

An aerial photograph of a teal-colored floor with a white grid pattern of concentric circles and radial lines. Numerous small figures of people are scattered across the floor, walking in various directions. The overall scene suggests a large-scale performance or a busy environment.

Performance

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Group Chief Finance Officer's Report

IBL Ltd is a diversified group with many companies operating in a wide spectrum of industries and geographies. In preparing the financial statements for FY2020, the group has had to assess the implications of Covid-19, and to a lesser extent the EU Blacklisting, on each of its businesses and across its investment portfolio.

Whilst the immediate and long term impacts of Covid-19 are uncertain and not uniform across the board, even more than in previous years, it was critical to adopt a consistent approach, judgement, assumptions and process across the group to ensure that the financial statements are coherent.

RISK AND RECOVERY SCENARIOS

In the second half of the financial year, once it was obvious that Covid-19 was spreading and was going to affect many of our markets, it was clear that we would need to closely monitor the various industries and countries that we operate in to ascertain how they would respond to various scenarios of lockdown and recovery, travel restrictions and so on.

The table that follows was derived following both internal and external consultation and underpins the assumptions we have used in our valuation models which drive our valuations of goodwill, investments and properties, as well as IFRS 9 on "expected credit losses" and going concern assessments.

Industry sector	Risk level	IBL's view of potential recovery scenarios
<ul style="list-style-type: none"> · Hospitality – Hotels, Tourism & Associated Services · Property – Sales, Development, Contracting and Supplies · Logistics – Aviation 	High	<p>U-Shape</p> <p>Businesses are projected to face significant slowdowns and challenges for as long as the pandemic lasts on a global scale and a remedy for Covid-19 has not been found.</p>
<ul style="list-style-type: none"> · Financial Services – Banking, Insurance and Global Business · Property – Rental 	Medium	<p>W-Shape</p> <p>Businesses or certain product lines expected to experience a bumpy ride in the medium term (e.g. resulting from default on loans or other challenges and uncertainties) until a new baseline is found.</p>
<ul style="list-style-type: none"> · Agro · Energy · Wholesale consumer goods · Healthcare · Logistics – Warehousing, Shipping & Transport · Life Sciences · Technology · Seafood 	Low	<p>V-Shape</p> <p>Business expected to resume relatively rapidly, albeit some could face doing business under new baseline conditions, e.g. rising import costs, reduced consumer disposable income.</p>

Group Chief Finance Officer's Report

IBL GROUP – PERFORMANCE SUMMARY FOR FY2020

Summary of the published results of the group

	Year Ended	
	30.06.2020 Rs'000	30.06.2019 Restated Rs'000
Revenue	36,809,312	39,050,468
Profit from operations	452,814	2,211,315
Share of results of associates and joint ventures	568,435	441,306
Impairment of goodwill and investments	(1,049,375)	(171,672)
Other gains and losses	(26,749)	169,900
Net finance costs	(1,212,593)	(889,197)
(Loss)/Profit before taxation	(1,267,468)	1,761,652
Taxation	(136,560)	(427,748)
(Loss)/Profit for the period from continuing operations	(1,404,028)	1,333,904
Discontinued operations		
Loss for the year from discontinued operations	(22,124)	(32,061)
(Loss)/Profit for the year	(1,426,152)	1,301,843
Other comprehensive income/(loss) for the year	318,455	(472,728)
Total comprehensive (loss)/income for the year	(1,107,697)	829,115

IBL's markets operated under reasonably normal business circumstances for the first eight and a half months of the year until the Covid-19-triggered lockdown in mid-March. However, there were earlier signs that a global pandemic was on the cards. We reported this concern in our half-year profit announcement in February 2020 and started planning for the worst.

Inevitably, the group's operations and its results were severely impacted as the pandemic spread across the planet in the second half of the financial year. Covid-19 has affected markets across our supply chain, greatly affected our clients and our suppliers.

Our hardest-hit sectors are Hospitality, Building and Engineering, Property and Logistics, which could take longer to recover to pre-Covid-19 levels of activity.

Furthermore, the group's credit loss exposure has increased due to clients operating in higher-risk industries. This has resulted in increased IFRS9 provisions compared to pre Covid-19 periods.

We have written down the value of some investments as well as goodwill relating to the hospitality sector on our group balance sheet.

Finally, the adoption of IFRS 16 in the current financial year has led to a recognition of "right of use" on leased assets, thereby increasing total assets and lease liabilities on the balance sheet. IFRS 16 has triggered a corresponding higher annual finance cost which in turn is affecting the group's results.

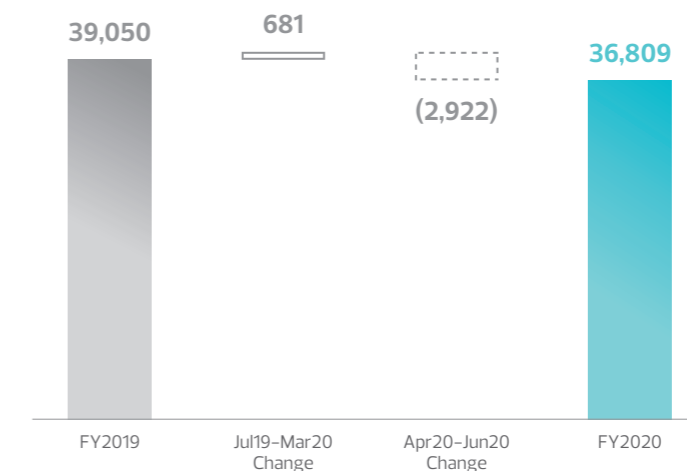
As a result of the above, the group's revenues declined by 6% to Rs 36.8 billion for the full financial year (FY2019: Rs 39.1 billion). This drop compares unfavourably to the 5% upward trend we were experiencing in the first half of the financial year, implying that Covid-19 has adversely affected our annual top-line by approximately 11% over the two financial years.

Profit from operations amounted to Rs 453 million (FY2019: Rs 2,211 million) but the group reported a loss before tax of Rs 1,267 million (FY2019: profit before taxation of Rs 1,762 million). The group's underlying profit/(loss) – defined as profit/loss before tax adjusted for impairment of goodwill and investments, other gains and losses and the impact of IFRS16, a new accounting standard this year – reported a loss of Rs 70 million (FY2019: profit of Rs 1,764 million).

An overview of the group's performance is shown below:

GROUP REVENUE: MOVEMENT YEAR ON YEAR

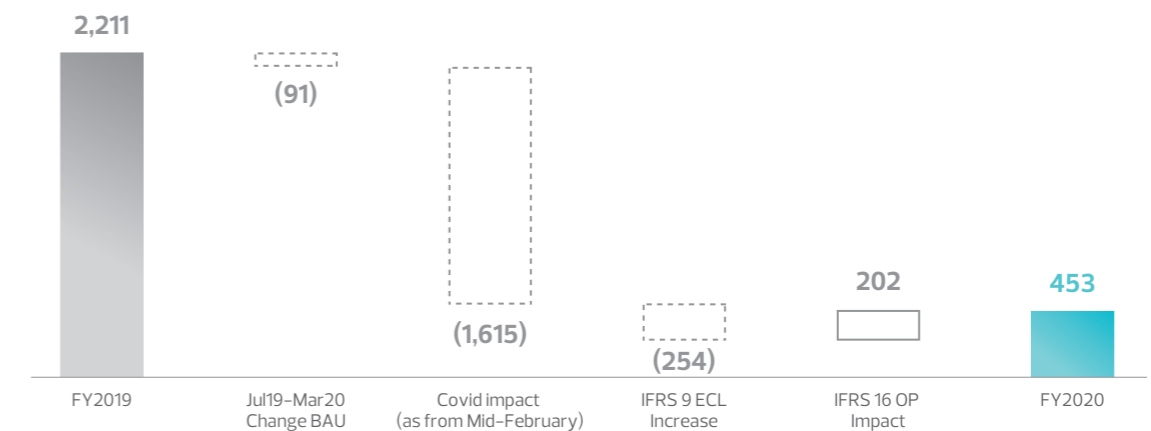
Figures in Rs Millions



Group revenue had been increasing steadily until Covid-19 hit in the last quarter of this year, resulting in an overall decline for the year of 6%.

GROUP PROFIT FROM OPERATIONS: MOVEMENT YEAR ON YEAR

Figures in Rs Millions

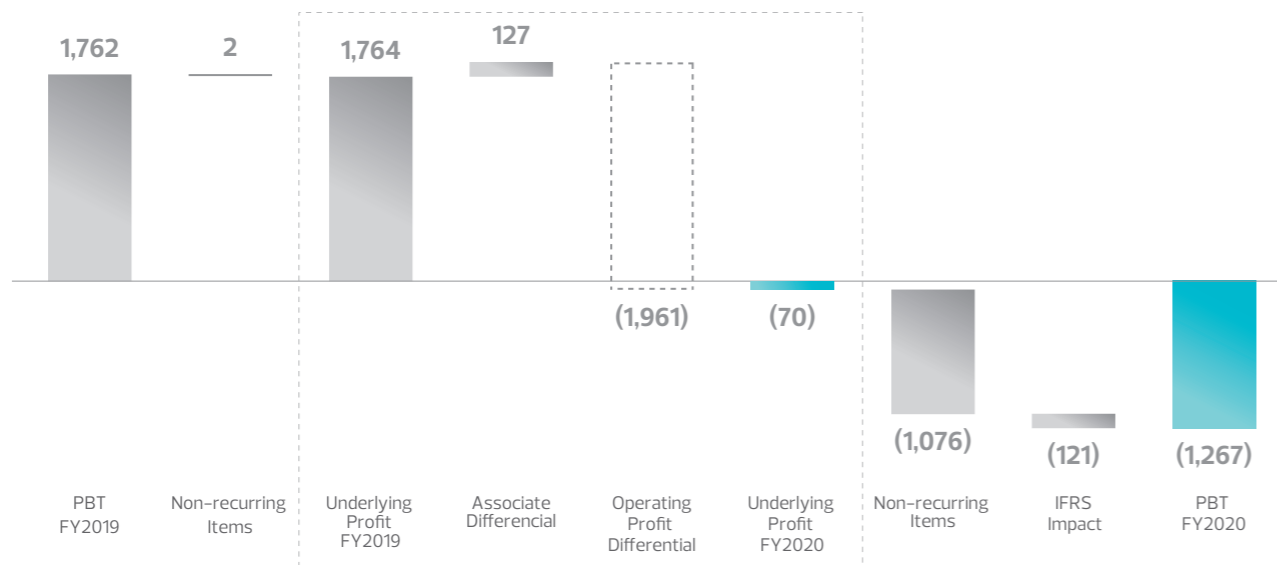


Operating profit had grown slightly over the last few years, peaking in FY2017, an exceptional year with a number of one-off profits resulting from large contracts. In FY2020, the figures reported are much lower, mainly as a result of Covid-19.

Group Chief Finance Officer's Report

GROUP UNDERLYING PROFIT/(LOSS): MOVEMENT YEAR ON YEAR

Figures in Rs Millions



Given the economic backdrop and stalled tourism industry, the group has reported an underlying loss and a loss before taxation for the financial year. The underlying loss is due to the impact of the national lockdown in the last quarter of the financial year and higher expected credit losses as at 30 June 2020, largely exacerbated by the pandemic.

In addition, IBL impaired goodwill on some hotels, other real estate and on certain investments at group level, which are non-recurring items.

SECTORAL ANALYSIS

Agro & Energy:

Alteo's sugar cluster reported better results, with higher sugar prices in both Mauritius and Tanzania as well as reduced costs in Mauritius. Lower tariffs and offtake adversely impacted the profitability of Alteo's energy segment while property sales and the group's hospitality businesses have been significantly impacted by Covid-19.

Results for this financial year show a marked improvement over last year, which had seen significant levels of impairment in the sugar and energy clusters.

Building & Engineering:

The main companies operating within the sector are CNOI, UBP and Manser Saxon Group. All of them reported lower turnover and profitability due to the nature of their activities, which were severely affected by the lockdown in Mauritius in the final quarter of FY2020.

Most shipyard activities came to a halt due to the travel ban preventing shipping crew from flying home and back. The closure of all major construction sites for extended periods affected the delivery of real estate projects and impacted the results of UBP and our Contracting businesses.

While activity picked up after lockdown, much of it related to projects that had begun or had been committed for before Covid-19. The challenge will be to sustain levels of activity should the market for property development and construction in Mauritius decline. Official statistics estimate that the construction industry will contract by 20% for the 2020 calendar year and that the impact could last well into 2021 in the absence of tourists and potential foreign buyers on Mauritian soil.

Commercial & Distribution:

The group's Commercial and Distribution sector has been very active throughout the crisis, with many of the group's businesses classified as "frontliners". These activities include Winner's retail supermarkets, MedActiv pharmacies, BrandActiv and HealthActiv, our wholesale businesses. The cluster posted an increase in turnover but reported a lower operating profit compared to last year due to shifts in buying behaviour during and after the lockdown. PhoenixBev was adversely affected by production, sale and distribution constraints during the lockdown months but resumed to normal activity levels afterwards, except for the segment distributing to hotels, restaurants and cafes.

Financial Services:

Eagle Insurance generated higher revenue and reduced its losses thanks to improvements in its claims ratios. DTOS benefitted from a favourable USD exchange rate and kept results at par. The Bee, the private equity arm of the group, suffered from a decrease in its portfolio valuation. AfrAsia Bank reported slightly lower results than last year due to higher provisioning under IFRS 9.

Hospitality & Services:

Our hospitality activities were on track to deliver strong results for FY2020. However, the cluster saw booking cancellations as from late February 2020 when new Covid-19 cases emerged in Italy, then France and followed by the rest of the world. Mauritius closed its borders and went into lockdown end March 2020 and from that point onwards, our hotels closed for the rest of the financial year.

Closing down for the last quarter of the year resulted in a decrease in turnover of 23% and a decline in operating profit of 76%. The limited visibility across the tourist sector resulted in goodwill impairments for properties in Maldives and the sector has increased its provisions on its debtors. These have had a significant impact on the profitability of the sector and on the group's results.

Lux Island Resorts (LIR) rescheduled its financial commitments. It also successfully negotiated Rs 1bn from the Mauritius Investment Corporation (MIC) and obtained further credit facilities from commercial banks to sustain working capital requirements. At the time of writing, The Lux Collective (TLC) was still in the process of restructuring its balance sheet. It has seen encouraging improvement in demand in China and the Maldives and steady occupancy rates in Reunion. However, activity after the year-end remained subdued, with borders closed worldwide and the Covid-19 situation deteriorating in our main tourism markets, namely Europe and South Africa. The outlook remains very uncertain.

Logistics:

The aviation business within this sector has been the most affected by border closures and a stalled tourism industry. The only flights permitted during the lockdown were for cargo, repatriations and students. Inland transport and international freight volumes fell significantly during and after the lockdown. Our shipping activities nonetheless posted better results overall with the addition of a new vessel to the fleet during the year. FY2020 profits have fallen as a result.

Life & Technologies:

Testing at CIDP's laboratories had to temporarily stop in Mauritius and abroad due to local and international lockdowns and Covid-19-related social distancing. The company triggered cost-reduction initiatives to mitigate the impact of reduced testing activity.

Seafood:

Results for Seafood companies were relatively stable year on year despite the closure of factories during the lockdown period. Many of our products are considered basic commodities and exporters have benefitted from favourable exchange rates. This sector has proven to be resilient and bounced back quickly post-lockdown.

Property:

Bloomage's results reflect the growth in its property portfolio. The company has not been directly impacted by Covid-19, but has agreed to rent deferrals or discounts for certain tenants. BlueLife's hotel activities were at a standstill in the last quarter of the financial year. Sales of properties at the Rive Droite development slowed considerably due to prospective buyers being unable to visit. The company is now reformulating its strategy and financing needs to adapt to the changed environment.

Group Chief Finance Officer's Report

IBL COMPANY – PERFORMANCE SUMMARY FOR FY2020

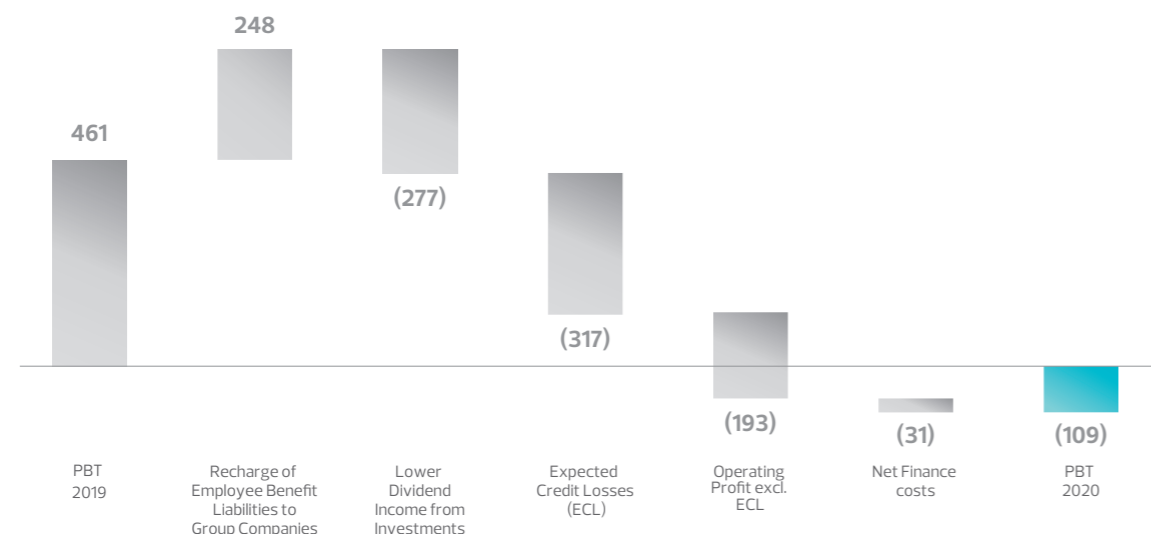
Summary of the published results of the Company

	Year Ended	
	30.06.2020 Rs'000	30.06.2019 Restated Rs'000
Dividend Income	601,904	879,116
Other revenues and income	4,376,679	4,227,173
Total Revenue	4,978,583	5,106,289
Cost of sales	(3,435,925)	(3,254,739)
Gross Profit	1,542,658	1,851,550
Other Income	300,799	222,385
Administrative expenses	(1,528,075)	(1,457,255)
Expected Credit Losses	(335,421)	(18,021)
Operating Profit	(20,039)	598,659
Other Gains and losses	241,012	155,626
Net finance costs	(305,031)	(273,558)
Profit before taxation	(84,058)	480,727
Taxation	(25,238)	(20,164)
Profit for the year	(109,296)	460,563

COMPANY PROFIT BEFORE TAX: MOVEMENT YEAR ON YEAR

The chart below shows the main factors that drove a drop in the company's profits before tax this year.

Figures in Rs Millions

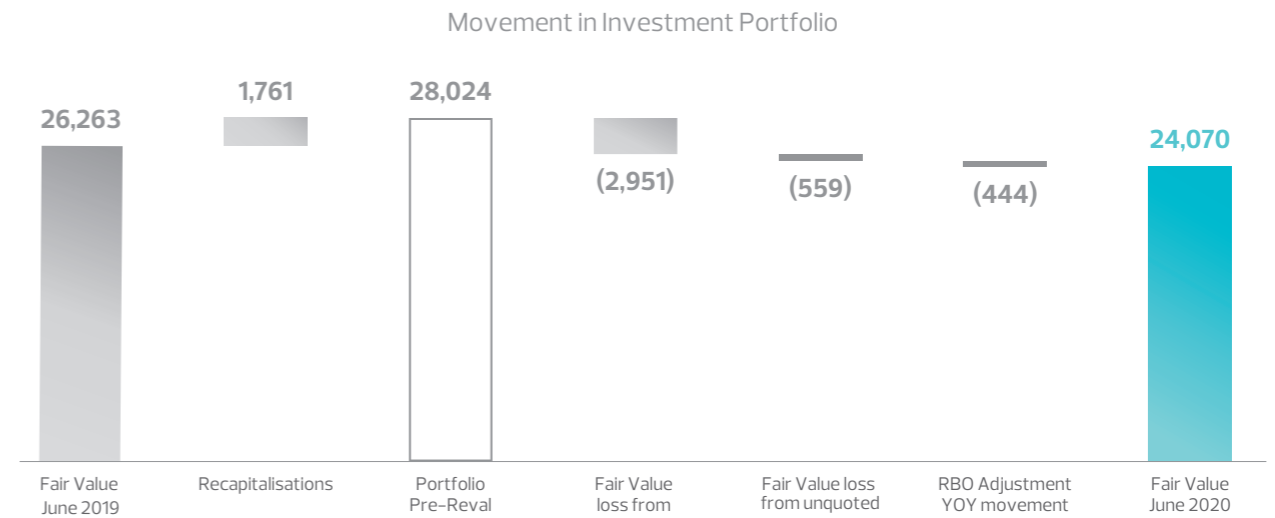


Many of our group companies, particularly in the hardest-hit sectors described in the risk and recovery scenarios, curtailed the distribution of dividends at the end of FY2020 due to Covid-19. Operations throughout the company were also impacted by increased costs and a more challenging operating environment. During the year, a number of IBL Group companies started facing difficulties of their own prompting IBL to recognise that some of its inter-company loans or working capital facilities may be impaired. Many of these companies were capitalised during the year to give them additional financial muscle to continue operating.

COMPANY INVESTMENT PORTFOLIO: MOVEMENT YEAR ON YEAR

The Company's overall portfolio of investments dropped by 8% during the year, to Rs 24.1bn.

Figures in Rs Millions



To begin with, we recapitalised some companies to the tune of Rs 1.76 billion to support them and give them the working capital required to navigate the difficult lockdown periods. In note 11 of the Financial Statements, this is shown as Rs 1.35bn and is net of Rs 0.41bn of receivables which had been previously impaired.

Following the Covid-19 outbreak, we saw a sharp decline in the value of some of our listed stock. This included a 52% drop in LUX* (Lux Island Resorts) share price, and a 47% decline in that of Blue life. These businesses operate in hospitality and real estate development respectively, both higher-risk sectors in today's operating context. The rest of the Company's portfolio experienced a drop in value of 6%.

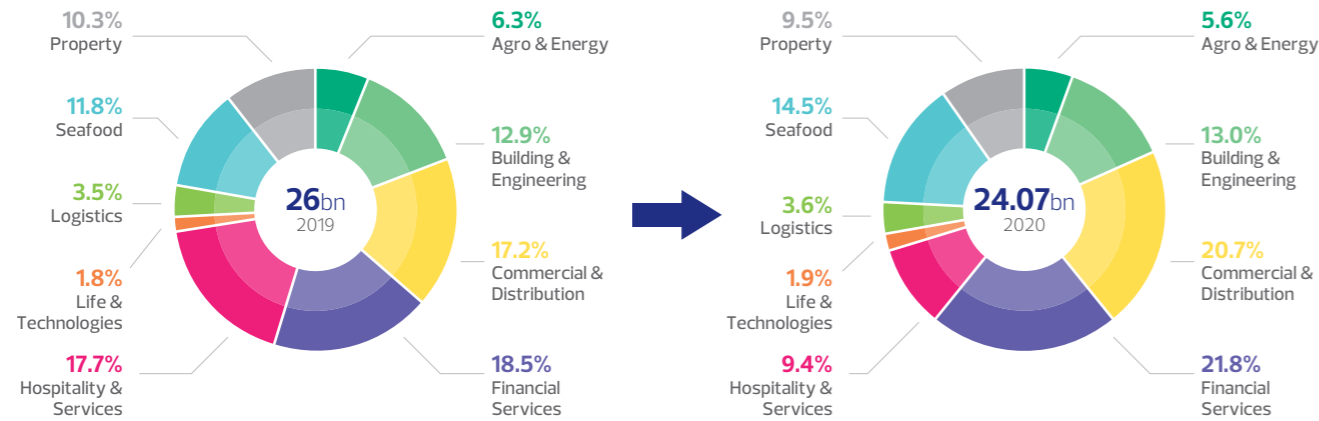
Figures in Rs Millions

Movement in Value for Listed investments	No of shares held	Share price June 2019 (Rs)	Share price June 2020 (Rs)	Fair value 2019 (Rs M)	Fair value 2020 (Rs M)	Gain/(Drop) in Portfolio (Rs M)	Gain/(loss) on quoted
LUX* (LIR)	77,425,389	58.00	28.00	4,491	2,168	(2,323)	-52%
BlueLife	320,865,201	2.38	1.27	764	407	(356)	-47%
High risk industries				5,254	2,575	(2,679)	-51%
Alteo	88,033,272	18.80	15.20	1,655	1,338	(317)	-19%
UBP	8,785,100	131.25	128.50	1,153	1,129	(24)	-2%
PICL	1,488,130	385.00	420.00	573	625	52	9%
Eagle Insurance	4,800,000	117.25	122.00	563	586	23	4%
PhoenixBev	527,659	580.00	614.00	306	324	18	6%
The Bee Equity	3,083,292	31.70	24.10	98	74	(23)	-24%
Lower and medium risk industries				4,348	4,076	(272)	-6%
Total				9,602	6,651	(2,951)	-31%

For unquoted investments, the net overall drop in fair value was Rs 559m which represents 5% compared to last year and includes an amount of Rs 0.41bn which was recapitalised during the year. This decline was driven mainly by downward revisions of future cashflow projections for certain companies, offset by increases in value for businesses providing essential products and services. The resulting fair value impact has been thoroughly cross-checked against the movement in value of listed companies operating in similar industries and against other industry benchmarks as at 30 June 2020.

Group Chief Finance Officer's Report

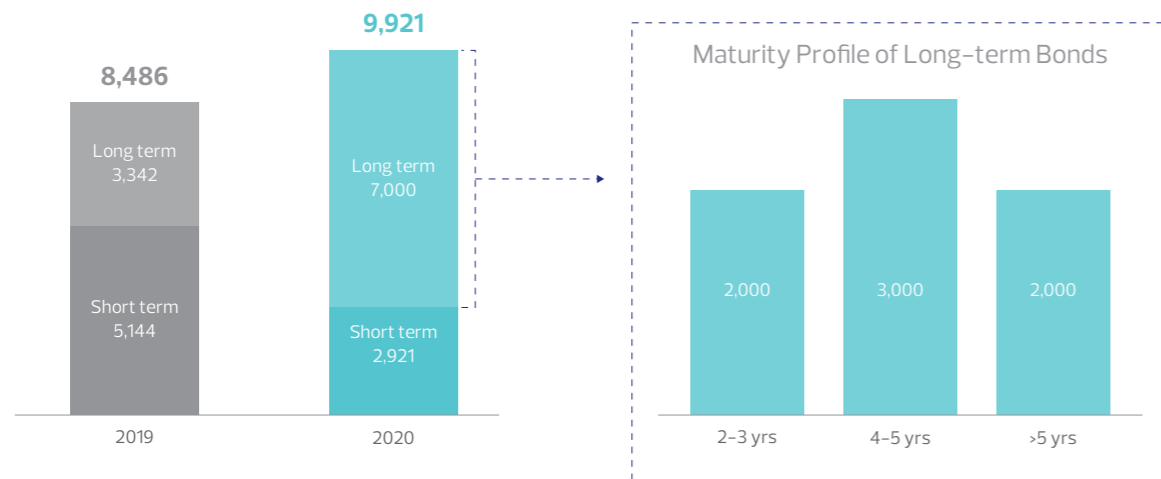
The movements above resulted in the following changes to the mix of IBL's overall portfolio:



THE COMPANY'S CHANGES IN BORROWING PROFILE

Finally, I would like to highlight that during the year, IBL successfully raised Rs 4bn mostly in the form of bonds and notes from banks and institutional investors to change the balance sheet funding profile to more longer term notes. This follows the successful raising of Rs 3bn in 2017, an exercise where the initial issue was over-subscribed by a factor of five.

Figures in Rs Millions



COMPANY SHAREHOLDER INFORMATION

Figures in Rs



Price 49.00 30 June 2020		No of Shares	Capitalisation at 30 June 2020
Highest 58.50	Lowest 40.00	680,224,040	33,330,977,960

OVERALL OUTLOOK

Several factors will influence Mauritius' emergence from the Covid-19 pandemic.

Mauritius did well in containing the first wave of Covid-19 through a nationwide lockdown and its population was largely spared. The assumption is that Mauritius will remain Covid-19-free as long as strict quarantine measures stay in place.

On the other hand, there is growing anxiety about the economic fallout of continued restrictions on foreign travel and a delayed restart to the tourism industry. It is feared that the domestic economy will become increasingly fragile, resulting in rising unemployment over the next 12-18 months, unless a Covid-19 vaccine is rapidly deployed. If unemployment were to rise, general consumption and investment would become increasingly strained.

We are watching the evolution of the health and economic crisis closely. Although we expect some level of contraction in local and global consumption in FY2021, we are confident that our group will remain resilient, and we therefore intend to continue to invest for the future.

Dipak Chummun
Group Chief Finance Officer

Cluster Review

Clusters	Overview	Material companies
Agro & Energy	Mauritian leader in the sugar industry (sugar cane growing and milling) and major producer of special sugars and sugar cane by-products. Coal-bagasse and renewable energy pioneer in Mauritius. Substantial land bank in eastern Mauritius and expertise in luxury property development, particularly regarding Anahita IRS estate.	<ul style="list-style-type: none"> Alteo IBL Energy
Building & Engineering	Building, engineering materials and contracting for Mauritius and the wider region's largest and most prestigious property development projects.	<ul style="list-style-type: none"> CNOI UBP Manser Saxon Group
Commercial & Distribution	B2B and B2C suppliers in the retail, consumer, healthcare and industrial sectors. Cluster has a strong footprint in the Mauritian retail market thanks to strategic geographical positioning and a focus on meeting evolving consumer needs.	<ul style="list-style-type: none"> BrandActiv (IBL Ltd) Healthcare operations: <ul style="list-style-type: none"> HealthActiv (IBL Ltd) MedActiv (MTCL) Winner's Phoenix Bev (PBL) CMH Scomat Blychem DieselActiv Intergraph
Financial Services	A cluster which encompasses businesses in the banking, insurance, private equity and global business sectors, with a major footprint in Mauritius and increasing international presence.	<ul style="list-style-type: none"> DTOS Eagle Insurance LCF Holdings The Bee Equity Partners ("The Bee") AfrAsia Bank (Associate) City Brokers EilGeo Re
Hospitality & Services	A high-end hotel brand with an international footprint.	<ul style="list-style-type: none"> Lux Island Resorts (LIR) The Lux Collective (TLC)



Key performance indicators Previous year comparatives in () where changes are significant	Financial performance Previous year comparatives in ()
5,723 team members (6,186) <ul style="list-style-type: none"> 3 businesses in 3 countries 3 sugar mills/1 sugar refinery 2 power plants /1 solar farm (3/1) 31,200 hectares of land in Mauritius, Kenya and Tanzania 17,700 hectares of sugarcane in Mauritius, Kenya and Tanzania (19,000) 284,600 tonnes of sugar produced (292,000) 195 GWh energy exported to the national grid (273) 110.1 GWh renewable electricity exported to the national grid (108.5) 10 villas/ plots of land sold at Anahita (17) 	Revenue: Rs 8,287m (Rs 8,997m) Operating profit: Rs 1,352m (Rs 1,416m) (IBL's financial statements include Alteo's results under "share of profit from associates" under equity accounting).
3,821 team members <ul style="list-style-type: none"> UBP: <ul style="list-style-type: none"> Drop of 16 % in number of blocks sold Increase of 26% in Espace Maison loyalty cards in circulation Active in 3 countries CNOI <ul style="list-style-type: none"> 472,000 chargeable hours (626,000) 	Revenue: Rs 5,821m (Rs 6,965m) Operating results: Loss of Rs 160m (Profit of Rs 545m)
2,965 team members <ul style="list-style-type: none"> BrandActiv: <ul style="list-style-type: none"> 140 brands distributed Healthcare Operations: <ul style="list-style-type: none"> 191 laboratories/suppliers represented 9 pharmacies Winner's <ul style="list-style-type: none"> 23 supermarkets and 1 hypermarket 555 local suppliers (443) 319 checkout tills (318) 2 e-commerce platforms (shared with MedActiv) Phoenix Bev: <ul style="list-style-type: none"> 2 countries of operation 9 export countries 4 production units 1 glass recycling operation 7 categories of beverages 50+ brands 10,000+ customers 	Revenue: Rs 23,596m (Rs 23,099m) Operating profit: Rs 591m (Rs 1,080m)
875 team members (909) <ul style="list-style-type: none"> AfrAsia Bank <ul style="list-style-type: none"> Banking clients in 160 countries Eagle Insurance <ul style="list-style-type: none"> 5,504 insurance claims handled (6,083) City Brokers <ul style="list-style-type: none"> 19,170 insurance policies handled (18,494) 	Revenue: Rs 2,007m (Rs 1,764m) Operating profit: Rs 91m (Rs 19m) (Revenue and Operating profit exclude AfrAsia Bank which is reported as an associate)
3,250 team members (3,903) <ul style="list-style-type: none"> 12 resorts in 4 countries (13) 121,500 guests as at June 2020 (180,000) 6,096 Revenue Per Available Room (6,794) 1,545 rooms under management contract (1,784) 	Revenue: Rs 4,837m (Rs 6,298m) Operating profit: Rs 192m (Rs 815m)

Cluster Review
















Clusters	Overview	Material companies
Life & Technologies	In 2019–20, IBL's technology-related investments were brought under IBL's Life cluster, which was renamed IBL Life & Technologies. The new cluster's activities consist of (a) cutting-edge clinical research and the operation of high-quality analytical laboratories and (b) state-of-the-art digital solutions and strategic media planning and buying. IBL Life & Technologies has a presence in five countries and is a key driver of IBL's international expansion strategy.	<ul style="list-style-type: none"> · CIDP · QuantiLab · Universal Media · GWS Technologies · IBL Life · IBL Link
Logistics	The IBL Logistics cluster provides comprehensive, end-to-end logistics, shipping and aviation solutions in Mauritius and the Indian Ocean.	<ul style="list-style-type: none"> · Logistics Support Services · IBL Aviation · IBL Shipping · Ground2Air · Logidis · Somatrans · Arcadia Travel
Property	Land promoter, property developer and holder, and asset manager with a substantial portfolio of strategically placed, high-value and diversified properties in Mauritius, including retail, office, industrial and hospitality assets.	<ul style="list-style-type: none"> · Bloomage · BlueLife
Seafood	B2B involved in the storage and transformation of fish to finished products including canned fish, fish oils and fish meal with a presence in Mauritius and Africa.	<ul style="list-style-type: none"> · Marine Biotechnology Products · Marine Biotechnology Products Côte d'Ivoire · Cervonic · Princes Tuna (Associate) · Froid des Mascareignes · Mer des Mascareignes










Key performance indicators Previous year comparatives in () where changes are significant	Financial performance Previous year comparatives in ()
<p>210 team members (160*)</p> <ul style="list-style-type: none"> · Active in 5 countries worldwide · 833 B2B clients in 33 countries (503 / 32*) · 462 clinical studies (566*) · 16,065 samples handled (15,917*) · 165 accredited methods (161*) · 6 in-house R&D projects (5*) · 7 private-public initiatives (4*) <p><i>*2018–19 figures are for the former IBL Life cluster.</i></p>	<p>Revenue: Rs 224m (Rs 232m*)</p> <p>Operating profit: Rs 4m loss (Rs 13m* profit)</p> <p><i>*2018–19 figures are for the former IBL Life cluster.</i></p>
<p>740 team members</p> <ul style="list-style-type: none"> · 28,000 m² of warehousing · 14% decrease in warehouse occupancy · 88% increase in capacity in frozen warehouse · 20% decrease in the number of teus handled · 26% decrease in the number of flights handled at airport 	<p>Revenue Rs 1,449m (Rs 1,897m)</p> <p>Operating profit Rs 39m loss (Rs 71m profit)</p>
<p>459 team members</p> <ul style="list-style-type: none"> · Bloomage <ul style="list-style-type: none"> – Rs 4 bn value (3,6bn) – Mix: Retail 37%, Office 30%, Industrial 18%, Hospitality 11%, Land for development: 4% – 100,000 m² approx. gross letting area – 95% average occupancy · Blue Life (KPIs prior to Covid-19 for Radisson Blu Poste Lafayette and Radisson Blu Azuri) <ul style="list-style-type: none"> – 86.5% Occupancy – +10% increase in Revenue Per Available Room – +17% increase in Gross Operating Profit Per Available Room 	<p>Revenue: Rs 762m (Rs 837m)</p> <p>Operating profit: Rs 20m (Rs 92m)</p>
<p>358 team members (excluding associated companies)</p> <ul style="list-style-type: none"> · 5 manufacturing plants including 3 in Subsidiaries & 2 in Associates · 15,394Mt fishmeal produced (12,852Mt) · 1826Mt of oil produced (1535 Mt) · 16,500Mt cold room capacity 	<p>Revenue Rs 1,407m (Rs 1,123m)</p> <p>Operating profit: Rs 272m (Rs 178m)</p> <p>(Revenue and Operating profit exclude Princes Tuna which is reported as "share of profit from associates" under equity accounting. It follows that the IBL segmental reports do specifically reflect the above figures)</p>

Agro & Energy

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
 	<p>Sugar</p> <ul style="list-style-type: none"> Product diversification into higher value-added products such as special sugars, and optimisation of revenues from by-products such as bagasse and cane trash for energy <p>Property</p> <ul style="list-style-type: none"> Focus on successful completion of Anahita Estate and develop Alteo's strategic blueprint for the east of Mauritius <p>Energy</p> <ul style="list-style-type: none"> Develop capacity and know-how in other forms of renewable energy (solar, wind, biomass) Develop capacity in East Africa to take advantage of market opportunities and achieve economies of scale 	<p>Sugar</p> <ul style="list-style-type: none"> Return Alteo to profitability through the mechanisation of agricultural activities, factory automation initiatives and the exploitation of machinable lands Increase engagement with national regulators to address the challenges of sugar import policy and legislations against foreign investors in East Africa Create synergies between cluster businesses, contain costs and achieve efficiencies Capitalise on favourable outlook for East African sugar operations by optimising capacity As major players in the sugar industry, rethink how to take a more active role in tackling the ongoing downturn in the industry <p>Property</p> <ul style="list-style-type: none"> Complete the development of the Northern Parcel of Anahita Continue developing the coastal area in the east of Mauritius through new projects Achieve gross margins from the ongoing construction of villas and the conversion of reservations into sales Sale of non-strategic and abandoned cane land to finance agricultural restructuring <p>Energy</p> <ul style="list-style-type: none"> Respond to the Central Electricity Board's RFPs and position the business as a key player within Mauritius' renewable energy sector Rethink the power plant project at Union Flacq, both in terms of size and fuel to be used alongside bagasse Renegotiate Power Purchase Agreement 	<p>Sugar</p> <ul style="list-style-type: none"> Overall, a good year for Alteo's sugar production activities prior to Covid-19 pandemic <p>Property</p> <ul style="list-style-type: none"> Overall, a good performance prior to Covid-19 pandemic <p>Energy</p> <ul style="list-style-type: none"> Creation of IBL Energy, whose objective is to reduce the group's energy usage and investment in renewables.

Main risks

- | | | | | |
|---|--|--|---|--|
|  Tourism performance |  Foreign currencies |  Forex fluctuations |  Sustainability of tuna stocks |  Volatility of commodity prices |
|  Pandemic |  Government policies |  Sugar cluster performance |  Property sales performance |  Cybersecurity threats |
|  FATF watchlist |  Industry performance |  Market concentration |  Climate change |  Technology efficiency |

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<p>Sugar</p> <ul style="list-style-type: none"> Mauritian sugar operations less exposed during lockdown as in off-crop – normal conditions apart from need for work permits Kenyan and Tanzanian operations continued without major disruption Sugar markets remained stable, with potential reductions in consumption offset by a future reduction in imports in Kenya and Tanzania Lack of visibility regarding medium-term impact of Covid-19 pandemic on main export markets Marginal lands at Alteo in Mauritius used for production of food crops in context of increased focus on food security and self-sufficiency <p>Property</p> <ul style="list-style-type: none"> Anahita Residences & Villas Ltd and Anahita Golf Ltd Resort & Golf significantly impacted by Covid-19 lockdown. Additional cash financing has been required as a result <p>Energy</p> <ul style="list-style-type: none"> Energy operations affected by lower tariff and lower demand during Mauritian lockdown. Demand returned to normal thereafter 	        	<p>Sugar</p> <ul style="list-style-type: none"> Closure of Alteo refinery Milling activities to focus on production of higher-value added Special Sugars Ongoing diversification: development of agriculture and livestock-rearing on marginal lands for Mauritian market <p>Property</p> <ul style="list-style-type: none"> Likely to face a considerable short-to-medium term drop in demand due to the Covid-19 crisis and Mauritius's inclusion on the FATF watch list and EU blacklist <p>Energy</p> <ul style="list-style-type: none"> Continue to structure IBL Energy New Executive set to join in Q1 2021

Building & Engineering

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
 	<p>Engineering and contracting</p> <ul style="list-style-type: none"> Explore potential mergers and acquisitions to vertically integrate activities and offer a one-stop shop for the mid-size project market <p>Building materials</p> <ul style="list-style-type: none"> Capitalise on synergies within the UBP Group and improve efficiency Constantly innovate on products and services Improve customer engagement and satisfaction Build a workforce able to capitalise on new opportunities and take the initiative Continue to build our brands' reputation <p>Shipyard</p> <ul style="list-style-type: none"> Increase production capacity to deliver on contracted construction and repair work 	<p>Engineering and contracting</p> <ul style="list-style-type: none"> Continue integration process begun in 2017-18 to create a focused, lean and agile structure that will deliver profitable growth. Acquisition of General Construction <p>Building materials</p> <ul style="list-style-type: none"> Continuously deploy new digital tools based on each company's and the UBP Group's needs, to streamline processes Diversify our products and outputs to meet evolving customer needs Enhance employee engagement through ethical business practices Embark on a gradual shift towards sustainability Open sixth Espace Maison retail store in October 2019 <p>Shipyard</p> <ul style="list-style-type: none"> Continue expansion of our shipyard facility Develop existing land to grow construction and repair services 	<p>Engineering and contracting</p> <ul style="list-style-type: none"> Refreshed strategy to focus on engineering rather than commercial construction, resulting in the decision to close the construction division Closed Dubai due to continued operational losses and limited opportunity for turnaround <p>Building materials</p> <ul style="list-style-type: none"> Shift to a cloud-based operational platform Implementation of CRM ongoing Launch of the Club Espace Pro by Espace Maison, a service and mobile app dedicated to industry professionals Implementation of quality standards: ISO 9001:2015 at Drymix and ISO 17025 Certification for its laboratory Review of Standard Operating Procedures for production in order to implement operational KPIs Opened sixth Espace Maison retail store in October 2019 <p>Shipyard</p> <ul style="list-style-type: none"> Started building shipyard extension

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<ul style="list-style-type: none"> Most of this cluster's activities came to a halt during the Covid-19 lockdown Several contracts cancelled or postponed without clear resumption date Expecting sector to be hit harder in 4Q2020 and gradually pick-up in FY2021 General Construction acquisition called off due to uncertainties caused by the pandemic Limited visibility of potential contracts in the future in the hospitality sector Limited visibility on the opening of borders will affect CNOI as crew cannot fly to drop or collect ships 	<p>2</p> <p>4</p> <p>6</p> <p>7</p> <p>9</p> <p>10</p> <p>13</p> <p>14</p>	<p>Engineering and contracting</p> <ul style="list-style-type: none"> Complete wind down of construction division Focus on the interiors division Seek to become a leaner organization <p>Building materials</p> <ul style="list-style-type: none"> Capitalise on the group's potential synergies and continue to digitalise our processes Create a group Sales structure and streamline inter-company processes and protocols Ensure continuous innovation on products and services by reinforcing our R&D team, capitalising on emerging opportunities and naming new R&D Manager Digitalise all communication channels to increase visibility of UBP Group as a brand and create a single, coherent identity Upskill middle management in use of digital tools Monitor externalities through frequent PESTLE analysis, engagement with research companies and local thought leaders, and particularly monitor new Covid-19 related risks <p>Shipyard</p> <ul style="list-style-type: none"> Extension of shipyard due to open next year Continue to pursue organic growth in both repairs and ship building in anticipation of borders opening

Main risks

- 1 Tourism performance
- 4 Foreign currencies
- 7 Forex fluctuations
- 10 Sustainability of tuna stocks
- 13 Volatility of commodity prices
- 2 Pandemic
- 5 Government policies
- 8 Sugar cluster performance
- 11 Property sales performance
- 14 Cybersecurity threats
- 3 FATF watchlist
- 6 Industry performance
- 9 Market concentration
- 12 Climate change
- 15 Technology efficiency

Commercial & Distribution

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
	Wholesale and distribution <ul style="list-style-type: none"> Increase Mauritian market share and become preferred commercial partner for both our clients and suppliers Continued focus on automation and digitalisation: use of technology to improve point-of-sales performance and exploit e-commerce opportunities Acquire regional distribution rights from suppliers (BrandActiv) Pursue organic and inorganic regional growth, particularly in Madagascar and the adjoining region 	Wholesale and distribution <ul style="list-style-type: none"> Continue to pursue strategy to strengthen local brands and regional partnerships Continue to improve efficiency via automation, ERP improvements, and consolidated and improved logistics Explore potential e-commerce opportunities 	Wholesale and distribution <ul style="list-style-type: none"> Pursued market penetration of La Tropicale with the launch of four new Saveur Authentique products Product expansion: launched seven new tuna-based products under flagship brand Maremer and three new products under Tropical Tuna Continued regional expansion with the launch of a selected portfolio of products in Madagascar Automated our procurement process and enhanced the business intelligence sales reporting platform

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
Wholesale and distribution <ul style="list-style-type: none"> Essential activities saw heightened activity during Mauritian lockdown, generating higher revenue but at lower average margins 	<ul style="list-style-type: none"> 2 4 5 9 14 15 	Wholesale and distribution <ul style="list-style-type: none"> Increase market share and set the industry standard for market supply in Mauritius Continue to pursue exclusive distribution deals with international and regional players and explore new avenues for partnerships New product development to expand key product categories and ensure continued relevance with consumers Capitalise on the size of our portfolio and increase the number of customer touch points Increase the footprint of our local portfolio Pursue organic and inorganic regional growth Pursue digitalisation to generate greater efficiencies and improve our customer experience

Main risks

- 1 Tourism performance
- 4 Foreign currencies
- 7 Forex fluctuations
- 10 Sustainability of tuna stocks
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- 8 Sugar cluster performance
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Commercial & Distribution




Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
  	Beverages <ul style="list-style-type: none"> Develop new product categories Improve integration of businesses in Reunion Island, following the acquisition of Edena S.A. Grow business in Reunion Island Retail <ul style="list-style-type: none"> Continued focus on automation and digitalisation: use of technology to improve point-of-sales performance, exploit e-commerce opportunities Industrial supply <ul style="list-style-type: none"> Regional expansion via development of new business in West Africa and Ethiopia Develop digital printing business, particularly in Reunion 	Beverages <ul style="list-style-type: none"> Development of new range of juice products in collaboration with The Coca Cola Company to target health-conscious consumers Continue to diversify portfolio by launching a new craft beer Explore ways to reduce PET waste, particularly through green energy methanisation and alternatives to PET bottles Retail <ul style="list-style-type: none"> Focus on our core capabilities, increase efficiency and optimise our cost structure Continue to grow e-commerce business by generating new leads, boosting website traffic and increasing conversion and retention rates Ongoing upskilling of team members – investment in training and coaching Industrial supply <ul style="list-style-type: none"> Development and market acquisition in East Africa and the Indian Ocean region Provide training in digital printing to teams and suppliers, to allow us to market this product 	Beverages <ul style="list-style-type: none"> Several new products and packaging variants launched in Mauritius and Reunion Island, as well as iced tea and juice products in new territories including the Seychelles and Djibouti Craft beer product line which will become operational in calendar year 2021 Continued to invest in production, warehousing and distribution facilities to increase efficiency, improve product quality and reduce environmental impact New returnable glass bottle line to be commissioned in December 2020 Retail <ul style="list-style-type: none"> Increased efficiency in-store and centrally Revamped team and ongoing investment in training Lowered cost structure Renovations begun at Winner's Rivière du Rempart Industrial supply <ul style="list-style-type: none"> Suppliers, marketing and technical teams trained in digital printing (Intergraph Reunion) Epson showroom for new digital printing equipment established and technical sales representative hired and trained Developed African operations via: <ul style="list-style-type: none"> Sale of equipment in Congo and DRC Paper sales in Congo and Rwanda Technical services provided in Congo and DRC. Representation of Heidelberg in Ethiopia since January 2020







Main risks

- | | | | | |
|------------------------------|-------------------------------|------------------------------------|---|--|
| 1 Tourism performance | 4 Foreign currencies | 7 Forex fluctuations | 10 Sustainability of tuna stocks | 13 Volatility of commodity prices |
| 2 Pandemic | 5 Government policies | 8 Sugar cluster performance | 11 Property sales performance | 14 Cybersecurity threats |
| 3 FATF watchlist | 6 Industry performance | 9 Market concentration | 12 Climate change | 15 Technology efficiency |
















Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<ul style="list-style-type: none"> Slight contraction in results due to decline in local purchasing power and disruptions to imports of raw materials and packaging Projects such as returnable glass bottle line were delayed due to the lockdown and closure of Mauritius' borders Distribution operations remained stable Drop in margin in fresh food categories at Winner's Significant contribution of commodities to revenue Mauritius offset printing activity strongly impacted by the drop in consumption and the lack of tourism (30% decrease), with a significant impact on profit in Mauritius and Reunion Packaging industry (beverages, canned goods, etc.) remains robust Profit from African activities 25% above forecast 	1 2 4 5 7 9 14 15	Beverages <ul style="list-style-type: none"> Pursue regional expansion and consolidation of assets in Mauritius Launch craft beer product and continue to progress non-alcoholic beer product currently in development Continue to engage with national authorities to improve PET collection and recycling rates Focus on main brand assets (Phoenix Beer / Coca-Cola) to accelerate value creation Retail <ul style="list-style-type: none"> Consolidate current market share Tightly manage costs through operational efficiency (reducing fixed costs as much as possible) Industrial supply <ul style="list-style-type: none"> Pursue regional market development, assuming ability to travel Continue to develop digital printing capabilities

Financial Services

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
  	Cluster <ul style="list-style-type: none"> Improve operational efficiency Invest in new technology to improve customer experience Recruit, retain and develop its key talent Seek outgrowth opportunities in Africa 	Objectives are drawn at individual company level	
	Banking <ul style="list-style-type: none"> Invest in human capital and back-office systems to pursue local development and acquire more international clients 	Banking <ul style="list-style-type: none"> Continue to strengthen operational efficiency and customer service Digitalisation of the client experience, which should improve following a workshop with Ron Kauffman scheduled for next year Appointment of a Chief Technology and Operations Officer to lead the implementation of digital initiatives 	Ongoing Delayed to FY2021 Completed
	Global business <ul style="list-style-type: none"> Pursue organic growth while attracting new clients through international partnerships Establish offices in other countries Invest in IT systems to improve efficiency and customer experience Invest in marketing and business development 	Global business <ul style="list-style-type: none"> Improve brand positioning and image internationally Strengthen corporate culture Improve work processes and client experience thanks to new IT systems 	Delayed due to travel restrictions as a result of Covid-19 Completed IT systems being implemented in phases: Phase 1 in October 2020 and Phase 2 in March 2021
	Insurance/ Insurance & Reinsurance Brokerage <ul style="list-style-type: none"> Consolidate Mauritian activities by digitalising and improving customer experience (Eagle Insurance) Expand into retail insurance market and continue to develop medical insurance (Eagle Insurance) Conduct marketing activities to increase brand profile and drive awareness of B2C offer (Eagle Insurance) Look for partnership opportunities in Eastern Africa (Eagle Insurance, City Brokers and EllGeo Re) 	Insurance <ul style="list-style-type: none"> Modernise Eagle Insurance brand and strengthen operation efficiency Increase client proximity Develop a new health insurance partnership proposal Develop partnership with Bryte Insurance of South Africa Continuously evaluate East Africa investment opportunities 	Ongoing; leveraging of social media and wiiv loyalty card Ongoing Ongoing Ongoing

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
Cluster <ul style="list-style-type: none"> Had to adapt very quickly to a work from home environment due to Covid-19 lockdown Due to general slowdown in economic activity, the cluster's financial performance is expected to be lower in the coming financial year It will also become more difficult for clients to pay their premiums and loan instalments in FY2021 Drop in portfolio value of The Bee and Eagle Insurance Ltd due to negative performance of stock market 	     	Cluster <ul style="list-style-type: none"> Implement proactive measures to counter Mauritius' inclusion on EU blacklist and the impact of Covid-19
Banking <ul style="list-style-type: none"> Drop in interests yields locally and internationally, negatively impacting net interest income Rescheduling of loan facilities and a moratorium on repayments and interest rates for impacted entities in various sectors 		Banking <ul style="list-style-type: none"> Recompose AfrAsia Bank's Board of Directors and subcommittees Continue to digitise the client experience Review the bank's strategy regarding asset generation Control and monitoring of credit risk Re-position AfrAsia for growth in market share post Covid-19
Global business <ul style="list-style-type: none"> Reduction in client activity offset by increased revenue linked to appreciation of USD Insurance & Reinsurance Broking Financial performance partly affected this year The business is resilient, but performance is expected to be impacted in FY2021 		Global business <ul style="list-style-type: none"> Mitigate the risk of investors moving to other international financial centres Fully implement new IT system Implement recommendations arising from DTOS' branding review Expand on DTOS' service offer and physical proximity to clients by opening new offices
Insurance <ul style="list-style-type: none"> Improvement in claims ratios due to Mauritian lockdown, particularly for Motor As insurance is directly linked to economic activity, financial performance has been partly affected in this financial year. Despite the business' resilience, the impact on performance is expected to be more significant in FY2021 		Insurance <ul style="list-style-type: none"> Strengthen each business' risk management framework Leverage the expertise and network of shareholder Bryte Insurance to improve internal capabilities Provide support to the community in the context of Covid-19 Pursue development of personal insurance lines Continue to develop digital initiatives

Main risks

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|---|--|--|---|--|
|  Tourism performance |  Foreign currencies |  Forex fluctuations |  Sustainability of tuna stocks |  Volatility of commodity prices |
|  Pandemic |  Government policies |  Sugar cluster performance |  Property sales performance |  Cybersecurity threats |
|  FATF watchlist |  Industry performance |  Market concentration |  Climate change |  Technology efficiency |

Financial Services

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
		Insurance & Reinsurance Broking <ul style="list-style-type: none"> Consolidate Management team (EilGeo Re) Invest in business development and marketing strategies to find business opportunities in Eastern Africa (EilGeo Re) Implement new IT system (City Brokers) 	<p>Completed</p> <p>Delayed due to Covid-19-related travel restrictions</p> <p>Completed</p>

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
Insurance & Reinsurance Broking <ul style="list-style-type: none"> Financial performance partly affected this year The business is resilient, but performance is expected to be impacted in FY2021 	<p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>14</p> <p>15</p>	Insurance & Reinsurance Broking <ul style="list-style-type: none"> Look for business opportunities in Eastern Africa (EilGeo Re) Consolidate market presence and look for new opportunities in Mauritius (EilGeo Re) Improve risk management and internal control frameworks (EilGeo Re & CBL) Review organisational structure and engagement of team members (City Brokers) Improve efficiencies by making full use of new IT system (City Brokers)

Main risks

- 1 Tourism performance
- 4 Foreign currencies
- 7 Forex fluctuations
- 10 Sustainability of tuna stocks
- 13 Volatility of commodity prices
- 2 Pandemic
- 5 Government policies
- 8 Sugar cluster performance
- 11 Property sales performance
- 14 Cybersecurity threats
- 3 FATF watchlist
- 6 Industry performance
- 9 Market concentration
- 12 Climate change
- 15 Technology efficiency

Hospitality & Services

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
	<ul style="list-style-type: none"> Consolidate leadership position in Mauritius and Indian Ocean by: <ul style="list-style-type: none"> Pursuing asset-light strategy of acquiring management contracts rather than owning hotels Refurbishing owned assets to improve competitiveness Using sustainability as a sales argument: reducing waste and emissions, optimising water and energy consumption and improving livelihoods in the local communities in which the cluster operates Expand into new regions, namely Asia, Europe and the Middle East Diversify portfolio by targeting business and golf tourism 	<ul style="list-style-type: none"> Continue to seek out management contracts locally, regionally and internationally through The Lux Collective 	Ongoing
		<ul style="list-style-type: none"> Complete redevelopment of Merville into LUX* Grand Baie, with an opening scheduled for the first half of 2021 	Ongoing
		<ul style="list-style-type: none"> Continue to develop and export The Lux Collective's brands: LUX*, SALT, SOCIO, Tamassa and Café LUX* 	Ongoing
		<ul style="list-style-type: none"> Develop additional restaurant brands catering to a variety of customer segments 	Ongoing
		<ul style="list-style-type: none"> Develop employee retention strategy to retain talent 	Completed

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<ul style="list-style-type: none"> Hotels closed during lockdown LUX* Grand Baie construction and LUX* Le Morne refurbishment resumed after lockdown 	1	<ul style="list-style-type: none"> Negotiate support package from Mauritian Investment Corporation (MIC) to maintain employment Prepare and be ready to welcome guests when Mauritian borders re-open and international travel resumes, with a high-quality commercial offer and refreshed properties Complete redevelopment of LUX* Grand Baie. The property is scheduled to open in October 2021 Complete sale of Le Recif in Reunion Complete refurbishment of LUX* Le Morne by end of 2020 Continue refurbishment of LUX* South Ari Atoll and LUX* St Gilles Focus on domestic markets to drive occupancy in light of ongoing Covid-19-related travel restrictions Continue development of resorts in China
	2	
	4	
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	15	

Main risks

- [1](#) Tourism performance
- [4](#) Foreign currencies
- [7](#) Forex fluctuations
- [10](#) Sustainability of tuna stocks
- [13](#) Volatility of commodity prices
- [2](#) Pandemic
- [5](#) Government policies
- [8](#) Sugar cluster performance
- [11](#) Property sales performance
- [14](#) Cybersecurity threats
- [3](#) FATF watchlist
- [6](#) Industry performance
- [9](#) Market concentration
- [12](#) Climate change
- [15](#) Technology efficiency

Life & Technologies


Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
	Cluster <ul style="list-style-type: none"> Continue to develop the cluster's portfolio of innovative life sciences and technology businesses through strategic partnerships Start to develop HealthScape, a medical and health destination, at Forbach in Mauritius 	Cluster <ul style="list-style-type: none"> Pursue cluster-level strategy and new avenues for development while returning Life & Technologies cluster to profitability 	Initiated the HealthScape project via an initial partnership with The Act medical and paramedical centre
	CIDP <ul style="list-style-type: none"> Focus on clinical studies and continue to diversify into pharmaceutical trials Increase portfolio of local clients, especially in Brazil and Singapore Encourage a spirit of innovation and a commitment to quality Speed up digital transformation to offer remote clinical studies via teleconsultations 	CIDP <ul style="list-style-type: none"> Recruit a Business Development Executive to build European clientele Pursue reorganisation of the business' structure, begun in 2018, to return to sustainable profitability and good governance Strengthen CIDP's market share in pharmaceuticals 	Recruitment has been postponed for the time being Reorganisation still in progress and should be complete by June 2021 CIDP subscribed to a digital platform to increase its international visibility in the pharma sector
	QuantiLab <ul style="list-style-type: none"> Continue to increase market share, particularly in the audit and environmental sectors Keep developing accredited methods to keep pace with evolving legislation and clients' needs Offer new services that reflect local and international needs in the context of supply chain disruptions due to Covid-19 	QuantiLab <ul style="list-style-type: none"> Expand our regional footprint via the potential opening of a regional branch Buy out other shareholders Continue to diversify our services Develop strategic partnerships with established water treatment companies to serve local and regional markets Recruit Business Development Executive to consolidate our local market share and increase our international presence 	Project postponed until FY2021 30% share purchased from minority shareholder the Mauritius Turf Club Creation of a training centre Done Project postponed until FY2021

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<ul style="list-style-type: none"> Testing activities at laboratories were halted during Mauritian lockdown Clinical activities were stopped during lockdowns around the world Collaboration with the Mauritian Government to support qPCR Testing 	2, 5, 14, 15	Cluster <ul style="list-style-type: none"> Pursue cluster-level strategy and new avenues for development while returning cluster to profitability Develop strategy for cluster's technology activities (IBL Link) Implement HealthScape project Operational restructure: recruit a Group Head of Technology and Sustainability and a Head of IBL Link Increase our B2C offer by diversifying the cluster's portfolio Consolidate current portfolio and achieve synergies between investees Appoint a consultant to help develop our tech activities Recruit a new General Manager for Universal Media CIDP <ul style="list-style-type: none"> Complete business' structural reorganisation to return to sustainable profitability and good governance Strengthen CIDP's market share in pharmaceuticals and successfully undergo a U.S. Food and Drug Administration audit Pursue digital transformation to enable teleconsultations and remote clinical work in the context of the ongoing Covid-19 pandemic QuantiLab <ul style="list-style-type: none"> Continue to diversify our services and pursue vertical integration via a biomedical laboratory accredited for bioanalysis and qPCR testing Expand our regional footprint by exploring the potential opening of a regional branch

Main risks

- | | | | | |
|------------------------|-------------------------|------------------------------|-----------------------------------|------------------------------------|
| 1) Tourism performance | 4) Foreign currencies | 7) Forex fluctuations | 10) Sustainability of tuna stocks | 13) Volatility of commodity prices |
| 2) Pandemic | 5) Government policies | 8) Sugar cluster performance | 11) Property sales performance | 14) Cybersecurity threats |
| 3) FATF watchlist | 6) Industry performance | 9) Market concentration | 12) Climate change | 15) Technology efficiency |

Life & Technologies

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
  	GWS Technologies <ul style="list-style-type: none"> Pursue continued growth Increase revenue Retain our top talent Increase the proportion of recurring revenue to total revenue Build new partnerships to serve the Mauritian market 	GWS Technologies <ul style="list-style-type: none"> Develop new subscription model to drive an increase in recurrent revenue Migrate customers towards more cost-efficient servers Capitalise on partnerships with Google Cloud and WP Engine to improve our quality of service and optimise our cloud service-related expenses Explore and implement new projects / ventures to grow the business in Mauritius and the wider region 	<p>Done</p> <p>Done</p> <p>Done</p> <p>Partnership with WP Engine to provide customers with infrastructure capable of sustaining major traffic spikes during lockdown</p> <p>Grant received from Amazon Web Services to help develop new Amazon Cloud-based infrastructure over the next 2 years</p>

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
GWS Technologies <ul style="list-style-type: none"> Performance declined slightly due to the financial disruption experienced by some of our clients Our subscription-based model has provided a steady revenue stream while reducing the burden on our clients' cashflows Overall, we have experienced slower yet steady growth New opportunities have arisen, especially in the e-commerce and cloud hosting segment 	<p>2</p> <p>5</p> <p>14</p> <p>15</p>	GWS Technologies <ul style="list-style-type: none"> Increase market share Mitigate the impact of Covid-19 on our performance and operations Stabilise recurring revenue streams and identify new opportunities to grow Offer clients financial incentives to use cloud-based infrastructure for web and e-mail hosting Expand product offering by developing a new Customer Relationship Management system Expand Google Cloud product offering to increase the number of services we provide to clients and benefit from better partner pricing
















Main risks








- 1** Tourism performance
- 4** Foreign currencies
- 7** Forex fluctuations
- 10** Sustainability of tuna stocks
- 13** Volatility of commodity prices
- 2** Pandemic
- 5** Government policies
- 8** Sugar cluster performance
- 11** Property sales performance
- 14** Cybersecurity threats
- 3** FATF watchlist
- 6** Industry performance
- 9** Market concentration
- 12** Climate change
- 15** Technology efficiency

Logistics

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
 	<ul style="list-style-type: none"> Investing in technology to improve processes and increase efficiency Investing in e-commerce logistics activities including order fulfillment and final mile deliveries Investment in resources (warehousing space, transport) to ensure that we have the capacity we need to grow Investing in human capital: staff training and development and succession planning Exploring potential business opportunities in the East African region 	<p>Cluster</p> <ul style="list-style-type: none"> Continue to explore projects in the East African region Succession planning in the context of an ageing workforce Review of ERP system to improve data flow and collection <p>Logidis</p> <ul style="list-style-type: none"> Ensure the successful implementation and adoption of the new Warehouse Management System (WMS) Build capacity in frozen warehouse <p>Somatrans</p> <ul style="list-style-type: none"> Investment in new operational software <p>IBL Shipping</p> <ul style="list-style-type: none"> Consolidation of shipping activities 	<p>Cluster</p> <ul style="list-style-type: none"> Investment project in East Africa in progress: target identified and due diligence being undertaken Talent framework developed to identify talents among our staff and prepare succession plans to replace current leaders Most operations now using the new ERP Business intelligence reporting being introduced to help management improve decision-making <p>Logidis</p> <ul style="list-style-type: none"> Implementation of WMS started in March 2020 and is ongoing, with target completion in December 2020 Moved to a new frozen warehouse while doubling its storage capacity <p>Somatrans</p> <ul style="list-style-type: none"> Delays in the implementation of the new operational system, now due for Q1FY2021. Somatrans will adopt the new ERP at the same time <p>IBL Shipping</p> <ul style="list-style-type: none"> First phase complete with consolidation of the shipping and fishing agencies, achieving considerable savings thanks to the creation of new synergies Second phase of consolidation (Blyth Brothers consolidation with the other shipping activities in Mer Rouge) is now underway

Main risks
















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|---|--|--|---|--|
|  Tourism performance |  Foreign currencies |  Forex fluctuations |  Sustainability of tuna stocks |  Volatility of commodity prices |
|  Pandemic |  Government policies |  Sugar cluster performance |  Property sales performance |  Cybersecurity threats |
|  FATF watchlist |  Industry performance |  Market concentration |  Climate change |  Technology efficiency |








Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<ul style="list-style-type: none"> Activities related to air travel heavily impacted by border closure in Mauritius. The uncertainty in the industry going forward will be challenging for the next few years Airfreight performance affected: rates increased significantly in light of the limited availability of cargo planes Shipping and sea freight expected to be less directly impacted but will be impacted indirectly due to drop in customer activity 	      	<p>Cluster</p> <ul style="list-style-type: none"> Focus on recovery of various aviation activities once air travel resumes <p>Logidis</p> <ul style="list-style-type: none"> Deploy a passenger app and system to optimise planning and routing of vehicles and provide a user interface for drivers and passengers Explore automated solutions for operation efficiency Promote technology-enabled "Working From Home" Develop better logistics tools and affordable final mile delivery to service e-commerce operators Ongoing search for investment opportunities outside of Mauritius Develop the distance learning market for our training school in the region Complete the implementation of our WMS with all remaining customers <p>IBL Shipping</p> <ul style="list-style-type: none"> Second phase of consolidation due to complete in Q1FY2021

Property

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
	<p>Cluster</p> <ul style="list-style-type: none"> In the medium term, Property cluster to consist of a property development fund alongside a yield fund Maintain ability to access funding and act on investment opportunities Capitalise on synergies between Bloomage, BlueLife and other IBL entities <p>Bloomage</p> <ul style="list-style-type: none"> Growth strategy through property development and acquisitions in targeted property segments Geographical and sectorial diversification of portfolio Maintain gearing levels Enhance asset and property management capabilities Maintain operational excellence Provide support to other IBL Group entities regarding their development plans <p>BlueLife</p> <ul style="list-style-type: none"> Reduce indebtedness and restore profitability in loss-making subsidiaries Continue to promote Azuri as a lifestyle destination in Mauritius 	<p>Cluster</p> <ul style="list-style-type: none"> Capitalise on synergies between Bloomage, BlueLife and other IBL entities <p>Bloomage</p> <ul style="list-style-type: none"> Accelerate growth Have funding plan approved and in place for acquisitions and development including the acquisition projects. Complete projects: <ul style="list-style-type: none"> HomeScene at Forbach, Redevelopment of Riverside Shopping Centre, investment in Victoria Station Limited (20% equity stake), and Sale of shares in Cosy Club Management Services Ltd <p>BlueLife</p> <ul style="list-style-type: none"> Continue to reduce debt via the sale of earmarked assets Restore cash flow surplus Finalise Azuri masterplan and develop in phases, including launch of Azuri's golf-view residential development Roll-out of BIM, an intelligent 3D software that increases the efficiency of planning, designing and managing buildings Appointment of a BIM expert to ensure seamless adoption Finalise the sale of at least two non core-assets, including one hotel and one commercial building 	<p>Bloomage</p> <ul style="list-style-type: none"> Overall a good year with strong delivery on projects, an above-budget EBITDA and a dividend payment as per budget <p>BlueLife</p> <ul style="list-style-type: none"> Hotels outperformed up to February 2020 As a result of planning and permit delays and not reaching pre-sales levels, property development activities did not generate any revenue in FY2020

Main risks

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|---|--|--|---|--|
|  Tourism performance |  Foreign currencies |  Forex fluctuations |  Sustainability of tuna stocks |  Volatility of commodity prices |
|  Pandemic |  Government policies |  Sugar cluster performance |  Property sales performance |  Cybersecurity threats |
|  FATF watchlist |  Industry performance |  Market concentration |  Climate change |  Technology efficiency |

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<p>Bloomage</p> <ul style="list-style-type: none"> Final quarter of FY2020 impacted. Bloomage offered rent rebates and/or deferral of rent payment to clients as a gesture of goodwill. Deferral or freezing of expenditure to mitigate impact of reduced income Value of investment properties was maintained (no impairment accounted for during FY2020 against a budgeted fair value gain of approx. Rs 90m) However, value of investment in Southern Investment Ltd was impaired <p>BlueLife</p> <ul style="list-style-type: none"> Real estate sales activities temporarily halted during Covid-19 lockdown in Mauritius, with significant knock-on effects for the company's results Hotels closed since 19 March 2020 with significant impact on results Likely to face severe short-to-medium term drop-in demand due to both Covid-19 and EU/FATF listings 	<p></p> <p></p> <p></p> <p></p> <p></p> <p></p> <p></p>	<p>Cluster</p> <ul style="list-style-type: none"> Capitalise on synergies between Bloomage, BlueLife and other IBL entities (unchanged) <p>Bloomage</p> <ul style="list-style-type: none"> Continue to pursue growth strategy while ensuring acquisitions are future-proof Sustain income by maintaining occupancy levels, strong debtor management and cost control HealthScape project (see Life & Technologies cluster) Manage risks including the need to extend support to tenants beyond December 2020, reduced revenues putting pressure on bank covenants, impairment in investment properties putting pressure on gearing and LTV levels, pressure on rents with increasing market vacancies <p>BlueLife</p> <ul style="list-style-type: none"> Conserve cash and carefully prioritise expenditure in light of Covid-19 Pursue strategy of selling assets to reduce group indebtedness and generate cash to support working capital needs, including by completing the sales of Circle Square and our Poste Lafayette hotel Develop an appropriate strategy for Azuri's next development phases, which includes a new golf course and a masterplan. Ambition is to apply for a Smart City Certificate in FY2021

Seafood

Link to group-level strategy	Strategic directions	Objectives set for 2019-20	Performance against objectives
	<ul style="list-style-type: none"> Pursue growth in value-added by-products, particularly by optimising fish by-products Aim to create a truly global sector with operations in the Indian and Atlantic Oceans Roll out of new recruitment and talent management plan 	<ul style="list-style-type: none"> Focus on maintaining profitability internationally Continue pursuing growth in fish by-products in Mauritius, particularly by producing fish oils and soluble extracts Launch of a new entity (Energie des Mascareignes) to generate clean biogas from liquid by-products and effluent to power boilers, replacing heavy fuel currently used for energy Continued lobbying of EU to improve how yellowfin quotas are implemented and begin discussions on general quotas or time area closures Complete implementation of ERP for the entire cluster by end 2020 	<ul style="list-style-type: none"> Investment in Cherbourg Nutritish factory to optimise by-products in collaboration with Thai Union has been stopped due to supply-related challenges Energie Des Mascareignes set to launch in end 2020 Ivory Coast factory now fully functional

Main risks

- 1 Tourism performance
- 4 Foreign currencies
- 7 Forex fluctuations
- 10 Sustainability of tuna stocks
- 13 Volatility of commodity prices
- 2 Pandemic
- 5 Government policies
- 8 Sugar cluster performance
- 11 Property sales performance
- 14 Cybersecurity threats
- 3 FATF watchlist
- 6 Industry performance
- 9 Market concentration
- 12 Climate change
- 15 Technology efficiency

Impact of Covid-19 on operations and performance	Link to group-level risks	Priorities for 2020-21
<ul style="list-style-type: none"> Factories worked at reduced capacity during lockdown but restarted operations as of mid-May 2020 Limited supply during the months of August and September Reduced tonnages in tuna factories in line of the challenges facing the food business (restaurants and hotels) in the EU 	<ul style="list-style-type: none"> 2 5 7 9 10 12 14 15 	<ul style="list-style-type: none"> Operate all entities within an operational excellence framework and optimise profit levels despite supply and volume challenges Diversify source of raw materials in processing factories Ensure alignment between industry and government regarding a proposal of reduced catches for yellow fin Work in close collaboration with associate companies to make a collective decision regarding the value chain in view of changing business conditions Operate factory in Ivory Coast to the highest operating standards and deliver a profitable business Complete construction and begin activities at Energie Des Mascareignes by Oct 2021 Enhance talent development programme