak of COVID-19 and the Ukraine-Russia conflict and the subsequent quarantine measures imposed by the Mauritian and other governments as well as the travel and trade restrictions imposed by all major countries in early 2020 have caused disruptions to business and economic activity. However, the Company has taken all the necessary measures to limit the impact of COVID-19 and the impact of the Ukraine-Russia conflict on the Company.

As both events remain fluid (due to evolving changes in government policy and evolving business and customer reactions thereto) as at the date, the directors of the Company have considered that the ongoing financial effects of COVID-19 and Ukraine-Russia conflict on the Company's financial statements cannot be reasonably estimated for future financial periods.

As at the date of signing of the financial statements, the directors have considered these factors and the post balance sheet date events, and consider the going concern basis to be appropriate for the Company.

The Company's directors have made an assessment of the ability of the Company to continue as going concern and are satisfied that the Company have the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the ability of the Company to continue as going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

(a) Revenue

Revenue from the sale of services in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, value-added tax, trade discounts and volume rebates.

The Company recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefit will flow to the entity and specific criteria have been met for each of the entity's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer and the consideration agreed is expected to be received. Control is generally deemed to be transferred upon delivery of the components in accordance with the agreed delivery plan.

- *Container Shipping*

Freight revenues and costs directly attributable to the transport of containers are recognized as of the ETA/ETD (Expected Time of Arrival/Expected Time of Departure) of the vessel.

- *Other activities*

For other activities, revenue is recognized when the services have been rendered or when the goods have been delivered.

(b) Finance income and finance expense

Finance income comprises gains on foreign exchange. Interest income is recognised as it accrues in the statement of comprehensive income, using the effective interest method.

Finance costs comprise interest expense and losses on foreign exchange and are recognised in the statement of comprehensive income.

Foreign currency gains and losses are reported on a net basis.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements *for the year ended 31 December 2021*

3. Significant accounting policies

(c) Income tax expense

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(d) Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in statement of profit or loss.

(e) Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (Continued)

(e) Financial instruments (continued)

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (Continued)

(e) Financial instruments (continued)

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

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include trade receivables (not subject to provisional pricing), other receivables and receivables from joint arrangements. Refer below to 'Financial assets at fair value through profit or loss' for a discussion of trade receivables (subject to provisional pricing).

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate (EIR). The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(e) Financial instruments (continued)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables (not subject to provisional pricing) and other receivables due in less than 12 months, the Company applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(e) Financial instruments (continued)

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

This category generally applies to interest-bearing loans and borrowings and trade and other payables.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss and other comprehensive income.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (Continued)

(f) Plant and equipment (continued)

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in statement of profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit or loss as incurred.

Gains and losses on disposal of plant and equipment are determined by reference to their written down value and are included in determining operating profit.

(iii) Depreciation

Depreciation is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Furniture and fittings	-	10 years
Motor vehicles	-	5 years
Office equipment	-	4 -5 years
Computer and electronic equipment	-	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (Continued)

(g) Retirement benefits obligation

Severance allowance on retirement

The net present value of severance allowances payable under the Labour Act is computed and provided for up to 31 December 2019. The obligations arising under this item are not funded.

Portable Retirement Gratuity Fund ("PRGF")

In line with the Workers' Rights Act 2019, the Company is required to make monthly contributions to the Portable Retirement Gratuity Fund ("PRGF") for all employees in employment effective as from 01 January 2020.

State plan

Contributions to the CSG (Contribution Sociale Generalisée) scheme are expensed to the statement of comprehensive income in the period in which they fall due.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments. Cash and cash equivalents also include bank overdrafts which are shown in current liabilities on the statement of financial position.

(j) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(k) Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly to control the company or exercise significant influence over the Company in governing the financial and operating policies, or vice versa, or where the Company are subject to common control or common significant influence. Related parties may be individuals or other entities.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (Continued)

(l) Leases

Operating leases

Leases in which a significant portion of the risks and the rewards are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

(m) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash flows from continuing use that are largely dependent of the cash inflows of other assets or group of assets (the "cash generating unit"). The goodwill acquired in a business combination, for purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the profit or loss. Impairment recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

(n) Dividend distributions

Dividend distributions to the Company's shareholders are recognized in the Company's financial statements in the year in which the dividends are declared.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(o) New standards and amendments to IFRSs that are mandatorily effective for the current year

The following new and revised IFRSs have been adopted in these financial statements. The nature and effect of the application of these new and revised IFRSs and the International Financial Reporting Interpretations Committee ("IFRIC") has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

<u>Standard</u>	<u>Summary of requirements</u>
Covid-19-Related Rent Concessions (Amendment to IFRS 16)	<p>Effective 1 June 2020, IFRS 16 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:</p> <p>(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;</p> <p>(b) The reduction in lease payments affects only payments originally due on or before 30 June 2021; and</p> <p>(c) There is no substantive change to other terms and conditions of the lease.</p> <p>Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessees apply other requirements in IFRS 16 in accounting for the concession.</p> <p>This standard is not applicable to the Company.</p>
Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	<p>The amendments in <i>Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)</i> introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.</p> <p>This standard is not applicable to the Company.</p>

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

- (p) *New standards, amendments and interpretations issued but not effective as at 31 December 2021 and not adopted in advance of the effective date*

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2021 and which have not been adopted in these financial statements.

The Company is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application and these statements, where applicable, will be applied in the year when they are effective.

<u>Standard</u>	<u>Summary of amendments</u>	<u>Annual periods beginning on or after</u>
IFRS 17 Insurance Contracts	<p>IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.</p> <p>IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.</p> <p>The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.</p> <p>In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.</p>	1 January 2023

ECU WORLDWIDE (MAURITIUS) LTD**Notes to and forming part of the financial statements**
*for the year ended 31 December 2021***3. Significant accounting policies (continued)**

(p) New standards, amendments and interpretations issued but not effective as at 31 December 2021 and not adopted in advance of the effective date (continued)

<u>Standard</u>	<u>Summary of amendments</u>	<u>Annual periods beginning on or aft</u>
IFRS 17 Insurance Contracts (cont'd)	IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied. For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.	1 January 2023
IAS 1 Presentation of Financial Statements	<p>Classification of Liabilities as Current or Non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.</p> <p>The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.</p>	1 January 2023
Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)	The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.	01 January 2022

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(p) *New standards, amendments and interpretations issued but not effective as at 31 December 2021 and not adopted in advance of the effective date (continued)*

<u>Standard</u>	<u>Summary of amendments</u>	<u>Annual periods beginning on or after</u>
Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)	The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).	01 January 2022
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.	01 January 2023
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.	01 January 2023

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(p) *New standards, amendments and interpretations issued but not effective as at 31 December 2021 and not adopted in advance of the effective date (continued)*

<u>Standard</u>	<u>Summary of amendments</u>	<u>Annual periods beginning on or after</u>
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	<p>The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.</p> <p>The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.</p>	01 January 2023
Amendments to IFRS 3 Business Combinations—Reference to the Conceptual Framework	<p>The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.</p>	01 January 2022

Notes to and forming part of the financial statements
for the year ended 31 December 2021

(p) *New standards, amendments and interpretations issued but not effective as at 31 December 2021 and not adopted in advance of the effective date (continued)*

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ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements

for the year ended 31 December 2021

3. Significant accounting policies (continued)

(p) *New standards, amendments and interpretations issued but not effective as at 31 December 2021 and not adopted in advance of the effective date (continued)*

<u>Standard</u>	<u>Summary of amendments</u>	<u>Annual periods beginning on or after</u>
Annual Improvements to IFRS Standards 2018-2020— Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture (Cont'd)	<p><i>IFRS 16 Leases</i></p> <p>The amendment removes the illustration of the reimbursement of leasehold improvements.</p> <p><i>IAS 41 Agriculture</i></p> <p>The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.</p>	<p>As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.</p> <p>01 January 2022</p> <p>01 January 2023</p>
Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction	<p>The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.</p> <p>Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit.</p>	

ECU WORLDWIDE (MAURITIUS) LTD**Notes to and forming part of the financial statements**
*for the year ended 31 December 2021***3. Significant accounting policies (continued)**

(p) New standards, amendments and interpretations issued but not effective as at 31 December 2021 and not adopted in advance of the effective date (continued)

<u>Standard</u>	<u>Summary of amendments</u>	<u>Annual periods beginning on or after</u>
Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Cont'd)	<p>For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.</p> <p>Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.</p> <p>The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.</p> <p>The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:</p> <ul style="list-style-type: none">• A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with: – Right-of-use assets and lease liabilities – Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset• The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date	01 January 2023

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

4 Critical accounting judgments and key sources of estimation uncertainty

While applying the accounting policies as stated in Note 3, management of the Company has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgments and estimate made by management are summarised as follows:

Trade and other receivables

Management has estimated the recoverability of trade and other receivables and has considered the allowance required for doubtful receivables (Expected Credit Losses "ECL") on the basis of prior experience and the current economic environment. After consideration on a case by case basis of the facts concerning the recoverability of each contract receivable, management believes that the expected credit losses for trade receivables at 31 December 2021 is MUR Nil (2020: MUR Nil) is sufficient to cover for any possible shortfall as at reporting date.

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Useful lives and residual values of plant and equipment

The useful lives and residual values of the plant and equipment are based on management's judgement of the historical pattern of useful lives and the general standards in the industry. Management has reviewed the residual values and the estimated useful lives of property, plant and equipment in accordance with IAS 16 *Property, Plant and Equipment* and has determined that these expectations do not significantly differ from previous estimates.

Income tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

5. Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and cash and cash equivalents.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, when available, and in some cases bank references.

Cash and cash equivalents

The bank balances are held with banks, which are of good repute.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

5. Financial risk management (continued)

Credit risk (continued)

Exposure to credit risk (continued)

	Carrying Amount	
	2021	2020
	Rs	Rs
Cash and cash equivalents	12,125,099	3,166,714
Trade and other receivables	9,013,016	1,519,193

Expected credit losses

The lifetime expected loss provision for amount owing from trade receivables is as follows:

31 December 2021

	Current Rs	More than 30 days past due Rs	More than 60 days past due Rs	More than 120 days past due Rs	More than 180 days past due Rs	More than 365 days past due Rs	Total Rs
Expected loss rate	0%	0%	10%	10%	50%	100%	
Gross carrying amount	5,030,400	3,982,672	583	583	(29,352)	86,644	9,071,530
Trade receivables not subject to loss provision	-	-	-	-	-	-	-
Loss provision	-	-	58	58	14,676	57,234	72,026

31 December 2020

	Current Rs	More than 30 days past due Rs	More than 60 days past due Rs	More than 120 days past due Rs	More than 180 days past due Rs	More than 365 days past due Rs	Total Rs
Expected loss rate	0%	0%	10%	10%	50%	100%	
Gross carrying amount	1,286,596	79,616	81,221	14,820	(582)	235,228	1,696,899
Trade receivables not subject to loss provision	-	-	(72,890)	-	-	-	(72,890)
Loss provision	-	-	833	1,482	(291)	235,228	237,252

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

5. Financial risk management (continued)

Credit risk (continued)

Exposure to credit risk (continued)

The Company has not recognised any allowance for lifetime expected credit losses (ECLs) on its trade receivables for the year ended 31 December 2021 (2020: Rs nil). The ECL as at 31 December 2021 stood at **Rs 72,026** (2020: Rs 237,252). Losses recovered during the year amounted to **Rs 165,226** (2019: Rs 364,148). The Company uses the simplified approach to compute the ECL. The rationale for using the simplified approach was the insignificant financing component embedded within the trade receivables balance

When determining the relevant loss rates (i.e. provision matrix tool) for each trade receivables balances, the Company has considered all reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking macro-economic information.

Cash and cash equivalents

The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. ECL allowance is not material and therefore not recognised.

Other receivables

Other receivables are very short term in nature. Although the Company does not expect to demand repayment of the amount receivable in the near term, the maximum period over which it measures ECLs is close to nil. In measuring ECLs, the Company considers qualitative indicators of default (in addition to actual failure to pay).

Since the amount of ECL allowance on other receivable is not material, therefore not recognised.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

5. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual, undiscounted maturities of non-derivative financial liabilities excluding the impact of netting agreements.

At 31 December 2021

Non derivative financial liabilities	Carrying amount Rs	Contractual cash flows Rs	Less than one year Rs	2 – 5 years Rs	More than 5 years Rs
Trade and other payables	17,688,256	17,688,256	17,68,256	-	-

At 31 December 2020

Non derivative financial liabilities	Carrying amount Rs	Contractual cash flows Rs	Less than one year Rs	2 – 5 years Rs	More than 5 years Rs
Trade and other payables	1,997,205	1,997,205	1,997,205	-	-

It is not expected that the cash flows included in the maturity analysis could change significantly earlier, or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control risk exposures within acceptable parameters, while optimizing the return.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

5. Financial risk management (continued)

Market risk (continued)

Currency risk

The currency profile of the Company's financial assets and liabilities is summarized as follows:

	Financial Assets 2021 Rs	Financial liabilities 2021 Rs	Financial Assets 2020 Rs	Financial liabilities 2020 Rs
Mauritian Rupee	20,317,078	16,514,477	4,208,321	974,433
USD	821,001	1,173,779	477,586	1,022,772
	<u>21,138,079</u>	<u>17,688,256</u>	<u>4,685,907</u>	<u>1,997,205</u>

Sensitivity analysis

At 31 December 2021, if exchange rate has strengthened by 5% against the following currencies the result would be as shown below. The analysis assumes that all other variables, in particular interest rates, remain constant

	Increase/(decrease) in foreign exchange rates 2021 Rs	Increase/(decrease) in profit after tax 2021 Rs	Increase/(decrease) in foreign exchange rates 2020 Rs	Increase/(decrease) In profit after tax 2020 Rs
USD	+5%	14,993	+5%	10,381
	-5%	(14,993)	-5%	(10,381)

Price risk

The Company is not exposed to equity price risk.

Interest rate risk

The Company is not exposed to interest rate risk.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

5. Financial risk management (continued)

Fair values

The fair values of financial assets and liabilities, together with their carrying amounts shown in the statement of financial position are as follows.

	Carrying values 2021 Rs	Fair values 2021 Rs	Carrying values 2020 Rs	Fair Values 2020 Rs
Trade and other receivables	9,013,016	9,013,016	1,519,193	1,519,193
Cash and cash equivalents	12,125,100	12,125,100	3,166,714	3,166,714
Trade and other payables	(17,688,256)	(17,688,256)	(1,997,205)	(1,997,205)

Financial instrument by category

31 December 2021

	Amortised cost Rs	Total Rs
Financial assets		
Trade and other receivables	9,012,980	9,012,980
Cash and cash equivalents	12,125,099	12,125,099
	<u>21,138,079</u>	<u>21,138,079</u>

	Amortised cost Rs	Total Rs
Financial liabilities		
Trade and other payables	17,688,256	17,688,256
	<u>17,688,256</u>	<u>17,688,256</u>

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

5. Financial risk management (continued)

Financial instrument by category (continued)

31 December 2020

	Amortised cost Rs	Total Rs
Financial assets		
Trade and other receivables	1,519,193	1,519,193
Cash and cash equivalents	3,166,714	3,166,714
	<u>4,685,907</u>	<u>4,685,907</u>

	Amortised cost Rs	Total Rs
Financial liabilities		
Trade and other payables	1,997,205	1,997,205
	<u>1,997,205</u>	<u>1,997,205</u>

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of gearing ratio. The capital structure of the Company consists of stated capital and retained earnings.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

There were no changes in the Company's approach to capital management during the year. At year end, the Company had no capital risk as it was not exposed to external borrowings.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

6. Revenue

Revenue for the Company consists of amounts invoiced net of trade discounts, allowances, value added tax and adjustments.

7. Personnel expenses

	2021 Rs	2020 Rs
Wages and salaries	<u>2,721,988</u>	<u>2,644,735</u>
The number of persons employed at the end of the year was:	<u>6</u>	<u>6</u>

8. Net finance (costs)/income

	2021 Rs	2020 Rs
Finance income		
Exchange gain	124,883	191,821
Interest income	-	-
	<u>124,883</u>	<u>191,821</u>
Finance expense		
Exchange loss	(389,136)	(168,977)
	<u>(389,136)</u>	<u>(168,977)</u>
Net finance income/(costs)	<u>(264,253)</u>	<u>22,844</u>

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

9. Taxation

The Company is subject to income tax in Mauritius at the rate of 15%.

	2021 Rs	2020 Rs
<i>Income tax expense</i>		
Current tax	127,223	82,016
Deferred tax movement for the year (note 11)	(33,300)	(11,579)
Corporate Social Responsibility	10,935	5,189
	<hr/>	<hr/>
Tax charge in the statement of profit or loss	104,859	75,626
	<hr/>	<hr/>
<i>Reconciliation of effective taxation</i>		
Profit before taxation	611,087	537,097
	<hr/>	<hr/>
Income tax at 15%	91,663	80,564
Non-deductible expenses	89,995	59,284
Non-taxable income	(24,784)	(23,976)
Corporate Social Responsibility	10,935	5,189
COVID-19 levy	-	146,400
Annual allowance	(29,651)	(33,856)
Deferred tax movements	(33,300)	(11,579)
	<hr/>	<hr/>
Tax charge,	104,859	222,026
	<hr/>	<hr/>
<i>Current tax liability</i>		
At 01 January	233,605	80,036
Current tax expense	127,223	82,016
Paid during the year	(169,220)	(80,036)
Corporate social responsibility	10,935	5,189
COVID-19 levy	-	146,400
	<hr/>	<hr/>
At 31 December	202,543	233,605
	<hr/>	<hr/>

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

10. Plant and equipment

	Computers & electronic equipments	Furniture & fittings	Motor vehicles	Office equipment	Total
	Rs	Rs	Rs	Rs	Rs
<i>Cost</i>					
At 01 January 2021	317,930	139,386	1,127,010	24,655	1,608,981
Additions	54,000	-	-	-	54,000
At 31 December 2021	371,930	139,386	1,127,010	24,655	1,662,981
<i>Depreciation</i>					
At 01 January 2021	274,810	136,703	373,150	24,655	809,319
Charge for the year	34,489	464	225,402	-	260,355
At 31 December 2021	309,299	137,167	598,552	24,655	1,069,675
<i>Net book value</i>					
At 31 December 2021	62,631	2,218	528,458	-	593,307
At 31 December 2020	43,120	2,682	753,860	-	799,661

11. Net deferred tax (assets)/liabilities

	2021 Rs	2020 Rs
At 01 Jan	(7,712)	3,867
Movement during the year recognized in the statement of profit or loss (note 8)	(33,300)	(11,579)
At 31 December	(41,011)	(7,712)
<i>Deferred tax liabilities/(assets) are attributable to:</i>		
Accelerated capital allowances on plant and equipment	10,736	20,138
Retirements benefits obligation	(51,747)	(27,850)
	(41,011)	(7,712)

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

12. Trade and other receivables

	2021 Rs	2020 Rs
Trade receivables	8,934,270	1,549,985
Trade receivables from related parties (note 17)	137,260	146,914
<i>Expected credit losses</i>		
At beginning	(237,252)	(391,733)
Losses recovered and reversed during the year	165,226	154,481
	<u>(72,026)</u>	<u>(237,252)</u>
Net trade receivables	8,999,504	1,459,647
Other receivables	13,476	59,546
Prepayments and deposits	188,436	198,306
	<u>9,201,416</u>	<u>1,717,499</u>

Trade and other receivables are unsecured, interest free with no fixed repayment terms and repayable at call. The Company does not hold any collateral as security. The carrying amounts of trade receivables, other receivables and amount due from related parties approximate their fair values.

13. Cash and cash equivalents

	2021 Rs	2020 Rs
Cash in hand	13,528	4,444
Cash at bank	12,111,571	3,162,270
	<u>12,125,099</u>	<u>3,166,714</u>
Cash and cash equivalents in the statement of cash flows	<u>12,125,099</u>	<u>3,166,714</u>

14. Share capital

	2021 Rs	2020 Rs
<i>Authorised, issued and fully paid</i>		
675 ordinary shares of Rs 1,000 each	675,000	675,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at shareholders meetings of the Company.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

15. Retirement benefits obligations

	2021 Rs	2020 Rs
At 01 January	185,665	138,380
Movement for the year recognized in the statement of profit or loss	173,143	47,285
At 31 December	<u>344,982</u>	<u>185,665</u>
Retirement benefits obligations calculation is made up of		
	2021 Rs	2020 Rs
Severance allowance*	185,665	185,665
Portable Retirement Gratuity Fund ("PRGF")**	205,901	-
At 31 December	<u>344,982</u>	<u>185,665</u>

* This allowance is based on a total contribution equivalent to 15 days' final remuneration per year of employment from the date the employee started employment with the Company. This benefits is applicable till 31 December 2019.

** In line with the Workers' Rights Act 2019, the Company is required to make monthly contributions to the Portable Retirement Gratuity Fund ("PRGF") for all employees in employment effective as from 01 January 2020.

16. Trade and other payables

	2021 Rs	2020 Rs
Trade payables to related parties (note 17)	12,597,487	1,707,147
VAT payable	110,523	166,810
Other payables and accruals	5,090,769	290,058
	<u>17,798,779</u>	<u>2,164,015</u>

The carrying amounts of trade and other payables approximate their fair values.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements
for the year ended 31 December 2021

17. Related party transactions

Related parties	Nature of relationship	Related party transactions	Value of transaction for the year ended 31 December 2021 Rs	Value of transaction for the year ended 31 December 2020 Rs	Debit / (credit) at 31 December 2021 Rs	Debit / (credit) at 31 December 2020 Rs
Key management personnel	Managing Director	Salaries and short-term benefits	1,113,120	1,038,242	-	-
ECU International Far East Ltd	Related company	Management fees	899,257	821,153	-	-
Ecu-Line Belgium*	Related Company	Sale of Services	71,807,240	24,576,390	137,260	146,914
		Purchase of services	64,973,853	18,978,359	(12,597,487)	(1,707,147)

The above transactions were carried out on normal commercial terms and in the normal course of business. There have been no guarantees provided or received for any related party receivables or payables. Outstanding balances at year end are unsecured, interest free and settlement occurs in cash.

* Ecu-Line Belgium is the office responsible for collecting all receivables and payables of ocean and air freights and paying them to the various Ecu-Line offices worldwide.

Ecu-Line Mauritius remits the net amount due to the various Ecu-Line offices with whom it has traded during the year to Ecu-Line Belgium who will individually settle same to the various Ecu-Line offices.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements for the year ended 31 December 2021

18. Operating lease

(i) Leases as lessee –Office

The Company leases its office premises under non-cancellable operating lease agreements with the Mauritius Freeport Development Company Limited at the MFD Business Centre in Port Louis. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payments under non-cancellable operating leases are as follows:

	2021 Rs	2020 Rs
Minimum lease payments under operating lease recognized as an expense in the year	334,205	312,731
<i>Operating lease commitments</i>		
Within one year	350,915	328,367
Between one and two years	-	-
	350,915	328,367

The above lease typically runs for an initial period of one year, with an option to renew the lease after that date. It contains no contingent rentals.

19. Holding company and ultimate holding company

The immediate holding Company is ECUHOLD N.V, a Company registered and incorporated at Schouwkesstraat, 1, 2030 Antwerpen, Belgium. The ultimate holding company is Allcargo Global Logistics Ltd, a Company registered and incorporated in Mumbai, India.

20. Contingencies

	2021 Rs	2020 Rs
<i>Contingent liabilities</i>		
Bank guarantees in favour of the Mauritius Revenue Authority	1,000,000	1,000,000

The directors have confirmed that the above guarantees have arisen in the ordinary course of business from which it is anticipated that no material liabilities would arise.

ECU WORLDWIDE (MAURITIUS) LTD

Notes to and forming part of the financial statements *for the year ended 31 December 2021*

21. Events after reporting date

Impact of COVID -19

The Coronavirus disease 2019 ("COVID-19") outbreak has caused extensive disruptions to businesses operation around the globe. On 11 March 2020, COVID-19 was labelled as pandemic by the World Health Organisation. The directors are of the opinion that it is difficult to predict the overall outcome and impact of COVID-19 on the financial statements at this stage and considers this outbreak to be a non-adjusting event after the reporting period. As the situation is fluid and rapidly evolving, the Directors do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company.

At this stage, the impact on the Company's business and results has not been significant and based on its experience to date the board of directors expect this to remain the case. As the Company operate in the maritime and freight sector, it has found a consistent order book and expect this to continue. The Company will continue to follow the various government policies and advice and, in parallel, it will continue its operations in the same safe manner so as not to jeopardize the health of its people. At this stage, no uncertainty about the entity's ability to continue as a going concern exists, bearing in mind the note regarding the impact of COVID-19 on liquidity. This is considered a non-adjusting event after the reporting date.

The Company has the resources to continue its activities for the foreseeable future and, accordingly, the financial statements have been prepared on a going concern basis.

Impact of Ukraine-Russia Conflict

The Russian Federation's invasion of Ukraine started on 24 February and the subsequent global response to those military actions had various significant financial effects on entities around the world.

The Directors of the Company made an assessment of the prevailing situation and are of the opinion that the Company is and will not be impacted by the war in Ukraine in the foreseeable future and, accordingly, the financial statements have been prepared on a going concern basis.

The Directors will follow the situation closely and report on the impacts on the Company regularly.

There have been no other significant events after the statement of financial position date which in the opinion of the board of directors requires disclosure in the financial statement