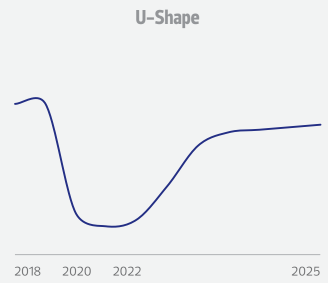
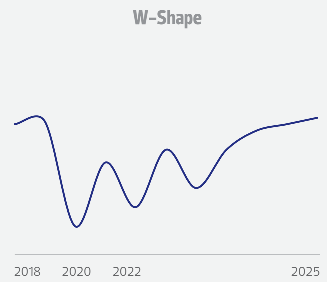
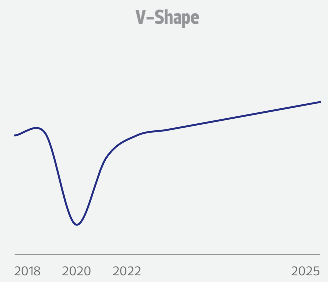
GROUP CFO'S REPORT

A RESILIENT PERFORMANCE FOR IBL GROUP DESPITE COVID-19

The financial year ended 30 June 2021 (FY2021) was a year full of challenges. At macro level, we all had to deal with the profound impact that COVID-19 has had on the world. It affected our people, suppliers and customers in Mauritius and beyond our shores. On the one hand, we experienced delays in the supply of raw materials and finished goods that we import as well as higher import costs due to adverse exchange rate movements, disruptions in freight and higher charges. On the other hand, we faced numerous new challenges, in particular in the hospitality sector, due to the closure of borders worldwide.

Last year, we evaluated our business and investment portfolio and classified some of our business clusters as at "High Risk" of being impacted by COVID-19. As we moved through FY2021, the pandemic continued unabated for longer than initially expected. As a result, the "high-risk" status of these businesses became a "reality", which in turn triggered a number of measures to be deployed. It was appropriate to therefore change the nomenclature of these businesses to "Highly Impacted by COVID-19".

Given this backdrop, the table below is as relevant as it was a year ago. The group has continued to track, monitor and report on its performance along these lines in the past year.

INDUSTRY SECTOR	IMPACT LEVEL	IBL'S VIEW OF POTENTIAL RECOVERY SCENARIOS	
· Hospitality - Hotels, Tourism & Associated Services · Property - Sales, Development, Contracting and Supplies · Logistics - Aviation	HIGH		Businesses are projected to face significant slowdowns and challenges for as along as the pandemic lasts on a global scale and a remedy for COVID-19 has not been found.
· Financial Services - Banking, Insurance and Global Business · Property - Rental	MEDIUM		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.
· Agro · Energy · Wholesale consumer goods · Healthcare · Logistics - Warehousing, Shipping & Transport · Life Sciences · Technology · Seafood	LOW		Businesses resumed relatively rapidly, though some now face doing business under new baseline conditions, e.g. rising import costs, reduced customer disposable income.

GROUP CFO'S REPORT

GROUP PERFORMANCE FOR FY2021

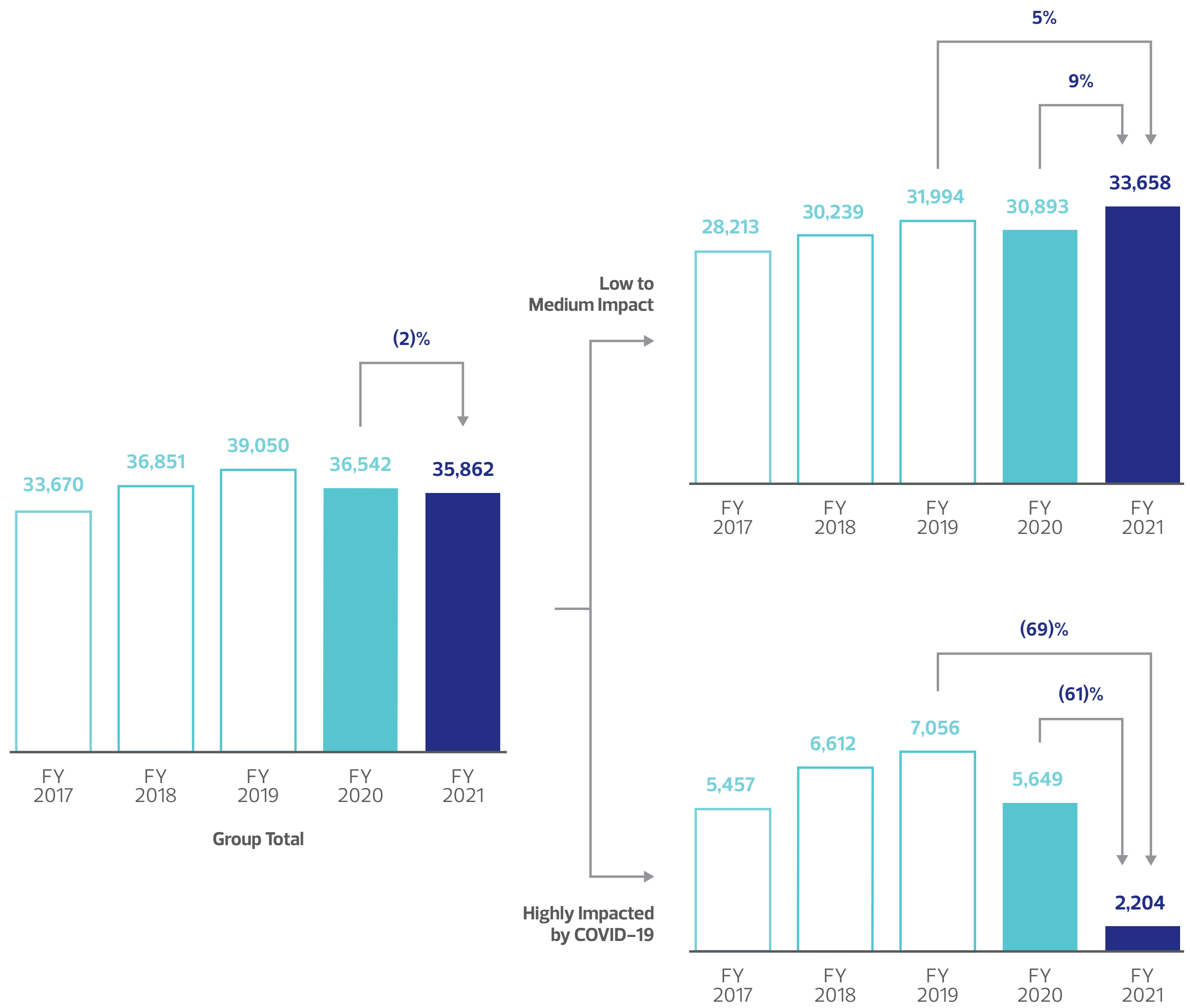
Summary of the published results of the Group

	THE GROUP	
	Year Ended 30.06.2021 Audited	Year Ended 30.06.2020 Audited
	Rs000	Rs000
Revenue	**35,861,942**	36,541,870
Profit from operations	**514,349**	465,514
Share of results of associates and joint ventures	**757,029**	568,435
Impairment of goodwill and investments in associates and joint ventures	**(74,850)**	(1,049,375)
Other gains and losses	**204,832**	(26,749)
Net finance costs	**(1,108,452)**	(1,156,572)
Profit/(loss) before taxation	**292,908**	(1,198,747)
Taxation	**(126,628)**	(137,345)
Profit/(loss) for the year from continuing operations	**166,280**	(1,336,092)
Discontinued operations		
Loss for the year from discontinued operations	**(91,355)**	(90,060)
Profit/(loss) for the year	**74,925**	(1,426,152)
Other comprehensive income for the year	**1,953,025**	318,455
Total comprehensive income/(loss) for the year	**2,027,950**	(1,107,697)

Analysing the group's performance for FY2021 is a tale of two stories. Here, we set out the trends in our performance according to key parameters, namely revenue, operating profit and profit before tax over the last 5 years. However, we primarily compare our FY2021 performance to (i) last year, FY2020, which was partly normal and partly affected by COVID-19 and (ii) the year before, FY2019, which was a "full normal pre-COVID year".

In parallel, we believe it is important to assess our FY2021 performance for business classified as "Highly Impacted by COVID-19" separately from the rest of our portfolio, which we have clubbed under the heading "Low to Medium Impact". The charts below summarise our performance bearing the above in mind.

Group revenue

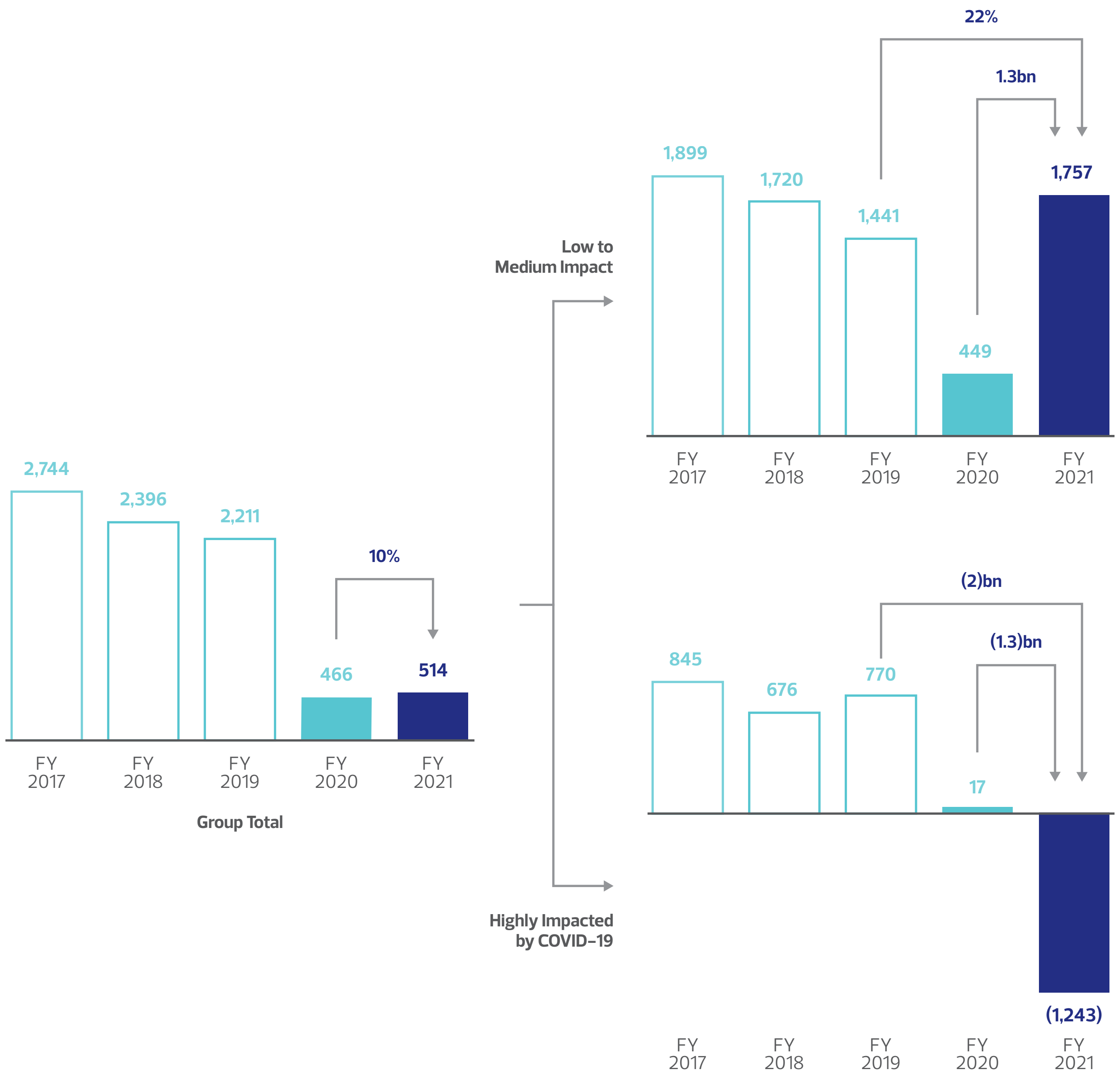


2017-2019 pre-pandemic data extracted from latest audited financial statements covering the respective years.

Group revenue for FY2021 overall fell 2% versus last year. However, upon assessing the portfolio based on COVID-19 impact, it is clear that the "Highly Impacted by COVID-19" companies dragged the overall achievements of the group down. The absence of foreign tourists to our hotels in Mauritius for the whole of FY2021 and for extended parts of the year in Reunion and Maldives had a deep impact on the top line, exceeding the significant overall growth achieved in the rest of the portfolio of "Low to Medium Impact" companies. The portfolio of "Low to Medium Impact" companies achieved revenue surpassing pre-pandemic levels, a significant achievement considering that we spent FY2021 operating in a hybrid environment involving lengthy periods of working from home, a second lockdown in Mauritius and lost business in some sectors.

GROUP CFO'S REPORT

Operating profit



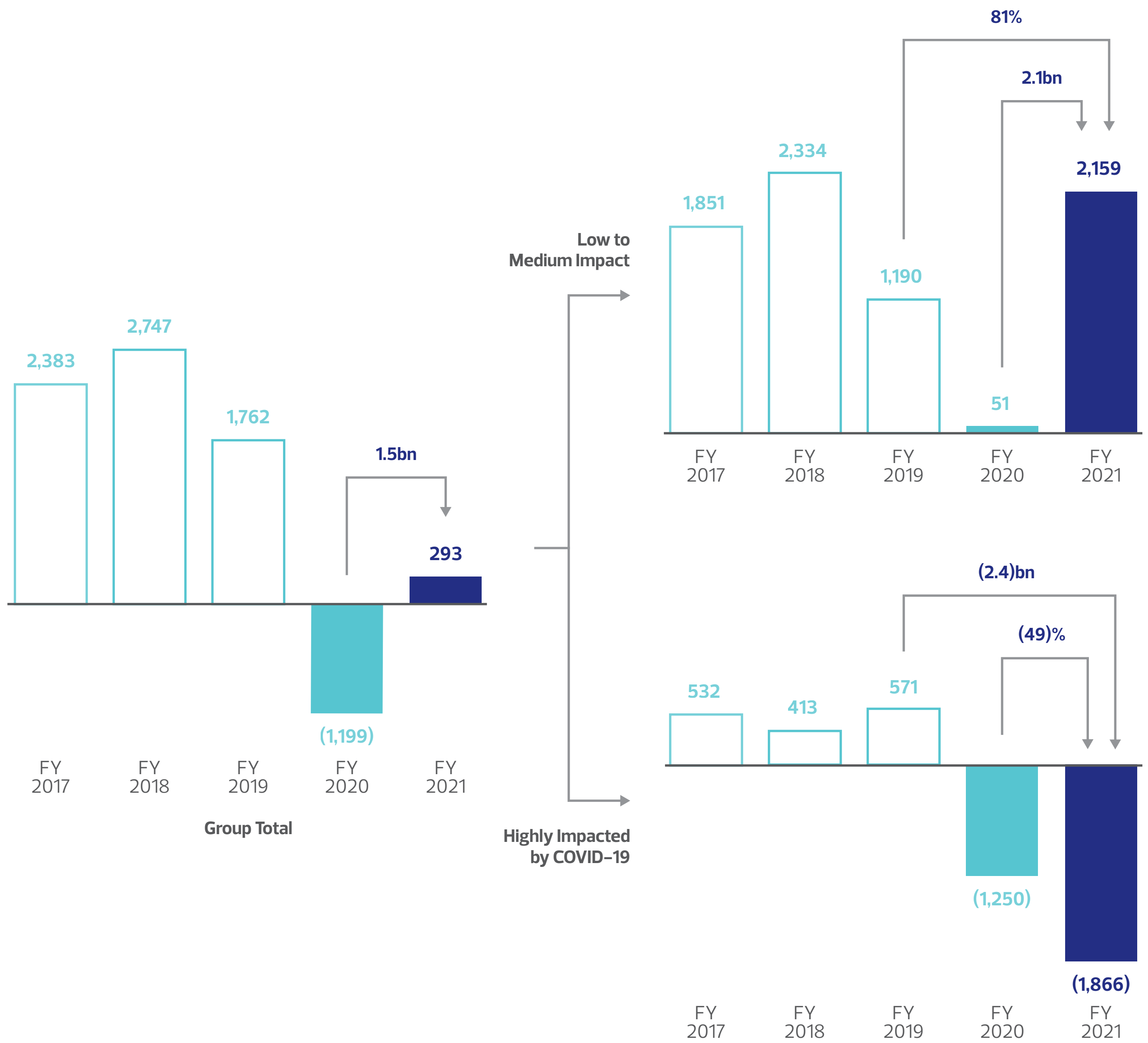
2017-2019 pre-pandemic data extracted from latest audited financial statements covering the respective years.

The group's operating profit has increased by 10% compared to last year, but remains subdued compared to pre-pandemic levels, when the figures exceeded the Rs 2 billion mark.

The absence of international travel and tourism, which affected our hospitality, property development and aviation sectors, classified as "Highly Impacted by COVID-19" as shown in the chart above, has had a major impact on the group's operating profit overall.

However, it is encouraging that our overall portfolio of businesses in the "Low to Medium Impact" sectors have generated nearly four times the operating profit from last year on a like for like basis. These businesses have even surpassed 2019's pre-pandemic operating profit by 22%. This is a very positive outcome given the adverse circumstances. Once international travel and tourism resume, we expect to see the significant losses in the hospitality sector turn to profit, and for overall operating profit to rise rapidly towards and potentially even beyond the pre-pandemic levels of 2019.

Profit before tax



2017-2019 pre-pandemic data extracted from latest audited financial statements covering the respective years.

The same story repeats for profit before tax, which in addition was affected last year by one-off goodwill impairments.

For the current year, we classified a number of companies as held for sale and discontinuing activities. These comprise UBP's Sri Lanka operations, for which a buyer is being sought; the company through which we invested in a piece of land in Kerala in India to build a seafood factory with an Indian partner which we jointly decided not to pursue; and the company set up to own a fishing vessel sold during the year. SALT Hospitality, a company which went into administration, was also deconsolidated and reported as a "deemed" disposal together with PL Resorts, a property which we intend to sell.

GROUP CFO'S REPORT

CLUSTER PERFORMANCE

Agro & Energy: The performance of Alteo's sugar cluster has increased in all of the locations in which it operates, namely Mauritius, Kenya and Tanzania. The segment benefitted from better sugar prices, increased volumes, lower costs following restructuring measures and higher fair value gains on biological assets. The Cluster's energy segment also performed better than last year with improved efficiencies. Alteo also benefitted from the sales of serviced plots at Anahita.

Building & Engineering: The Cluster was heavily impacted by the lockdown and costs attributed to the closure of Dubai operations last year. The current year benefitted from infrastructure and building projects that had been delayed due to the first Mauritian lockdown from March to June 2020. Our shipyard business delivered better profits despite a drop in shipbuilding activities associated with the pandemic. Manser Saxon generated higher turnover and margins and UBP delivered better results from its core business and its Espace Maison stores.

Commercial & Distribution: Improved results were driven mostly by Winner's, which continued to deploy operational efficiency measures during the year. HealthActiv's profitability remained stable despite pressure on margins and higher import costs resulting from the depreciation of the Mauritian rupee. BrandActiv and PhoenixBev were both affected by lower sales to the HORECA (Hotels, Restaurants and Cafes) segment, which was impacted by the absence of tourists. PhoenixBev delivered better results mainly from its export sales and its Reunion operations.

Financial Services: Eagle Insurance performed better this year, with a gradually improving risk screening and pricing framework. Both Eagle Insurance and The Bee's investment portfolios performed better this year. DTOS however, witnessed a drop in turnover and AfrAsia's net interest income dropped as a result of the prevailing low interest environment.

Hospitality & Services: The group's hospitality Cluster has been severely impacted by the worldwide closure of borders to tourism since March 2020. Hotels in Mauritius operated on a partial basis and catered to local tourists, which proved especially popular during the Christmas, New Year and Chinese New Year holiday seasons. However, the properties were forced to close again when the second Mauritian lockdown was announced. Our hotels in Maldives showed encouraging results, with occupancy rates averaging normal levels until January, while those in Reunion were affected by travel restrictions. With Mauritius' borders reopening to tourism in October 2021, advance bookings are giving rise to measured optimism in the sector. LUX* Grand Baie is also due to open in late 2021, in time for the summer holiday season.

Life & Technologies: Turnover has grown while margins have also improved. Profitability for the sector was negatively impacted by IBL Link, which remains affected by the economic downturn. The development of the Life sector is progressing well and its contribution to the group is expected to increase in the medium term.

Logistics: Aviation is among the group's most highly impacted segments, with activities markedly lower than pre-COVID-19. The group's freight forwarding business, Somatrans, has also seen a decline in activity due to the economic slowdown and higher air and sea freight rates. Logidis Transport Services has been affected by the lower volume of activity associated with hotel staff transport. The disposal of one vessel during the period resulted in reduced activity for the shipping segment.

Property: Bloomage performed well despite being affected by SALT of Palmar going into administration. The increase in operating profit was attributable to the full year impact of a new commercial building as well as higher rates applied at a newly renovated complex. BlueLife's property development, sales activities and hotels were heavily impacted by border closures and turnover dropped significantly. This said, the company reported lower losses thanks to strict cost control measures and lower levels of impairments.

Seafood: The sector reports very good results for the year, contributed by a full year result for Marine Biotechnology Ivory Coast and higher overall performance in Mauritius.

GROUP STATEMENT OF FINANCIAL POSITION

	THE GROUP	
	As At 30.06.2021 Audited	As At 30.06.2020 Audited
Assets	**Rs000**	Rs000
Property, plant and equipment	**29,772,771**	28,355,603
Investment properties	**3,123,499**	2,857,422
Intangible assets	**2,456,225**	2,168,837
Investments	**11,273,701**	10,318,765
Deferred tax assets	**496,147**	588,737
Right of use assets	**4,901,887**	5,108,832
Other assets	**176,661**	139,640
Non-current assets	**52,200,891**	49,537,836
Current assets	**17,942,846**	15,824,360
Assets classified as held for sale	**838,519**	921,518
Total Assets	**70,982,256**	66,283,714
Equity and Liabilities		
Equity attributable to owners of the parent	**15,033,455**	14,063,455
Non-controlling interests	**12,438,187**	11,097,260
Total equity	**27,471,642**	25,160,715
Non-current liabilities	**27,144,725**	22,250,152
Current liabilities	**15,992,690**	18,430,991
Liabilities associated with assets classified as held for sale	**373,199**	441,856
Total Equity and Liabilities	**70,982,256**	66,283,714

Key changes on the Group Statement of Financial Position relate to:

Property, plant and equipment: The increase of Rs 1.4 billion is mainly attributable to the development of LUX* Grand Baie and the extension of the group's shipyard at CNOI.

Current assets: The increase compared to last year is attributable largely to the increase in inventory volumes and costs in our commercial operations as well as a net increase in cash and cash equivalents, a result of raising new long-term debt net of repayments.

Current liabilities: Amounts have dropped mainly due to repayment of debt which matured during the year, refinanced by long term debt.

Non-current liabilities: The increase is attributable to the raising of new debt, including IBL's Rs 3 billion bond issue, new bank loans and some refinancing during the year.

GROUP CFO'S REPORT

COMPANY PERFORMANCE FOR FY2021

Profit or loss

Summary of the published results for the Company

	THE COMPANY	
	Year Ended 30.06.2021	Year Ended 30.06.2020
	Rs000	Rs000
Revenue	**4,767,958**	4,412,409
Dividend Income	**725,400**	601,904
Total Revenue	**5,493,358**	5,014,313
Cost of sales	**(3,779,105)**	(3,435,925)
Gross Profit	**1,714,253**	1,578,388
Other income	**204,711**	265,069
Administrative Expenses	**(1,486,310)**	(1,528,074)
Expected credit losses	**(54,152)**	(335,422)
Profit/(loss) from operations	**378,502**	(20,039)
Other gains and losses	**11,711**	241,012
Net finance costs	**(347,158)**	(305,031)
Profit/(loss) before taxation	**43,055**	(84,058)
Taxation	**(31,975)**	(25,238)
Profit/(loss) for the year	**11,080**	(109,296)

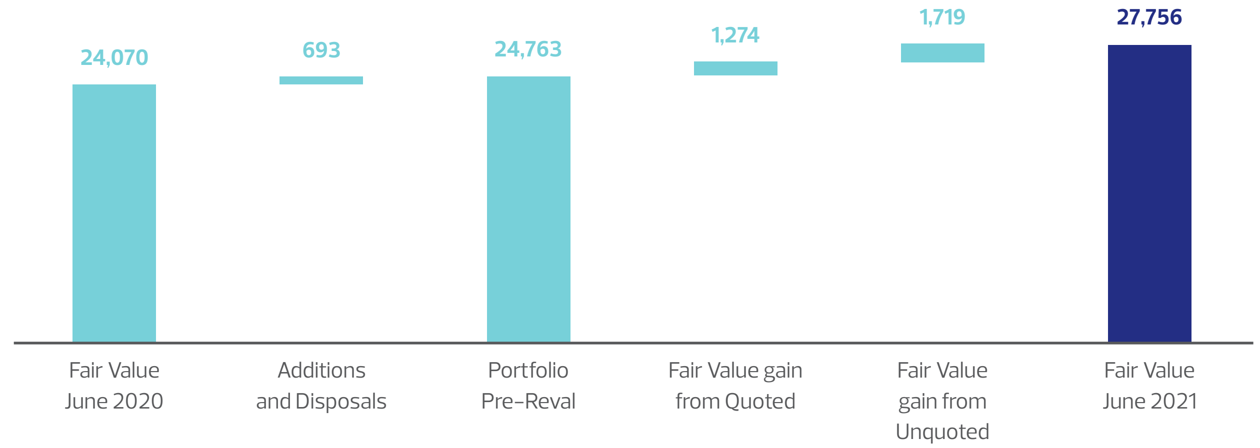
Dividend income for the year was higher as our subsidiaries and associates stabilised after the initial Mauritian lockdown. Our hospitality, property development and aviation businesses aside, most remaining subsidiaries were able to perform well despite the pressures of COVID-19 lingering on the market.

BrandActiv and HealthActiv, businesses which are consolidated as part of IBL Company as well as IBL Group, saw revenue grow 8% compared to last year.

Expected credit losses (ECL) for FY2021 were lower compared to last year, when the Company had prudently provided for non-recovery of debtors. Other gains and losses in FY2020 included a one-off transfer of employee benefit liabilities to IBL's subsidiaries, relating to the latter's current and former employees, following an agreement reached with these subsidiaries to recharge pension costs and liabilities attributable to them.

Company investment portfolio: Movement year on year (excluding other financial assets)

Figures in Rs millions



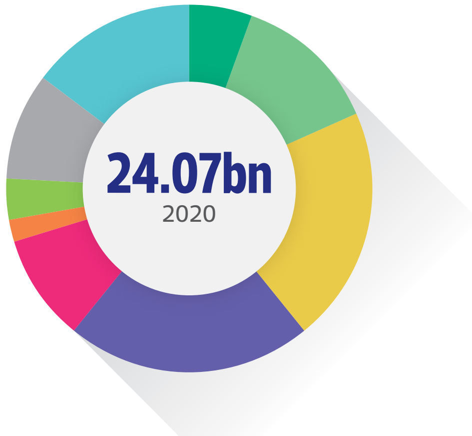
Gain/(Drop) - Listed Investments

Movement in Value for Listed Investments	No of shares held (at June 2021)	Share price June 2020 (Rs)	Share price June 2021 (Rs)	Fair value 2020 (Rs M)	Additions (Rs M)	Total prior to revaluation (Rs M)	Fair value 2021 (Rs M)	Gain/(Drop) in Portfolio (Rs M)	% Gain/ (loss) on quoted
LUX* (LIR)	77,425,389	28.00	33.00	2,168		2,168	2,555	387	18%
BlueLife	663,067,517	1.27	0.69	407	188	595	458	(137)	12%
Highly impacted companies				2,575	188	2,763	3,013	249	17%
Alteo	88,033,272	15.20	25.80	1,338		1,338	2,271	933	70%
UBP	8,785,100	128.50	144.75	1,129		1,129	1,272	143	13%
PICL	1,488,130	420.00	383.25	625		625	570	(55)	-9%
PhoenixBev	527,659	614.00	600.00	324		324	317	(7)	-2%
The Bee Equity	3,083,292	24.10	27.60	74		74	85	11	15%
Low to medium impact				3,490	-	3,490	4,515	1,025	29%
Total				**6,066**	**188**	**6,253**	**7,527**	**1,274**	**24%**

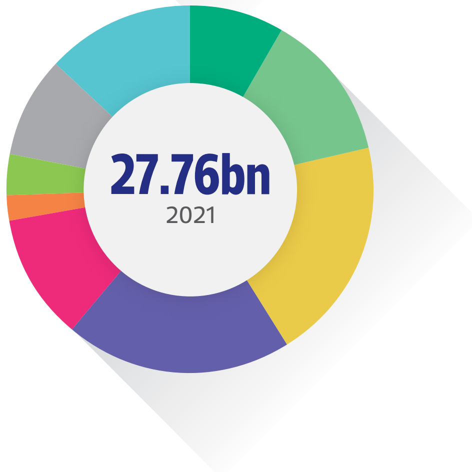
The fair value of both our quoted and unquoted investments have risen during the year. The fair valuation of quoted investments was driven by stock closing prices on 30 June 2021. Fair valuation of unquoted investments rose principally off the back of much better results during FY2021 and projections.

GROUP CFO'S REPORT

The movements above resulted in the following changes to the mix of IBL's overall portfolio (excluding other financial assets):



5.6% Agro & Energy
13.0% Building & Engineering
20.7% Commercial & Distribution
21.8% Financial Services
9.4% Hospitality & Services
1.9% Life & Technologies
3.6% Logistics
9.5% Property
14.5% Seafood



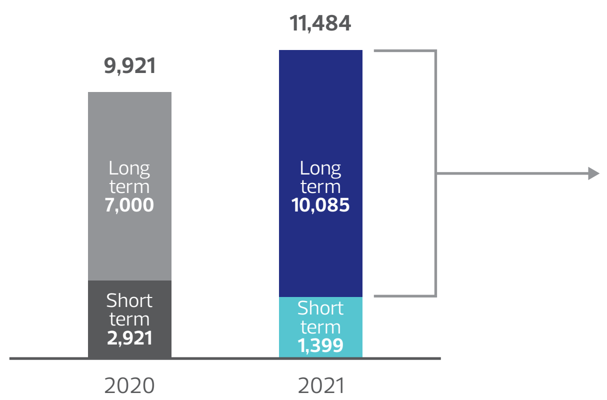
8.4% Agro & Energy
13.1% Building & Engineering
19.7% Commercial & Distribution
20.0% Financial Services
11.2% Hospitality & Services
2.3% Life & Technologies
3.5% Logistics
9.0% Property
12.8% Seafood

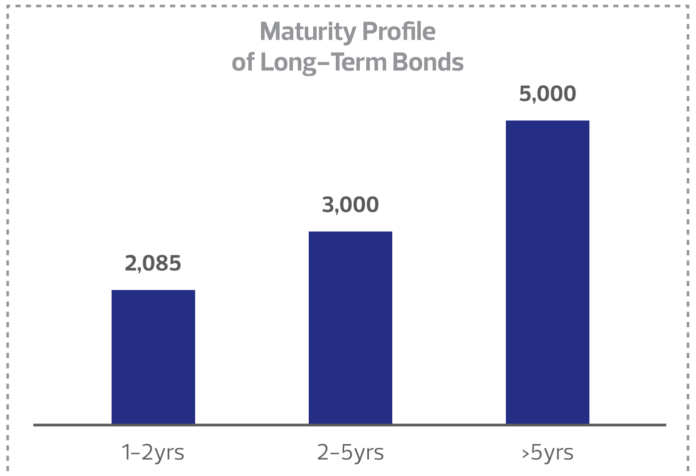
Borrowings

The Company issued Rs 3 billion of bonds during the year, mainly to refinance short-term debt to longer terms. The Group's maturity profile as of 30 June 2021 is as follows.

Borrowing profile:

Figures in Rs millions

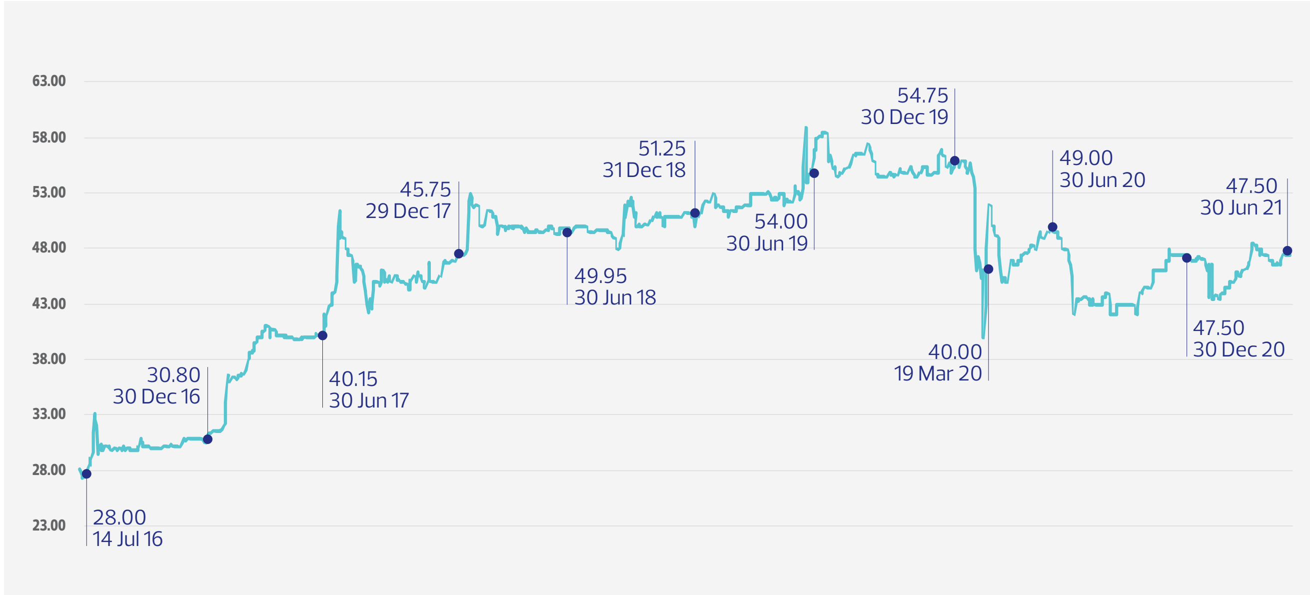




COMPANY SHAREHOLDER INFORMATION

Figures in Rs

Share price evolution



PRICE	NO OF SHARES	CAPITALISATION
47.50 30 JUNE 2021 (30 JUNE 2020 – **49.00**)	**680,224,040**	**32,311m** 30 JUNE 2021 (30 JUNE 2020 – **33,331m**)

SHAREHOLDER INFORMATION FOR FINANCIAL YEAR 2021 (July 2020 – June 2021)	HIGHEST VOLUME TRADED ON ANY DAY **2,137,248**	TOTAL SHARES TRADED IN FY 21 **10,654,868**	
	AVERAGE DAILY VOLUME TRADED **44,211**	HIGHEST **50.00**	LOWEST **42.00**

GROUP CFO'S REPORT

Value added statement – Group

	2021 FY2021	2020 FY2020
Value Created through:		
Revenues	**35,861,942**	36,541,870
Other Income	**1,222,972**	748,314
Cost of sales and other operating expenses	**(26,450,298)**	(27,634,543)
Amortisation and depreciation	**(2,286,525)**	(2,228,204)
Share of results of Associates and Joint Ventures	**757,029**	568,435
Loss for the year from discontinued operations	**(309,930)**	(90,060)
Profit on disposal of subsidiaries	**218,575**	–
Other gain and losses and impairments	**129,982**	(1,076,124)
	9,143,747	6,829,688
Other comprehensive income	**1,953,025**	318,455
Total value created	**11,096,772**	7,148,143
Value distributed to:		
Employees: as remuneration and pension	**5,372,516**	4,692,361
Government: as taxes and duties	**2,587,854**	2,406,907
Shareholders: as dividends	**637,074**	743,061
Lenders: as finance costs less interest income	**1,108,452**	1,156,572
Reinvested or revalued within the Group	**1,390,876**	(1,850,758)
Total value distributed	**11,096,772**	7,148,143

Value distribution

OVERALL OUTLOOK

Mauritius deployed its vaccination campaign in the second half of FY2021. Take up has gradually increased to the extent that as of September 2021, we had 82% of the adult population vaccinated. This is positive for a number of reasons, not least because it allows businesses, especially in the hospitality sector, to gradually plan their resumption.

As demonstrated by the figures reported above, IBL has shown its resilience during FY2021. As borders reopen in Mauritius, there is an expectation that things will settle into a new normal fairly quickly.

We will however remain vigilant and continue to monitor the evolution of the pandemic, taking appropriate measures as needed.

Finally, we are working on numerous growth initiatives, and we believe the health and energy sectors in Africa offer particular growth opportunities. IBL will continue to rigorously test these opportunities to ensure that any investment that we make is able to generate the planned returns in a timely manner.

Dipak Chummun
Group Chief Finance Officer