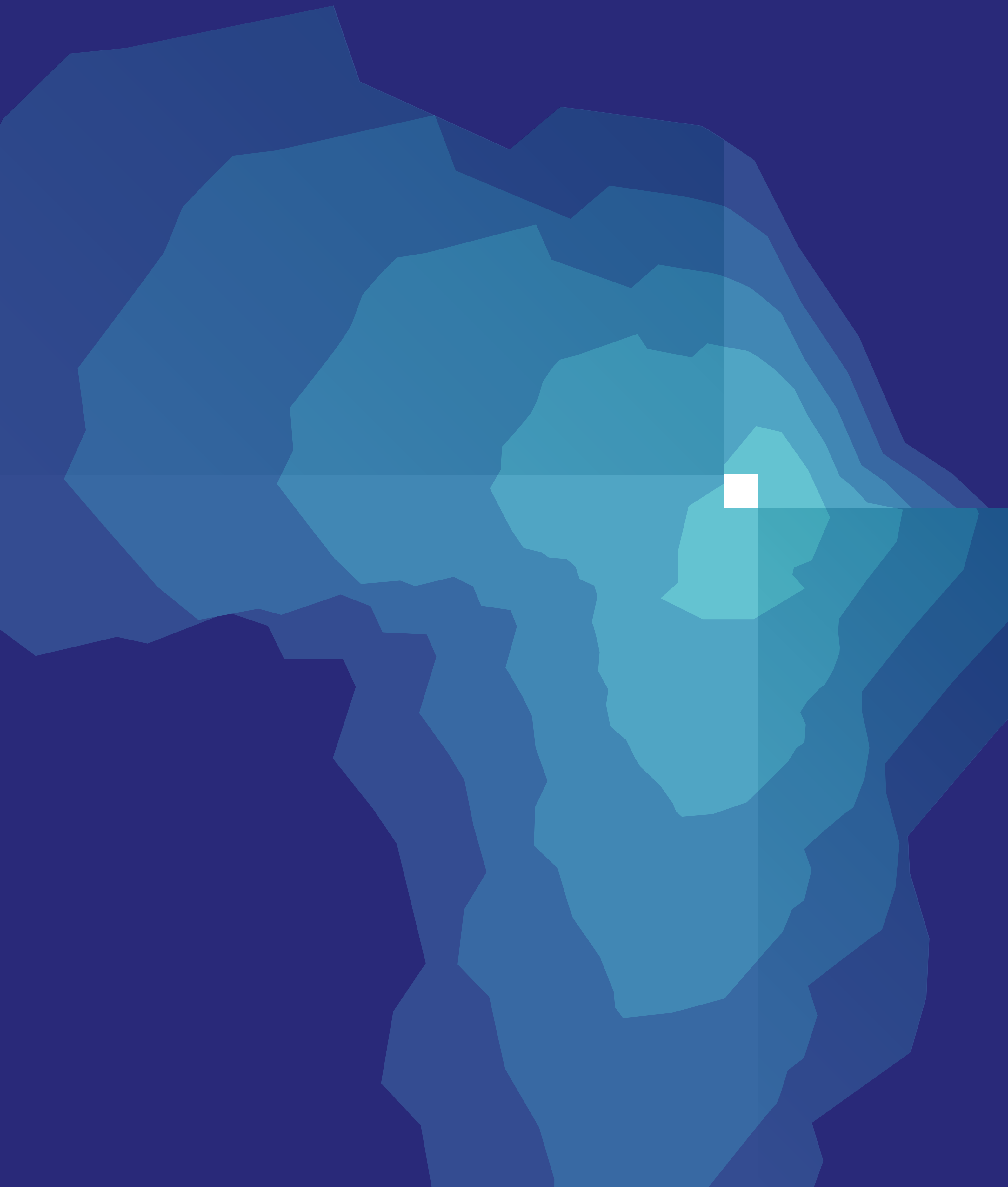
Integrated Report 2023



Beyond Borders

Going and growing 'Beyond Borders' is a strategy that transcends the boundaries of geography. It embodies a mindset that fuels our pursuit to push beyond the familiar, venture into uncharted territories, including Africa and further, and continuously expand our horizons. It is our compass, guiding us to create new pathways, forge new alliances and redefine what is achievable.

With this philosophy, we stride ahead as trailblazers and leaders in our markets, united in our purpose to shape a brighter future for all – a future that knows no bounds.

Contents

Introduction

In this section

About this Report

Reporting scope and boundary

This Integrated Report offers a concise and balanced account of IBL Group's performance for the financial year ended 30 June 2023 (FY2023) using an interlinked and multi-capital approach. It includes financial and non-financial information on the Group's strategy (page 62), business model (page 22), stakeholder interests (page 24), operational performance (page 114), risk management (page 144), environmental and social performance (page 72) and responsible governance practices (page 168). Other material events up to the date of approval of this report in September 2023 have also been included to enable our shareholders and the broader investment community to make an informed assessment of how we create value over the short, medium and long term.

The financial reporting boundary aligns with our financial statements boundary, and covers the Company and its subsidiaries, associates and joint ventures (collectively referred to as "IBL" or "the Group"). As of 30 June 2023, the results include those of Naivas as an associate company. Naivas will be consolidated as a subsidiary as from FY2024 given our recent acquisition of an additional stake that gives IBL control. Our other acquisitions, Make Distribution and Harley's, will also be consolidated as from FY2024.

The integrated reporting boundary covers all of the Group's local and foreign operations, including our operating subsidiaries, associates and joint ventures.

Reporting guidelines and frameworks

- The International Integrated Reporting Council (IIRC)'s Integrated Reporting Framework
- The International Financial Reporting Standards (IFRS)
- The Mauritius Companies Act 2001
- The Financial Reporting Act 2004

Combined assurance

To ensure the integrity of the report, the Group uses a combined assurance model, under the direction of external and internal audit. IBL's independent external auditor, Deloitte, has provided assurance on IBL's audited annual financial statements. The report has also been assessed and reviewed by the Group's Management and Board of Directors, Audit & Risk Committee, Corporate Governance Committee and Company Secretary. They believe, to the best of their knowledge, that this report accurately addresses the Group's material issues.

Forward-looking statements

This report contains certain statements and forecasts relating to IBL's operating context, strategy, operational results, and prospects for the financial year 2024. While these statements are based on information available to us at the time of preparing the report and reasonably represent our future expectations, they may be affected by known and unknown uncertainties and risks that we have no control over. These risks could cause our actual results to differ materially from those expressed in our statements. Readers are therefore advised to use caution when interpreting these forward-looking statements, as they do not guarantee future performance.

We value your feedback

Your suggestions allow us to improve our reporting practices and ensure we provide information that is useful for stakeholder decision-making. Please share your feedback or queries with us by emailing IBLcosec@iblgroup.com

Visit our microsite for an interactive version of our Integrated Report and our website www.iblgroup.com to view previous years' reports.

Navigation icons

Capitals

- Human capital
- Social and relationship capital
- Natural capital
- Financial capital
- Intellectual capital
- Manufactured capital

Stakeholders

- IBL team members
- Clients and customers
- Communities, NGOs, vulnerable populations and families
- Investors and shareholders
- Government and regulatory and institutional bodies
- Suppliers

Main risks

1. Cybersecurity threats
2. Forex fluctuations
3. Volatility of commodity prices
4. Climate change (physical)
5. Climate change transition
6. Talent management
7. Sustainability of tuna stocks
8. Geopolitical instability (East Africa)
9. Market conditions
10. Water stress
11. Geopolitical conflicts (Eastern Europe)
12. Sustainability of national debt
13. Capital investments abroad
14. Country attractiveness
15. Succession

Strategic pillars

- Strengthening IBL's Mauritian core
- Regional expansion into the Indian Ocean & East Africa
- International expansion anchored in world-class professional expertise

Growth enablers

- Human Capital
- Technology and Transformation
- Sustainability
- Innovation

Other icons

- Cross-referencing
- Website
- Reading time
- Audio highlights on the website

How IBL supports the SDGs

SUSTAINABLE DEVELOPMENT GOALS

IBL's vision is to shape a brighter world. We believe that we can make this vision a reality by helping to achieve the Sustainable Development Goals identified by the United Nations. IBL has been a Participant in the UN Global Compact since 2017 and is a founder member of the Global Compact Local Network (Mauritius).

At a Glance

Beyond Borders

IBL is driven by the bold entrepreneurial culture we have inherited from our visionary founders, who encouraged exploration and experimentation. This mindset has driven us to build the leading business group in Mauritius and has guided us outside our shores, while remaining a major contributor to the country.

After setting up an office in Nairobi in 2018, IBL deployed its Beyond Borders strategy in 2021 to develop impactful business ties and reinforce its role as a strategic investor in the region. We have looked for opportunities in fast-growing economies in sectors where we are specialists. With a coherent strategy to leverage our core competencies, we are determined to create value on, and for, the continent.

With IBL Beyond Borders, we aren't only opening our frontiers; we are also opening our minds and hearts.

Leading a diversified Group

Vision

Creating a brighter future for all

Mission

As a responsible corporate citizen, we enhance the talents of our people and inspire them to better serve our stakeholders in a trusting, transparent and efficient way.

Values

People First, Passion, Integrity, Excellence, Responsibility, Creativity

311 Companies

8 Companies listed on the Stock Exchange of Mauritius (of which IBL Ltd)

Sustainability

Hours of training to help IBL companies embed Sustainability in their strategy	278
Sustainability champions across IBL Group	27
Companies listed on the SEMSI	2

CSR

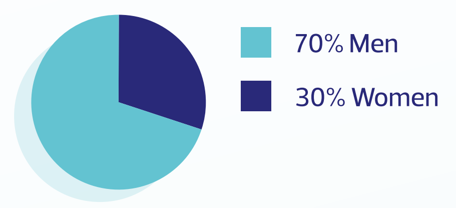
Charitable institutions dedicated to social inclusion	4
Grants received: · F1 grant from National Social Inclusion · Horizon 2024 from the European Union	2
Youngsters supported	100
Children supported	390
Beneficiary families	811

Sectors

1. Agro & Energy
2. Building & Engineering
3. Commercial & Distribution
4. Financial Services
5. Hospitality & Services
6. Life & Technology
7. Logistics
8. Seafood
9. Property

Team members

26,306



Financial performance

Group Revenue (Rs)	54.09bn
Group Profit Before Tax (Rs)	5.50bn
Group Profit After Tax (Rs)	4.89bn
Market Capitalisation (Rs)	29.93bn

Strategic highlights

A Mauritian heart

Group revenue generated in Mauritius	82%
Companies in Mauritius	243
Taxes, Duties & Levies (Rs)	4.91bn

A regional presence

Invested in the region (USD)	140m
Team members in East Africa	14,000+
Business clusters we operate in	6

International expansion anchored in world-class professional expertise

Number of companies operating/investing internationally	18
Number of countries and territories in which we are present	22

Group Overview

In this section

International Presence

IBL is present in 22 countries

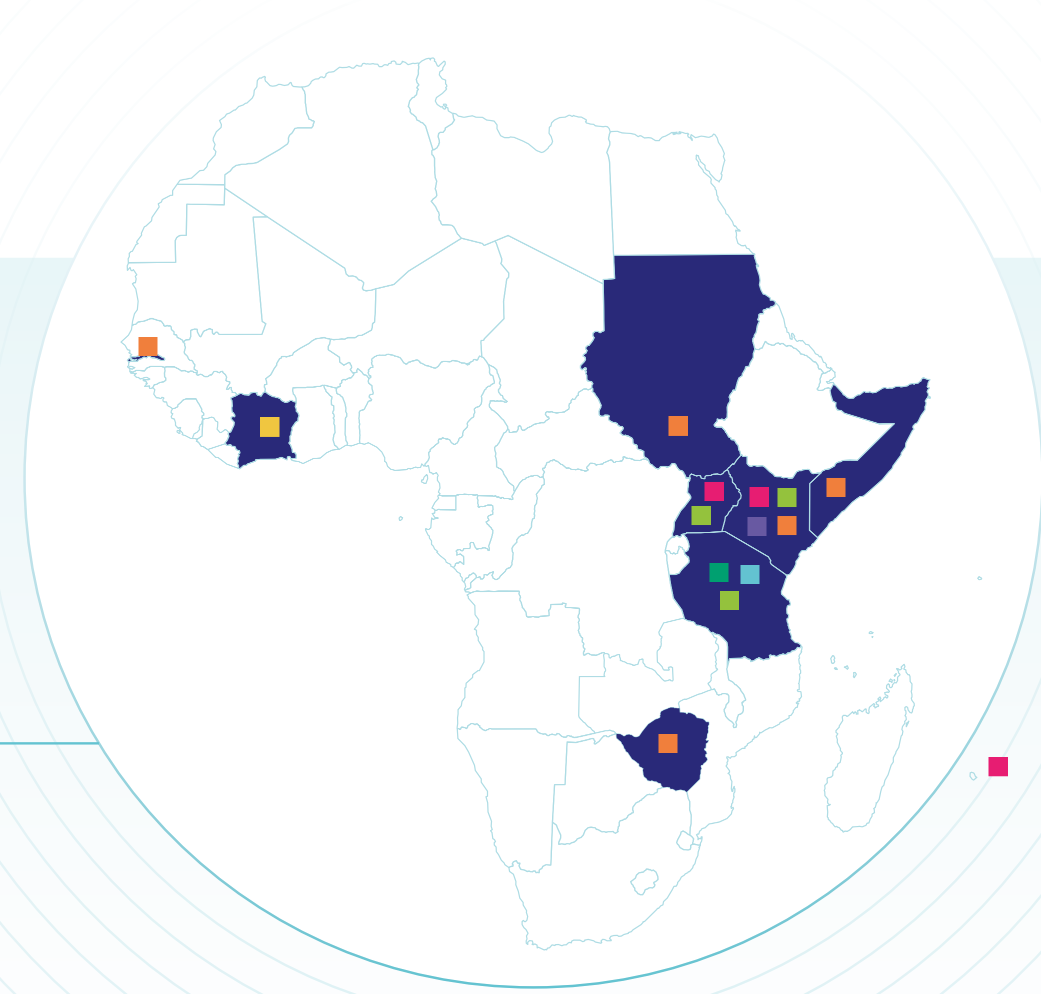
1. Brazil
2. Ivory Coast
3. France
4. Romania
5. Uganda
6. Kenya
7. Tanzania
8. South Sudan
9. Somalia
10. Zimbabwe
11. Gambia
12. Comoros
13. Madagascar
14. Dubai
15. Seychelles
16. Reunion
17. Mauritius
18. Maldives
19. India
20. Sri Lanka
21. Singapore
22. China

TPC

Country of operation	Tanzania
Milling plant	1
Area under cultivation	8,000 hectares
Sugar production (2023 estimate)	113,000 tonnes
Employees	1,941 permanent employees 1,039 seasonal workers 800 outsourced services

Transmara

Country of operation	Kenya
Milling plant	1
Sugar production (2023 estimate)	100,000 tonnes
Outgrowers	17,000+
Employees	1,500 permanent employees 2,500 labour contractors



DTOS

Countries of operation	Mauritius, Kenya, Uganda
No. of offices	3
No. of client accounts managed	950+
Employees	200+ graduates and skilled professionals

Naivas

Country of operation	Kenya
Number of stores (October 2023)	100
Formats	3 (hypemarkets, supermarkets, express)
Employees	10,750

Marine Biotechnology Products Côte d'Ivoire

Country of operation	Ivory Coast
Fishmeal factory	1
Fishmeal	4,400 tonnes
Oil produced	400 tonnes
Employees	42

Harley's

Countries of operation	Kenya, Uganda, Tanzania
Warehousing	106,000 ft^2 capacity across 4 locations
Number of brands represented	400
Employees	630
Market reach	5,000+ points of sale/outlets

Equator Energy

Countries of operation	Kenya, South Sudan, Somalia, Zimbabwe, Gambia
Total installed capacity	> 45 MW >130 Installations
Carbon (IV) Oxide (KG) reduction over the last one year	32,286,607
CO_2 reduction equivalent to trees planted	1,483,087
Employees	40+

Industry Segments

IBL TOGETHER	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technology	Logistics	Property	Seafood	CSR
Main businesses operating in Mauritius – With predominantly local clients	Alteo 27.64% (A) E-Motion Recharge Solutions 50% (JV) Énergie des Mascareignes 30% (A)	Manser Saxon 100% (S) UBP 33.14% (S)	BrandActiv 100% (O) HealthActiv 100% (O) Blychem 100% (S) CMH 100% (S) Intergraph 100% (S) Scomat 100% (S) Winners 100% (S) Phoenix Bev 23.28% (S)	EllGeo Re 100% (S) Eagle Insurance 60% (S) Ekada Capital 56.80% (S) City Brokers 50% (JV)	Arcadia Travel 100% (S) Alentaris 85% (S)	Life Together 100% (S) Life | Viva 100% (S) Life | Nova+ 100% (S) Life | Cryoact 70% (S) Nouvelle Clinique du Bon Pasteur 27.57% (A) IBL Link 100% (S)	IBL Aviation 100% (O) Logidis 100% (S) IBL Shipping 100% (S) Somatrans 75% (S)	Bloomage 100% (S) BlueLife 57.41% (S)	Froid des Mascareignes 59.50% (S)	Fondation Joseph Lagesse (S) Les Cuisines Solidaires (S) Nou Zenfan Bois Marchand (S) Chemin Rail & Amaury Housing Co Ltd (S)
Main businesses operating in Mauritius – With a large mix of international clients		CNOI 63.83% (S)		DTOS 100% (S) AfrAsia Bank 30.29% (A)	Lux Island Resorts 56.47% (S)	IBL Ventures Ltd 100% (S) CIDP 90% (S)	Ground2Air 100% (S)		Cervonic 85% (S) Marine Biotechnology Products 59.81% (S) Mer des Mascareignes 42.50% (A) Princes Tuna (Mauritius) 40.64% (A)	
Main international businesses	Miwa Sugar 27.64% (JV) Equator Energy 51% (S)		Edena 23.28% (S) Run Market PYE[2] 51% (S) Naivas 26.32%[1] (A) PYE[2] 37.32% (S) Harley's PYE[2] 46% (S)		The Lux Collective 56.37% (S)				Marine Biotechnology Products Côte d'Ivoire 43.35% (S)	

(A) Associate | (JV) Joint venture | (S) Subsidiary | (O) Operation

Note[1]: Effective ownership of 26.32% during the FY2023 and increases by 11% to 37.32% post year end

Note[2]: PYE-indicated changes in percentage holding post 30 June 2023

Our Activities

Agro & Energy

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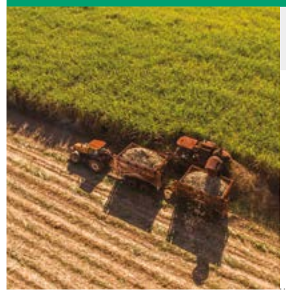

Team members	Countries
5,842	9

Material companies	Main activities	International presence
Alteo	A leading operator in the Eastern region of the island, Alteo is active in three business sectors: agro-business, energy and property. Beyond its production of sugarcane and special sugars, Alteo operates a thermal power plant and a photovoltaic farm in the region, both contributing to the national electricity grid, while also promoting real estate projects such as Anahita Beau Champ, its new Smart City project. All of Alteo Group's activities converge towards a single vision: "Making the East an everlasting place to grow."	Active in Mauritius
Miwa Sugar	A key player in East Africa's sugar industry, Miwa Sugar is driven by a mission to responsibly create value in Africa through operational excellence, community empowerment, and impactful strategic partnerships.	Active in Kenya and Tanzania
IBL Energy	An energy and financing specialist offering commercial, industrial and municipal energy solutions across Southern and Eastern Africa, with a mission to bridge the energy access gap. IBL Energy uses the latest technologies in solar, waste-to-energy and electric mobility, amongst others, to deliver energy-efficient solutions to customers, which also include the Group's businesses.	Active in Mauritius, Kenya, Uganda, Zimbabwe, Somalia, South Sudan, Senegal and Ivory Coast*

*these figures include Equator Energy

Building & Engineering

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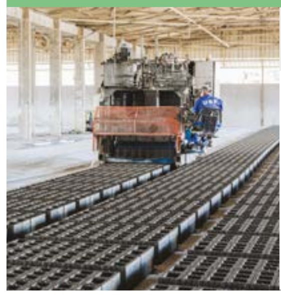

Team members	Countries
3,977	3

Material companies	Main activities	International presence
Manser Saxon	A multi-disciplinary construction company with expertise in various specialist trades such as Mechanical, Electrical, and Plumbing (MEP), Fit-out Interiors and Facilities Management.	Active in Mauritius
The United Basalt Products (UBP)	A core business in the manufacturing and sale of construction materials, with expertise in additional concrete products, such as precast pavements, roof tiles, concrete pipes, slabs and kerbs. Also a leader in the building material market, especially in blocks, aggregates and rocksand.	Active in Mauritius, Sri Lanka and Madagascar
Chantier Naval de l'Océan Indien (CNOI)	Shipyard specialising in ship repair and shipbuilding activities, providing craftsmanship across mechanics, pipeworks, painting and tank cleaning, amongst others. Its infrastructure and world-class technical skills make CNOI an essential infrastructure for the region's maritime players.	Active in Mauritius

Commercial & Distribution

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Team members	Countries
5,348	6

Material companies	Main activities	International presence
BrandActiv	Specialises in commercialising a wide variety of FMCGs in Mauritius, Madagascar and Seychelles, across three main categories: Food & Beverage, Frozen & Chilled and Personal & Home Care.	Active in Mauritius
HealthActiv	Distribution and marketing of healthcare solutions, with a portfolio comprising pharmaceutical, consumer health and animal health products, as well as medical and laboratory equipment and consumables.	Active in Mauritius, Comoros, Seychelles and Madagascar

Our Activities

MedActiv	Retail network of 12 strategically located pharmacies offering a complete range of medicines, personal care, wellness and beauty products.	Active in Mauritius
Winners	Leading supermarket chain in Mauritius, and the first to have democratised mass distribution in Mauritius by bringing variety, service and quality to rural areas.	Active in Mauritius
Naivas International	Largest and fastest-growing supermarket chain in Kenya, with a footprint spanning 100 outlets in prime urban centres, cities and towns.	Active in Kenya
Phoenix Beverages (PBL)	Largest brewery in Mauritius offering a range of alcoholic and non-alcoholic beverages, including beers, wines, spirits, carbonated and non-carbonated drinks, and table water. Authorised bottler of the Coca-Cola Company and Diageo in Mauritius.	Active in Mauritius
Edena	Producer and distributor of spring water, sparkling water and carbonated and non-carbonated beverages, all produced locally and made from spring water from the island.	Active in Reunion Island
Commercial Engineering	CMH: Imports and distributes a selection of high-quality equipment. The company offers equipment and parts for electrical installations, power management systems, construction tools, personal protective equipment, abrasives, selective building equipment, hand tools, office furniture and gardening equipment.	Active in Mauritius
	Scomat: Provides a comprehensive range of branded products and professional services in the field of construction equipment, agricultural tractors, and power system solutions.	
	Blychem: Operates in crop protection & agriculture, industrial hygiene, irrigation & sheltered farming, pool chemicals & maintenance, and industrial water treatment.	
	ServEquip: Rental of handling equipment, their servicing & maintenance, and the maintenance of the port zone.	
Intergraph	Service provider for the graphic industry, digital printing and office printers, providing equipment, consumables and spare parts in stock (through direct import), underpinned by technical support.	Active in Mauritius, Reunion Island and Madagascar

Financial Services

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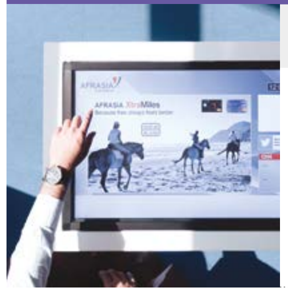

Team members	Countries
959	5

Material companies	Main activities	International presence
AfrAsia Bank	Private Banking, Corporate Banking and International Banking, offering flexible and tailored investment and financial solutions.	Active in Mauritius and South Africa
DTOS	Provision of fiduciary services to companies investing in India, China and Africa via the Mauritian International Financial Centre. Expertise in wealth structuring, corporate, fund, registry and compliance services.	Active in Dubai, Rwanda and Kenya
Eagle Insurance	Insurance solutions for individuals, SMEs and large corporates across the main classes of General Insurance business, including Motor, Property, Liability, Health and Engineering.	Active in Mauritius
City Brokers	Insurance brokerage services to individuals, SMEs and large corporates for both General and Long-Term Insurance (i.e. Life & Pension). Provides professional advice to clients regarding their insurance needs and in the claims adjudication process.	Active in Mauritius
EllGeo Re	Provides reinsurance brokerage to insurers. Also offers professional advice to insurers regarding all their reinsurance requirements, while acting as an intermediary between the reinsurer and insurer.	Active in Mauritius and Kenya
Ekada Capital	A full-fledged asset management company offering comprehensive and independent investment solutions to High-Net-Worth Individuals, families and institutions.	Active in Mauritius

Our Activities

Hospitality & Services

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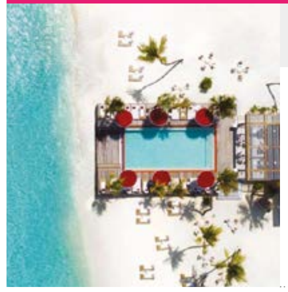

Team members	Countries
3,293	6

Material companies	Main activities	International presence
Lux Island Resorts (LIR)	Investment property holding company headquartered in Mauritius which owns the cluster's portfolio of luxury resorts.	Active in Mauritius
The Lux Collective (TLC)	Hotel management company headquartered in Singapore managing the hotels owned by LIR and other owners under long-term management contracts.	Active in Mauritius, Reunion, China, Singapore, Maldives and Zanzibar

Life & Technologies

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Team members	Countries
270	10

Material companies		Main activities	International presence
Life Together	CIDP	Private and independent CRO carrying out high performance research and clinical activities for the pharmaceutical, nutraceutical and cosmetic industries.	Active in Mauritius, Romania, India and Brazil
	Liparom	Laboratory of aromatherapy, trading under the commercial name Panacea Pharma.	Active in Mauritius and France
	Life | Nova+	Born from the fusion of NovaLab and C+S. Pluridisciplinary diagnostic centre offering biomedical analysis, imagery, consultations and emergency services, to provide specialised detection of a range of infectious and non-infectious pathologies and chronic diseases.	Active in Mauritius

Life Together	Life | Viva	Ambulatory clinic with a daycare and state-of-the-art operating theatres, able to accommodate any surgical procedure without an overnight stay.	Active in Mauritius
	Life | Act	A rehabilitation and re-education centre dedicated to alternative medicine and wellbeing, with multidisciplinary professional care.	Active in Mauritius
	Platform Laser	Cosmetic and aesthetic laser treatments.	Active in Mauritius
	Nouvelle Clinique du Bon Pasteur	Private clinic providing medical and paramedical services in more than 30 specialties.	Active in Mauritius
IBL Link	IBL Link Ltd	Investment Holding Company in the technology and media space.	Active in Mauritius
	IBL Link Investments Ltd	The Group's dedicated SPV for investment in Venture Capital tech funds.	Active in Mauritius, South Africa, Kenya, Uganda and Nigeria
	Dotexe Ventures	Venture Capital Firm focusing on tech-enabled startups, mainly in Eastern & Southern Africa.	Active in South Africa, Kenya, Uganda and Nigeria
	GWS Technologies	Full-fledged website development agency and expert in data-driven digital communication.	Active in Mauritius, Kenya and Canada
	Universal Media	Strategic media planning and buying.	Active in Mauritius

Logistics

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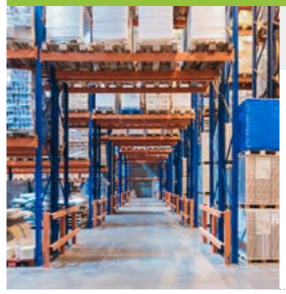

Team members	Countries
849	3

Material companies	Main activities	International presence
Logidis	Goods mobility – warehousing, distribution and cargo transportation. People mobility - corporate passenger services, taxi services, vehicle management services, and consultancy.	Active in Mauritius

Our Activities

IBL Shipping	Fish carrier services and port agency services in Port Louis, offering support to all types of ships (cruise lines, specialised vessels, luxury yachts, liners, fishing vessels/reefer ships).	Active in Mauritius
Ground2Air	Aviation ground handling and cargo handling services, including Ramp Services, Cargo and Mail Services, Security Services, Passenger Services, Flight Operation/Load Control, Line Maintenance, Representation and Supervision Services.	Active in Mauritius
Somatrans	Movement of cargo, clearing & freight forwarding services, customers brokerage services as well as customs and freight warehousing with Logidis.	Active in Mauritius and Madagascar
IBL Aviation	General Sales Agent (GSA) representing British Airways (Mauritius), Air Austral (partnership between IBL Ltd and Air Austral of Reunion Island) and Air Madagascar.	Active in Mauritius, Madagascar and Comoros
Arcadia Travel	Outbound IATA-approved travel agency and tour operator.	Active in Mauritius and Madagascar
IBL Madagascar	Operates as a subsidiary to the Logistics cluster in providing services for courier deliveries, freight, custom clearances and travel agencies.	Active in Madagascar

Property

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Team members	Countries
384	2

Material companies	Main activities	International presence
BlueLife	Territory development urbanisation through the design, sale and delivery of residential properties under the Smart City Certification. Development and management of properties in the retail and hospitality/leisure segments.	Active in Mauritius
Bloomage	Property investment, development, asset and property management.	Active in Mauritius and Kenya

Seafood

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Team members	Countries
531	2

Material companies	Main activities	International presence
Froid des Mascareignes (FDM)	Cold storage facility dedicated to seafood products.	Active in Mauritius
Transfroid	Clearing and forwarding agent.	Active in Mauritius
Princes Tuna (Mauritius)	Processing of canned tuna and tuna loins for export.	Active in Mauritius
Mer des Mascareignes	Processing and packaging of frozen tuna steaks and loins.	Active in Mauritius
Marine Biotechnology Products (MBP) Marine Biotechnology Products Côte d'Ivoire	Production of fishmeal and fish oils from by-products.	Active in Mauritius and Ivory Coast
Cervonic	Extraction and processing of premium quality cold-pressed tuna oil.	Active in Mauritius

Business Model

Inputs

Human capital
26,306 team members whose individual and collective skills and knowledge drive our success.
Human Capital report page 66

Social and Relationship capital
Trust-based stakeholder connections underpinning our sustainable growth and positive societal impact.
Stakeholder report page 24

Natural capital
Natural resources essential to our operations and value creation, including energy, water, and land.
Sustainability report page 72

Financial capital
Robust and diversified funding sources ensuring operational resilience and future expansion.
CFO's report page 96

Intellectual capital
Intangible strengths – brands, expertise, reputation, innovation – fueling competitive growth.
Performance report page 114

Manufactured capital
Compliant and high-standard assets facilitating operational excellence and sustainable growth.
Performance report page 114

Our activities

- Corporate centre
- 9 clusters
- 1 office in Kenya
- Operations in 22 countries

Governance & responsible stewardship

- Independent & diverse Board of Directors
- Specialised committees overseeing risk, strategy and Financial Health.
- Risk management

Creating Value

Our Purpose

& Growing Beyond Borders

Strategic pillars

- Mauritian heart
- Regional footprint
- International expertise

Growth enablers

- Human Capital
- Technology & Transformation
- Sustainability
- Innovation

Outcomes

Human capital
Fostering skills and employee wellbeing is key to employee retention. Developing transferable skills empowers our team for success.

Social and Relationship capital
Building mutually beneficial and lasting stakeholder relationships, driving community empowerment and a loyal customer base.

Natural capital
Strategically stewarding resources for sustainability and future availability, supporting responsible growth.

Financial capital
Resilient balance sheet, ensuring shareholder returns and enduring financial growth.

Intellectual capital
Leading expertise, renowned brands and reliable products, driving market recognition and improved market share.

Manufactured capital
Strong production capacity, established retail networks and digital expansion, contributing to local and global growth.

Stakeholders impacted

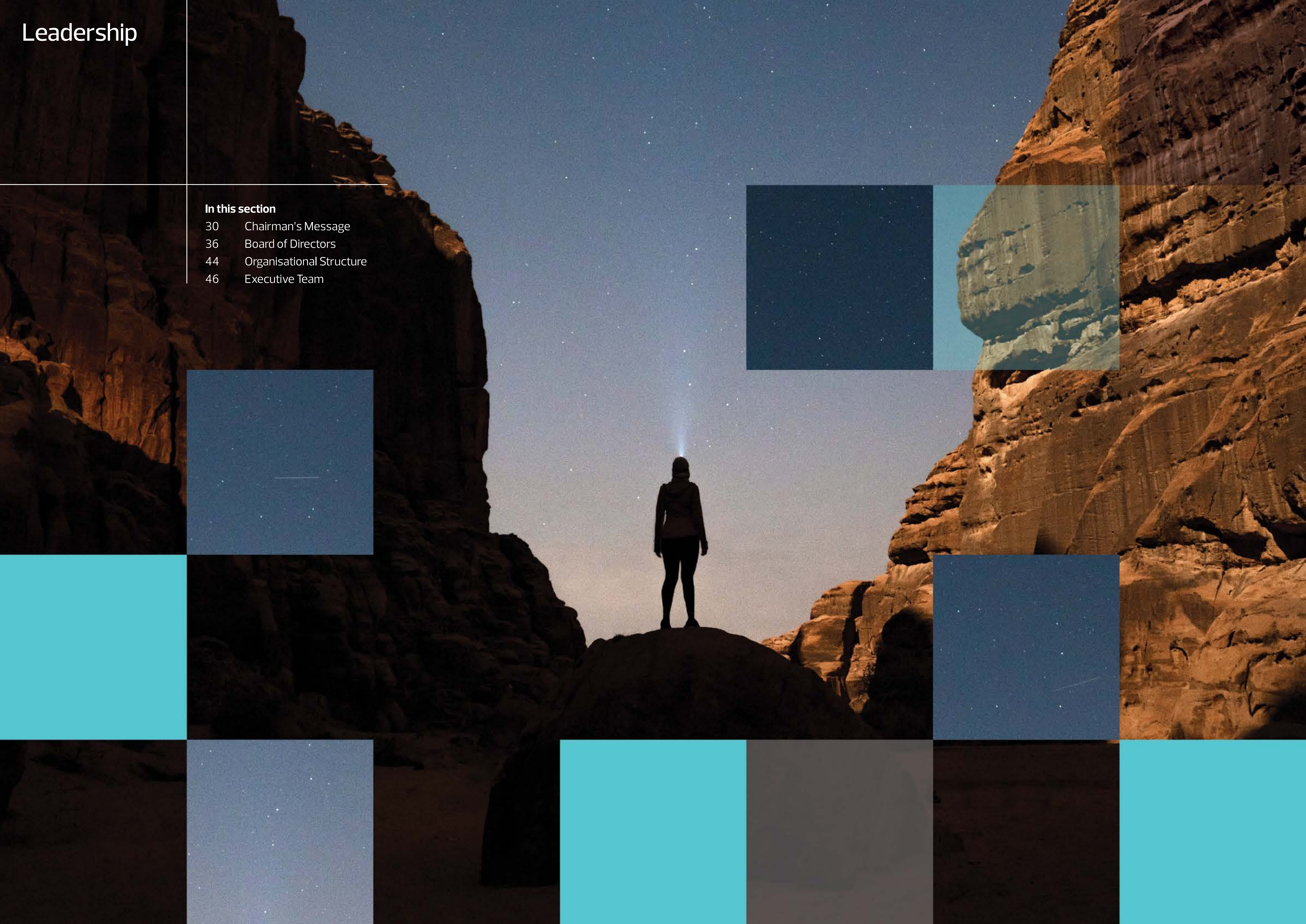
Stakeholder Engagement

Stakeholder group	How we engage with them	Their needs and expectations	Our response to their needs in FY2023
IBL team members It is essential for us to attract retain and develop the right talent to operate our businesses, meet customer expectations and deliver on our strategy.	· IBL Together magazine, collaborative platforms and our People Online Platform · Formal meetings and informal gatherings · Team-building events · Engagement and pulse surveys	· Market-aligned remuneration and performance-based recognition · A safe, diverse and inclusive work environment that supports engagement, wellbeing and flexibility · Opportunities for personal & professional development, career progression and mobility · Ethical labour practices, and respect for the environment and our communities	· Annual review of salaries to adjust to inflation and align with best market practices · Conducted a comprehensive talent review to identify skills gaps and build succession plans for critical roles · Set up the IBL Academy which will provide tailor-made personal and professional development programmes (will be accessible to team members during year 2024) · Supported the expatriation and mobility process of talents to Africa · Lengthened parental leave to 18 weeks for mothers and 3 weeks for fathers · Continue to provide work flexibility wherever applicable Human Capital page 66
Clients and customers Our clients and customers are central to our business as they determine the relevance of our products and services, and therefore the growth of our brands and revenue.	· IBL website and social media platforms · Customer feedback surveys and direct feedback through social media/phone calls/emails · Press releases · Corporate events (e.g product launches, IBL on the Move)	· Innovative, high-quality, reliable and well-priced products and services that reflect changing market dynamics (i.e. a push towards milder and digital products) and customer needs · Excellent client support and prompt issue resolution · Data security · Loyalty rewards · Responsible environmental and social practices	· Reviewed pricing strategies, as far as possible, to avoid passing on high costs to customers in light of inflation · Continued to develop solutions (e-commerce platforms and mobile apps) to cater to digital needs · Maintained sufficient stock levels of products/services · Enhanced the quality of information flow with respect to sustainability, including anticipated alignments towards sustainability requirements such as environmental product declarations (e.g. UBP, Bloomage and Bluelife) · Strengthened Group cyber resilience and data protection practices Performance report page 114
Investors and shareholders They provide us with the funding we need to carry out our activities and execute our growth strategies.	· Annual General Meeting · Analysts' meetings · Press releases · Annual Integrated Report · IBL website and social media platforms · Ad hoc meetings	· Sustained financial returns and long-term shareholder value · Strong corporate governance and commitment to best practices · Long-term growth strategy, including adequate risk management and a clear ESG approach · Timely and transparent disclosures and reporting	· Continued to communicate on IBL's evolving strategy and performance through press releases, social media and on IBL's website · Systematic review and update of Group top risks, implementation of mitigating measures and strengthening of internal controls · Pursued the execution of the Beyond Borders strategy and penetrated fast-growing sectors in East Africa · Development of more embedded ESG and CSR strategies Corporate governance report page 168 Performance report page 114

Stakeholder Engagement

Stakeholder group	How we engage with them	Their needs and expectations	Our response to their needs in FY2023
Government, regulatory and institutional bodies The regulators set the policies, frameworks and approvals we rely on to operate.	· Ad hoc meetings between industry-specific institutions and BUs · Participation in roundtables and conferences · Press releases · Annual Integrated Report · Statutory filings and inspections	· Constructive engagement and participation in national issues · Compliance with relevant national and international regulations, and ethical business practices · Contribution to job creation and socioeconomic development	· Frequent discussions with national authorities · Actively participated in forums to enhance industry standards and practices · Developed materiality radars and implemented ESG projects within BUs and clusters · Continuous social work through FJL and CSR work carried out by individual BUs Corporate governance report page 168 Sustainability report page 72
Suppliers and business partners Our suppliers and partners underpin our value chain and provide us with the inputs and materials that enable us to maintain business continuity.	· IBL website · Formal and informal meetings, and continuous dialogue	· Trust-based and mutually beneficial relationships · Fair payment terms and timely payments, and responsible business practices · Opportunities to participate in Group tenders, with transparent selection criteria · Favouring local suppliers, as far as possible	· Close collaboration with suppliers to ensure adequate levels of stock for critical/popular items · Included sustainability criteria in supplier appraisals to ensure alignment of values between the Group and players in our supply chain · Ongoing transparent tendering processes Performance report page 114
Communities, NGOs, vulnerable populations and families Our communities form part of our ecosystems and are valuable partners in our social endeavours to reduce poverty by addressing inequalities.	· Community meetings · Capacity-building and training · Social support · Commemoration of World Day for Poverty Eradication (17 October) · Training and education opportunities · Follow-ups on NGOs' programmes · Hiring local services for community activities	· Mid-term and long-term and meaningful initiatives towards vulnerable communities · Support to committed NGOs · A clear sustainability strategy · Transparent communication about issues affecting the local community · Opportunities for socioeconomic development	· Ongoing partnerships with NGOs and running of 32 projects under the Empowerment, Literacy and Rapid Response · Expanded FJL's team to better deliver on projects · Obtained new grant from the National Social Inclusion Foundation (NSIF) thanks to the volume of data collected by the Research & Evaluation Unit · Pursued the Horizon 2024 Project, the teenage pregnancy prevention initiative · Worked towards aligning the Sustainability and CSR strategies more closely, in a more cohesive way. · We aim to support companies that have an impact on communities with better integration and consideration of their local needs to create positive value Sustainability report page 72 CSR report page 82

Leadership



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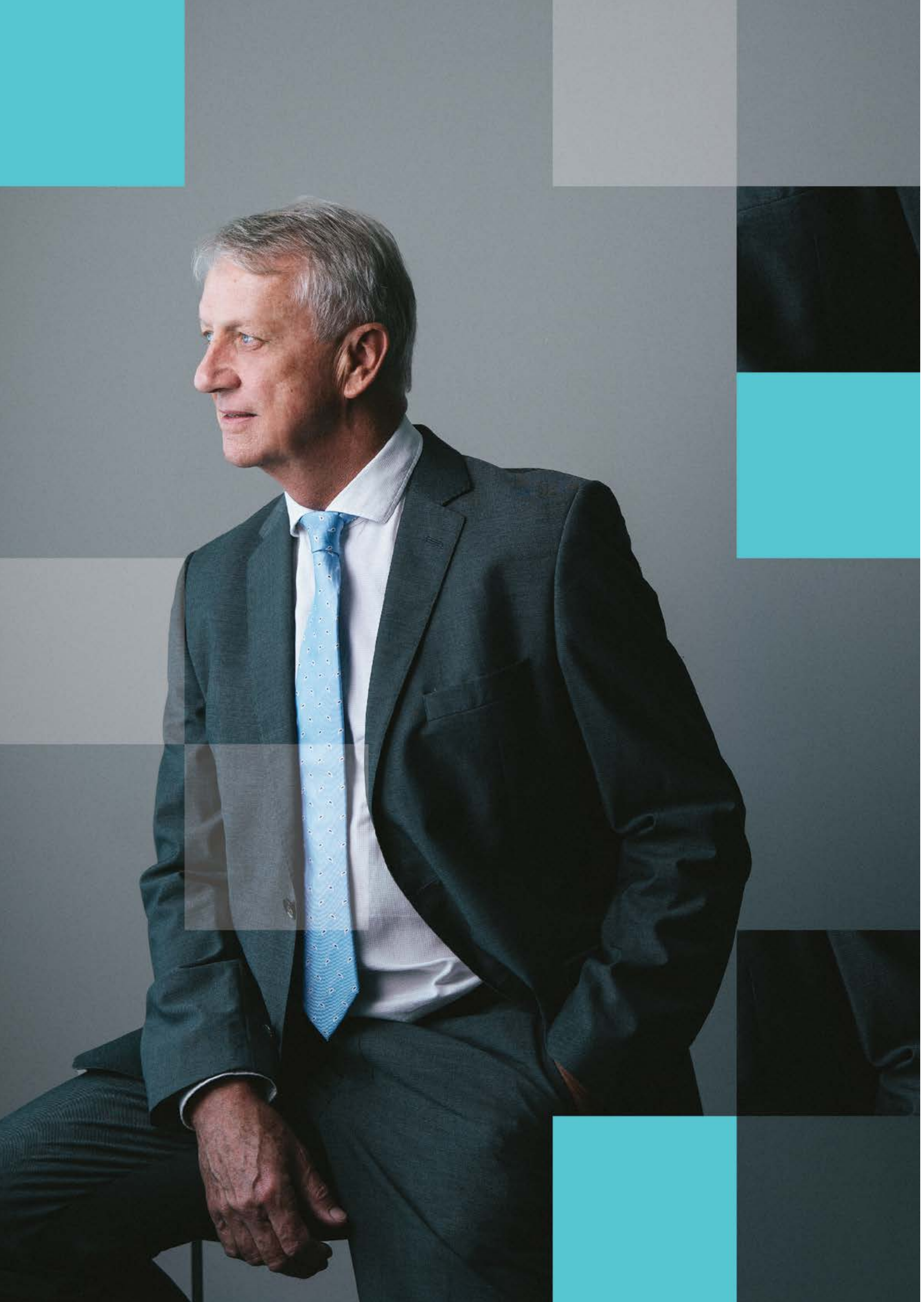


Chairman's Message

Dear Stakeholders,

The financial year 2023 (FY2023) was an eventful one for IBL. We delivered an excellent performance in pursuit of our ambitious strategy to expand our activities Beyond Borders. Almost every cluster saw improved results and achieved important milestones in its growth trajectory. As a result, the Group closed the year with a turnover of Rs 54 billion, representing a 20% increase over FY2022. Profit After Tax followed suit, almost doubling over the previous year to reach Rs 4.9 billion - a landmark for the Group.

A complex operating environment

This performance is all the more noteworthy when taking into account the challenges and volatility that prevailed in FY2023. With the world still reeling from the fallout of the pandemic, and the war in Ukraine continuing unabated, global inflation has persisted and has led to several increases in interest rates in large economies and countries. This has driven borrowing costs in Mauritius to their highest level since 2015, while eroding purchasing power. Households have been under pressure to keep pace with rising energy and food prices, as evidenced by consumption patterns. Businesses across all industries have been impacted by the increasing cost of raw materials, labour, transport, or interest rates.

On a positive note, some external factors have helped the Group's performance. Namely, the Mauritian economy continued its gradual and marked recovery. The supply chain disruptions caused by the pandemic began to ease in the beginning of 2023, and declining freight rates helped to cushion the blow, especially as the cost of borrowing increased. Along with this, the rebound in tourism was boosted by the post-pandemic travel resurgence. Despite a considerable jump in airfares, tourist arrivals in Mauritius more than doubled compared to the previous year, and the Maldives welcomed one million tourists in the first seven months of 2023 alone. The increased appetite for tourism and investment was particularly strong in the luxury market, as reflected in the performances of the Hospitality and Property clusters.

"We delivered an excellent performance in pursuit of our ambitious strategy to expand our activities Beyond Borders. Almost every cluster saw improved results and achieved important milestones in its growth trajectory."

Drivers of performance: operational excellence and a clear strategy

Operational excellence

While external factors contributed to the improved turnover of several IBL's businesses, internal factors played an equally instrumental role in driving performance. In the face of challenges, IBL's businesses leaned on their core competencies to achieve organic growth and consolidate their positions in their respective markets. They displayed a remarkable aptitude for containing their costs through judicious financial controls and the pursuit of operational excellence.

On the basis of IBL Group's improved performance and the strength of its balance sheet in FY2023, I am pleased to share that the Board proposed a final dividend of Rs 0.50 per share. This underscores our firm commitment to creating sustainable value for our shareholders in the medium and long term.

Share price at June FY2023	**Rs 44.00**
Total dividends paid to shareholders	**Rs 449m**
Market capitalisation	**Rs 29.93bn**

Strategic investments in Retail, Wholesale & Distribution and Renewable Energy

This past year saw the materialisation of important strategic investments, steered by the Group's Beyond Borders strategy. IBL applies a well-defined strategy and strict guidelines to its M&A projects, elaborated in FY2021 with the support of McKinsey. With a clear focus on the sectors in which IBL's subsidiaries are well-established, IBL's investment philosophy is centred on being an anchor partner to our investee companies and harnessing our know-how and industry expertise to create shared value for all stakeholders involved.

Our **Commercial & Distribution** and **Energy** clusters have been important areas of focus in our expansion plans over the past two years.

In July 2023, IBL subscribed to additional shares in Mambo Retail Ltd., giving the Group an effective 51% controlling interest in Naivas. We almost concurrently acquired a 51% majority stake in Make Distribution, which operates four hypermarkets in Reunion Island, further strengthening our regional foothold in this sector. And finally, we have reached an agreement for the acquisition of a 65% stake in Harley's, one of the most respected pharmaceutical distributors and healthcare providers in East Africa, also strengthening IBL's foothold in this segment.

Chairman's Message

On the Energy side, in March 2023, IBL Energy and STOA, a subsidiary of *Caisse des Dépôts et Consignations* in France, became majority shareholders of Equator Energy, which holds the largest Commercial & Industrial solar power portfolio in East Africa. Equator Energy began as a small activity and has evolved into an impactful business, which today facilitates access to clean and affordable energy. This partnership enables IBL Energy to play its part in accelerating the industrialisation of sub-Saharan Africa.

These transactions are expected to yield substantial growth, efficiencies and synergies between our investee companies abroad and their corresponding IBL operation in Mauritius, the Indian Ocean and Africa. The potential for the transfer of knowledge and know-how is promising and will be conducive to the development of synergies that could mirror the model in Mauritius.

With these acquisitions coming to fruition during the course of the year and soon after, IBL has garnered visibility as a sizable and determined investor in the region. We have seen a surge in potential collaborations and investments since the set-up of our Nairobi office in 2018, and more so since our landmark investment in Naivas in 2022 alongside our partners.

Co-investing alongside DFIs such as the French Development Institution Proparco, the German Investment and Development Corporation (DEG), the French energy and infrastructure impact fund STOA, and the Reunion-based SAB Group, to name a few, is an invaluable opportunity for IBL to draw on their market knowledge and insights. Now holding a diversified portfolio of investments spread across sectors and geographies in Africa, IBL is well positioned to combine its strengths with those of its partners to create more economic opportunities in the future.

"Now holding a diversified portfolio of investments spread across sectors and geographies in Africa, IBL is well positioned to combine its strengths with those of its partners to create more economic opportunities in the future."

Environmental, Social and Governance (ESG) performance

Environmental, social and governance considerations are core to IBL's strategy and decision-making, and evolve in line with the new jurisdictions and markets we penetrate. We are committed to ensuring the highest standards of governance and integrity, and having a positive impact on our environment and society.

The Board places a great deal of importance on its composition to ensure a balance and diversity of skills, backgrounds and qualifications. As IBL executes its international expansion, a number of changes were made to the Board composition to better reflect the Group's strategic direction and path forward.

We bid farewell to **Gilles Michel**, who stepped down after nine years of committed service on IBL's Board of Directors. Gilles was fully invested in his roles at the helm of the Corporate Governance Committee and as a member of the Strategic Committee. He contributed immensely to the strategic transformation of GML into IBL during his mandate, also actively participating in setting high governance standards and diffusing the values that we hold dear within the Group. I convey my gratitude and sincere appreciation for his dedication and guidance over the years and wish him the best on his new journey.

On 01 January 2023, **Georges Desvaux**, whose integration as a Board member was mentioned in last year's report, succeeded Gilles as Chair of the Corporate Governance Committee and also sits on the Strategic Committee. He brings 30 years of experience working in Europe, Asia and Africa as a Senior Partner at Mckinsey & Company, including serving as Managing Partner of Japan and Africa, and Chair of the Governance Committee. He is an advocate for gender diversity, having initiated and co-led "Women Matter", McKinsey's research series on the role of women in corporations.

William Egbe, as mentioned in our 2022 annual report, joined the Board on 01 October 2022, and took over from Pierre Guénant as Chairman of IBL's Strategic Committee as from 01 January 2023. Over his 30-year career, he has held key leadership positions in North America and Africa within multinational organisations such as AT&T, British Petroleum and Coca-Cola. In addition, he has broad governance, oversight and sustainability expertise, having served on the Boards of several companies and NGOs in Europe and Africa.

Also on 01 January 2023, we welcomed **Momar Nguer** as an Independent Non-Executive Director. He brings more than 36 years of experience in the Energy sector, having filled various positions within Total Group in France, Kenya, Senegal and Cameroon, until his appointment as a member of the Executive Committee of Total Energies in 2016. During his tenure at Total, he oversaw several projects designed to provide green and affordable energy solutions to Africa, an area of growing strategic importance for IBL.

More recently, we also welcomed **Clément Rey**, who succeeded Jean Ribet as a Non-Executive Director on the Board on 06 June 2023. Appointed as the CEO of Constance Group in January 2023, Clément bears the responsibility for agricultural, real estate and hospitality activities. He also served as the Head of Investment and Development at Constance for many years, building up experience in leading and managing large-scale investments and corporate transactions.

Patrice Robert joined the Board as an Executive Director on 01 July 2023 in place of Jean-Claude Béga. Having been with IBL since 2008, and overseen operations and international developments in several activities, including Logistics, Seafood and Building & Engineering, Patrice's operational experience will bring important insights to Board deliberations.

Following these changes, the Board is of the view that it contains the right balance of skills, experience and independence of judgement, making it even better suited to take the Beyond Borders strategy forward.

The Board's oversight role also extends to risk management. With the new acquisitions, the Board is ensuring that it has appropriate controls in place to mitigate risk across all jurisdictions. Drawing on the Audit and Risk Committee's (ARC) work and periodic reports, we ensure that risk policies flexibly adapt to the varying regulatory, legal and operating requirements applicable to IBL's businesses, both locally and abroad. That said, the Beyond Borders strategy, while increasing IBL's growth potential, is also enhancing the Group's resilience by investing in fast-growing sectors and economies, while reducing its geographical and currency concentration risk.

Following the 'Towards Building a Legacy Together' forum last year, there is newfound clarity on what Sustainability should mean at IBL. The development of good sustainability literacy and targeted training is underway within our BUs to drive long-term behavioural change and ensure we deliver on our environmental commitments. (Sustainability report page 72)

Fondation Joseph Lagesse carried on its meaningful work of empowering and uplifting vulnerable communities. The Research & Evaluation unit has played an instrumental role in gathering data on the social needs to build projects, as well as measuring the progress and outcomes of these projects. This work is enabling the Foundation to secure the funds needed to sustain its initiatives. (CSR report page 82)

Having set some solid foundations, we wish to take our sustainability agenda further. IBL strongly believes in the intrinsic link between environmental, social and governance needs when engaging in meaningful actions. The Embedding Project has allowed for a more tangible understanding of the relationship between these three dimensions, and how we can effectively combine them for a more holistic and impactful Sustainability Strategy.

To prepare for a more coordinated approach, the Group is setting up Board-level governance structures and mechanisms that will enhance our capacity to report, develop and deliver on our ESG ambitions. The Foundation's structure and modus operandi will also be called upon to evolve to reflect this. These steps will ensure that IBL's businesses, including our foreign operations, are working towards a common ESG vision, while establishing a baseline for more converged ESG and financial reporting in line with the new IFRS Sustainability Disclosure Standards.

Outlook and closing remarks

IBL is stepping into the new financial year strongly positioned for growth. Now, our priority is to set up the right conditions around and within our recent foreign investments to make sure we realise the value expected from our ventures. This includes lending our operational and commercial capabilities, multi-sectoral knowledge, best ESG practices and network of IBL companies to maximise their performance.

In line with our Founders' vision and values, Together with our partners and teams, we are poised to contribute to the economic and social transformation of the region, never losing sight of our vision to create a brighter future for all.

"Now, our priority is to set up the right conditions around and within our recent foreign investments to make sure we realise the value expected from our ventures."

Chairman's Message

Acknowledgments and appreciation

On behalf of the Board of Directors, I would like to pay tribute to our dear colleague and friend, Jean Ribet or "Jano", who passed away in April this year. He exemplified humility, integrity and dignity, always applying his strong convictions to everything he undertook. Behind his seemingly quiet nature hid a fearless and determined character, which proved invaluable in overcoming challenging times. He contributed 20 years of unparalleled wisdom and foresight to IBL as a Non-Executive Director. The legacy he leaves behind is one that values kindness and generosity above all. We extend our heartfelt condolences to his family, colleagues and loved ones.

Jean-Claude Béga, who served as the Group Head of Financial Services and Business Development, as well as an Executive Director on the Board, announced his retirement after 25 years with the Group. During his time at IBL, Jean-Claude has proven to be a thoughtful leader, who collaborated closely with the Group CEO to take the Group through the complex amalgamation process, and continued to offer his sheer commitment and strategic thinking to take IBL to new heights. I thank him for being a valuable part of our organisation for so many years and wish him every success in his future endeavours.

I would like to once again thank our outgoing Directors for being integral members of IBL and for their guidance over the years. I also take this opportunity to welcome our new colleagues on the Board, whose breadth of experience and international openness will no doubt enhance the quality of our decision-making.

On behalf of the Board of Directors, I would like to thank the Executive and Leadership team, led by our Group CEO, Arnaud Lagesse. Their swift decision-making has led to the smooth execution of a complex M&A process and carried the Group into a year that will be remembered as a milestone in IBL's history, paving the way for the IBL 2030 Strategy being presently prepared in collaboration with McKinsey.

Thank you to all our partners, customers, employees, suppliers and shareholders for collaborating with us as we strive to combine business with a greater purpose.

At the heart of our achievements lies IBL's diverse workforce, whose hard work and capabilities have exceeded all expectations. Through the creation of the IBL Academy, IBL's primary goal is to continue promoting talent from within and open up new pathways for their growth. The Group reaffirms its commitment to meeting the aspirations of the thousands of individuals around the world who are key to our continued success.

Jan Boullé
Chairman

Board of Directors

Richard Arlove
Independent Non-Executive Director


Jan Boullé
Non-Executive Chairman


Martine De Fleuriot De La Colinière
Non-Executive Director


Isabelle De Melo
Non-Executive Director


Georges Desvaux
Independent Non-Executive Director


William Egbe
Independent Non-Executive Director


Arnaud Lagesse
Executive Director & Group CEO


Benoit Lagesse
Non-Executive Director


Hugues Lagesse
Non-Executive Director


Jean-Pierre Lagesse
Non-Executive Director


Thierry Lagesse
Non-Executive Director


Momar Nguer
Independent Non-Executive Director


Clément Rey
Non-Executive Director


Patrice Robert
Executive Director & Group Head of Operations


Board of Directors

Jan Boullé

Chairman

Citizen and Resident of Mauritius
Appointed: 01/03/2016
Chairman: 01/07/2016

Skills and experience

Jan Boullé worked for The Constance Group from 1984 to 2016 and occupied various executive positions and directorships during which he acquired expertise in hospitality and real estate development.

Qualifications

- "Ingenieur Statisticien Economiste" France
- Post Graduate studies in Economics – Université Laval Canada

External appointments

- BlueLife Limited
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- The United Basalt Products Limited
- Phoenix Investment Company Limited
- Camp Investment Company Limited
- AfrAsia Bank Limited

Core competencies

- Strategic Development, Hospitality and Real Estate Development.

Martine de Fleuriot de la Colinière

Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 12/11/2016

Skills and experience

Martine de Fleuriot heads the Commercial, Corporate and Banking department of ENSafrica (Mauritius), one of the largest law firms in Mauritius. She is an experienced barrister and is recognised as a leading lawyer by international directories such as The Global Guide of Chambers and Partners, ILFR 1000 and Legal 500.

Qualifications

- Diplômes d'Etudes Approfondies – Mention Droit Privé - Université de Droit, d'Economie et des Sciences Sociales – Aix Marseille III
- Barrister's Examination – Council of Legal Education Mauritius

External appointments

- None

Core competencies

- Law, Mergers and Acquisitions, Corporate Restructuring, Banking, Security Law.

Isabelle de Melo

Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 18/12/2019

Skills and experience

Isabelle de Melo has held executive and leadership positions as CFO, Head of HR and COO in various fast-growing companies and institutions, from high technology to aviation and financial services including Arthur Andersen Audit, Gemplus, PrivatAir, SETE. She has been an active angel investor since 2009 and co-founded Mo Angels in Mauritius to support entrepreneurship in Mauritius and Africa. She is fellow of the Mauritius Institute of Directors (MIOD).

Qualifications

- HEC Paris – Paris, France
- MIOD- Open University of Mauritius – Chartered Director

External appointments

- AfrAsia Bank Limited
- Five35 Ventures

Core competencies

- Finance, Mergers and Acquisitions, Treasury, Human Resources, Information Technology.

Richard Arlove

Independent Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 01/01/2021

Skills and experience

Richard Arlove started his professional career in Big Four accounting firms and subsequently held General Management and CEO positions in companies involved in the marketing of international brands, in manufacturing and in corporate and financial services.

Qualifications

- Fellow of the Association of Chartered Certified Accountants (FCCA).

External appointments

- Board member and chair of international companies and private equity funds.

Core competencies

- Business and finance advisory, strategic development, change management and governance, international structuring, investment in Africa.

Georges Desvaux

Independent Non-Executive Director

Non-Citizen and Non-Resident of Mauritius
Appointed: 01/07/2022

Skills and experience

Georges Desvaux is Senior Advisor to AXA Group, supporting the implementation of its strategy in tehcnology, ecosystems and Japan. From 2019 to 2023, he was the Chief Strategy and Business Development Officer and Member of the Management Committee of AXA Group, the global insurance leader. Prior to joining AXA, Georges was a Senior Partner at McKinsey & Company for 30 years in Europe, Asia and Africa, including Managing Partner of Japan and of Africa, member of McKinsey's Shareholders Council and Chair of the Governance Committee. At McKinsey, Georges co-authored several macroeconomics reports including "Lions on the Move 2" (McKinsey Global Institute 2016) and a book, "Africa's Business Revolution" (Harvard Business Review 2018). Georges is passionate about gender diversity and co-founded in 2007 "Women Matter", McKinsey's research series on the role of women in corporations.

Qualifications

- Graduated from Ecole Centrale Paris and holds a M.S. in Mech. Engineering from MIT.

External appointments

- Member of the Supervisory Board of AXA Climate, member of the Board of AXA Digital Commercial Platform, member of the Fund-Raising Europe Committee for Alima -the Alliance for International Medical Action – a leading NGO focused on medical support and medical innovation in Africa.

Core competencies

- Corporate Strategy, Business Unit Strategy, Marketing and Growth Strategies, Governance and Organisation, Capabilities Insurance, Technology, Consumer and Retail.

William Egbe

Independent Non-Executive Director

Non-Citizen and Non-Resident of Mauritius
Appointed: 01/10/2022

Skills and experience

- An engineer by training, corporate executive, and company director with almost thirty years of experience in leadership roles within American and British multi-national companies, operating in North America, Latin America, Europe, Africa, the Middle East, and Southeast Asia.
- Held engineering, finance, marketing, manufacturing, and general management roles in the Telecoms, Oil & Gas, Food & Beverage, and Imaging industries.
- Spent 19 years in general management and executive roles within the Coca-Cola Company, including serving as President for Coca-Cola's business in Sub-Saharan Africa.
- Also previously served as Managing Director for Kodak's Dental products business for Europe, Africa, and the Middle East, headquartered in Germany.

Qualifications

- B.Sc. in Electrical Engineering and MBA from Howard University, USA.

External appointments

- Independent Board Member, Tana Africa Capital (Mauritius)
- Board of Trustees, Jacobs Foundation (Switzerland)
- Board member, Essential Med Foundation (Switzerland) .

Core competencies

- General Management, Operations Optimization, Corporate Strategy, Franchise Operations, Investment and Growth Advisory, Business Operations in Africa, Europe, and Middle East.

Board of Directors

Arnaud Lagesse
Executive Director and Group CEO

Citizen and Resident of Mauritius
Group CEO: 01/07/2016
Former CEO of GML Investissement Ltée

Skills and experience
Arnaud Lagesse is the Group CEO of IBL Ltd. He is one of the Mauritian private sector's most prominent leaders and is known to drive IBL Group with innovative and challenging undertakings. In 2016, he initiated the merger of GML Investissement Ltée and Ireland Blyth Limited, and created the new entity, IBL Ltd, which went on to become the n°1 group in Mauritius and 2nd largest group in the region, excluding South Africa.

Qualifications
- Anti-Money Laundering/Combating the Financing of Terrorism Introduction Course – DTOS – April 2023
- Breakthrough Executive Program – Egon Zehnder-Mobius, Portugal
- Advanced Management Program (AMP180) – Harvard Business School, United States
- Executive Education Program – INSEAD, France
- Graduated from the Institut Supérieur de Gestion – Paris, France
- Masters in Management – Université d'Aix-Marseille II, France

External appointments in both listed and non-listed companies

Chairman
- Bloomage Ltd
- Camp Investment Limited
- City Brokers Ltd
- Fondation Joseph Lagesse
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- The Lux Collective Limited
- Miwa Sugar Ltd

Member of the Board of Directors
- IBL Ltd
- Alteo Limited
- Alteo Agri Ltd
- Pick and Buy Limited
- Seafood Hub Limited
- Other non-listed Mauritian Companies

Core competencies
- Business & Finance, Deal Structuring, Strategic Business Development.

Benoit Lagesse
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 12/02/2018

Skills and experience
Benoit Lagesse started his career with Touche Ross before working at Canadian Pacific in London then moving to Zimbabwe to manage a farming business.

Qualifications
- Bachelor of Science (Computers) – Manchester University – England
- Chartered Accountant – England & Wales

External appointments
- Chairman of GML Ineo Ltée
- Chairman of Mon Loisir Ltée
- Alteo Enery Ltd
- Compagnie Sucrière de Saint Antoine

Core competencies
- Finance, Accounting and Agriculture

Hugues Lagesse
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 01/07/2015

Skills and experience
Hugues Lagesse, currently the CEO of Bluelife Limited (BLL), was formerly Head of Projects and Strategic Property Development at BLL, a real estate company that develops property in Mauritius. He has acquired considerable experience and competence in high-end residential and mixed-use real estate.

Qualifications
- Diploma in Administration and Finance – Ecole Supérieure de Gestion – Paris
- Management Program INSEAD - France
- Real Estate Program – Harvard Business School – United States
- General Management Program for Mauritius and South East Africa – ESSEC

External appointments
- BlueLife Limited
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- Camp Investment Company Limited
- Arie Capital Investment Ltd

Core competencies
- Real Estate, Property Development, Management.

Jean-Pierre Lagesse
Non-Executive Director

Citizen and Non-Resident of Mauritius
Appointed: 01/07/2015

Skills and experience
Jean-Pierre Lagesse is a specialist in property investment, development, asset enhancement and portfolio management in London, having been a partner of 10 Ant Group since 2007, where he is responsible for the purchase and redevelopment of real estate. He has more than twenty years of experience in the sector, in Europe and Africa.

Qualifications
- MBA from Cranfield School of Management – UK

External appointments
- None.

Core competencies
- Property Development, Real Estate

Thierry Lagesse
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 24/09/1983

Skills and experience
Thierry Lagesse is a visionary entrepreneur, who, amongst other achievements, launched a Direct To Home satellite television company in the Indian Ocean Islands. Thierry Lagesse was also involved in building up the textile industry in Mauritius in the 1980s. He serves as a director on the Boards of several listed companies on the Stock Exchange of Mauritius.

Qualifications
- Maitrise des Sciences de Gestion – Université de Paris Dauphine

External appointments
- Alteo Limited
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- The United Basalt Products Ltd
- Camp Investment Company Limited

Core competencies
- Entrepreneurship, Business Development and Finance, Strategic Development, Hospitality, Manufacturing, Textile, Media.

Momar Nguer
Independent Non-Executive Director

Non-Citizen and Non-Resident of Mauritius
Appointed: 01/01/2023

Skills and experience
Momar Nguer worked for the TotalEnergies company for more than 36 years and held various positions during his career, both in the Paris head office and in affiliates, mainly in Africa. For his last posting, he was President Marketing and Services, and a member of the Executive Committee.

During the last three years, Momar joined a diversified set of boards companies in Europe and Africa.

Qualifications
- MBA of ESSEC Business School in France
- Master's degree International Law Paris

External appointments
- Arise Ports and Logistics (UK)
- CFAO (France)
- ECP Power and Water Holding (France)
- Lafarge Holcim (Morocco)
- Sea-Invest (Luxembourg)
- Orange (France)

Core competencies
- Energy, Distribution, Talent Acquisition, Negotiations.

Board of Directors

Clément D. Rey
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 06/06/2023

Skills and experience
Clément Rey is the Chief Executive Officer of Constance Group and bears the overall responsibility for the agriculture, real estate, hospitality and investment activities in which the Group is involved. Prior to holding his current post, he was Head of Investment and Development and was actively involved in numerous Group corporate transactions, including financing and restructuring. He holds a Bachelor's and a Master's degree in Business Law from the United Kingdom. Clément Rey is a director of several companies in the commercial, hospitality, agriculture, financial - including fintech - sectors, and a member of various board committees.

Qualifications
- Master's in Business Law from the UK

External appointments
- BMH Ltd
- Constance Hotels Services Limited
- Constance La Gaiete Company Limited
- Hotelest Limited
- Beauport Industries Limited
- Constance Industries Limited
- Constance Corporate Management Limited
- White Sand Paradise Ltd
- Constance Hospitality Management Ltd

Core competencies
- Strategic Development, Investment and Hospitality.

Patrice Robert
Executive Director

Citizen and Resident of Mauritius
Appointed: 01/07/2023

Skills and experience
- Patrice Robert worked in Singapore for 10 years as consultant in Supply Chain and Strategy at Accenture, then as Vice President of DHL's Service Parts Logistics Business Unit for the Asia Pacific region.
- He joined IBL Ltd in 2008 and was appointed Chief Operating Officer for the Seafood Cluster in March 2015. In that role, he oversaw local operations and its development internationally. Promoted as Group Head of Operations in August 2018, responsible for IBL Ltd's manufacturing & Processing, Logistics, Commercial, Building & Engineering activities.

Qualifications
- Bachelor's degree in Engineering – University of Portsmouth, United Kingdom
- MBA – University of Chicago Booth School of Business, United States of America

External appointments
- Board member and chair of international and private companies
- Past Chairman of the Mauritius Exports Association (MEXA)
- Past Council Member of the Mauritius Chamber of Commerce and Industry (MCCI)

Core competencies
- Strategy, Operations, Restructuring, Management.

Stéphane Lagesse
Alternate Director to Thierry Lagesse

Citizen and Resident of Mauritius
Appointed: 01/07/2016

Skills and experience
Stephane Lagesse has extensive experience in the garment sector having worked for more than 35 years for the Palmar Group in Mauritius.

Qualifications
- Degree in Gestion des Entreprises – Paris Dauphine

External appointments
- The United Basalt Products Ltd

Core competencies
- Finance, Textile, Manufacturing and Trading

Organisational Structure

Chairman of the Board of Directors
Jan Boullé

Group Chief Executive Officer
Arnaud Lagesse

Alteo CEO
Fabien de Marassé Enouf

Bloomage CEO
Robin Hardin

Intergraph CEO
Patrick Macé

PhoenixBev CEO
Bernard Theys

The Lux Collective CEO
Paul Jones

Miwa Sugar CEO
Stéphane Isautier

BlueLife CEO
Hugues Lagesse

Lux Island Resorts CEO
Désiré Elliah

UBP CEO
Stéphane Ulcoq

Group Head of Operations
Patrice Robert

BrandActiv COO
Patrice Marie

HealthActiv COO
Fabrice Adolphe

Engineering COO
Michel Dupont

Manser Saxon COO
Neeraj Hurbungs

CNOI COO
Franck Piriou

Seafood COO & Logistics Acting COO
Cougen Purseramen

Winners COO
Aldo Létimier

IBL Energy COO
Pierre Egot

CFO Group Operations
Preetee Jhamna

East Africa Operations COO
Jorsen Patten

Head of Financial Services
Laurent de La Hogue

AfrAsia Interim CEO
Thierry Vallet

City Brokers CEO
Jean Christophe Cluzeau

DTOS CEO
Jimmy Wong

EllGeo Re CEO
Jean-Alain Francis

Eagle Insurance CEO
Sattar Jackaria

Group Head of Corporate Services
Thierry Labat

Head of Corporate Affairs
Diane Henry

Group Chief Human Capital Officer
Hubert Gaspard

Head of Communications
Caroline Tyack

Head of Risk Management & Compliance – Ethics Officer
Olivier Decotter

Head of Group Legal Affairs
Anaick Larabi

Head of Group Internal Audit
Kevin Maurymoothoo

General Manager of Trademarks & Consulates
Ruben Payen

Alentaris CEO
Thierry Goder

Group Head of Technology & Sustainability
Christine Marot

Head of Technology & Digital Transformation
Diya Nababsing-Jetshan

Head of Social Inclusion
Martine de Souza

Life Together CEO
Géraldine Jauffret

IBL Link CEO
Laurent Fayolle

Head of Sustainability
Luvna Arnassalon-Seerungen

Group Chief Finance Officer
Dipak Chummun

Head of Group Finance
Dev Ramasawmy

Head of Treasury
Yannick Ulcoq

Group Strategic Innovation & Excellence Executive
Delphine Lagesse

Head of Business Development – M&A
Hubert Leclézio

IBL East Africa COO
Michel Pilot

Executive Team

Fabrice Adolphe
COO – HealthActiv


Luvna Arnassalon–Seerungen
Head of Sustainability


Claire Blazy-Jauzac
CEO – CIDP


Dipak Chummun
Group Chief Finance Officer


Jean-Christophe Cluzeau
CEO – City Brokers


Laurent De La Hogue
Head of Financial Services


Fabien De Marassé Enouf
CEO – Alteo


Martine De Souza
Head of Social Inclusion


Olivier Decotter
Head of Risk & Compliance Management – Ethics Officer


Michel Dupont
COO – IBL Engineering


Pierre Egot
COO – IBL Energy


Desiré Elliah
CEO – Lux Island Resorts


Laurent Fayolle
CEO – IBL Link

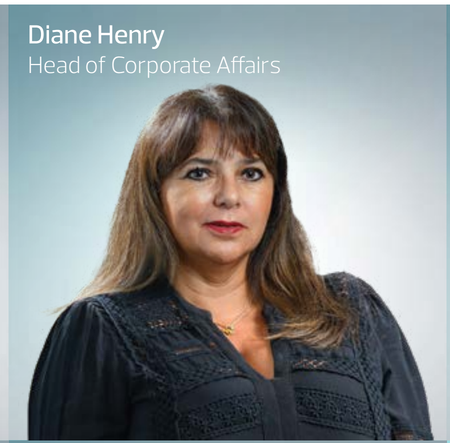

Jean-Alain Francis
CEO – EllGeo Re (Mauritius)


Hubert Gaspard
Group Chief Human Capital Officer

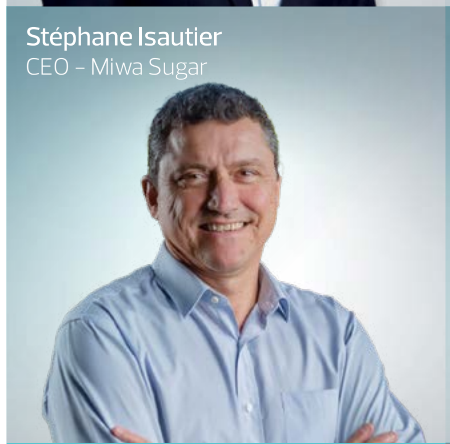

Thierry Goder
CEO – Alentaris


Executive Team


Robin Hardin
CEO – Bloomage


Diane Henry
Head of Corporate Affairs


Neeraj (Ashutosh) Hurbungs
COO – Manser Saxon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CEO – Miwa Sugar


Sattar Jackaria
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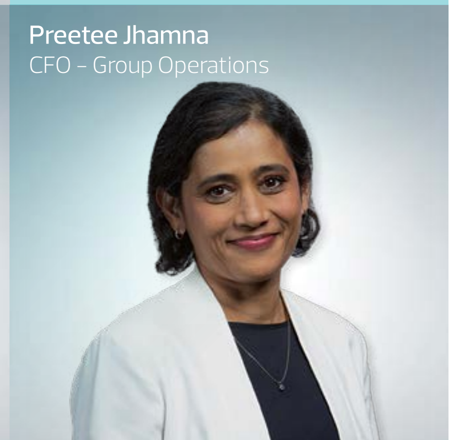
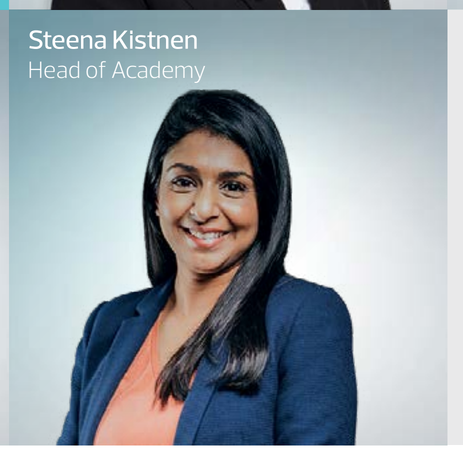
Géraldine Jauffret
CEO – Life Together


Preetee Jhamna
CFO – Group Operations


Paul Jones
CEO – The Lux Collective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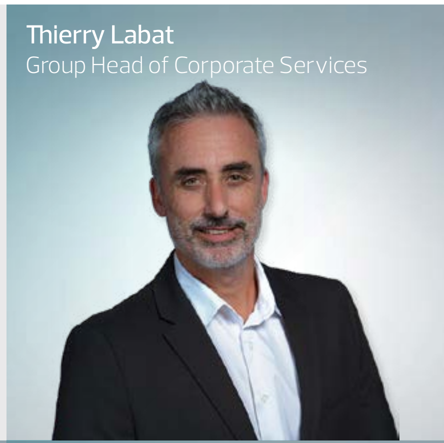
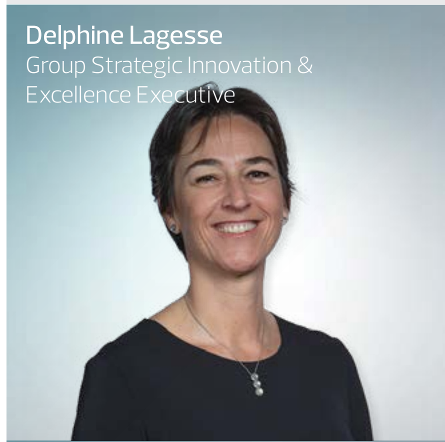
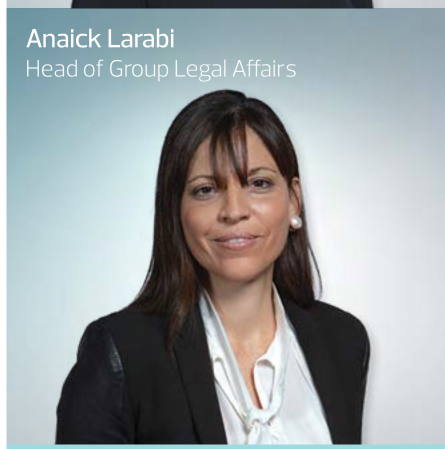
Head of Academy


Thierry Labat
Group Head of Corporate Services


Arnaud Lagesse
Group CEO


Delphine Lagesse
Group Strategic Innovation & Excellence Executive


Hugues Lagesse
CEO – BlueLife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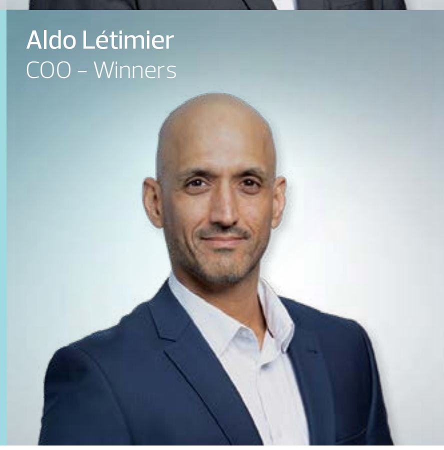
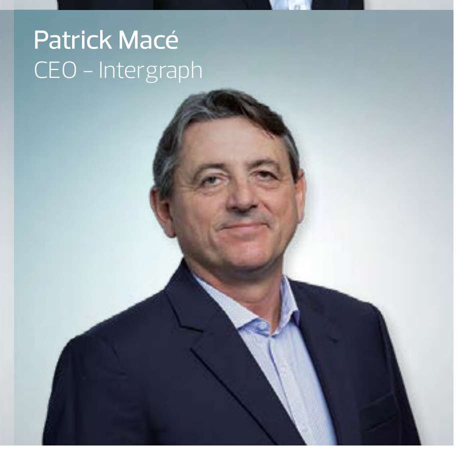
Head of Group Legal Affairs

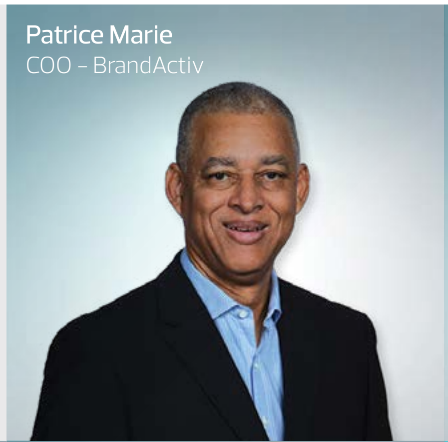

Hubert Leclézio
Head of Business Development – M&A


Kevin Lennon
Head of Group Human Capital Operations


Aldo Létimier
COO – Winners


Patrick Macé
CEO – Intergraph

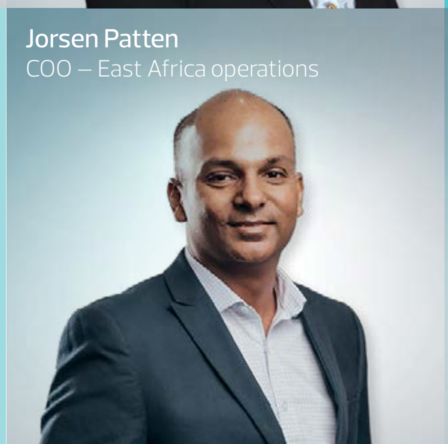
Executive Team


Patrice Marie
COO – BrandActiv


Christine Marot
Group Head of Technology & Sustainability

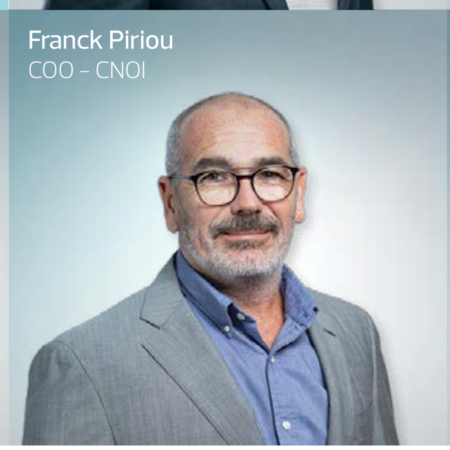

Kevin Maurymoothoo
Head of Group Internal Audit


Diya Nababsing-Jetshan
Head of Technology & Digital Transformation

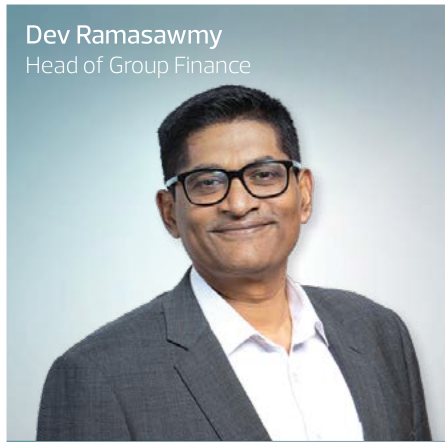

Jorsen Patten
COO – East Africa operations


Ruben Payen
GM – Trademarks & Consulates


Michel Pilot
COO – IBL East Africa Investment

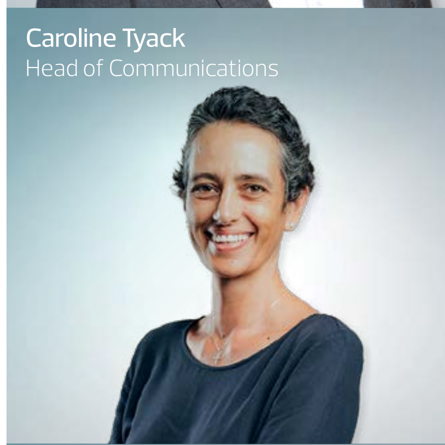

Franck Piriou
COO – CNOI

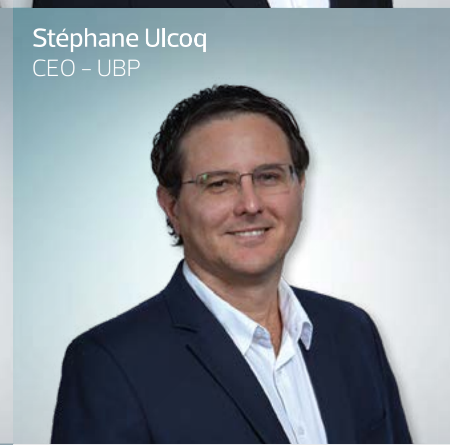

Cougen Purseramen
COO – Seafood and Acting COO – Logistics

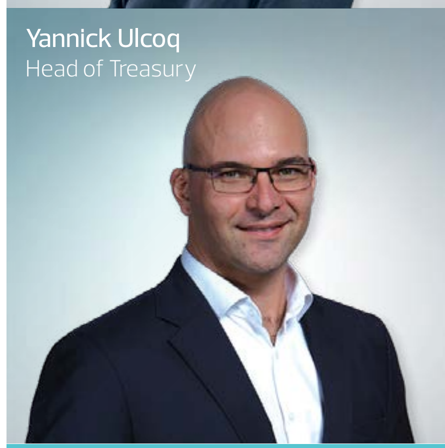

Dev Ramasawmy
Head of Group Finance


Patrice Robert
Group Head of Operations


Bernard Theys
CEO – Phoenix Beverages Group


Caroline Tyack
Head of Communications


Stéphane Ulcoq
CEO – UBP


Yannick Ulcoq
Head of Treasury


Thierry Vallet
Interim CEO – AfrAsia Bank


Jimmy Wong
CEO – DTOS

Profiles of Key Senior Executives

Thierry Labat

Group Head of Corporate Services

Appointed: 01/07/2017

Skills and experience

- Was appointed Company Secretary of GML in 2001, then Group Company Secretary & Head of Corporate Affairs of IBL Ltd in 2016.
- Played a role in the successful closing of significant mergers and acquisitions of listed companies.
- Was appointed Group Head of Corporate Services of IBL Ltd in 2017, now leading the following Group functions: Corporate Affairs, Legal Affairs, Human Capital, Communications, Risk Management & Compliance, Internal Audit and Trademarks & Consulates.

Qualifications

- Chartered Secretary and Fellow of the Institute of Chartered Secretaries and Administrators (ICSA), South Africa and United Kingdom respectively.
- Executive Management Programme – ESSEC Business School.

Dipak Chummun

Group Chief Financial Officer

Appointed: 01/07/2016

Skills and experience

- Worked and qualified as a Chartered Accountant with PwC in London in Audit and Consulting and later moved to Singapore to join PWC's Banking Division; advised several clients on expanding their businesses in the Asia Pacific region.
- Shifted to the banking industry and over nearly two decades, developed a career with Standard Chartered, Barclays, Emirates NBD and Deutsche Bank.
- Held various senior Group, Regional or Country positions at the various banks in Corporate and Investment Banking, Strategy, M&A, Risk and Finance in London, Dubai, Singapore and Frankfurt, largely focusing on growing emerging markets businesses.
- Joined Ireland Blyth Limited on 1 January 2015 as Executive Director and Group Chief Finance Officer and after the latter's amalgamation into IBL Ltd, was appointed Group Chief Finance Officer of IBL Ltd on 1 July 2016.
- Dipak is an experienced board member and is currently the Chairman of the Stock Exchange of Mauritius. He is also a recognised person in the finance profession and sits on the Council of ICAEW in the UK.

Qualifications

- Bachelor's degree Computer Science in (BSc Honours) – University of Manchester, United Kingdom.
- Fellow of the Institute of Chartered Accountants (FCA) – England and Wales (ICAEW).

Christine Marot

Group Head of Technology and Sustainability

Appointed: 01/07/2020

Skills and experience

- Started her career with BDO, formerly De Chazal Du Mée & Co.
- Was Finance Executive – Corporate and Accounting at GML Management Ltée where she was involved at a senior level in businesses across the GML Group, now IBL Group.
- Was appointed as Acting CEO of BlueLife Limited in November 2014 and CEO in May 2015.
- Was appointed Group Head of Technology and Sustainability in July 2020.
- Has been a board member of companies operating in various sectors including industrial, financial services, hospitality, real estate and related services.

Qualifications

- Accountant by profession.
- Executive Management Programme – ESSEC Business School.

Strategy

In this section

Interview with the Group CEO

Last year, Group turnover exceeded pre-Covid levels by 15%. Did this growth momentum continue into the financial year 2023?

What a year this has been for IBL Group! Indeed, FY2023 shaped up to be another historic year. Numerous milestones were achieved, records were set in our lines of business and large-scale investments were fulfilled. With our eyes firmly set on East Africa and the Indian Ocean, our Beyond Borders ambitions have placed IBL squarely on the regional stage.

The outperformance of our businesses is the reflection of a robust and diversified business model, a well-executed strategy and a workforce that is truly world-class. From Rs 36.5 billion in turnover in 2020, and Rs 45 billion last year, we made another leap in our performance, generating a turnover of Rs 54.1 billion and Profit After Tax of Rs 4.9 billion.

The title of this Integrated Report, Beyond Borders, fully encapsulates the transformative mindset that has propelled the Group to challenge its limitations and open itself to new markets and cultures. IBL now stands ready to meet the dynamic demands of its markets and contribute its know-how, honed through decades of experience, to the sustainable development of the region.

IBL delivered a strong performance despite a challenging macro environment and business climate. What factors contributed to this resilience?

These are no doubt challenging times. To borrow a term used during the World Economic Forum, we are operating in a real 'polycrisis', with overlapping economic, social and geopolitical crises – on top of the legacy of shock left behind by the pandemic. All of these phenomena have driven a cascade of consequences on a national and global scale, including an energy crisis, supply chain disruptions and inflation, which in turn has led to central banks hiking interest rates sharply. Several reasons can be ascribed to the Group's strong performance despite this unsettling landscape.

Given IBL's international growing footprint and the diversity of our activities, we have always operated our businesses on the assumption that our markets will be impacted by macroeconomic factors in an uneven manner. This has pushed us to base our strategy on risk diversification and to consider all possible scenarios in our decision-making. Over the past decades, we have been reducing concentration risk by pursuing organic and inorganic growth opportunities in new sectors and geographies, resulting in a diversified portfolio that is able to stand strong in the face of adversity. The Covid-19 pandemic proved us right.

Naturally, we are not immune against macroeconomic developments, as evidenced by the slowing momentum in the insurance business. This is why, in addition to expanding into high-growing markets, we adhere to the sound principles that have shaped the Group into what it is today: strict cost management and balance sheet management, nurturing strong relationships with our stakeholders, improving governance and internal controls, and continually investing in our growth enablers for improved operational efficiency and productivity.

> "With our eyes firmly set on East Africa and the Indian Ocean, our Beyond Borders ambitions have placed IBL squarely on the regional stage."

Did IBL proceed as planned with its regional expansion? What acquisitions came about in the course of the year?

Our *Beyond Borders* strategy is moving full steam ahead and our vision for IBL International is materialising. We went from having dispersed operations in East Africa to a more anchored footprint, driven by a coherent and deliberate strategy to leverage our core competencies. At this time in 2022, we had just about completed the transaction with Naivas. Now a year later, we have added sizable acquisitions to our portfolio and have a stronger foothold in the retail, wholesale & distribution, healthcare, renewable energy and hospitality sectors in the region — sectors in which we already have proven expertise and a sustainable competitive advantage. Some of the most notable investments for the year include:

- The acquisition of 11% of Naivas, whose retail footprint already spans 100 stores in Kenya, bringing the holding of Mambo Retail to 51% of the supermarket chain, ahead of the Put & Call option for 2025;

- The acquisition of a 65% majority stake in Harley's, a leading importer-distributor of medical equipment and pharmaceuticals in Kenya, Tanzania and Uganda. This consolidates IBL's expertise in the healthcare sector;

Interview with the Group CEO

- IBL Energy acquired a majority stake in Equator Energy, alongside STOA, an impact fund. Headquartered in Kenya, and with a presence in Uganda inter alia, Equator Energy is a fully-integrated solar power provider with a portfolio of 45 MW under management across sub-Saharan Africa. It has doubled the size of its solar portfolio each year since its creation in 2016, and is positioning itself at the forefront of the Commercial & Industrial solar industry in Africa;

- In July 2023, Winners completed the acquisition of a 51% stake in RunMarket, held by Make Distribution, with a portfolio of four hypermarkets in Reunion Island;

- UBP is set to acquire a group of companies in Reunion Island, which will substantially increase its revenues;

- LUX* is now present in Zanzibar, Tanzania, and is on track to finalise partnerships with property owners in China, Sharjah, Dubai, Saudi Arabia and Vietnam;

- DotExe Ventures obtained approval for the co-creation of '4Di DotExe Fund 1 LP' in partnership with 4Di Capital, a South African venture capital firm. Of the $17 million raised, $7 million have already been invested in tech start-ups showing promising signs of growth and scalability.

These accomplishments may have lined up in only one year, but they are the result of years of foundational work and learning valuable lessons. IBL International, our office in Nairobi, has done a terrific job in facilitating our M&A activities. The team has taken the time to understand the dynamics of our new markets, acclimate to the local business environment, and build a rapport of trust with key stakeholders such as industry associations, service providers and the investment community inter alia. Besides ensuring a good strategic fit, our investment philosophy is uncompromising about only pursuing opportunities with businesses whose core values and ESG practices are aligned with ours. This approach is paying off, as we are seeing growing interest among investors and a pipeline of opportunities coming our way.

> "Besides ensuring a good strategic fit, our investment philosophy is uncompromising about only pursuing opportunities with businesses whose core values and ESG practices are aligned with ours."

The transactions themselves mark only the beginning of the process. The post-acquisition phase is critical in realising the full potential of our investments. It is not only a matter of achieving economies of scale, but of creating mutual value and synergies through the cross-fertilisation of ideas and know-how. Through the Group's network of over 280 companies operating in 19 markets, we have a wide range of capabilities to support the development of our investees. Conversely, the East African region is experiencing rapid growth, with a young population and a fast-expanding tech ecosystem that IBL stands to learn much from.

How did the Group's different activities contribute to its overall performance?

Most clusters posted an improved performance over the previous year.

After a tumultuous few years, 2022 granted much-needed reprieve to the **Hospitality** cluster. Lux Island Resorts, under the management of The LUX* Collective, registered a record year, increasing PAT by 202.3% despite facing mounting competitive pressures from neighbouring islands and the closure of LUX* Belle Mare following a fire outbreak in July 2022. All of its properties across the world, without exception, are garnering strong demand from existing markets, as well as new demographics. Three new LUX* hotels opened in Tanzania and China during the year, in keeping with its vision to venture into the world's most sought-after destinations. The reconstruction of LUX* Belle Mare, scheduled for opening in October 2023, was financed with LIR's own cash flow, with no impact to the gearing level, which is a testament to its robust balance sheet.

Likewise, the **Seafood** cluster crossed the Rs 500 million profit mark, driven by considerable productivity gains and an excellent performance in Ivory Coast. The cluster's strategy to diversify and create value through fish by-products is enabling it to differentiate itself in the market. Energie des Mascareignes (EDM), a waste-to-value venture which converts fish waste into biogas, became fully operational in October 2022, and is powering a significant portion of Princes Tuna's steaming requirements. Princes Tuna continues to serve as a model for growth in the circular economy and a pioneering advocate for the sustainability of the tuna industry, undertaken through the Sustainable Tuna Association, which it founded in 2019 for this very purpose.

The **Life & Technologies** cluster pursued its mission to change the face of healthcare in Mauritius. This activity is still in its early stages of development, requiring capital-intensive investments in state-of-the-art equipment and facilities, which inevitably translated into losses for FY2023. We are confident in our long-term vision and unique value proposition for Life Together, which brings together cutting-edge Research & Development and a differentiated approach to patient care. So far, Life Together has opened two full-fledged day care medical destinations in Forbach and Tamarin.

In the **Agro** industry, Alteo completed its restructuring into two distinct entities, Alteo Ltd, focused on Mauritian operations, and Miwa Sugar to manage its East African operations. Both entities performed exceedingly well despite a lower harvest, boosted by record production levels in Tanzania, which surpassed one million tonnes of cane, higher sugar prices in Kenya and a turnaround in the Property business in Mauritius.

BlueLife, the **Property** development activity, also returned to profitability as a result of higher occupancy rates in its hotel and a flawless execution plan in promoting, building and selling properties.

The **Energy** sector is making strides in Africa through its investment in Equator Energy and a minority stake in a solar kit provider operating in Burkina Faso and Benin. An IBL Energy office was set up in Nairobi to coordinate the cluster's activities in the region.

BrandActiv and Winners were the largest contributors to the performance of the **Commercial & Distribution** segment. Winners opened its flagship store, spread over 7,000m^2 in Tribeca Mall, offering an even wider array of fresh produce, wine and electronics, and continuing to entrench itself as the preferred supermarket chain for Mauritians. In appreciation of its environmental commitments, it is also being recognised as the leading sustainable supermarket in Mauritius, adding another feather to its cap. The acquisition of RunMarket, which I mentioned earlier, comes on the heels of our investment in Naivas, whose profitability soared by 25% in FY2023, allowing it to pursue its rapid expansion at a pace of one supermarket opening per month.

Individual performances in the **Financial Services** cluster were mitigated. Insurance activities and DTOS were impacted by higher operational costs. AfrAsia Bank, for its part, posted an outstanding 311% increase in profitability over FY2022. However, due to our intention to dispose of our 30.29% shareholding and its subsequent status as a 'Held For Sale' asset, these profits were not accounted for in our third-quarter results. Our proposal having not fallen through, the bank's profits were reconsolidated into our full-year results ended June 2023. We are seriously reassessing our strategy with respect to banking and global management activities.

How are IBL's growth enablers supporting its strategy?

Adding to IBL's three growth enablers – Human Capital, Technology & Transformation and Sustainability, – **Innovation** was identified as a fourth growth enabler to structure IBL's existing practices and develop innovation as a real organisational muscle. Guided by a consultant, a clear methodology was defined to rigorously test a business idea before we invest in it and ensure that the innovation results in positive business outcomes in a scalable and cost-effective way. We are working on making Mauritius our Innovation Lab, where innovative business models and value propositions are developed, incubated and tested, before we replicate them in our overseas operations.

Likewise, **Technology & Transformation** continues to drive digital transformation within our various BUs, through a strategy that is adapted to each business' specificities, while also aligning with IBL's overarching goals. Artificial Intelligence (AI) is evolving at an exponential rate, requiring businesses to adapt rapidly not just in terms of cybersecurity, but also because it is redesigning certain occupations and necessitating the development of new skills. A Data Analytics team was formed to address the overlapping need for business intelligence capabilities, and measures were implemented to improve the Group's security posture.

> "We are working on making Mauritius our Innovation Lab, where innovative business models and value propositions are developed, incubated and tested, before we replicate them in our overseas operations."

Interview with the Group CEO

The **Human Capital** strategy has played an instrumental role in driving our regional ambitions, alongside the ongoing standardisation of processes through the People Online Platform (POP) and a continued emphasis on wellbeing and skill-building. A comprehensive talent review was carried out to identify the most critical development needs across our BUs in Mauritius and abroad, and training programmes are being developed by the IBL Academy through the **GREAT IBL Academy** value chain, which works around Growing our Results through Engagement and Accountability Together, helping to shape our leaders of tomorrow on the Foundation of a Culture of Greatness. Spirited communication about mobility opportunities has led to five team members relocating to East Africa in support of our ambitions. The Human Capital function is facilitating the expatriation of our colleagues through a phased approach, enabling them to seamlessly transition into their new roles.

Sustainability is more deeply embedded within the Group following the 'Building a Legacy Together' forum and the closer collaboration between the Sustainability, Risk and Finance functions as we increasingly start viewing our financial resilience through the lens of environmental, social and governance considerations. The Radar tool is also providing BUs with clear priorities, based on their unique operating context and risk landscape. The Radar for the Property cluster was developed, and several projects have emerged as a result. Bloomage has already begun tackling Materials & Waste, which stood out as an area of strategic relevance to its business, through energy conservation efforts including working to obtain the LEED and EDGE certifications for its buildings.

Another project that is worthy of praise is the launch of E-Motion by IBL Energy and Vivo Energy Mauritius, which offers a convenient way to charge hybrid and electric vehicles. Individuals and businesses can both make use of this service through adapted subscription packages. By connecting to Electromaps, a mobile app, subscribers can locate the nearest charging station and make their way to one of many fast-charging points located in strategic areas of the island. This initiative combines innovation, sustainability and technology - three highly valuable skills that IBL aims to cultivate and excel at.

True to our purpose, we remain as committed as ever to using our influence to drive social inclusion and alleviate poverty. Fondation Joseph Lagesse was set up in 2015 as a philanthropic organisation, but it has evolved into an impactful entity carrying out meaningful work in the areas of literacy and community empowerment, to name only a few. Society is undergoing major changes, and just as new needs arise, so too must the role of a business in society. We must keep progressing, with purpose and transparency. The Embedding Project has shed new light not only on environmental challenges, but also on specific social issues. These findings are allowing us to connect the dots between our actions in these two distinct areas, and forming the basis for a fresh approach that effectively brings together ecological and societal aspects. We look forward to sharing more about this project with you in the coming months.

What is the outlook for IBL in FY2024? Do you have any final thoughts to share?

The lessons of the past years are still top of mind, so continued uncertainty is the only thing we can be certain of.

The *Beyond Borders* strategy will continue to fuel our growth as we finalise further investments in East Africa in our designated growth sectors. Our sister island, Reunion, remains an attractive market for IBL, particularly as we are already well-established in sectors like printing, hospitality, beverages and now, retail. The potential for synergies is substantial.

As emphasised by our Chairman, our governance structure and practices are evolving along with our growing international footprint. Our four new Directors bring sector-specific perspectives and independent opinions to our strategic discussions, which is further sharpening our decision-making.

I would like to end this message by paying tribute to Jean Ribet, and extending my condolences to all those who have had the privilege of knowing him. Jean, more fondly known as Jano, passed away on 05 April 2023. As a Non-Executive Director of Ireland Blyth Ltd since 2004, and the longest-serving Director we have had, Jean did not just sit on our Board. He was a thoughtful and active leader whose financial expertise and deep insights made him an invaluable member of every company he worked with, ours included. His humility, diligence and grace will remain etched in our memory and he will be missed dearly.

My gratitude also goes out to Jean-Claude Béga, who stepped down from his role as the Head of Financial Services cluster. I have had the privilege of knowing and working alongside Jean-Claude since he joined me at GML in 1997. During his 26-year tenure, Jean-Claude has strongly influenced the strategic development of the Group, including his leadership during the complex fusion of Ireland Blyth and GML and the successful deployment of our Beyonds Borders strategy. His attention to detail and work ethic are unparalleled. He also played a key role in many defining moments for the country, through his participation in the development of Naiade Resorts (known today as LUX*), the creation of AfrAsia Bank and the beginnings of Alteo Group, to name only a few of his many accomplishments. On a personal note, I have appreciated your counsel and friendship, and I wish you all the best in your new pursuits.

A sincere thank you to Gilles Michel for the important work he has done over the past nine years as a valuable member of IBL's Board of Directors, Corporate Governance Committee and Strategic Committee. Through his wealth of experience and knowledge, he distinguished himself as a judicious steward of our organisation, and by all measures, our governance practices have improved on his watch and will be central in safeguarding IBL's future.

With these departures, we also welcome three new Independent Non-Executive directors – namely Georges Desvaux, who now chairs our Corporate Governance Committee (CGC), William Egbe who chairs our Strategic Committee (StratCom), and Momar Ngué who chairs our Remuneration Committee (RemCom). As a long-standing member of the Group and Head of Operations, Patrice Robert who has unparalleled knowledge of our business, joined the board as an Executive Director and I look forward to working more closely with him.

I take this opportunity to thank IBL's entire Board of Directors, both long-standing and new, led by our Chairman Jan Boullé. Your thoughtful guidance and insights have been instrumental in steering us on this journey and in setting the strong governance standards that form the bedrock of IBL. I hope to continue to draw from your wisdom in the years to come.

A big congratulations to our teams in Mauritius and around the world for their outstanding work and contributions to our shared achievements. If I look to FY2024 with optimism, it is because of my confidence in your talents. To our colleagues who have relocated to Kenya, thank you for accompanying us on this exciting journey with utmost dedication.

Finally, to our new partners, we look forward to growing hand-in-hand with you and joining forces to bring meaningful change to the Indian Ocean and African continent.

With the support and trust of our stakeholders, I am confident that together, we will write many more remarkable chapters in IBL's story, always keeping our purpose - Creating a brighter future for all - at the heart of all we do.

Arnaud Lagesse
Group Chief Executive Officer

"IBL now stands ready to meet the dynamic demands of its markets and contribute its know-how, honed through decades of experience, to the sustainable development of the region."

Strategy

Strengthening IBL's Mauritian Core

Regional Expansion into the Indian Ocean & East Africa

International Expansion Anchored in World-Class Professional Expertise

Our Strategic Pillars

Beyond Borders

a strategy that transcends the boundaries of geography

Our Growth Enablers

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Bringing IBL's strategy to life

In conversation with

You were assigned the responsibility for setting up IBL International in Kenya in the context of the Group's regional expansion. What is your role there?

JORSEN PATTEN _ I was approached by IBL in 2018 to spearhead the Group's expansion strategy in East Africa by setting up its regional office in Nairobi, Kenya which we call IBL International. When I first joined as the Head of Business Development for East Africa, IBL International served as an advisory office in business development and investment for the Group and its operations. We initially focused on market research, understanding the economic and industry landscape, carefully considering which sectors to focus on, developing market entry strategies, making IBL Group known among the business and investment community, building strong relationships and partnerships with key firms and stakeholders, from family businesses and law firms to investment banks, and so on.

In parallel to this important foundational work being carried out on the ground, we also reviewed a number of investment opportunities in mid- to large-sized businesses across sectors in the region, as several IBL operations such as DTOS, IBL Energy and Ellegeo Re were also setting up business development offices in Kenya. This culminated in the historic deal with Naivas, the leading supermarket chain in Kenya, in June 2022, followed by investments announced in the pharma distribution and renewable energy sectors in 2023.

Given the pace of these exciting developments, and the scope and scale of IBL's Beyond Borders strategy, the East Africa office has evolved to also offer post-deal services to support the Group, our investee companies and our financial partners. This post-deal phase is crucial and includes operations management activities, which I lead, and investment management activities, led by Michel.

Michel, you moved to Kenya in 2022, in the midst of all these acquisitions to lead the post-deal investment management process. What exactly does it involve?

MICHEL PILOT _ I embarked on the East African chapter in September 2022 and relocated to Kenya with my family. Besides also participating in business development and the M&A process alongside Jorsen, my role really begins once the deal has been sealed. In essence, I am responsible for ensuring that our current investee companies are performing well, and that we provide all the necessary support for our current and future investments to also fare well. This means maximising synergies and efficiencies within the companies, and leveraging all the tools in our arsenal.

Bringing IBL's strategy to life

Could you tell us about IBL's recent and most significant business investments, and what they mean for the Group?

MICHEL PILOT _ You may remember 2022 as a milestone year for IBL as it undertook the largest single investment in the history of the Group through its acquisition of 40% of Naivas International alongside Proparco and DEG. Naivas is Kenya's leading retail chain with an impressive network of outlets in prime spaces and strategic locations. During the last financial year, Naivas has sustained its growth trajectory, with 11 additional stores opened across multiple formats. In fact, it is nearing the 100-store mark, having now opened 98 stores at the time of writing.

Other notable investments include a 65% stake in Harley's, an importer-distributor of pharmaceuticals based in Nairobi, with stock points in Mombasa, Eldoret, Dar es Salaam and Kampala; and a 51% stake in Equator Energy, a solar power operator in the commercial & industrial segment with activities in Kenya, Uganda, South Sudan, Somalia and Zimbabwe. These are all strong testaments to the credibility that IBL has garnered as a serious strategic investor in the region. As we speak, we have seven operations running in East Africa that did not exist in 2018.

The common thread is the fact that IBL is already well established in these sectors in Mauritius, whether in Retail & Distribution through Winners, in Healthcare through HealthActiv, and in Renewable Energy through IBL Energy. To these fast - growing sectors we bring our knowledge and operational capabilities to create value not only for our investee companies, but also for the customers we serve, the suppliers and partners we work with, and also the future of the industry we operate in.

IBL's expansion Beyond Borders has visibly accelerated since last year. What are the key elements of your strategy and approach?

JORSEN PATTEN _ The Beyond Borders strategy has definitely gained momentum in 2022, and closing the deal with Naivas - a well-loved and well-respected Kenyan brand - no doubt played a springboard role in accelerating this expansion. It is true that East Africa represents a huge potential, but taking a business international is no easy undertaking, especially to do so with scale and across multiple sectors. It is a dynamic and complex process, with many moving parts and many stakeholders working together to bring the deal to completion to the satisfaction of all parties.

One of the first things we look at when assessing an investment, besides the degree of strategic fit, is the value creation and synergistic potential between the investee company and our corresponding operation, whether in our commercial capabilities, the transfer of best practices, or the cross-fertilisation of ideas. We spend an equal amount of time working this out on both sides of the transaction to make sure it is mutually beneficial. We are also clear about the kind of investor we want to be - namely a strategic partner for our investees, dedicated to taking their businesses to the next level in their growth stories.

Another extremely important factor is that we invest in the people behind these businesses. We invest in their values, ethics and principles. If we look at Naivas, a family business, the deal was incumbent on having a strong relationship based on common values and a shared vision for the future. Building trust and goodwill requires time, energy and patience, and I cannot overstate the importance of this step.

With all these synergies developing, and the volume of activity occurring, investor appetite is increasing and we are seeing many more opportunities come our way. This is also creating more buzz within IBL's BUs to expand their operations in the region.

What opportunities or challenges do you foresee in the coming years?

JORSEN PATTEN _ The future is looking bright. It is safe to say that IBL has made its presence felt in the region since we started this journey, and that this growth will continue to accelerate. Our focus in the coming year is to make our investments work. There is an incredible talent pool in Kenya, including the many local colleagues we are working with. We have about 11,000 team members in Kenya to date, so the Human Capital function will be a critical enabler of this strategy in the years ahead. Equally important is the alignment of good governance in our investee companies

MICHEL PILOT _ I share Jorsen's optimism. IBL has very exciting prospects ahead. East Africa is a very vibrant economy, with a market size in excess of 200 million inhabitants, fast - improving infrastructure, a thriving digital ecosystem and a multitude of multinationals. IBL stands to benefit immensely from this conducive environment and the potential for cross-fertilisation is limitless. On a personal front, the quality of life in Kenya has been great so far. I have been beyond impressed by the hospitality of the Kenyan people, the beauty of the country, not to mention the openness and dynamism of our East African counterparts.

Human Capital

A clear goal: to be an employer of choice

IBL's Human Capital strategy continues to be executed through a resolutely 'People First' lens.

FY2023 was another tumultuous year for the talent landscape, with increasing competition from both domestic and international markets, leading to a labour shortage in many industries. People are continuing to grapple with the turbulences of the past few years, which have reconfigured their demands from their employers: more flexibility, a focus on wellbeing, a positive and collaborative work environment, and a clear career progression plan, amongst others. Our response has been to diligently follow our future-of-work roadmap, delivered through five pillars, and work to attract, empower, engage and retain our talent in pursuit of becoming an employer of choice.

As the Group's Beyond Borders strategy gains even more momentum, the Human Capital function is working to build a cohesive IBL Together culture across an increasingly geographically-distributed workforce to ensure we maintain a high-value talent pipeline in all the geographies we operate in.

Optimise the Group's HC processes across all companies

Consolidate internal capabilities across the employee lifecycle (from employment until exit) through the harmonisation of practices

Strengthen the Group's succession planning

Develop succession plans and retention strategies for business-critical roles to ensure the smooth continuity of our operations

Support businesses' transformation and performance through capability-building and leadership development

Build a robust pipeline of high-performing teams through continuous upskilling at the grassroots level and a focus on nurturing the leaders of tomorrow

Support our IBL's Beyond Borders strategy through the consolidation of our African offices

Accompany IBL's businesses in their HC strategies overseas and support the expatriation of talents to our African offices

Improve the employee experience and use of data analytics through People Online Platform (POP)

Leverage our fully-integrated HC platform to gain insights on our People analytics and make relevant improvements to our Employee Value Proposition

Progress made in FY2023

Optimise the Group's HC processes across all companies

- Pursued the harmonisation of HC practices across businesses in different industries. An assessment exercise has started with some companies to measure the adoption of the practices as recommended in our Back-to-Essentials guidelines.
- Paused the implementation of Phase 2 of the People Online Platform (POP) Project to focus on the optimisation of Phase 1 (which consists mainly of the payroll process and time attendance management) and recalibrate systems in accordance with each BU's specificities.
- Launched the performance management module (part of Phase 2 of the POP Project) across the Corporate Centre and two BUs (Bloomage and Brandactiv).

Strengthen the Group's succession planning

- Revamped our succession planning method by deepening our talent review process and using a more collaborative, scientific and data-backed approach to measure the Potential vs Performance of the talent pool within IBL's BUs. Over 1000 roles were assessed, leading to the identification of business-critical roles. Targeted and tailor-made development plans are being developed accordingly and will be rolled out through the IBL Academy in FY2024.
- Revamped the branding of all our job adverts as part of our attraction strategy.

Support businesses' transformation and performance through capability-building and leadership development

- The first part of the year was devoted to the completion of leadership workshops for companies that embarked on their journey.
- The second part of the year was devoted to finalising the architecture of the IBL Academy.
- The 8th Edition of our Management Development Programme in collaboration with the Stellenbosch Business School was carried out with 30 participants.

Support our IBL's Beyond Borders strategy through the consolidation of our African offices

- Restructured the Kenyan office with the addition of a second Chief Operations Officer.
- Carried out cultural awareness sessions for employees and their families ahead of their relocation, offering guidelines on how to navigate the new host country.
- Studying a new approach to ease our talents' transition to East Africa by first sending them on a three-month mission on a trial basis, enabling them to assimilate the new culture before embarking on the full-fledged expatriation process.

Improve the employee experience and use of data analytics through People Online Platform (POP)

- Formed the Data Analytics team, responsible for leading the deployment of the Analytics module. The team is in the process of building dashboards with key metrics to uncover trends and make more informed decisions.
- Aligned salaries with rising inflation to support employees as they face a higher cost of living.
- Extended parental leave to 18 weeks for mothers and 3 weeks for fathers.
- Launched a pulse engagement survey across the Group using the e-NPS tool.

Human Capital

Case in point

IBL Academy

In 2022, the Group embarked on the creation of the IBL Academy to future-proof our workforce, accompany our people in their personal and professional growth and deliver on the Group's growing global ambitions. We aim to develop our talents in a way that not only meets their career aspirations, but that also contributes to the achievement of IBL's business objectives. The Academy supports this ambition by focusing on three pillars: Talent Engagement, Performance Management and Talent Acquisition. The creation of the Academy will also be instrumental in equipping IBL's workforce with the world-class capabilities and growth mindset needed to facilitate their relocation to East Africa or other international assignments. The **GREAT Value Chain** came into being through a structured methodology based on four key steps.

Step	1 Defining the IBL culture	2 Identifying the variances	3 Building capabilities	4 Assessing performance
Objective	**Setting a clear direction and culture**. Defining the objectives of the Academy and formulating the culture it is mandated to spread throughout the Group was a pivotal step in its establishment. A clear directive plan was developed to ensure its alignment with IBL's strategic goals. The mission of the Academy is characterised by 5 fundamental components: · **G – Growth:** Encompassing the individual, performance, operational, and collective evolution of the Group. · **R – Results:** Prioritizing tangible outcomes and emphasising that what is being measured can be improved. · **E – Engagement:** The success hinges on every stakeholder's genuine commitment and active participation. · **A – Accountability:** Highlighting individual responsibility and total dedication to achieve desired outcomes. · **T – Together:** Representing a unified foundation for the entire IBL Group. · Growing our Results through Engagement and Accountability Together = **GREAT**.	**Identifying and articulating the needs** of our operations and our employees are crucial in the process of closing the variance gap. The Academy is rooted in a philosophy of transformation, not just training. Conducting this identification and assessment across all sectors of activity and at all levels of the organisation allows for mapping the need, the gap and the talent profile of the Group.	**To drive the transformation within IBL Group,** identifying key capabilities is paramount. A focused analysis revealed 10 capabilities as both crucial and transformational for our organisation. These capabilities are part of a holistic transformation approach for our team members, encompassing individual performance, teamwork, interactions with stakeholders, and our capacity to lead.	**Tying employee growth to performance.** The progress of Capability Journeys will be monitored and integrated into performance discussions. While these journeys may evolve with emerging capability requirements, the IBL Academy's approach is designed to be agile, constantly adapting to the shifting needs of the business.
Methodology	**Deep-dive sessions** were conducted across BUs to grasp the needs and operational realities. The relevance of the Academy lies in its ability to understand the business' exigencies and needs to address them precisely. To build a high-performing team and generate performance, our key transformation factors are: **Trust, Excellence, Discipline, Culture** – forming the building blocks of the culture of GREATness.	**A talent review exercise and variance analysis workshops** were conducted across the Group. This exercise allowed, on one hand, to standardise practices in terms of evaluation and defining critical roles within the Group and, on the other hand, to assess the performance of team members. A collective and collaborative approach in which every leadership team was involved.	**The GREATness Lab** is a transformation process which was created to ensure learning, on one hand, and to measure the transformation on the other. Four key steps encompass this learning process. Each step is essential to achieve the transformational objectives in each capability.	
Implementation and outcomes	Cascading down the GREAT culture involves **a dual approach** that integrates both top-down and bottom-up strategies. A CEO Forum took place, where top leaders of the Group undertook leadership workshops to set the tone from the top, while we also engaged with employees at all levels to involve them in shaping the culture from the bottom up.	· 1489 employees were assessed, of which 30% at management level and 27% at supervisory level. · Time invested: 150+ workshops and 225+ hours spent over the course of five months.	**Capability Journeys** have been designed. Selected team members will undertake these custom-made journeys, focusing on building and enhancing specific capabilities. These capabilities are strategically chosen for their impact on both the individual's personal growth and the overall performance of the organisation. **A digital platform and mobile app have been developed** to make the process as engaging, accessible and flexible as possible.	

Human Capital

Case in point

International mobility

Context

IBL's Beyond Borders strategy was successfully deployed, leading to a number of major acquisitions and a growing global team. Following a survey carried out in 2022 to gauge the appetite for expatriation, 209 colleagues expressed their enthusiasm to relocate to East Africa on a four-year contract and participate in the Beyond Borders journey. We understand that an international assignment requires a great deal of commitment from employees. This is why the Human Capital function is dedicated to offering comprehensive support and providing employees with the necessary assistance for a successful transition into their new role, and a smooth integration into the host country.

The challenge

Relocating to a new jurisdiction involves a multitude of logistical, cultural and administrative challenges. If not addressed adequately, this can lead to a failure to adapt, culture shock or even personal challenges impacting their wellbeing and detracting from performing effectively in their new role.

Implementation

Minimising disruptions before and during the transition is a task that is incumbent upon the Human Capital function, the goal being to ensure a positive experience both for the employee and the organisation.. After garnering in-depth knowledge and experience on the ground, we identified key dimensions to be addressed to ensure that our colleagues feel empowered and well-prepared for their new roles:

- **Pre-departure preparation and planning:** provide a detailed overview of the relocation process - including timelines, expectations and steps involved - and apprise them of legal and regulatory requirements relating to the labour market, tax regime, business practices, and others.
- **Cost analysis:** practical information on the breakdown of costs, including the cost of living, schools, housing, local amenities, transportation. The compensation packages offered take all these factors into account, and salaries and benefits are also set accordingly.
- **Healthcare negotiations:** diligent efforts to partner with a local private health insurer to provide quality medical care to our team members and their families.
- **Cultural awareness:** facilitate cultural orientation for foreign assignees and their families, offering them vital tips on the cultural nuances and sensitivities of the host country's culture, thus enriching their experience on a professional and personal level.
- **Ongoing support:** maintain communication with assignees to address any challenges or concerns that may arise after their relocation.
- **Payroll Partners:** identify partners that can provide payroll services to our team members in Kenya.

Benefits achieved

Three team members successfully embarked on the East African journey, equipped to take IBL's ambitions forward. Internal mobility has delivered upsides both for the Group's growth and the professional development of our colleagues, presenting a win-win scenario. For IBL, internal mobility is a time-efficient way to expand as existing employees who already have a grasp of the Group's operations and processes can bring their expertise to new regions and ensure continuity much faster than a new hire. Equally, they help to spread IBL's core values and culture to the new location, helping to uphold a unified GREAT culture across borders. For their part, employees willing to relocate are rewarded with an invaluable opportunity to broaden their skillsets, gain exposure and build confidence, making them more versatile and agile professionals.

> "Our Group human capital has embraced the Beyond Borders strategy by playing an incredible role in facilitating the expatriation of our Mauritian colleagues, myself included, in East Africa. This has been achieved through several visits in the region to connect with the right partners, understand the work environment and the labour laws, and design a mobility policy that smoothens a process which can sometimes be quite tedious and daunting. We are looking forward to closer collaboration with our Group Human Capital as we reflect on our human strategy in East Africa."

Michel Pilot
COO - IBL East Africa Investment

Sustainability

Sustainability strategy

FY2022 was a pivotal moment for IBL as we embarked on the 'Building a Legacy Together' journey, which imparted us with a new found sense of clarity on how to live our purpose. FY2023 saw **the progress of the sustainability approach** defined last year, based on the principles of The Embedding Project. As a reminder, the Embedding Project provides **a framework resulting in a clear sustainability roadmap** for a Company, including the three dimensions of sustainability: environmental, social and governance. This approach is unique in that it views a business as inseparable from the economic, social and environmental systems in which it operates – and therefore articulates a strategy that is 'embedded' within these systems and contributes to their resilience.

Led by the Group's Sustainability team and guided by the six steps illustrated below, we developed an embedded sustainability strategy for several Business Units (BU's) that rigorously and systematically identifies, ranks and priorities sustainability issues of a business, enabling it to allocate resources effectively and set realistic targets. The result of this exercise is a doughnut-shaped radar, which clearly outlines the sets of issues that are of particular relevance to a business, as well as their degree of priority. The individual and Cluster radars developed during the year (page 76) provide an overview of how this approach has enabled IBL businesses to implement actions in alignment with the priorities set out in their radars. This has also opened up room for further opportunities for collaboration within and between clusters.

Given the diversity and complexity of IBL's different activities, this template offers a practical approach that can be applied to any business operating in any industry and in any geography. As IBL expands its activities in diverse markets, with different realities, this template will also enable the Group to develop contextual ESG strategies for its overseas operations.

1. Reflect at all levels through dialogue and workshops	Proactively scan our operating environment to understand the impact of our activities, gather data to establish a baseline, and identify the issues that are strategically and contextually relevant to IBL's businesses and their spheres of influence.
2. Assess companies and determine the strategic relevance of issues	Using the Prioritisation Radar Tool, we assess the issues described in the previous steps on the basis of their relevance and develop **an Individual Entity Radar** clearly depicting the priority areas where efforts and resources should be focused on.
3. Develop position statements, policies and targets	Articulate a clear and contextually grounded roadmap, develop policies to support it, and set realistic goals with clear timeframes and a clear action plan.
4. Find linkages across our different businesses	Find overlapping issues between our different BUs in the same cluster, aiming to develop a **Cluster Radar**, which, in turn, will aggregate into a **Group Radar**.
5. Develop projects in line with ESG across BUs	Develop programmes, projects and initiatives in line with the defined roadmap and in line with IBL's objectives and purpose.
6. Develop tool to measure and assess our footprint	Track, measure and monitor our progress against set objectives accurately and on an ongoing basis.

Sustainability awareness and capacity-building

Instilling sustainability awareness across the Group, at all levels, is paramount for our strategy to be successfully deployed. This sustainability awareness begins at the highest level, with the Board of Directors and IBL's leadership and senior management team, whose buy-in is crucial in setting the tone at the top, demonstrating the seriousness of our commitments and leading the change management required to drive long-term behavioural change. Following on from last year's hard yards, a strategic inter-cluster inspirational and international 'Towards Building a Legacy Together' forum was organised, bringing together 71 high-level members in the Building & Engineering, Agro & Energy, Commercial & Distribution, Hospitality & Services, Financial Services and Property clusters.

Through the lens of Planet, People and Profits, the full-day workshop was conducted with rich dialogue and conversation focused on the trends and challenges in their specific industries. For any sustainability project to be considered, it must be **financially viable** and scalable, **anticipate emerging risks and opportunities**, and **have the right empowered talents/teams** driving its execution. The forum was followed by a supporting workshop to help leaders to help understand how to translate strategy into practice. The workshop was centred on how to create the right organisational culture to transform employees into change agents, united around a sense of shared responsibility. This project has been having positive reverberating effects in the value chain, and top management of Group Companies (GCs) and BUs are increasingly seeking support to ensure the alignment of projects with the sustainable objectives of their entities.

Through additional embedding workshops, we saw the need to further empower our **Finance** and **Risk** professionals to the sustainable aspects of their roles. This is pertinent as the Group's ambitions to take strides beyond borders have to be truly inclusive and collaborative with all stakeholders. Despite still being in the early stages of our sustainability strategy, the Group has already identified linkages that will require a long and hard look to build up the resilience of its clusters over the long term. This resulted in the **mapping of the rapidly evolving climate risk landscape** of IBL's various sectors of activity to better evaluate the potential impacts and implications of the driving forces shaping our industries, and identify how to evolve our physical and transitioning strategies, partnerships or capital allocation in the coming decades.

The **Human Capital** function is also an important enabler of this Sustainability strategy. Sustainability is greatly valued by employees, customers and shareholders, who increasingly choose to work for, purchase from or invest in businesses with credible ESG commitments. With businesses increasingly facing labour shortages and talent retention challenges, we believe having a genuine sustainability philosophy will be key to retaining and engageing our existing talents, and also attracting potential talents. The Human Capital function is therefore key to developing the adequate recruitment, training and performance strategies to ensure that IBL continues to draw employees who share our values and mindset, and who will take our sustainability objectives further over time.

Sustainability

Linking theory to practice

Progress against strategy

1. Reflect at all levels through dialogue and workshops

Carried out a week-long series of workshops and awareness sessions with key executives and departments:

March 2023
- Learning Trip Reunion – Assess and study maturity of sustainable construction in Reunion Island (see case study #2)
- Exchange of expertise and know-how to achieve sustainability in the building and construction industry in the Indian Ocean

May-June 2023
- Pertinent dialogues on imminent novel Risk and Finance paradigm
- Second 'Towards Building a Legacy Together' forum carried out with CEOs and sustainability heads, with a focus on financial sustainability and change management
- Full-day 'Towards Building a Legacy Together' forum carried out for Sustainability champions, as well as for various Risk teams

2. Assess companies and determine the strategic relevance of issues

- Completed the assessment of Brandactiv and developed an individual Company radar for the business.
- Completed the assessment of the BUs within the Property cluster to take stock of their operating environment and impacts. Individual Company radars were developed for both Bloomage and Bluelife, which were aggregated into a Cluster radar for Property. (see case study #1)
- Began the assessment exercise for BUs in the Building & Engineering (UBP, Manser Saxon), Hospitality & Services and Commercial & Distribution clusters.

3. Develop position statements, policies and targets

Develop and define the Cluster radar for the remaining clusters: Building & Engineering, Commercial & Distribution, Life & Technologies, Agro & Energy, Hospitality & Services, Financial Services.

Develop and define IBL Group's radar, resulting from the aggregation of all the Cluster radars.

Apply the new IFRS standards. In parallel, we aim to take risk mapping a step further in our climate resilience journey.

Set up the first-of-its-kind Sustainability Corporate Governance structure in Mauritius.

Continue to involve the Finance, Risk and Human Capital teams to ensure a holistic sustainability implementation.

4. Find linkages across our different businesses

The multi-stakeholder dialogues highlighted further pertinence towards collaboration across business units. Several overlapping topics stood out, such as the low-carbon impact construction delegation, Group sustainable mobility, carbon accounting, Group waste management and climate risk assessment.

5. Develop projects in line with ESG across BUs

6. Develop tool to measure and assess our footprint

Achievements in FY2023

Planned actions for FY2024

Sustainability

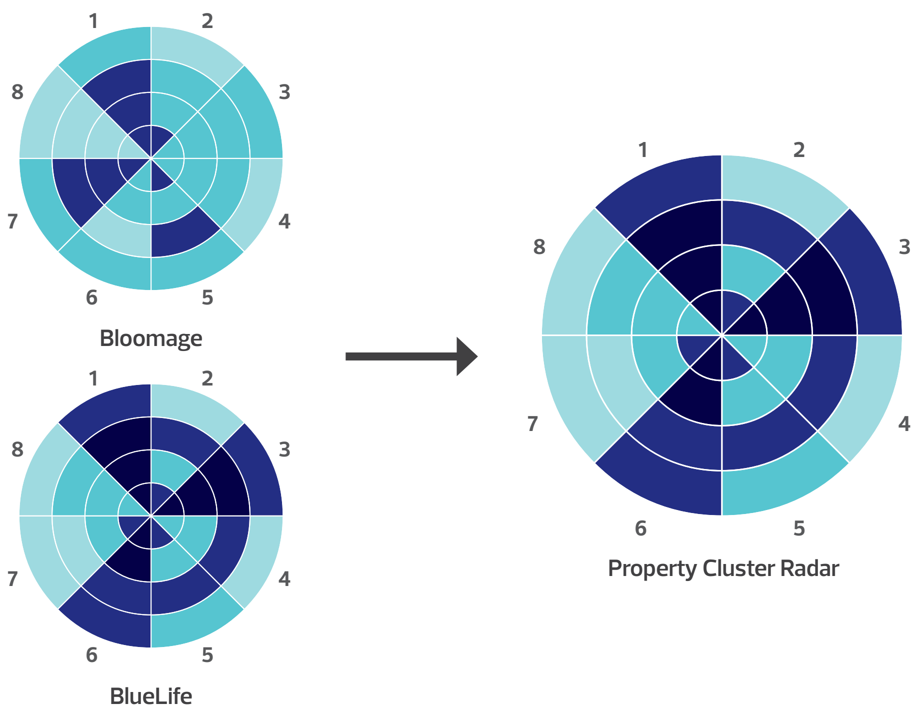
Case in point #1

Property Cluster Radar

In the spirit of transparency, we are choosing to disclose our Radar process for IBL Group. The Embedding process was carried out within Bloomage and BlueLife, which aggregated into the Cluster radar for **Property**.

1 Climate	**5** Materials & Waste	Minor or Well-mitigated
2 Rights & Well-being at Work	**6** Ecosystems	Moderate or uncertain
3 Rights & Resilience in Communities	**7** Water (Fresh & Marine)	Significant
4 Governance & Ethics	**8** Pollutants	Critical or systemic

Strategic Relevance to the Business	Operational Impacts	Value Chain Impacts	Our Potential for Broader System Influence



How to read the radars:

Areas of materiality and strategic relevance

Bloomage	BlueLife	Cluster	
· 1 Climate · 5 Materials & Waste · 7 Water	· 1 Climate · 3 Rights & Resilience in Communities · 6 Ecosystems	· 1 Climate · 3 Rights & Resilience in Communities · 6 Ecosystems	From the iteration of the Property cluster, deeper assessments revealed that although Rights & Resilience in Communities is an extremely important topic for the industry at large, it was not the case within BlueLife. Although these value-chain level impacts are being considered, more resources were allocated to the implementation of projects within the major overlapping issues 1 Climate and 7 Water. More information is provided in Case study #3.

Case in point #2

Enhancing multilateral interconnectedness in the construction value chain at IBL

Applying this process of Embedding requires an in-depth analysis of the company's activities, as well as a clear understanding of how they interact with the challenges of the SDGs. By using it as a strategic tool, companies can make more informed decisions about sustainability decisions, developing solutions to address priority areas to optimise their social and environmental impact.

A 25-strong delegation of senior executives from the construction sector embarked on a study trip to Reunion Island in March 2023. Working with the Sustainability department of IBL Ltd, the delegation spent three days learning about various aspects of sustainable construction.

Key theme & goals of this initiative:

- Delegation visit to Réunion: Participants met key industry players and visited various sites
- Exploration of sustainable construction: In-depth exploration of Réunion's sustainable construction practices
- Synergy for sector improvement: Encouraged exchange of expertise and skills to enhance sustainable construction
- Bioclimatic infrastructure focus: Emphasised benefits for climate adaptation in tropical region

Outcomes:

- Focus on low-carbon materials, tropical climate adaptability (including natural ventilation), and bioclimatic projects
- Harmonious integration: Emphasis on blending nature seamlessly into bioclimatic projects
- ESG considerations: Highlighted the importance of environmental, social, and governance factors
- Collective spirit: Encouraged further collaborative thinking and knowledge sharing within IBL Group

Sustainability

Case in point #3

Projects that emerged from the Embedding project

Companies	Radar Issue	Efforts as per Embedded issues
IBL Energy Holdings Ltd	**Climate – Strategy & Value Chain**	· Gearing towards renewables, low global warming potential energy distribution.
HealthActiv	**Materials & Waste – Operations**	· Carton boxes for delivery of products instead of using plastic bags. · Paper recycling.
	Materials & Waste – Value Chain	· Destruction of Hazardous products via the Ministry of Environment and Polyeco.
BlueLife Ltd	**Climate – Strategy, Operations, Value Chain & Broad Systems**	· Development of a solar solution to harness efficient and clean energy.
	Ecosystem – Strategy, Operations, Value Chain & Broader Systems	· Value creation on their natural capital (mangroves, forest) with an efficient sequestration ecosystem.
	Rights & Resilience in Communities – Strategy, Operations, Value Chain & Broader Systems	· Development of an 'Inclusion & empowerment project'' to reconnect the Azuriens with the surrounding community and integrate Azuri to hold an economic value for the region. · Collaboration with key stakeholders, like IBL Energy and AFD/Proparco, will be crucial to getting these projects off the ground. Discussions are already under way.
IBL Seafood	**Materials & Waste – Value Chain**	· Recovery of 1,375 kg of floating waste from the sea in the port area. Out of which 180 kg were PET bottles which were sent for recycling. · Utilisation of the biogas produced by EDM from the effluents of MBP and PTM. · Distribution of 30,000 kg of fish to a number of associations for families in need. Our main partner is FoodWise, to which we gave more than 15,000 kgs. They distributed to 37 NGOs around the island and the volume of fish represented more than 63,000 meals.
	Rights and Resilience in Communities – Value Chain	· Breakfast for the pupils of ZEP school Serge Coutet in Baie du Tombeau. · Sponsoring of remedial classes at Serge Coutet. · Employees of MBP Cervonic created a group and self-financed a number of projects since the beginning of 2023. · Distribution of fruit and cakes in Roche Bois schools and at the Home Mère Thérésa (catered for 430 pax). · Distribution of fruits and yoghurt to Caritas Roches Bois (45 pax). · Distribution of cakes and yoghurt to Centre pour l'éducation et le progrès des enfants handicapés (65 pax) · Cakes and flowers for Mother's Day at Home Mere Theresa (50 cakes).

Companies	Radar Issue	Efforts as per Embedded issues
IBL Seafood	**Ecosystem – Broader Systems**	· Organisation of an international conference on "Tuna in the Indian Ocean: towards a sustainable future".
	Climate – Operations	· Utilisation of the biogas produced by EDM from the effluents of MBP and PTM. This allows us to reduce our carbon footprint by using the gas instead of fossil fuel.
Bloomage Ltd	**Climate – Strategy & Operations**	· Bloomage Head Office designed to be LEED compliant.
	Climate – Value Chain	· Addition of solar lights at Cassis Business Park (Part of building completed). · Motivated Scomat Ltee to use solar lights on their storage compound instead of a wired light system. Same implemented recently. · Use of white waterproofing membrane at HealthActiv, Les Salines.
CIDP	**Rights & Wellbeing at Work – Operations**	· Health screening for all staff. · Breast Cancer Screening.
	Rights & Resilience in Communities – Value Chain	· Mental Health Awareness Campaigns Sodnac Trails. · Sensitisation Workshop on LGBTQIA. · Donation campaigns.
The Lux Collective	**Climate – Strategy & Value Chain**	· Carbon Accounting for all resorts of Mauritius & Maldives. · SBTi target approval for MRU, RUN, MALD, China (2 properties).
	Rights & Resilience in Communities & Ecosystems – Value Chain	· CSR Partners projects: · Towards Turtle Friendly Beaches Blue Carbon projects with Ecosud. · TLC Gold Champion of Endemic Latanier Bleu tree with Mauritian Wildlife Foundation for Land Biodiversity. Radar Issue: · Rights & Wellbeing at Work – Operations Developing Inclusive Workplace policy. · Ongoing training on human rights policy, health & safety, EOP, etc

Sustainability

Case in point #3

Companies	Radar Issue	Efforts as per Embedded issues
Pick & Buy Ltd	**Materials & Waste – Value Chain**	· Implementation of food shrinkage – donation. · Implementation of reusable vegetable bags at Fruits & Veg section. · Implementation of Bring Your Own Container at Gourmand'ile. · Upcycling the old Winners polos for donation.
	Materials & Waste – Operations	· Carton recycling. · Review of Bioil – recycling of used cooking Oil of Gourmand'ile. · Clean up day with the employees.
	Rights & Resilience in Communities – Value Chain	Donation of lunch to needy school children.
BrandActiv	**Materials & Waste – Value Chain**	Set-up of successful recycling value chain for the Garnier set of products while collaborating with major retailers of the country.

Corporate Social Responsibility

An evolving approach

IBL's Corporate Social Responsibility (CSR) approach has been in constant evolution since its inception, always guided by the Group's motto to create a brighter future for all. Fondation Joseph Lagesse (FJL) was set up as a philanthropic entity for GML in 2005. Since 2016, with the merger between GML and Ireland Blyth, FJL has been coordinating the Group's CSR activities and ensures that the funds being collected from over fifty IBL companies are being directed through the right channels to serve one mission: to reduce poverty sustainably. FJL is called upon as a partner and capacity-building entity to the many CSR teams within the Group, working closely with them to deliver long-term and positive change in vulnerable communities on the island. Over the last decade, the Foundation has made significant contributions towards the UN's Sustainable Development Goals (SDGs) 1, 2, 3, 4, 5 and 11, focusing its actions, since 2018, on improving access to quality education, enhancing youth's development, promoting social justice and human rights, and empowering communities.

Over the years, FJL has had to adapt to the challenging CSR landscape in Mauritius. In 2019, it became mandatory for companies to remit 75% of their CSR funds to the Mauritius Revenue Authority and apply to the National Social Inclusion Foundation's 25% Reduced CSR Amount scheme to sustain their social programmes. These stringent regulations have made it increasingly difficult for the Group to execute its social agenda using its traditional grassroots approach, which has been key to forming strong bonds with our partner NGOs and making a measurable difference in the communities we serve.

In FY2020, in light of the post-pandemic environment and the compounded challenges facing our most vulnerable populations, FJL decided to restructure its activities to optimise its resources and better serve the community. The Foundation's activities are currently classified into three different programmes – Empowerment Programme, Literacy Programme and Rapid Response Programme – underpinned by a Research & Evaluation Unit, whose responsibility is to gather data on ongoing projects, carefully evaluate and monitor the progress made, and maximise their impact.

More recently, in FY2023, the Group's Sustainability journey began taking shape and thanks to the Embedding approach, IBL's BUs began gaining a clear understanding of how to tie their sustainability efforts to their business strategy. The individual and cluster radars have been helping the Group's businesses identify and prioritise sustainability issues across eight dimensions, including not only economic and environmental issues, but also two important social components – **Rights and Wellbeing at Work and Rights and Resilience in Communities** – two areas already being tackled by the Group's Human Capital function and CSR team respectively. It became evident that to have the maximum impact and use our resources optimally, IBL's CSR approach needs to evolve again, ensuring that we connect the dots across all its actions that fall under the 'Sustainability' umbrella, including our environmental, human capital, social and governance issues.

Having gathered meaningful data, built up the expertise and built close relationships with non-profit organisations and the underserved localities of Bois Marchand and Chemin Rail, FJL will continue to be a vehicle for driving social initiatives. Its structure and operational model are being reviewed to reflect IBL's move towards a more cohesive, integrated and strategic Sustainability agenda. A suitable governance structure is being set up to deliver on the most material social issues stemming from the Sustainability Radars, and most importantly, to enable the Group to deliver on the promises made to the communities we have been involved with for many years and maintain the relationships of trust and transparency we have nurtured with them.

We would like to reiterate that IBL's goal is to move beyond 'quick wins' and achieve meaningful outcomes backed by contextual data. This process has taught us that sustainability is a continuous journey of learning that requires persistent effort and patience. With each evolution, the Group is taking a firm step in the right direction and coming closer to a holistic Sustainability strategy that touches every BU, every department and every aspect of how we operate.

Progress made in FY2023

During the year, in parallel to this deep reflection, FJL continued to pursue its activities and 32 ongoing initiatives across its three programmes – Empowerment, Literacy and Rapid Response.

The Foundation's ability to continue operating these projects has been largely dependent on the work done by the Research & Evaluation Unit, which was set up in 2017. By undertaking community-based needs assessments, setting clear metrics for each project, and monitoring the progress made towards those metrics, the Unit has strengthened FJL's impact on communities through reliable data and evidence. In turn, this has enabled the Foundation to raise funds with the National Social Inclusion Foundation and obtain a grant from the European Commission in Mauritius.

The table below highlights FJL's main projects and classifies them under the Embedding Radar's social dimensions.

- Empowerment Programme: Capacity-building of vulnerable communities
- Literacy Programme: Supporting adults and children
- Rapid Response Programme: Social support, Health emergencies, Food Aid, Strengthening houses

Rights & Resilience indicators	Fondation Joseph Lagesse programmes & projects
Respectful and inclusive community	· Empowerment programme · Support to CUT (Collectif Urgence Toxida), advocating for the rights of people who use drugs and working to eliminate all forms of violence, stigma and discrimination against them (IBL on the Move 2023)
Healthy and Natural Spaces	· Social housing: Chemin Rail & Amaury · Support to Centre d'Amitié (Bambous)
Good health and wellbeing	· Health programme (Bois Marchand) · Food programme (Bois Marchand) · Horizon 2024: a teenage pregnancy prevention initiative (sexual & reproductive health programme) · Alcohol & drug prevention coalitions (Bois Marchand, Solitude, Barkly) · Support to Jean Eon Football youth club (2022-2024) · Support to CUT (IBL on the Move 2023) · Support to Muscular Dystrophy Association – emergency surgical actions towards children
Human Dignity and Integrity	· Celebration of 17 October International Day for Eradication of Poverty · Université Popiler (ATD fourth world) · Social support to 64 families · Food aid to 28 families · Les Cuisines Solidaires (IBL on the Move 2021) · Social housing project at Chemin Rail & Amaury · Home visits programme
Local Economic Resilience and Decent Local Work	· Youth orientation, professional training & job placement · Support to The Good Shop (Job & Health & Safety equipment) – IBL on the Move 2021
Social and Cultural connections and civil engagement	· Capacity-building programme of Bois Marchand community members · Alcohol & drug prevention coalitions (Bois Marchand, Solitude, Barkly) · Support to Tipa (IBL on the Move 2020) · Support to Cirque Social de Cité La Chaux (2022-2024)
Education, Knowledge and skills	· Support to young students (5, including 3 overseas) · Pre-primary education in Bois Marchand (school) · Support to Tipa (IBL on the Move 2020) · Support to Ecole St. Patrick (2022). We obtained enhanced support from colleagues at the Head Office to support nine (9) children with special needs, either through direct debit from their monthly salaries or one-off donations. · Support to Serge Coutet Government School (ongoing) · Afterschool Care programme (Bois Marchand)
Water, sanitation and waste management	· Building sanitary blocks for 3 families living in very poor conditions this year · Consolidation of 12 houses impacted by torrential rains

Corporate Social Responsibility

Case in point #1

Project Horizon 2024: A teenage pregnancy prevention initiative

Context

11% of all births worldwide are a result of teenage pregnancy. This amounts to 16 million girls aged 10-19 years old giving birth each year. These rates are substantially higher in Sub-Saharan Africa and in lower-income households. In Mauritius, the statistics are equally alarming: teenage pregnancy affects more than 1 out of 10 female adolescents.

Teenage pregnancies are not the result of a deliberate choice. Instead, several factors can be attributed to this issue: lack of sexual and reproductive health education, unmet needs for birth control at a younger age than the legal age of 16, lack of information on or inadequate access to contraceptives and health services, sexual violence, abuse of alcohol and illegal substances... Early childbearing, pregnancy and delivery have severe impacts on the healthy development of girls into adulthood. They are often forced to drop out of school, face single motherhood, and long-term physical and psychological complications. In fact, early childbirth is the world's leading cause of death among adolescent girls. Socially, they face stigmatisation, rejection and violence by family members or peers. This pushes girls further into the poverty cycle as their job prospects diminish, with the potential to transfer adverse effects to the next generation.

Implementation journey

In 2020, FJL sought to turn the tide on this human rights and public health concern in Bois Marchand by initiating Horizon 2024: A Teenage Pregnancy Prevention Initiative, a four-year project supported by the European Union Commission. Its mission is to protect and empower the youth, prevent gender-based violence and help girls reach their full potential by:

- **Addressing teenage pregnancy and alcohol and substance use among youth**
- **Offering support to parents**
- **Giving access to health services**
- **Offering life skills courses, and sexual and reproductive health sessions to youth aged from 10 to 16**

Horizon 2024 offers a holistic approach through a myriad of initiatives that not only support pregnant teenagers, but that also tackle the underlying issues to prevent early childbirth in the first place. Now in its third year, several milestones have been achieved

Main outcomes

- 53 youth and 23 adults have benefitted from this project so far
- 35 sessions of Sexuals and reproductive health provided
- 14-21% overall improvement in knowledge of sexual and reproductive health for youth attending the course
- 17 life skills sessions provided
- 55 sessions of individual psychotherapy provided to 10 youth
- 10 youth started job placement and career counselling

Expected long-term outcomes

- A decrease in the prevalence of teenage pregnancy in Bois Marchand
- Increased equal opportunities for girls and women: increased number of youth engaged in professional training opportunities and in mainstream education
- Promotion of girls and women's rights: decrease of Gender-Based Violence (GBV) incidents
- Youth living in Bois Marchand are in good health and keep away from risky behaviours: benefit from holistic care

Case in point #2

Research & Evaluation Unit

Context

Companies have been facing difficulties implementing impactful CSR programmes for several reasons: complex process in applying for and obtaining grants, reduced funds, vague objectives and no clear strategy, poor monitoring and communication, the absence of measurable targets and therefore a lack of clarity on the effectiveness of a programme. With the pandemic-induced economic and social crisis, it has become critical for businesses to craft CSR programmes with targeted, demonstrable and lasting impact. This not only ensures that vulnerable communities receive the support they need, but also maximises social outcomes for each Rupee spent in CSR expenditure. For this, there is a dire need for CSR projects to be well-researched, partnership-driven and data-backed.

Implementation journey

The Research & Evaluation Unit was set up six years ago to serve as a cross-sectional asset of the Foundation to its programmes, with the objective of ensuring the relevance and coherence of its actions with the needs of the underserved community. It provides FJL's team with specific data and information before the set-up of a programme, or the draft of a grant application, and measures the short-term and mid-term outcomes of each project using appropriate metrics. While most of the evaluation tools are qualitative, quantitative data is also collected from the community whenever possible, enabling us to track the progress made, gain a critical understanding of where improvements are needed, and assess the overall effectiveness of our programmes. The gathering of data has also created a culture of learning, responsibility and accountability, which we aim to strengthen through transparent reporting and communication around our initiatives. To lead this unit, a Monitoring & Evaluation (M&E) officer is employed on a full-time basis and FJL seeks consultancy services from a U.S-based expert in impact measurement of initiatives.

Main outcomes

- Design of a strategic plan 2020-2023 under the supervision of Dr Randy Koch and Ms. Nadia Peerun
- Creation and review of three logic models: Fondation Joseph Lagesse, Chemin Rail & Amaury Housing and Nou Zenfan Bois Marchand under the supervision of Dr Randy Koch
- Assessment of the pre-primary educational programme (2020)
- Completion of two (2) field surveys: Covid-19 Needs Evaluation Surveys 2020 and 2021
- Completion of a needs assessment study to implement a Literacy Programme (2022)
- Monitoring & evaluation of Horizon 2024 programme (2021-2023)

Technology & Transformation

The acceleration of digital adoption that began during the pandemic maintained its momentum in the financial year 2023. Within the Group, technology is increasingly being integrated in the business strategies of Business Units (BUs) to reshape their operating model and ultimately deliver greater value to customers. Given the diversity of IBL's businesses, digital adoption is moving at different speeds. Yet, the core objectives sought in pursuing our digital transformation remain the same across all sectors:

- Develop new value propositions and extend our offers across digital channels to generate revenue
- Achieve operational excellence by digitally transforming our processes and our ways of working
- Increase customer loyalty through an exceptional customer experience
- Disseminate and embed a digital culture to strengthen capabilities and collaboration, and attract talent

As IBL pursues its investments Beyond Borders, particularly in East Africa, the potential for the sharing of knowledge and capabilities is immense. Following the recent acquisitions in Kenya, our Mauritian technology teams are already actively engaging with Kenyan service providers on digital implementations for Mauritius and Kenya.

One exciting venture worth mentioning is the investment in Qotto, an off-grid solar kit provider enabled by a proprietary technology platform. IBL Energy led the recent Series A equity-debt funding round of $8 million, solidifying its partnership with Qotto. One of the key objectives is to collaboratively expand similar activities in East Africa or the Indian Ocean in the coming years, aligning with IBL Energy's growth plans in the region. Qotto is currently operating in Benin and Burkina Faso and has recently begun setting up operations in Ivory Coast. Operations in Benin have scaled up from 3,000 to 10,000 active users over the past year, while operations in Burkina Faso are growing at a slower pace due to economic and political conditions. Qotto serves as a remarkable example of how technology-driven business models can scale in existing markets and extend offerings to new customer segments, all while generating economic and social value in regions with limited access to electricity, Internet, and financial services.

Strengthening the digital maturity of IBL's businesses

This past year, the Group's Technology & Transformation (TnT) team continued to accompany the BUs in the continuous process of assessing and strengthening their digital maturity. The assessment is a multi-stakeholder approach, requiring input from various business functions and teams to understand which areas have the potential to lead to the most transformative outcomes. Digital maturity is assessed across the eight dimensions of IBL's IT Framework:

Governance & Strategy	Resources	Finance	Infrastructure & Operations
Application Portolio Management	Project Management	Data & Analytics	Security & Risks

The framework was created and disseminated with the aim of providing a set of guiding principles and policies that underpin the governance and management of technology, with the IT strategy as the centrepiece. Extensive IT strategy elaboration journeys have been undertaken in many BUs and Group Companies (GCs), allowing leadership teams to take cognizance of where they were at in terms of information technology, understand the pain points of each department, and craft a roadmap. Digital roadmaps have been redefined accordingly and approved by relevant Boards, supported by the appropriate IT organisational structure and financial investments to enable the execution of the defined strategies.

The implementation of a best-in-class ERP is at the heart of the IT strategy for major BUs and GCs. Several implementations are well under way across the Group and will contribute to strengthening the digital maturity of the concerned BUs and GCs. The case study on the Seafood cluster, below, illustrates this well. Data & Analytics also stood out as an important strategic capability, and investments in people and technology in this domain are being pursued in parallel to the major system changes.

Cascading down the Group Cybersecurity strategy

Cybersecurity is a constantly moving target and remains an area of priority that cuts across all businesses, irrespective of which digital tools or platforms they use. In FY2023, we cascaded down the Group-level Cybersecurity strategy defined in the previous year.

Security posture has significantly improved across the Group as a result of a combination of measures:

- Application of the guiding principles and objectives that underpin the Group strategy
- Effective use of security technologies at different layers of the IT architecture
- Enhanced cybersecurity capabilities through new hires and upskilling of technology teams
- Application of best practices and policies disseminated by the Group's cybersecurity team
- Continuous awareness programme at BU and GC levels
- Regular re-evaluation of cybersecurity technologies and service providers

Alongside intensifying cybersecurity measures, cyber resilience has also been prioritised. Recognising that the risk of cyberattacks remains ever-present, we have proactively reviewed and strengthened our business continuity plans. To ensure preparedness and swift response to any potential threat, regular drills are conducted, further confirming our commitment to safeguarding our digital assets and by extension, our stakeholder interests.

Technology & Transformation

Case in point #1

The Seafood cluster: moving to an integrated ERP

Context

In 2020, the Seafood cluster, which includes FDM, Transfroid, Cervonic, MBP and the Seafood Hub, embarked on the implementation of an Enterprise Resource Planning (ERP) system. This decision was made following a diligent assessment, which revealed that having disparate micro-systems for each company was presenting limitations in terms of information-sharing. The ERP system brings together all operations within different subsidiaries under one roof, centralising information from all businesses in one single database, thus eliminating redundancies and serving as a supporting tool for employees at all levels of the organisation. FDM and Transfroid were the first to deploy the ERP in 2021, followed by MBP and Cervonic, who began implementation in late 2021.

Implementation journey

Given that MBP and Cervonic have very specialised manufacturing processes, they required a solution that could fit their specific requirements. NetSuite's ERP stood out as the most suitable solution, in light of its capacity to customise even the most complex production processes. This customisation to align with MBP and Cervonic's unique needs was an intricate and lengthy process, which necessitated a multi-stakeholder and cross-departmental approach, with employees at all levels working collaboratively with the implementation partner to ensure that the needs of all businesses were being addressed in equal measure.

The implementation journey itself has brought the teams closer together and served as a paradigm shift in how employees interact with their data, make decisions and execute operations. This even extends to the factory floor, where workers have been initiated to the use of tablets to access the ERP and capture information. To ensure a smooth transition, production teams were trained, and practiced using the system for almost two months prior to the go-live to ensure that they were ready, and also to confirm that the system was working as expected.

Navigating these challenges required meticulous planning, clear communication, and strong leadership to ensure a successful ERP implementation without hampering daily operations. Finally, as with all ERP implementations, it is an ongoing journey of refinement, improvement and adaptation to evolving business needs.

Benefits achieved:

- Better flow of information and data between businesses
- Centralised, readily available and real-time information, leading to better decision-making
- Improved collaboration between departments and teams
- Improved management of resources
- Simplification of daily tasks for employees, enhancing their professional growth

"ERP has brought in a new mindset change that will definitely assist with a more speedy, structured and accurate way of working . It has permitted us to take a step out of the old ways and into a faster, more transformative way of doing business . ERP has enabled us to do things differently and hopefully will be the start of modernising our way of thinking and creating new improved work opportunities."'

Benoit Desvaux de Marigny
the GM of MBP and Cervonic

Case in point #2

Espace Maison: an omnichannel digital experience

Context

Digital transformation is in full swing at Espace Maison. Since the launch of its ecommerce website in 2018, it has accelerated the digitalisation of its customer journey and made targeted investments into developing an omnichannel experience. By bringing together customer interactions at different touchpoints, it is moving towards a seamless, consistent experience across its retail stores, ecommerce website and mobile application.

To further bridge the information gap between different channels, Espace Maison has successfully integrated its loyalty programmes into the shopping experience. Through Club Espace Maison, which counts over 133,000 members, and Club Espace Pro, with its growing number of 8,500 subscribers, Espace Maison recognised the invaluable opportunity to tap into its data pool to gather crucial feedback on customers' buying habits and develop more relevant value propositions. It continually works on delivering value at each touchpoint through technology.

Implementation journey

E-commerce

Product taxonomy and categorisation: ongoing work to finetune product categorisation into more intuitive segments and sub-segments, as well as enhance product descriptions. With a portfolio of over 35,000 products, this is a lengthy task, but a crucial one to ensure that customers can find what they are looking for as fast as possible, in the fewest clicks possible.

Calculator: a calculator feature helps customers estimate the amount of paint or volume of tiles they require for their upcoming project, enabling them to better control their budget.

Mobile app

Club Espace Maison app: this app, designed for individual customers, has seen a 30% increase in downloads since its launch. To further drive adoption, the app is being fine tuned with value-added features, such as a warranty tracker. Clients will be able to keep track of all their warranties, be reminded when a warranty is about to expire, and receive alerts for maintenance. Alongside this, the Scan & Go feature was further improved to make the buying process more efficient, and the checkout experience far quicker and more frictionless.

Espace Pro app: launched in 2022, this app caters to the needs of professionals in the industry, from architects and contractors, to quantity surveyors, masons and interior designers. Through the app, professionals have access to their purchase and credit history, avail of discounts and promotional offers, and earn discounts. A complete escalation of the sales grid has been built into the loyalty system to enable the Espace Pro customer to benefit from discounts based on his sales volume at any moment, from any shop or on the e-commerce platform.

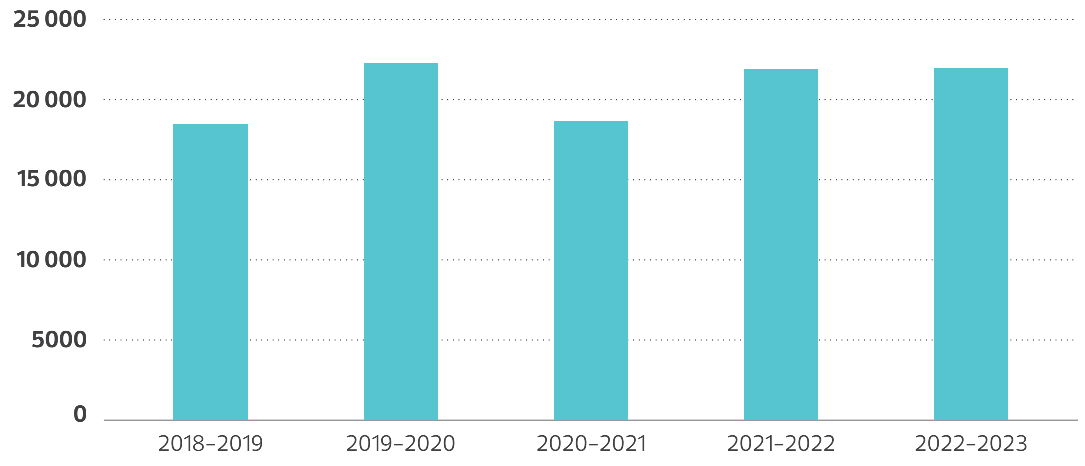
Technology & Transformation

Case in point #2

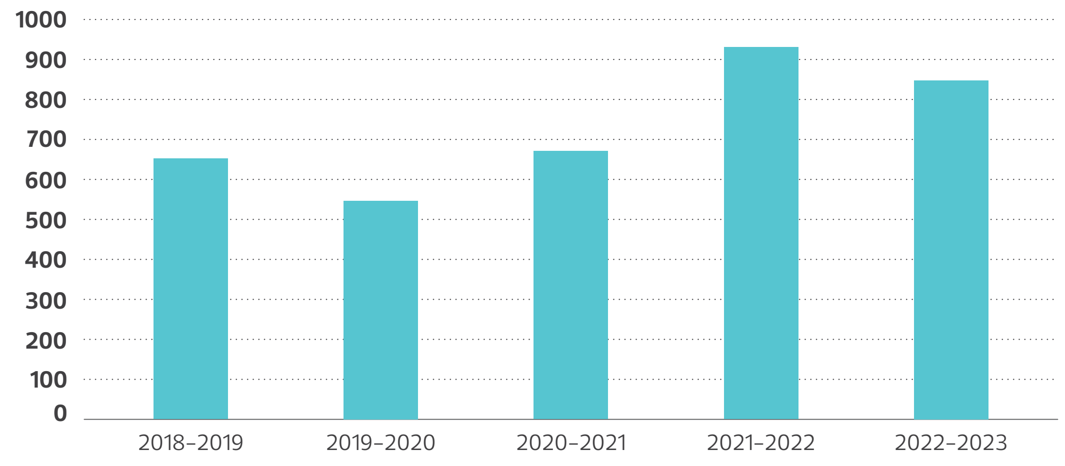
Benefits achieved

- Basket value increase for Club Espace Maison Members (CEM) since launch of loyalty system: 22%
- Contribution to Turnover CEM: 71.8%
- Contribution to Turnover Club Espace Pro Members (CEP): 10.4%
- Redemption Rate: 72%
- Total number of CEM members to date: 135k (started with 14k in 2017)

No of Club Espace Maison members created per financial year



No of Club Espace Pro members created per financial year



Innovation

Building a world-class innovation ecosystem

Innovating and breaking barriers are part of IBL's DNA, as evidenced in the many transformative products and solutions that saw the light of day in 2023, the new markets that were penetrated, the fresh approaches that were adopted, and the culture of continuous improvement that is prevalent across the Group. This past year, in light of IBL's rapid expansion, we formalised our Innovation approach and practices through a structured, evidence-based methodology able to consistently transform great ideas into positive business outcomes in a scalable, cost-effective and repeatable manner. Our goal is to build a sustainable innovation capability that supports the Group's strategy, that can apply to any BU, regardless of its area of activity, industry or business objectives, and that reduces risk and cost when launching radically new ideas.

As IBL progressively expands into new geographies, we have to ensure that our innovation capability and mindset also extend to our businesses and teams overseas. To achieve this, we are working towards making Mauritius our innovation lab, where new products, services and business models are tested and 'de-risked', before being exported to our foreign operations. Central to this innovation culture is how experimentation and failure are viewed: from an innovation perspective, every 'failed' experiment is an opportunity to gain deep insights and continue learning.

Why Innovate?

To protect ourselves from disruption	To find new growth drivers	To attract, develop and retain talents	To remain competitive
Manage, in a systematic way, the risk of disruption from competitors and/or new players, as well as from changes in the business environment.	Identify and create new growth drivers for IBL. It explores potential future businesses that IBL can operate beyond the existing ones, in a complementary way to mergers and acquisitions.	Attract, develop and retain key talents required to succeed in the future, especially in light of a hyper competitive war for talent	Enhance IBL's competitiveness through: · Efficiency innovation, to continuously improve existing businesses. · Sustaining innovation, to adapt existing business to changing customer needs.

Our innovation blueprint

For an innovation to deliver tangible transformation outcomes, it requires strong fundamentals that must be built and nurtured over time: a portfolio that is managed and governed the right way, innovation programmes and an enabling culture. When addressed adequately, these three elements combine to form a thriving innovation ecosystem.

Innovation ecosystem

=

Portfolio & Framework	+ Innovation programmes	+ Exploration culture
How will we manage the risks associated with each idea? Portfolio of innovation projects, new business models, new value propositions, new products and services, as well as the frameworks and governance we use, all mapped out in terms of expected risk and returns. To ensure our portfolio aligns with our strategic objectives, we aim to balance our projects across the three types of innovation: efficiency, sustaining and transformative (See below)	**Where will our ideas come from?** Assessment of active innovation programmes at IBL (including resource allocation, reward systems, etc) and recommendations to increase their impact and ensure their alignment with the Group's strategic objectives	**How do we develop the right set of skills and mindset?** Identification of enablers and blockers that could support or derail our efforts in critical areas (such as leadership support and organisational design) and co-design of culture interventions for a thriving innovation ecosystem.

To unlock our full potential and ensure that innovation occurs at every level, we classify our projects according to one of the types of innovation described below, with the aim of developing a well-balanced innovation portfolio across all three categories. This holistic approach will ensure we strategically diversify risk across different types of projects and protect both our short-term success and long-term sustainability.

Transformative innovation	Sustaining innovation	Efficiency innovation
A radical change or expansion of a company's business model, value proposition or culture in order to capture opportunities outside of its traditional activity or comfort zone	The addition of new products, services, distribution channels or geographical expansions to an existing business model, typically for existing customer profiles	Gradual and continual improvements to existing processes, systems, value propositions, distribution channels and technologies with the aim of improving operational efficiency

Our innovation blueprint in practice

In collaboration with a leading innovation consultant, we began with a detailed assessment of the state of innovation within IBL. This assessment served to evaluate the blockers and enablers of innovation within the Group in terms of leadership support, culture, processes and frameworks. Following this exercise, an **Innovation blueprint** was defined at the Group level. This blueprint sets the tone for the way innovation will be managed within different BUs, and will be followed by innovation sprints.

February-April 2022
Awareness sessions and leadership workshops conducted with the Group's Executive team and Board members, aiming to align innovation with Group strategy at the highest level.

Mid 2022
Innovation Ecosystem Assessments conducted within BUs with the help of COOs.

January-March 2023
Development of an innovation blueprint for IBL based on the findings of the various Innovation Ecosystem Assessments.

Testing of blueprint within IBL's Seafood cluster, after which we aim to gradually extend it to other BUs.

May 2023
Launch of the first innovation sprints within the Seafood cluster.

Establishment of Innovation as one of the Group's key growth enablers.

Performance

In this section

Group Chief Finance Officer's Report

Strong post-Covid recovery for the Group whilst it simultaneously continues to pursue its investment and growth strategy.

Background & context

The last three years have been difficult, with a sequence of issues affecting our markets and businesses. First, we had the global pandemic, then the temporary grey and black-listing of Mauritius as a jurisdiction, the downgrade of the Sovereign credit rating and then the war in Ukraine. All of the above have created significant volatility in supply and demand, currency exchange rates, pricing of commodities and an inflationary environment.

Governments across major and small economies around the world are still tackling inflation through monetary policies. Central Banks have increased interest rates in a bid to stem inflation through reduced borrowing, which in turn is expected to slow consumption down. The market has seen some changes in buying patterns of corporates as well as individuals but the current inflationary pressure could persist for a few years.

On a positive note, travel and tourism have resurged and demand for high-end holiday destinations and investment property have increased. Both local and foreign buyers are seeing real estate as a safe haven for cash, and certain emerging markets, including Mauritius, are seeing increased demand for second or retirement homes. In Mauritius, this has helped as a healthy tourism industry and real estate sales to foreign buyers are important sources of foreign exchange, which in turn has helped to stabilise and even strengthen the Mauritian rupee lately.

A challenge that Mauritius is facing however, and across many industry segments, relates to labour. In the recent past, many people employed in the hospitality sector have taken up job contracts on cruise ships, and an equally significant number of people in the financial services sector have accepted job offers in Europe, North America and the Middle East, where there are shortages of manpower. The health service and some educational institutions are likewise facing shortages of nurses and teachers respectively.

This is pushing businesses to re-look at their business models as labour shortages could put pressure on costs as well as service delivery and quality.

Analytical review approach

Over the last three years of reporting, we have classified the performance of our portfolio of businesses in two broad buckets, namely (i) those businesses that were "highly impacted by Covid-19" and (ii) those that were not highly impacted, which we called "low to medium impacted" sectors or companies.

For this year, we have abandoned this approach as we believe that we are largely past Covid-19 and businesses are operating in a "new-normal" environment with high inflation and high interest rates.

Given that one of IBL's imperatives is to grow its international footprint and international client base, our reporting framework will gradually evolve to reflect these alongside changes we make to our portfolio.

Group Chief Finance Officer's Report

Performance of the Group

Group Profit or Loss

The Profit or Loss statement below is an abridged version of the one presented in the financial statements.

Five key lines will be reviewed: Revenue, Profit from Operations, Share of results of associates and joint ventures, Profit before tax and an additional element which we have called "underlying profit", which represents the profit before tax excluding the impact of non-recurring items and Other gains and losses in the Group Profit or Loss statement.

Figures in Rs Million

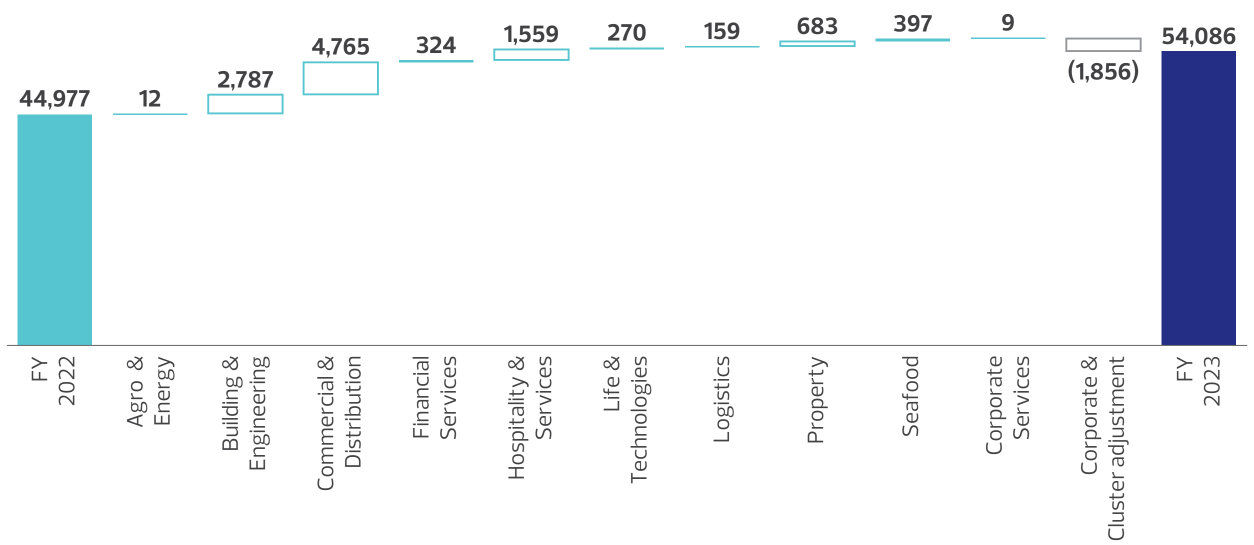
	The Group	
	Audited	
	Year Ended 30.06.2023	Year Ended 30.06.2022
Revenue	**54,086**	**44,977**
Profit from operations	4,168	3,360
Share of results of associates and JVs	2,506	906
Other gains and losses	697	(404)
Net finance costs	(1,875)	(1,183)
Profit before taxation	**5,497**	**2,678**
Taxation	(611)	(736)
Profit for the year from continuing operations	**4,886**	**1,942**
Discontinued operations		
Profit for the year from discontinued operations	–	23
Profit for the year	**4,886**	**1,965**
Statement of other comprehensive income (Abridged)		
Profit for the year	4,886	1,965
Other comprehensive income for the year	1,447	392
Total comprehensive income for the year	**6,333**	**2,357**
Profit attributable to		
Owners of the company	3,064	1,183
Non-controlling interests	1,822	782
Profit for the year	**4,886**	**1,965**

Group Revenue

Group revenue for FY2023 increased by 20% and growth is seen in every sector, which is very positive.

Revenue growth by cluster

Figures in Rs Million



This said, multiple factors have contributed to the revenue increase:

- Inflation: Most businesses were compelled to reprice due to cost increases.
- Devaluation of the Mauritian Rupee on a like-for-like basis de facto resulted in higher MUR revenue.
- Organic growth and increased demand: we noted increased demand and activity in most sectors.

International footprint expansion

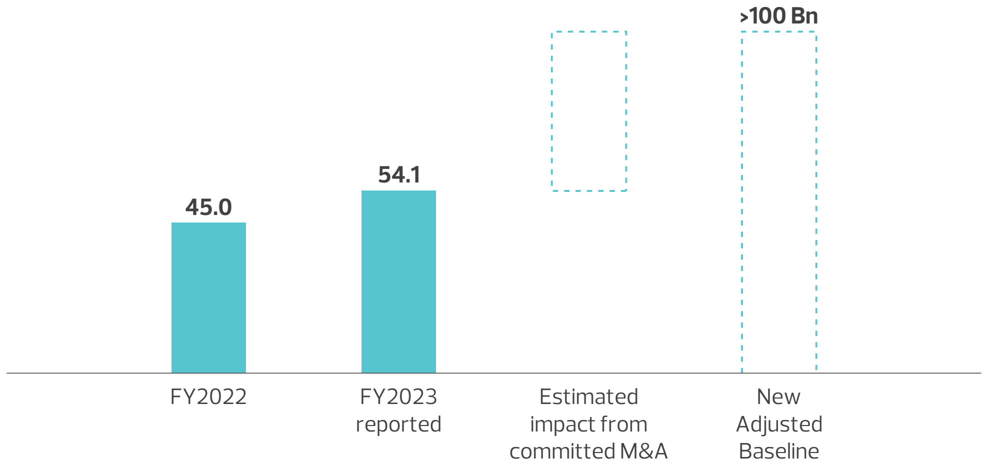
In FY2023, IBL acquired a stake in Naivas (reported as an associate for FY2023 and a further 11% subsequently which gives it control in FY2024. The results of Naivas will henceforth be consolidated as a subsidiary. The Group will also be consolidating Make Distribution (Retail chain in Reunion) and Harleys (Pharmaceutical distributor in East Africa) as subsidiaries and Equator Energy (Energy company in East Africa) as an associate. These companies are projected to grow rapidly in the next few years and will have a significant positive impact on the Group's topline and overall profitability.

Without factoring in any future growth, IBL's baseline annualised Group revenue already exceeds Rs 100 billion (also exceeding EUR 2 billion at current rates) with the inclusion of the abovementioned subsidiaries.

Group Chief Finance Officer's Report

Baseline revenue including committed M&A

Figures in Rs Billion



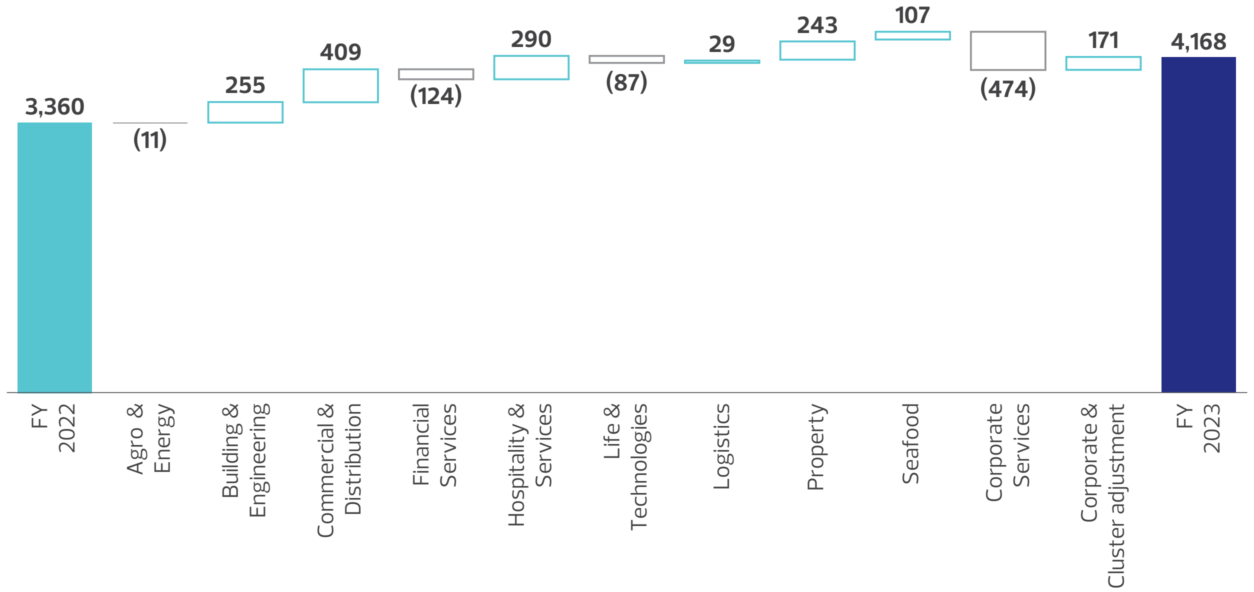
Note that in estimating the above "Estimated impact of committed M&A", we have factored the audited figures of committed new acquisitions by IBL Ltd, namely Naivas, Harleys and Run Market and excluded both the impact that any other new acquisition as well as the impact of any future sale from the existing portfolio of companies could have.

Profit from Operations

The 24% increase in Operating Profit compared to last year is largely attributable to the fact that the Group has been able to largely maintain or even grow its gross profit and operating profit margins for most of its businesses, in particular those in commercial activities such as Building & Engineering, Commercial & Distribution, Hospitality and Seafood.

Increase/(Decrease) in Profit from Operations by cluster

Figures in Rs Million



There are three broad factors that have influenced the overall gross and operating margin ratios, namely (i) post covid recovery and the resumption of tourism, (ii) management and improvement in business volumes, mix and pricing and (iii) a focus on operational efficiency across our businesses.

Key Profitability Ratios

Ratios	FY2022	FY2023	Movement
Gross Profit Margin	28%	29%	▲
Operating Profit Margin	7%	8%	▲
EBITDA Margin	10%	10%	Stable

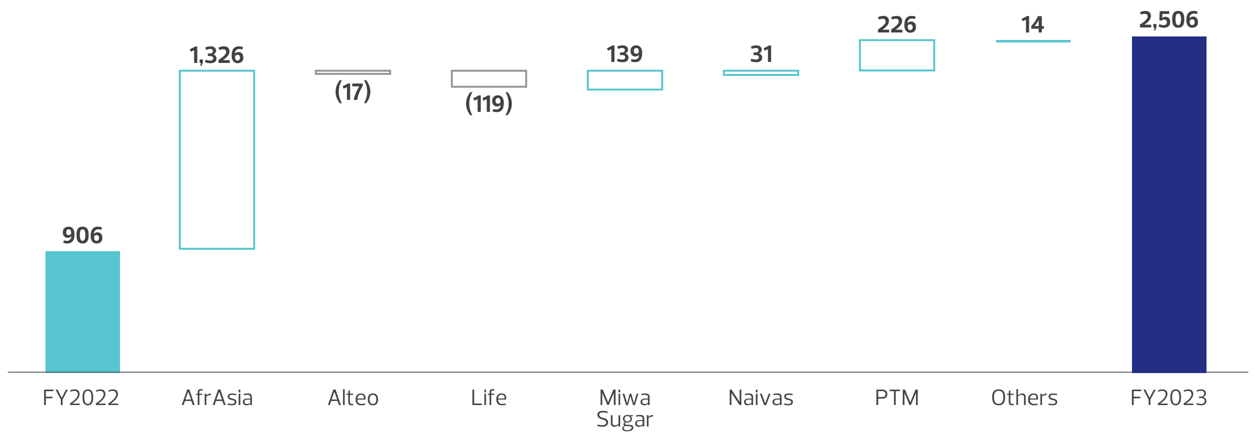
Further commentary is provided in the segmental analysis in this report.

Associates

The following chart shows the movement in the share of profits for major associate companies.

Increase/(decrease) in share of profit of associate

Figures in Rs Million



AfrAsia Bank's performance and our share thereof have increased substantially this year as a result of a combination of factors: higher interest rates and a larger loan book leading to higher net interest income, interest rate and currency volatility, leading to higher trading income, and high service charges on import/export activities.

Life sector's drop is due to gain on sale of a business last year.

PTM's profits were higher due to favourable fish pricing improving gross profit margins and improved operational efficiencies.

Group Chief Finance Officer's Report

Comments on other individual companies have been made in the segmental analysis below.

Cluster performance

Agro & Energy: Alteo's increased profit is driven by its Property cluster which recorded a fair value uplift in investment property. The Agro-Business cluster benefitted from higher prices of sugar and saw an increase in revenue despite lower production volume in Mauritius. Kenyan and Tanzanian operations via Miwa Sugar Ltd, which spun off from Alteo in December 2022, benefitted from rising sugar prices. Record production levels were reported in Tanzania and Kenya. IBL Energy Group is still at a nascent stage and is growing in line with its defined strategic plan, already reaching 45Mw under management in East Africa.

Building & Engineering: The sector recorded an overall increase in operating profits of 61%. A significant turnaround was achieved by Manser Saxon, which registered improved performance across all segments. Better operational efficiency and new contracts contributed to this positive momentum. UBP also reported higher profits across its three business lines. The core operations benefitted from higher sales volume for both aggregate and mortar. The retail and agriculture sub-segments also performed better. CNOI registered double-digit growth in revenue, but overall profitability was subdued by lower margins.

Commercial & Distribution: Operating performance for the sector increased by 31% overall. PhoenixBev registered an increase in operating profit of over 50% thanks to an increase in sales volume but also because last year's results had been adversely impacted by COVID-19 and expenses relating to M&A activities. BrandActiv posted strong results, driven by volume growth for existing products and a larger product offering. Winners delivered double-digit growth in both topline and profitability. The flagship store at Tribeca opened in late December 2022 and has gained excellent traction, although the mall is not yet fully operational. At the beginning of the financial year, IBL acquired a significant stake in Naivas, the largest supermarket chain in Kenya. Naivas registered a robust performance during the period under review, and the current upward trend is expected to continue. Naivas has opened its 100th store in October 2023.

Financial Services: Sector profitability improved, mainly with better results from AfrAsia Bank. The high interest rate environment and foreign exchange volatility are beneficial for banks. Coupled with an increase in their loan book, AfrAsia's profitability has increased significantly. Eagle Insurance has been deeply impacted this year with a high claims ratio. DTOS Group also experienced a small decrease in profitability due to increases in staff costs in relation to cross-border expansion projects. City Brokers registered an improved performance, led by a significant increase in its net brokerage income.

Hospitality & Services: LUX* has posted significantly improved results following the end of the global pandemic. Both occupancy rates and room revenues have risen considerably. The fire outbreak at LUX* Belle-Mare in early July 2022 led to an impairment loss on the property and substantial closure costs. However, LUX* was able to recover a significant part of the losses incurred on the building and on its loss of earnings from its insurers. The Lux Collective (TLC) pursues its upward trajectory with a significant increase in normalized profit thanks to new management contracts.

Life & Technologies: CIDP registered a growth in turnover driven by the cosmetic segment but was impacted by rising costs, leading to decreased profitability. The other companies in this sector (Nova+, Novalab, and Viva) are still in the incubator phase, with ramp-up costs being incurred.

Logistics: The Aviation segment benefitted from the reopening of borders and the resulting surge in travel and tourism. The Shipping segment performed better with an increased number of charter-hiring days and more vessel calls. Logidis improved its operational performance but was affected by one-off costs. Somatrans posted stable performance despite lower freight rates.

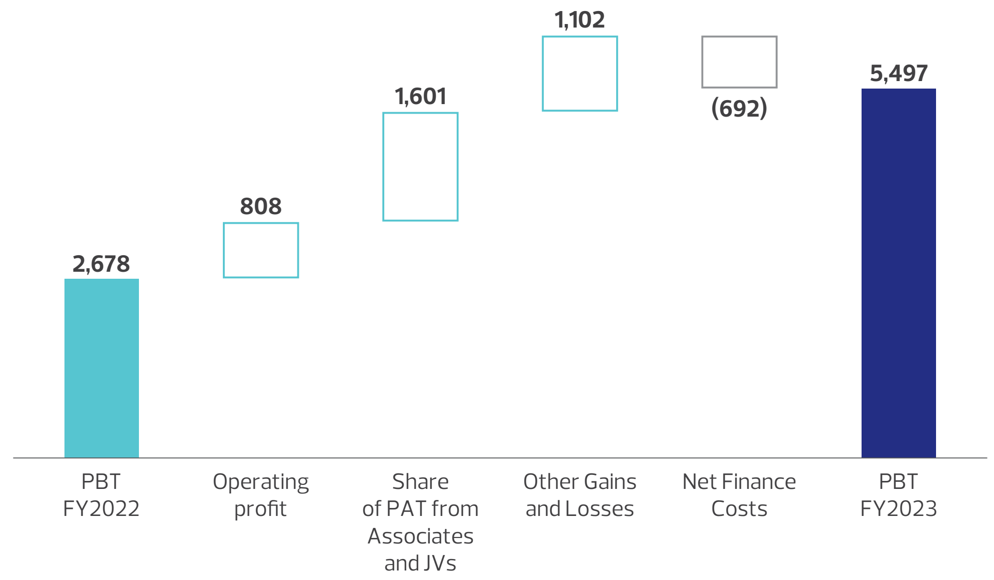
Property: Excellent results for BlueLife are derived primarily from its property segment. The completion of phase 1 of the Ennea and Amara projects, as well as Ocean River Villas, led to better results. BlueLife's hospitality segment benefitted from the re-opening of borders. Bloomage maintained high occupancy rates. The company registered a boost in turnover, driven mainly by higher rental rates on some properties.

Seafood: Cluster performance was significantly higher than previous years due to good results for all subsidiaries. The combined operating profit and share of profits from PTM add up to Rs 600 million for the first time in the cluster's history. Revenue for MBP and MBPCI in Ivory Coast is driven up by higher sales volumes for both fish meal and crude oil, as well as higher prices. Cervonic also registered healthier results with better production yields. Good performance from PTM is driven by higher sales and cost optimisation.

Profit Before Tax (PBT) and Underlying Profit

Increase/(Decrease) in Profit before tax

Figures in Rs Million

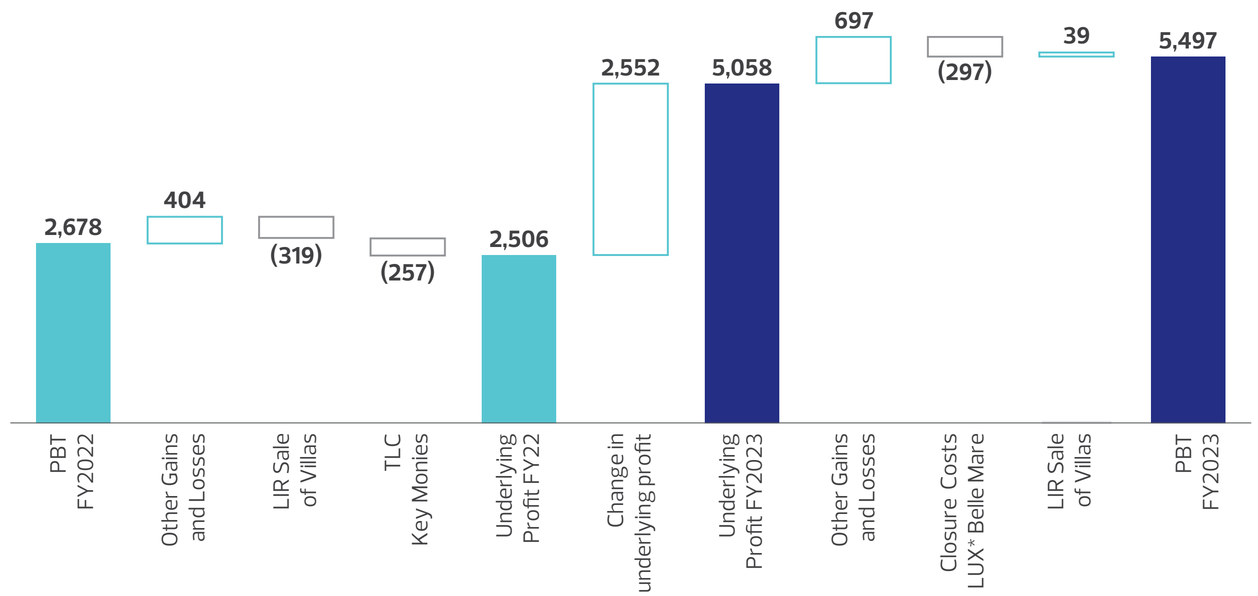


The increase in operating profit and share of profit from associates and JVs have been explained above. Net finance costs have also increased mainly as a result of new loans taken to finance acquisitions and higher interest rates.

We have reported that PBT has doubled during the year. A further analysis of underlying profit - synonymous with recurring profit – calculated by excluding the impact of other gains and losses and other significant non-recurring items reported on other profit and loss lines shows that it has also doubled compared to last year with Rs 5,058 million in FY2023 vs Rs 2,506 million in FY2022.

Reconciliation of Profit before tax and Underlying profit

Figures in Rs Million

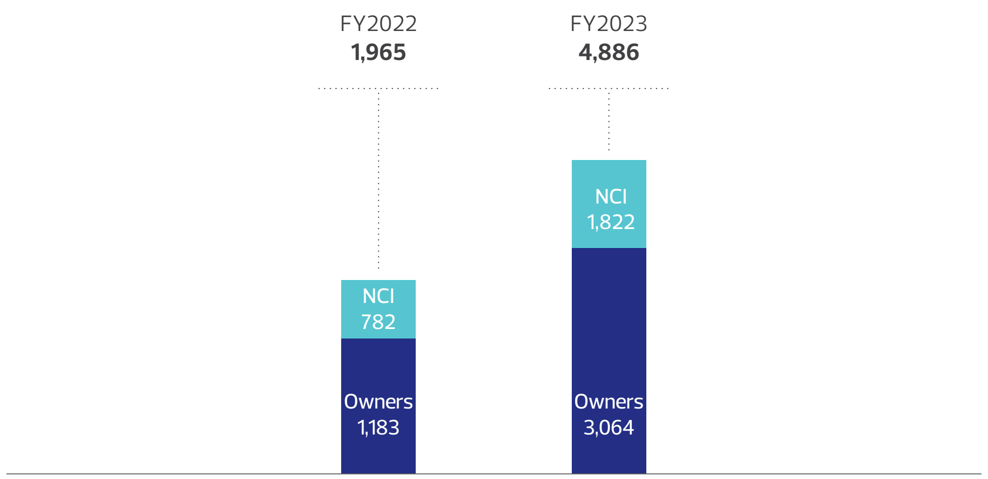


Group Chief Finance Officer's Report

Profit attributable to shareholders

Profit after tax breakdown between Owners of the Company and Non-controlling interests

Figures in Rs Million



Profit attributable to owners of the Company has increased by 2.6 times from Rs 1.183 billion to Rs 3.064 billion. A significant portion of this increase is attributable to our 100% owned subsidiaries and to the increase in profits from AfrAsia.

Group Statement of financial position

A summarised version is shown below:

Figures in Rs Million

	The Group	
	Audited	
	As at 30.06.3023	As at 30.06.2022
Assets		
Property, plant and equipment	34,364	30,163
Investment properties	3,646	3,356
Intangible assets	2,593	2,477
Investments	22,606	11,322
Deferred tax assets	326	288
Right of use assets	5,880	4,916
Other assets	747	89
Non-current assets	**70,161**	**52,612**
Current assets	26,509	22,663
Assets classified as held for sale	135	829
Total Assets	**96,805**	**76,104**

	The Group	
	Audited	
	As at 30.06.3023	As at 30.06.2022
Equity and Liabilities		
Equity attributable to owners of the company	19,151	15,943
Other components of equity	1,465	1,465
Non-controlling interests	15,922	12,181
Total equity	**36,538**	**29,589**
Non-current liabilities	29,794	25,866
Current liabilities	30,473	20,194
Liabilities associated with assets classified as held for sale	-	455
Total Equity and Liabilities	**96,805**	**76,104**

The asset side of the balance sheet has increased by Rs 20.7 billion. The main increases relate to the investments made during the year by IBL and its subsidiaries (Rs 11.3 billion), investment in property, plant and equipment (Rs 4.2 billion) and increase in current assets.

These are matched by an increase in borrowings, retained earnings and current liabilities.

Ratios	FY2023	FY2022
Gearing [1]	47%	44%
Return on Equity (RoE)[2]	15%	7%
Return on Assets (RoA)[3]	6%	3%
Return on Capital Employed (ROCE)[4]	12%	7%

List of formulae:

[1] Net Debt / (Net Debt + Equity)

[2] Profit after tax / Average Total Equity

[3] Profit after tax / Average Total Assets

[4] Earnings Before Interest & Tax / Average Capital Employed*

The Group's gearing increased by 3%, mainly attributable to the higher degree of indebtedness for the holding company (IBL LTD) which funded the acquisition of significant stakes in Naivas, Run Market and Equator Energy.

Our return ratios have improved significantly compared to last year and reflect concerted effort of our businesses to utilise resources efficiently. Operational excellence and cost management initiatives have positively influenced our return metrics and we expect these to improve further next year.

Group Chief Finance Officer's Report

Company Profit or Loss

Figures in Rs Million

	The Company	
	Audited	
	Year Ended 30.06.2023	Year Ended 30.06.2022
Dividend Income	1,578	826
Other revenues and income	6,373	5,445
Total Revenue	**7,951**	**6,271**
Cost of sales	(5,054)	(4,321)
Gross Profit	**2,897**	**1,950**
Other Income	75	185
Administrative expenses	(1,879)	(1,369)
Depreciation	(82)	(78)
Operating Profit	**1,010**	**688**
Other gains and losses	24	-
Net finance costs	(869)	(432)
Profit before taxation	**165**	**256**
Taxation	45	(12)
Profit for the year	**210**	**244**

IBL as a company consists of two main components: operating businesses (mainly BrandActiv and HealthActiv commented on in the segmental analysis above) and the investment holding office. Both have increased compared to last year, with businesses growing revenue by 17% and dividends from its investments increasing by 91%. The latter is reflected in the table below, where dividend inflows are compared to the investment amount. It shows a significant improvement in yields.

The cost of sales and administrative costs have largely increased due to inflation.

Dividend Yield on Investment Portfolio			
	2021	2022	2023
	2.93%	**2.97%**	**4.23%**

EBITDA	Debt/EBITDA
1,093m LY: 766m	**16.24** LY: 15.28

Company Balance Sheet

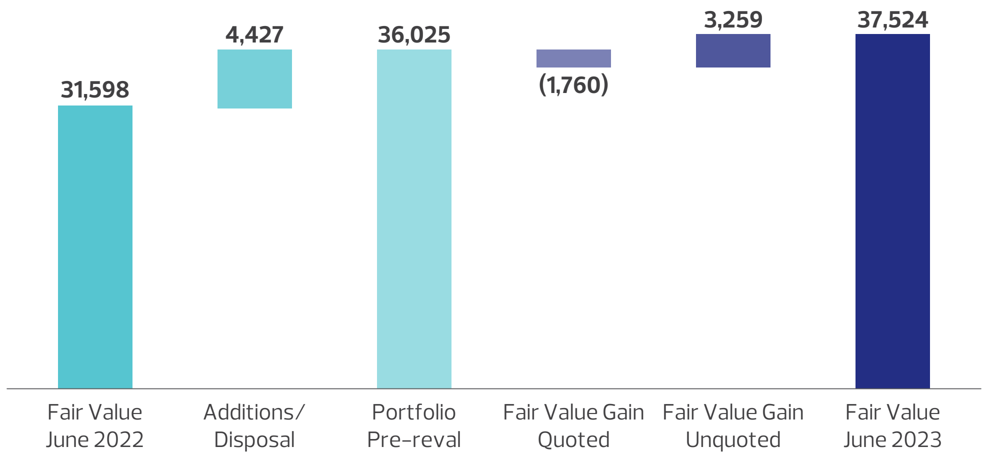
Figures in Rs Million

	The Company	
	Audited	
	As at 30.06.2023	As at 30.06.2022
Assets		
Property, plant and equipment	545	550
Intangible assets	12	14
Investments	37,524	31,598
Deferred tax assets	99	54
Right of use assets	75	62
Other assets	1,907	405
Non-current assets	40,162	32,683
Current assets	4,441	3,819
Total Assets	**44,603**	**36,502**
Equity and Liabilities		
Equity attributable to owners of the parent	22,835	21,560
Other components of equity	5	5
Total equity	22,840	21,565
Non-current liabilities	11,844	8,964
Current liabilities	9,919	5,973
Total Equity and Liabilities	**44,603**	**36,502**

Group Chief Finance Officer's Report

Company investment portfolio: Movement year on year

Figures in Rs Million

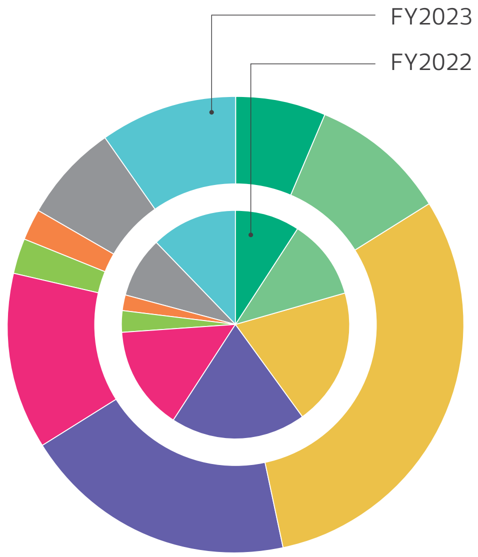


The table below shows how the value of our listed companies evolved during the year.

Company Name	Share Price June 2022 (Rs)	Fair value June 2022 (Rs' Million)	Share Price June 2023 (Rs)	Fair value June 2023 (Rs' Million)	Gain / (Drop) (Rs' Million)
Phoenix Beverages Limited	600.00	317	530.00	280	(37)
The United Basalt Products Limited	139.00	1,221	100.00	879	(343)
Alteo Ltd	31.80	2,799	8.24	725	(2,074)
Lux Island Resorts Ltd	51.25	3,968	51.00	3,949	(19)
BlueLife Limited	0.80`	530	0.60	398	(133)
The Bee Equity Partners Ltd	48.50	150	9.30	29	(121)
Phoenix Investment Company Ltd	400.00	595	295.00	439	(156)
Miwa Sugar			12.75	1,123	1,123
		9,580		**7,820**	**(1,760)**

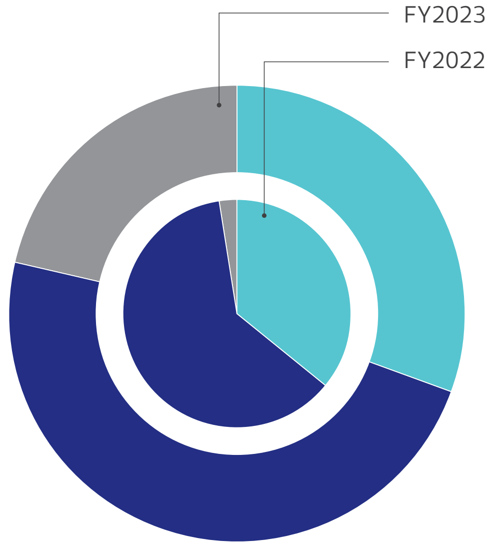
The value of most shares dropped compared to last year. In particular, Alteo's share price dropped as expected following the spin off of Miwa Sugar Ltd. Miwa Sugar was listed on the DEM in December 2022 and initially fell in value. However, we note that as of the eve of this report, there has been a substantial reduction of this gap.

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



	FY2023 38.8bn	FY2022 31.5bn
Agro & Energy	6.5%	9.2%
Building & Engineering	9.8%	11.5%
Commercial & Distribution	30.5%	19.4%
Financial Services	19.4%	19.2%
Hospitality & Services	12.5%	14.6%
Logistics	2.7%	3.2%
Life & Technologies	2.2%	2.3%
Property	6.9%	8.6%
Seafood	9.6%	12.0%

Mix of international and local exposure



Fair value of investments	**FY2023**	**FY2022**
Businesses with predominantly local clients	30.1%	35.9%
Businesses with a large mix of international clients	48.5%	61.7%
International businesses	21.4%	2.4%

IBL's international exposure increased following the implementation of the 'Beyond Borders' strategy. This can be seen in the growing share of 'Mainly international companies' in the pie chart.

Group Chief Finance Officer's Report

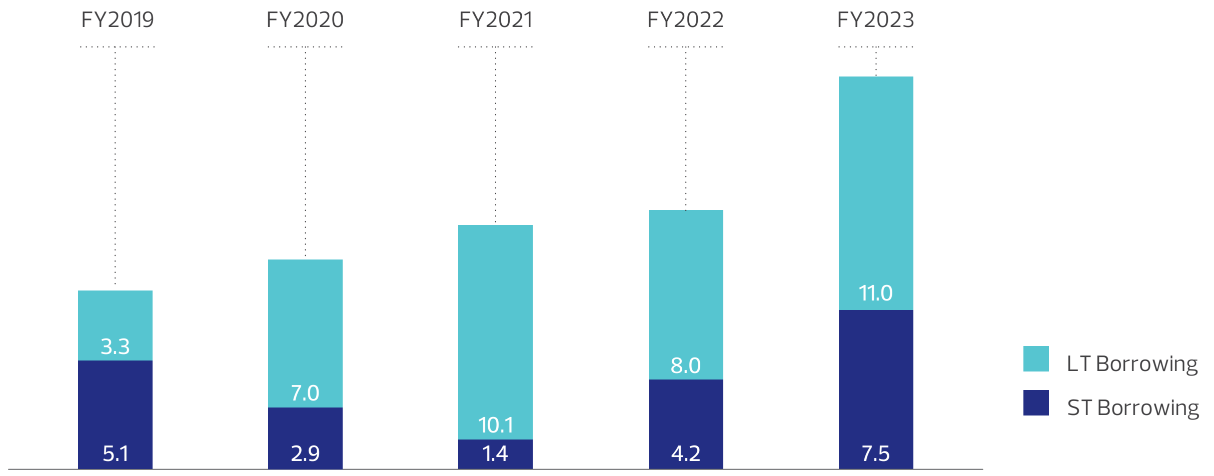
Borrowings

IBL issued a Listed Public Offer of Rs 3Bn in March 2023, which allowed the public to participate in its funding activities. It became the first Mauritian company to do so and the issue was largely oversubscribed (+50%). The proceeds were used to partly repay maturing loans and to finance the growth of the Company. We also secured a Bridge facility of USD 105M in July 2022 to finance the Beyond Borders strategy and part of M&A pipeline.

The Company's borrowings evolved as follows during the past 5 years:

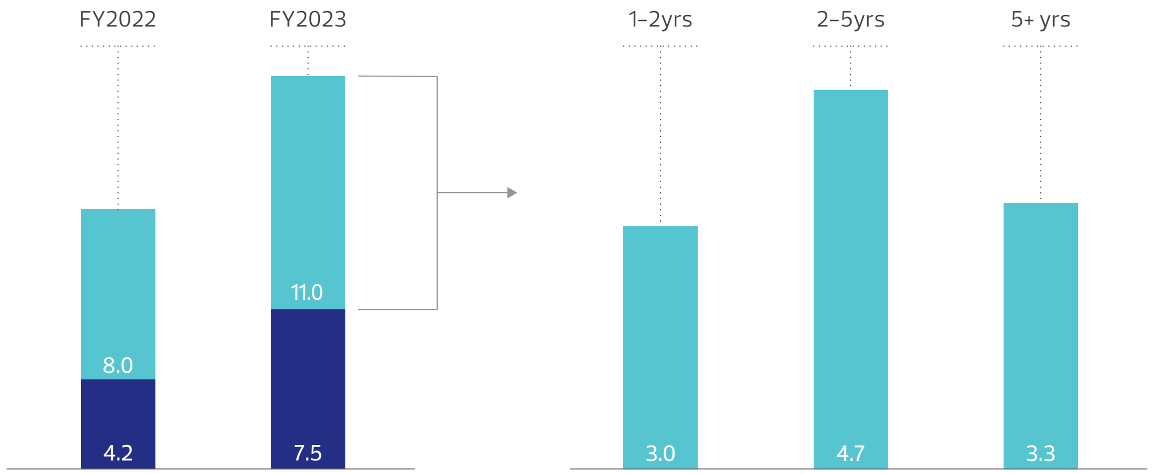
Borrowings profile

Figures in Rs Billion



The following chart shows the maturity profiles for FY2023.

Figures in Rs Billion



Company shareholder information

Figures in Rs

Dividend per share to IBL Shareholders		
	FY2022	FY2023
	0.60	**0.66**
	Interim 0.15 Final 0.45	Interim 0.16 Final 0.50

Return to Shareholders	FY2023	
	Rs	**%**
Capital Depreciation	(8.00)	(15.38)
Dividend Received	0.66	1.27
Holding Period Return	(7.34)	(14.11)

Share price evolution

Share price 30 June 2023	Lowest	Highest	No of shares	Market Cap
44.00	**43.25**	**52.75**	**680,224,040**	**29.9Bn**

Financial Year 2023 – Information on Volume Traded

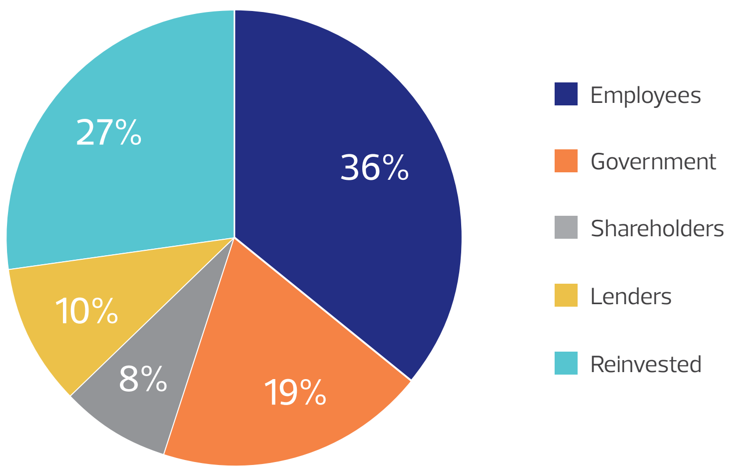
Highest volume traded on any day	Average daily volume traded	Total shares traded in FY23
6,058,000	**53,672**	**13,364,393**

Group Chief Finance Officer's Report

Value added statement – Group

Figures in Rs Million

	2023 FY2023	2022 FY2022
Value Created through:		
Revenues	54,086	44,977
Other Income	1,145	1,313
Cost of Sales and Operating Expenses	(38,840)	(32,060)
Amortisation and Depreciation	(2,584)	(2,436)
Share of results of Associates and Joint Ventures	2,506	906
Profit for the year from discontinued operations	–	23
Other gains and losses and impairments	697	(404)
	17,010	12,319
Other comprehensive income	1,447	392
Total Value Created	**18,458**	**12,711**
Value distributed to:		
Employees: as remuneration and pension	6,702	5,786
Government: as taxes and duties	3,547	3,385
Shareholders: as dividends	1,389	786
Lenders: as finance costs less interest income	1,875	1,183
Reinvested or revalued within the Group	4,944	1,571
Total value distributed	**18,458**	**12,711**



Overall outlook

As already mentioned in the revenue commentaries, IBL has made significant acquisitions in FY2023 and has commitments which it will fulfil during FY2024. We project that a number of factors will affect the results for next few years.

1. We expect our existing businesses to continue growing by serving more customers with enhanced product offerings within Mauritius, the Indian Ocean, East Africa and in other territories where the Group operates. LUX* will benefit from the re-opening of LUX* Belle Mare and AfrAsia is expected to perform well in the medium term as interest rates stay high.
2. Naivas, Make Distribution and Harleys will be consolidated as subsidiaries and boost the revenue and overall Group profit lines. Equator Energy will continue to be treated as an associate, and in FY2024, we shall account for a full year of results.
3. Borrowings and borrowing costs will increase in the short term to fund existing investment commitments and will be reduced in the medium term with the Company currently evaluating a combination of sale of non-strategic assets, equity injection and other structures in due course.

In absolute terms, the profits attributed to shareholders have increased substantially this year and are expected to increase in absolute terms going forward as full-year results for our new acquisitions get consolidated within the Group.

We are confident we have a strong growth strategy for the Group and we believe the results for this year demonstrate that we are making the right choices.

Dipak Chummun
Group Chief Finance Officer

Agro & Energy

Market environment

Agro activities in Mauritius and East Africa benefitted from favourable sugar prices, while Mauritian cane operations faced a significant decrease in production and harvest due to adverse weather conditions. Over the mid to long term, the Mauritian sugar industry is facing a shortage of labour mainly due to an ageing workforce, while the outlook in East African markets remains very positive due to an overall sugar deficit in the region.

The property sector, for its part, was boosted by the recovery in tourism and high inflation environment. The energy crisis triggered by the war in Ukraine continues to affect every country across the globe. A significant increase in energy costs is accelerating demand for renewable energies as businesses across all sectors and households shift to more energy-efficient and cost-efficient sources. The industry saw its largest annual increase in 2023, and is expected to undergo an unprecedented boom in capacity and adoption in 2024 and ahead.

Key figures

Share of Profit from Associates

Rs 398m

2022: Rs 275m

Link to Group risks

1 2 3 4 5 6 8 9 10 11 12 13 14 15

International presence*

* Including Equator Energy

Performance highlights FY2023

Agro & Sugar

Alteo Ltd

- Completed the restructuring of Alteo Group into two distinct listed entities, Alteo Ltd and Miwa Sugar Ltd.
- Alteo posted an improved performance over 2022, mainly boosted by higher sugar prices (higher than 2022 by Rs 6k per tonne), in spite of suffering from lower cane availability and harvest across agricultural and milling operations, which translated into lower energy production. The impact of higher production costs and operational costs was partially offset by cost optimisation measures.
- Set up the necessary infrastructure to increase the production of special sugars, an area in which Alteo has a leading position and competitive advantage.

Miwa Sugar Ltd

- Miwa Sugar Ltd was set up to manage Alteo's former sugar operations in East Africa and expand its regional cane footprint. It has completed one year of activity.
- Kenya (Transmara) and Tanzania (TPC) both benefitted from higher sugar prices and posted excellent results. TSCL in in Kenya saw record sugar output of 100,000 tonnes as a result of enhanced operational efficiency. TPC in Tanzania benefitted from optimal weather conditions and reached a milestone of 118,000 tonnes of sugar production, the highest in 23 years of operation.

Property

Alteo Ltd

- The cyclical nature of residential projects caused revenue fluctuations in FY2023. Anahita IRS project is coming to a close with the last parcel of 12 plots (The Banyans) put on sale during FY2023, with minimal inventory left.
- Resort and golf activities pursued their growth momentum, with the resort registering higher occupancy rates. In June 2023, a COO was appointed to centralise the management of all hospitality and leisure activities.
- Alteo continues to entrench its position as a champion of sustainable development in the East through its project, Anahita Beau Champ, launched in April 2023. Aligned with the UN SDGs, the project is rooted in three pillars: SmartEST, HealthiEST and GreenEST. The destination is being developed in phases to ensure that the land's unique character, biodiversity, historic buildings and neighbouring communities are thoughtfully integrated into the project. Phase I, which includes 31 serviced plot lands, 7 villas and 15 apartments, is garnering significant interest from buyers and on track to be fully sold out by FY2024.

Outlook and priorities FY2024

Agro & Sugar

Alteo Ltd

- Continue deepening know-how and technical expertise in special sugars to become the largest producer of special sugars in the region.
- Mitigate the impact of lower cane and bagasse availability through the further development of planters' services and the conversion of additional areas to mechanical cane cultivation.

Miwa Sugar Ltd

- TPC: slightly lower production expected following drought in 2023. Favourable market conditions are expected to be maintained over the period.
- Transmara: new record production is expected, owing to favourable market conditions following a drought in the eastern region, where the majority of competitors operate.

Property

Alteo Ltd

- Introduce new value propositions to develop the hospitality and leisure segment.
- Actively market Phase I of Anahita Beau Champ smart city and focus on the development of non-residential offerings.
- Launch the commercialisation of a number of agricultural estates.

Agro & Energy

Energy

IBL Energy

- Launched several significant projects in line with the Beyond Borders strategy:
  - Acquired a majority stake in Kenyan-based Equator Energy, which operates the largest commercial and industrial solar power portfolio in East Africa, with a capacity of 35 MW. IBL Energy's partner in the consortium is STOA, a French impact fund.
  - Acquired a minority stake in Qotto, a solar kit provider operating mainly in Burkina Faso and Benin. Qotto plans to use the funds to scale its operations in exciting markets and expand to Ivory Coast.
  - Opened an IBL Energy office in Kenya, with a local team of engineers and Head of Operations.
- Advanced in the delivery of other projects:
  - Launched E-Motion, the first Electric Vehicle (EV) charging platform in Mauritius in collaboration with Vivo Energy Mauritius. Fast-charging points have been deployed in 20 strategic sites in Mauritius, including malls and hotels. The subscription-based model offers several packages to users, who can locate the nearest charging station by using the Electromaps mobile app.
  - Set up an Energy Management System (EMS) at IBL House in June 2023. Following an audit on the high-consumption elements, an action plan has been rolled out to improve IBL House's energy performance.
  - Energie des Mascareignes (EDM), a waste-to-value plant created as a joint venture between IBL Energy and Green Create, started operations in October 2022 and has been continuously producing high-quality biomethane since then, while ramping up production.

IBL Energy

- Deploy Equator Energy's installed capacity and access new debt instruments to finance the growth of the company.
- Increase E-Motion's charging network and subscriber base to support the growing transition to electric vehicles in Mauritius.
- Ramp up Energie des Mascareignes to nameplate capacity and diversify feedstock for biogas production.
- Commission the first large-scale turnkey PV projects and develop turnkey PV sales pipeline.
- Support IBL Group's companies in their energy efficiency and sustainability journey.

Building & Engineering

Market environment

Despite an eventful year, the cluster saw reduced profitability due to the many headwinds in the economy. Soaring inflation and high interest rates affected both operating and borrowing costs. In response, investments in digital solutions stood out as a means to increase operational efficiency and contribute positively to margins. Overall, building and engineering activities are facing challenges in attracting and retaining skilled labour, due in part to increased global competition. The shipbuilding industry saw dynamic activity, with appetite for roll-on/roll-off ships, but was affected by high inflation, which led to higher repair costs in the last semester.

Key figures

Revenue

Rs 10,467m

2022: Rs 7,680m

Operating profit

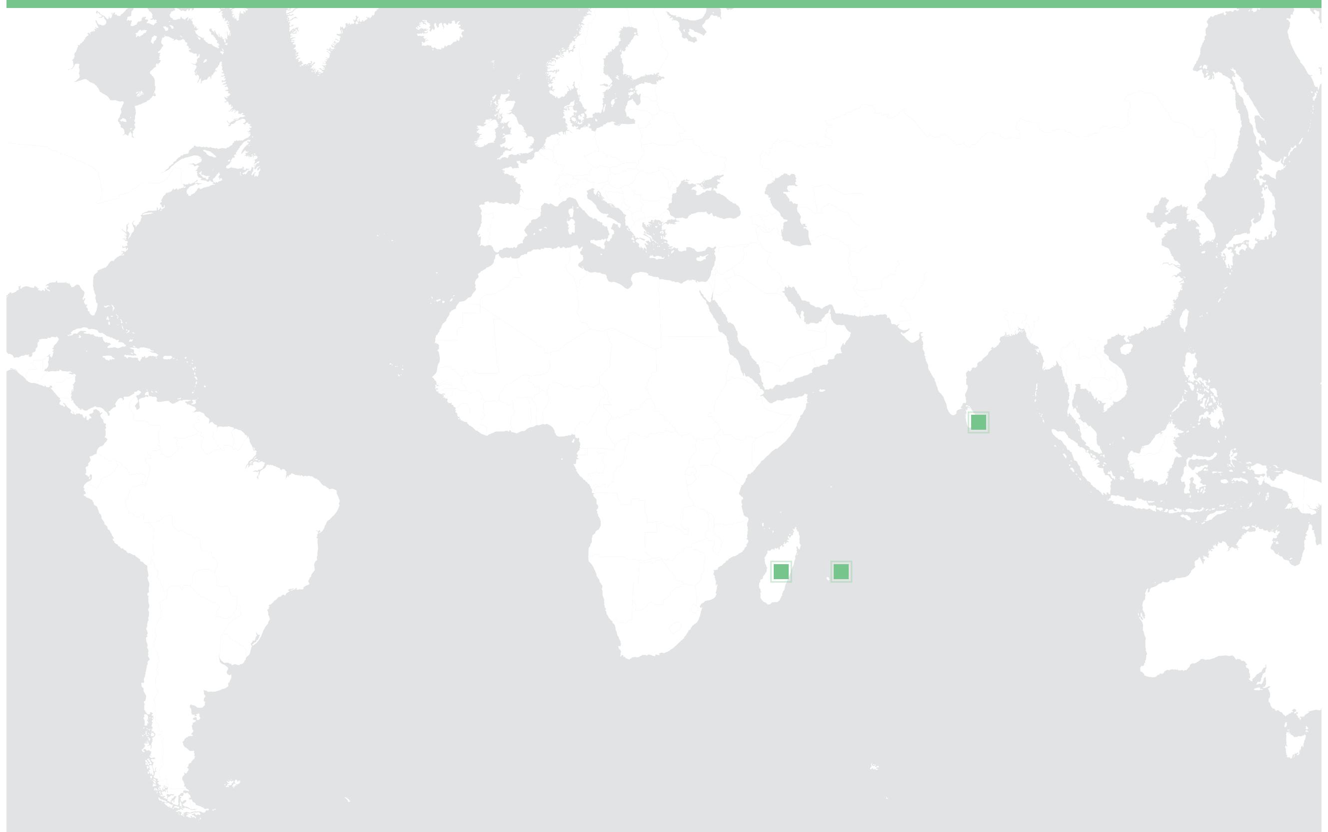
Rs 674m

2022: Rs 419m

Link to Group risks

1 2 3 4 5 6 8 9 10 11 12 13 14 15

International presence



Performance highlights FY2023

Engineering and contracting

Manser Saxon

- Delivered a remarkable increase in turnover over the previous year, reaching Rs 2.7 billion, and bounced back to profitability. Prices stabilised during the year, leading to improved performances across all segments and all key metrics being met or exceeded.
- The Elevators division delivered Rs 138 million in revenues, surpassing pre-pandemic levels.
- Appointed a new Head for the Interiors division to turn the segment around, resulting in revenues of Rs 599 million .
- Embarked on the development of a five-year diversification plan, supported by a new Head of Strategy and Business Development.
- Completed major projects – Energie des Mascareignes (the waste-to-value plant) and Tribeca Mall – and secured new contracts.
- Embarked on a culture change programme by focusing more on People, with a strong emphasis on communication, wellbeing, rewarding exceptional performance and nurturing talent.

Shipyard

CNOI

- Recorded its third-best financial performance, driven by record production and sales hours (850K hours compared to 759K in 2022) and the completion of two major projects: two double-ended ships for Mayotte, CNOI 036 and CNOI 037.
- The acquisition of the world's largest mobile boat hoist enabled more effective and longer-term planning, leading to a 25% uptick in ship repairs turnover.
- CNOI was awarded five new shipbuilding contracts and in February 2023, it acquired Afix Scaff, a company specialising in the rental, sales and services of scaffolding.
- The dry dock remains fully booked for the next 18 months.
- The floating dry-dock project, that was scheduled to be in operation in Reunion Island next year, was put on hold. Thus, CNOI will remain in a semi-monopoly situation in the region. During the year, CNOI was compelled to drop its prices to increase market entry barriers. With this announcement, selling prices will be readjusted in FY2024.
- ISOI, one of CNOI's subsidiaries, saw growth in all its revenue streams and achieved a record turnover of Rs 74m, up from Rs 54m the previous year.

Outlook and priorities FY2024

Engineering and contracting

Manser Saxon

- Complete and deliver ongoing and upcoming projects: the renovation of LUX* Belle Mare, dormitories dedicated to expatriate workers, St Geran Villas and renovations at Paradis hotel.
- Execute diversification strategy into new markets.
- Undertake the change of ERP, which will be a major project in FY2024.
- Given the cyclical nature of the industry, Manser Saxon is cautiously optimistic but expects to maintain the growth trend.

Shipyard

CNOI

- Overhaul its ERP system. Emphasis will be placed on ensuring its successful deployment in the first half of the fiscal year.
- Managing talent continues to be a concern. CNOI's priorities are to retain its skilled personnel, provide adequate training and onboard new team members.

Building & Engineering

Construction and building materials	
UBP · UBP was severely impacted by the devaluation of the Mauritian Rupee, coupled with the rising cost of raw materials, energy and repairs/maintenance, which led to significantly higher production costs in the core business in Mauritius. The decrease in profitability can also be attributed to increased finance costs due to large investments made over the past few years, serving to strengthen UBP's value proposition over the long term: the acquisition of Premix in 2021 and ensuing business development activities to improve its visibility; the full acquisition of Flacq Associated Stonemasters Limited (FAST), engaged in stone-crushing and block-making activities; and significant capital expenditure in technology and machinery. · Progressed on the acquisition of eight companies in Reunion Island. The transaction is pending the completion of two conditions precedent and should be finalised by the end of 2023. · Gros Cailloux is now making a profit as a result of improved operational efficiency and a turnaround in the sugar segment and sale of agricultural land. · In the journey of its digital transformation, Espace Maison has finetuned its e-commerce website, launched a dedicated mobile app for professionals in the construction industry, and will be introducing 3D in its shops. · Celebrated 70 years of existence, marking a milestone in UBP Group's history.	UBP · Realise the full potential of the acquisition of FAST. · Set the stage, from a financial and governance perspective, for the acquisition of several companies in Reunion Island. · Extend and complete the renovation of Espace Maison Tamarin.

Commercial & Distribution

Market environment

Overall, the cluster's performance was enabled by the reopening of borders and improved business confidence. Despite facing high inflation and foreign exchange costs, which put a damper on turnover in the Beverages and Industrial Supply segments in particular, efforts to contain costs, adapt value propositions to the context and strengthen customer centricity paid off. Both in Kenya and Mauritius, the retail sector expanded and saw rapid growth, boosted by renewed appetite for physical retail shopping. Cost pressures continued to prompt a push towards more operational efficiency, and sustainability remains high on the agenda. The industrial supply segment is undergoing profound shifts, with growing demands for digital products. In Reunion in particular, the offset business is disappearing, supported by European laws against the distribution of flyers. All businesses within the cluster made strides in their international expansion and are well positioned to capture opportunities.

Key figures

Revenue

Rs 32,402m

2022: Rs 27,637m

Operating profit

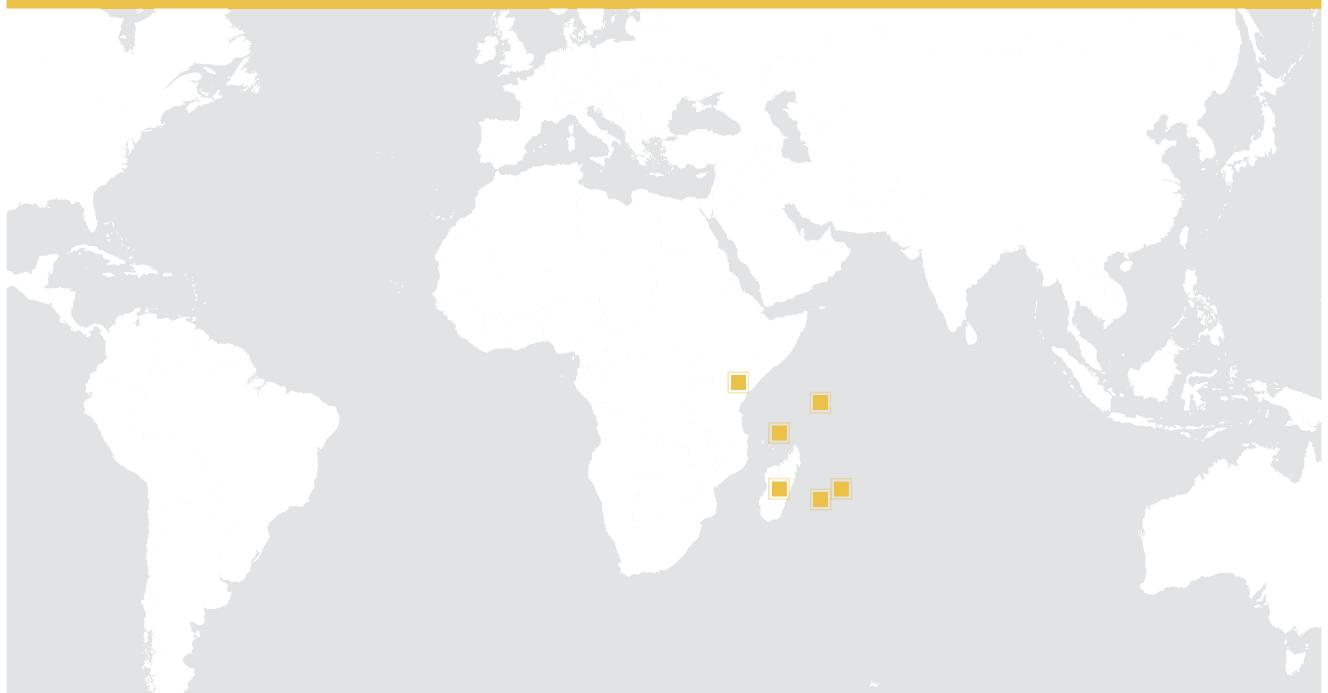
Rs 1,738m

2022: Rs 1,329m

Link to Group risks

1 2 3 4 5 6 8 9 10 11 12 13 14 15

International presence



Performance highlights FY2023

Distribution of FMCGs

BrandActiv

- Good performance, despite the severe impacts of inflation, foreign exchange fluctuations and the rising cost of raw materials.
- In response to disrupted global supply chains and food insecurity, BrandActiv reviewed its supply chain and inventory strategies to maintain sufficient stock levels of important product categories and ensure customers always have access to the products they want. Pricing strategies were also reviewed to support customers in times of high inflation.
- Effective products launches under the L'Oréal portfolio supporting the growth.
- Continued to penetrate new food categories, especially in the dairy segment with Arla Foods.
- All of the above was underpinned by a focus on listening to customers to develop a better understanding of their needs and adapt our offers to suit their expectations. This also resulted in the launch of Mokaba, a mobile app enabling customers to browse through BrandActiv's universe of international and local brands.
- Increased brand visibility by launching Kaz'Activ, a small-format store showcasing BrandActiv's key brands under one roof.
- Made progress in Kenya by deepening knowledge of the market, building a local team and identifying the growth categories and partners.
- Grew presence in Madagascar by penetrating new categories and pursuing a more active distribution and marketing strategy.
- Identified clear areas of priority following the development of BrandActiv's sustainability radar. This led to a clearer focus on waste and the development of a project with L'Oreal for the recycling and creative repurposing of empty bottles (more information in the Sustainability report on page 72).

Distribution and retail of healthcare and wellbeing solutions

HealthActiv and MedActiv

- Opened MedActiv Tribeca, with a new concept focusing on the customer experience and offering a range of new services, including nutrition advice.
- Obtained pharmacy licences for MedActiv Victoria and MedActiv Caudan.
- Launched the MedActiv Academy in October 2022, providing a combination of theoretical and on-the-job training to deepen the knowledge of existing employees and offer fresh graduates the opportunity to discover the world of healthcare operations.
- Installed the first state-of-the-art lab in a container for the public sector.
- Further widened range of products through new brand representations, which positively contributed to the overall performance.
- In February 2023, the Group entered into a share purchase agreement, subject to the fulfilment of conditions precedent, for the acquisition of a majority stake in a company supplying pharmaceuticals and medical equipment, operating across three territories in East Africa.

Outlook and priorities FY2024

BrandActiv

- Having set the right foundations and built a strong portfolio of products, BrandActiv aims to consolidate its footprint in Mauritius and increase its presence in Reunion, Madagascar and other Indian Ocean islands.
- In Kenya, capitalise on synergies with other IBL investees across sectors and pursue regional development.
- Continue to focus on agility to meet customers' evolving needs across all segments.
- Take recycle and reuse initiatives further with Colgate, Palmolive, Arla Foods and other potential partners.

HealthActiv and MedActiv

- Review distribution and logistics capabilities to better service clients.
- Reinforce regional leadership in healthcare activities by:
  - continuing to explore new product categories to enhance product offering.
  - accelerating geographical expansion in Comoros, Seychelles and Madagascar.
  - pursuing the development of retail through MedActiv.

Commercial & Distribution

Retail

Winners

- Delivered double-digit growth in turnover and profitability.
- Opened the flagship Winners Tribeca in a larger format, covering 7,000m2, and with more localised product categories. The new Winners places emphasis on fresh foods and features a broader non-food selection, including fashion, 'L'Art de la table', electronics and a wine cellar, catering to diverse needs and demographics. The supermarket expects to see more growth when the mall's entertainment and dining sections fill up by September 2023.
- Expanded range of products in its in-house brands to offer customers quality products at a fair price, ensuring that essential items remain affordable in the face of inflation.
- Reached an important milestone in its sustainability commitments. Four Winners supermarkets received the HACCP certification, which is a rigorous food safety programme awarded to businesses that meet the highest standards in hygiene, safety standards, environmental friendliness and social responsibility.
- Made strides in food waste and energy efficiency, particularly through investments in zero-emission refrigeration systems at Victoria Urban Terminal.

Winners

- Open the refurbished Winners Curepipe in September 2023, offering a vastly improved shopping experience with a strong commitment to sustainable practices.
- Obtain HACCP certification for the remaining outlets.
- Pursue intensive renovation plans to align all outlets with the most recent store formats.
- Ongoing quest for operational excellence.

Naivas International

- IBL acquired an additional 11% stake in Naivas International, increasing Mambo Retail's shareholding to 51%.
- Continued its expansion drive and opened 12 new outlets in 12 months, bringing the number of countrywide stores to 98.
- Launched a 10,000m2 Naivas outlet in a prime and strategic location in pursuit of its diversification into mid- and high-range customer segments.

Naivas International

- Footprint expansion remains a high priority.
- Improve central warehouse and logistics to the outlets.
- Focus on Fresh category, as well as competitive pricing.

Beverages

Phoenix Beverages (PBL) and Edena

- Good performance in Mauritius, with sales volume increasing by 5.4%. Activities in Reunion Island were impacted by the unfavourable economic context and increases in the cost of raw and packaging materials. These impacts were partially offset by freight subsidies and a new distribution partnership with an international player.
- Overall, PBL posted good results with Profit After Tax standing at Rs 732M, up by 76% compared to the previous year. In 2023, the Group will be celebrating the milestone 60th anniversary of its iconic brand Phoenix.

Phoenix Beverages (PBL) and Edena

- With demand for beverages showing promising signs, PBL aims to continue its quest to further grow its portfolio and diversify its geographical footprint by:
  - strengthening its presence in the beer category in markets it is already present.
  - completing the acquisition of an operating company outside of Mauritius.
  - exploring other international expansion opportunities.

Commercial engineering

CMH, Blychem, Scomat and Servequip

- Maintained growth and delivered a very good year, driven by excellent growth in Blychem's agricultural segment and its ability to nurture strong relationships with clients and suppliers.
- Continued to explore opportunities in East Africa.

CMH, Blychem, Scomat and Servequip

- Continue driving growth across all segments.
- Continue to place stakeholder relationships at the centre of its strategy.

Industrial supply

Intergraph

- Intergraph's activities picked up and turnover improved in Mauritius and Madagascar, in spite of being impacted by high inflation and higher import costs due to the devaluation of the Rupee.
- In Mauritius, the market is stabilising, with a strong increase in the production of paper/cardboard packaging for the local and regional industry (labels for tuna cans, soft drinks, ice cream containers, fast food...). The development of the digital market is timid due to lower quality requirements and less demanding regulations compared to European standards. Reunion, which adheres to European laws, saw 70% of its offset business disappear in favor of digital marketing. In response, Intergraph is restructuring towards the marketing of equipment related to digital printing for small series, and equipment linked to sign-makers, which together represent 50% of Intergraph Reunion's business.
- Increased volumes and grew profitability in Madagascar, driven by a resumption in the production of packaging and labelling for local production, coupled with the export of finished products (textile, chocolate, rum, etc). Digital development in this market is also timid. That said, Intergraph is committed to shifting towards more digital offerings and eco-friendly packaging, which will demand a steep learning curve.
- Strengthened brand visibility and presence in East and Central Africa through the delivery of major projects: Democratic Republic of Congo (Security central bank, beer labels), Rwanda (education and government administration), Ethiopia (education, government administration, security printing and beer labels) and Eritrea (education).
- The African market is strongly focused on the development of education (printing of books and exercise books) and the promotion of local products over imported/exported ones (added value). However, the outlook in this region is uncertain due to political instability and a lack of foreign currencies on the market since the pandemic. In this context, Intergraph is committed to sharing its skills and experience in the region in a bid to compete against low-end products made in China, which are prevalent in these markets.

Intergraph

- Intergraph is well positioned to bring its know-how to the dynamic East and Central African markets and capture growth opportunities in these regions.
- Strengthen position in Mauritius by further expanding its market share in the digital business and introducing state-of-the-art industrial equipment enabling companies to reduce their carbon footprint.

Financial Services

Market environment

The cluster operated in a mitigated environment, with macroeconomic factors affecting individual businesses in different ways. Overall, global economic recovery and improved business sentiment supported the growth of financial services. In FY2023, the high interest rate environment was extremely conducive for the banking sectors, while high inflation dealt a heavy blow to the insurance industry. In Mauritius, the industry is facing a severe shortage of talent in light of increasing competition from global jurisdictions. The world stays on high alert vis-à-vis the sticky patterns of inflation and the hawkish stance opted as the antidote to tame the latter and its relative ramifications for the global economy. Locally, the sector is bounded by exchange rate risks, with the U.S. Dollar Index showing no signs of weakening and the impact of imported inflation remaining high.

Key figures

Revenue

Rs 2,676m

2022: Rs 2,352m

Operating profit

Rs 86m

2022: Rs 210m

Share of profit from associates

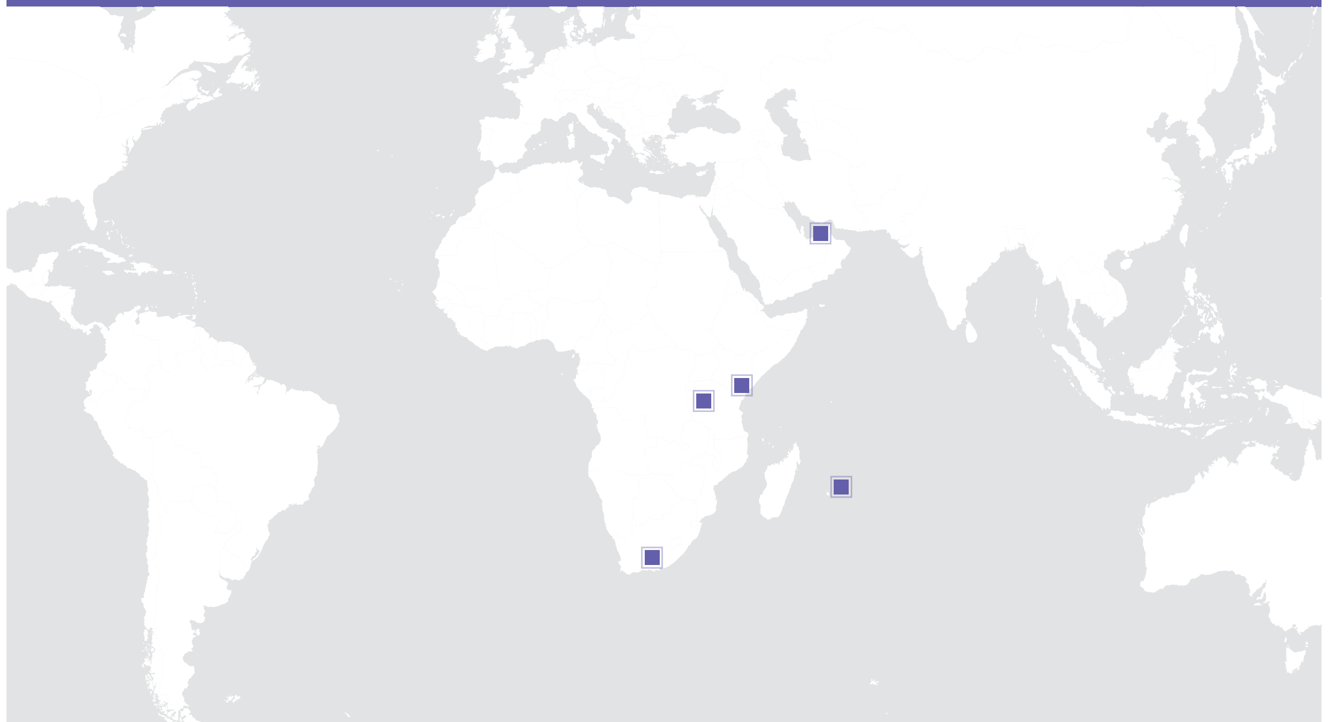
Rs 1,807m

2022: Rs 461m

Link to Group risks

1 2 4 5 6 8 9 11 12 13 14 15

International presence



Performance highlights FY2023

Banking

AfrAsia

- AfrAsia was the biggest contributor to the cluster's positive performance. It delivered record profits of Rs 5.9 billion, an exponential 308% increase over the previous year. The key contributors were a growing balance sheet size with the total assets growing by 11% to reach Rs 231.6 billion and a 283% increase in net interest income, which were in turn boosted by high interest rates. The deposit base rose by 8%, indicating continued business confidence.
- Net fee and commission income grew by 20% mainly as a result of a higher volume of transactions.
- Net loans and advances improved by Rs 13.2 billion to reach Rs 52.5 billion, thanks to the Bank's progressive and prudent lending strategy.
- On the impairment side, a net impairment credit of Rs 243.6 million was noted as compared to a net impairment loss of Rs 65.8m for FY2022.
- The cost-to-income ratio stood at 20% compared to 48% last year, driven by a banner-year performance in terms of total operating income.
- The Capital Adequacy Ratio increased to 19.4% (FY2022: 15.76%), which is above the minimum regulatory requirements.
- IBL Group issued a cautionary statement in December 2022 announcing its intent to dispose of its 30.29% shareholding in AfrAsia Bank to the Atlantic Financial Group (AFG). The bank was classified as 'Held for Sale' and did not contribute to IBL's share of profits in Q3. However, the transaction having not materialised, AfrAsia's financial performance was reinstated in the Group's consolidated statements for the financial year end.

Global business

DTOS

- DTOS maintained a commendable performance, despite experiencing a significant increase in operating costs, as well as costs relating to business development initiatives.
- Benefitted from the post-pandemic economic recovery, with international clients resuming activities in various structures. Increased activity in structures of existing clients contributed positively to revenue, while new customer acquisitions also drove an increase in revenue.
- DTOS acquired LCF Securities, a stockbroking company. This strategic move is enabling both businesses to leverage one another's strengths and deliver greater value to customers.
- DTOS consolidated its position in the market as a leading Registrar and Transfer agent, with a growth of 222% over last year.
- Operations in Dubai posted a growth of 286% over 2022 in a competitive and dynamic market.
- Set up a domicile in the Kigali International Financial Centre (KIFC) in Rwanda to support promising growth in the region and strengthen customer relationships.

Outlook and priorities FY2024

Banking

AfrAsia

- Increase the commercial loan portfolio by growing business with existing customers and assessing new opportunities.
- Building on the strong growth trajectory and drawing on its core strengths, the Bank aims to pursue opportunities in trade finance and private banking in East Africa.
- Relocate headquarters in line with its plans to strengthen the AfrAsia culture through a robust Employee Value Proposition.

Global business

DTOS

- Focus on growth in regional offices (Dubai, Rwanda and Kenya).
- Turn around the performance of LCF Securities through the development of new value propositions and by leveraging synergies.
- Work to position DTOS as a one-stop-shop for private and institutional investors.

Financial Services

Global business

Eagle Insurance

- Eagle Insurance was severely affected by high inflation, leading to a higher cost of claims. The Motor and Health segments were particularly impacted by this raging inflation, but also by a higher number of claims. In the Motor segment, there was also a notable increase in the number of bodily injury claims. With the worsening impacts of extreme weather events, Eagle Insurance is expecting the business to be subject to a growing number of claims (e.g. in respect of flash floods), which will in turn impact its claim experience.
- In view of this experience, Eagle Insurance was compelled to increase its premium rates across most lines of business in order to return to profitability.
- Began reviewing existing processes and embarked on the implementation of a new core insurance system to improve operational efficiency.
- During the year under review, the existing CEO opted for early retirement and a new CEO was appointed.

Eagle Insurance

- Turn around the technical results, with a particular focus on the Motor segment.
- Sharper focus on employee engagement and employee welfare.
- Celebrate Eagle Insurance's golden jubilee anniversary with all stakeholders.
- Improve the visibility of the Eagle brand to the general public.
- Strengthen relationships with brokers and other partners.
- Implement the new core insurance system.

Insurance brokerage

City Brokers

- City Brokers Ltd posted an exceptional year with an increase of 26% in net brokerage.
- Insurance premiums increased by 9%, client acquisitions increased by 32%, and non-renewed policies represented 15% of FY2022's figures.
- The Health and 'Financial & Speciality' segment, which was an area of focus for FY2023, saw a growth of 24% and 60% respectively as a result of the work carried out by the business development team.
- Consultancy and other fees saw a decrease of 6% due to a lower number of clients requiring these services.

City Brokers

- Build on the work done by the business development team and further improve growth in the Health and Financial & Speciality segments.
- Embark on the renovation of offices for a period of six months.
- Complete the IT and process review, and implement recommendations based on the findings of the report.

Reinsurance brokerage

EllGeo Re

- Obtained reinsurance broking license in Kenya for Ellgeo Seagon Reinsurance Brokers, in partnership with JW Group. This complements Ellgeo Re's value proposition, while strengthening its capabilities and presence in East Africa.
- Became certified "International Professional Partner Firm" by the Chartered Insurance Institute (UK), the leading insurance-industry qualifications body worldwide, in recognition of Ellgeo Re's commitment to professionalism and continuous development of its staff. Ellgeo Re is among the first recipients of this certification in Africa.

EllGeo Re

- Strengthen knowledge of markets in East Africa, and implement strategies to sustainably develop a portfolio of activities in the region.
- Further extend Ellgeo Re's footprint across the African continent by actively targeting business in other regions.
- Consolidate local market presence and continue to deploy bespoke solutions to the market.

Asset management

Ekada Capital Ltd

- Delivered an improved performance during FY2023, despite the prevailing global economic challenges.
- Assets Under Management stood at Rs 5.5 billion (out of which Rs 0.8 million of AUM were raised during the year) and revenue grew by 13%, while recurrent expenses decreased by 9%.
- With respect to EKADA's Collective Investment Scheme (CIS) activities, the EKADA Yield Fund closed the year with a healthy gain of + 2.7% in spite of numerous rate hikes by the local central bank. The EKADA India Fund closed the year with a small loss (- 0.5%), mainly due to the loss of its sole client.
- EKADA entered FY2024 with a solid business pipeline and remains committed to delivering its services with the utmost professionalism to its esteemed clientele and partners.

Ekada Capital Ltd

- Finalise the potential business combination between Ekada Capital Ltd and Strategia Wealth Managers Ltd, a distinguished asset and wealth management company. This strategic partnership aims to leverage both businesses' individual strengths and operations, ultimately enhancing their presence in both local and international markets.
- Launch its all-weather fund, based in Luxembourg with an international partner, allowing EKADA to develop its international clientele.

Hospitality & Services

Market environment

The hospitality sector bounced back after two years of subdued growth. Despite a significant increase in the price of airline tickets, the cluster benefitted from pent-up travel demand and travellers allocating more disposable income to leisure, especially to luxury hospitality. Maldives attained one million tourist arrivals in 2023 and is on track to welcome two million tourists from 2024. Although Mauritius and China are trailing behind, the growth momentum is promising and the cluster is well positioned to reap the benefits of revenge travel and strong demand. Air connectivity will play a vital role in sustaining this demand, as well as concerted efforts between the public and private sector to protect Mauritius' beaches from erosion.

Key figures

Revenue

Rs 8,769m

2022: Rs 7,210m

Operating profit

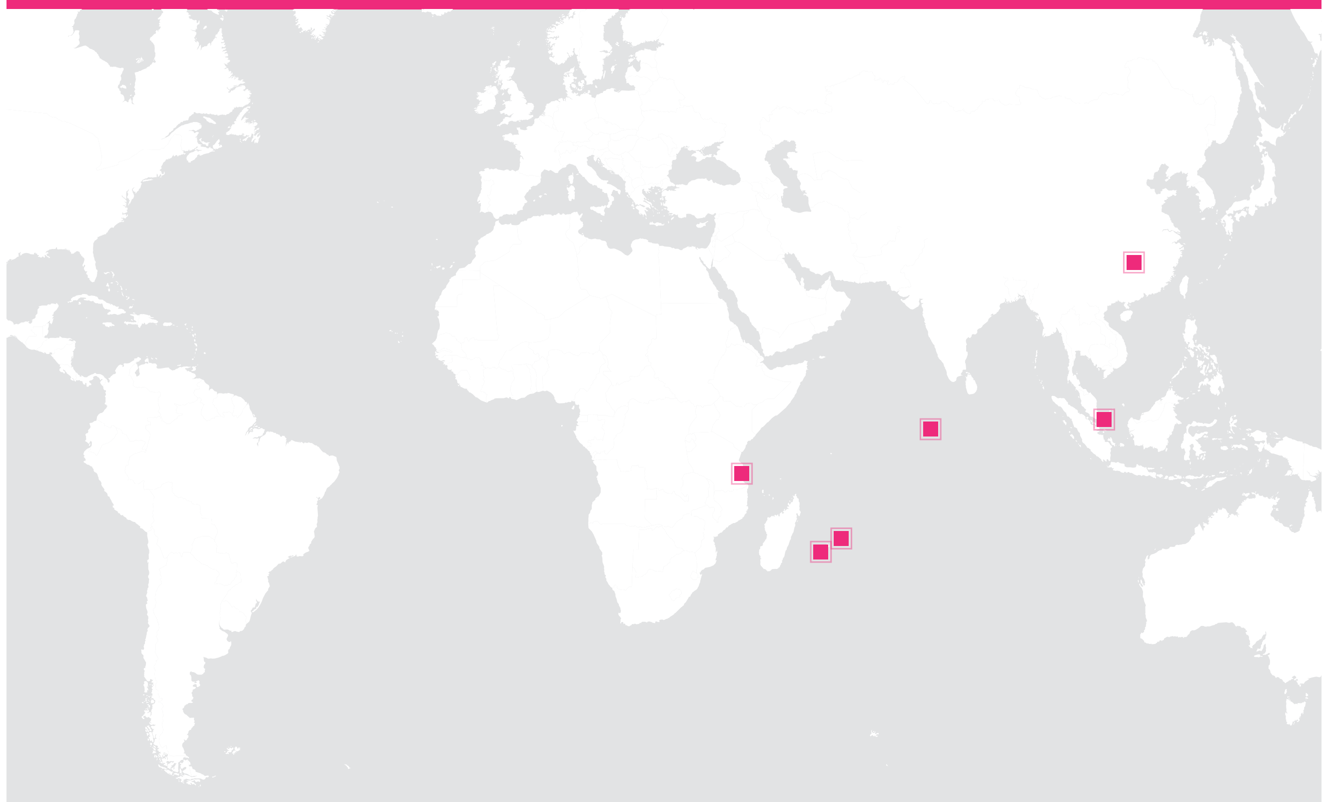
Rs 1,880m

2022: Rs 1,590m

Link to Group risks

1 2 4 5 6 8 9 10 11 12 13 14 15

International presence



Performance highlights FY2023

Property holding and asset management

Lux Island Resorts

- LIR delivered an exceptional year, with bookings and occupancy rates exceeding pre-pandemic levels, and Maldives contributing almost 35% to these results. All hotels across destinations surpassed their projections and key metrics. Demand remained strong across all properties, with a growing number of reservations originating from new markets and demographics, following diligent efforts to drive brand awareness.
- The cluster's new flagship hotel LUX* Grand Baie opened in December 2021, and LUX* Residences in March 2022, offering a unique value proposition in the heart of Grand Baie. All villas and residences were successfully sold during the year.
- Embarked on the reconstruction of LUX* Belle Mare following the fire breakout in July 2022. Despite a 6% increase in construction costs, LIR is confident about completing the renovation within budget using LIR's own cash flow, which is an indication of the robustness of its balance sheet.
- The cluster ended the year in a strong financial position and distributed dividends of Rs 2 per share, amounting to Rs 274 million.

Hotel management

The Lux Collective

- Posted an exceptional performance, underpinned by a diversified portfolio of strong brands and unique properties. The past year saw an emphasis on strengthening the LUX* brand and addressing different needs across various demographics and markets. Improved brand recognition resulted in record reservations in all hotels, far exceeding projections, and there is growing traction in markets like the USA and Europe.
- Locally, LUX* Le Morne saw double-digit growth in RevPAR, LUX* Grand Gaube is performing exceptionally well, and the flagship hotel, LUX* Grand Baie, saw resounding success, anchoring its position as a leading luxury resort in the indian Ocean.
- Beyond reinstating the fire-damaged areas in LUX* Belle Mare, we used the opportunity to revisit the hotel's value proposition and revamp the common areas. The hotel is scheduled to open in October 2023, coinciding with the start of peak tourist season.
- After a subdued year under voluntary administration, SALT of Palmar bounced back to profitability. It became the first resort in Mauritius to partner with the renowned Design Hotels, a curated portfolio of one-of-a-kind luxury hotels around the globe that stand for original design and aspirational hospitality experiences. This membership is a reflection of SALT of Palmar's strong value proposition, rooted in sustainability and a humanistic approach, and will bolster the resort's worldwide exposure. Likewise, the partnership with the Marriott Bonvoy programme extends the resort's reach to 90 million members.
- Opened two small hotels in China, LUX* Tea Horse Road Shangri-La and LUX* Tea Horse Road Lashi Lake, and one hotel (LUX* Marijani) in Zanzibar in July 2023.
- Continued to focus on offering an exceptional guest experience through attentive service and the digital transformation of the guest journey, an initiative entitled IMAGINE. It aims to capture guests at an early stage, prior to their arrival, and engage with them long after their stay.
- The first Socio hotel is under construction and set for completion by 2025. This brand caters specifically to the professional and business community.

Outlook and priorities FY2024

Property holding and asset management

Lux Island Resorts

- Reopen LUX* Belle Mare in October 2023.
- We expect an even better performance in Maldives, with the government aiming to bring in two million tourist arrivals in the calendar year 2024.
- The brand-new portfolio of freshly revamped properties in Mauritius is expected to see growing demand and increase its contribution to the cluster's overall performance.
- Complete the purchase of LUX* Saint Gilles in Reunion Island and reconstruct the property.
- Pursue opportunities to grow our portfolio of assets in the world's most unique destinations.

Hotel management

The Lux Collective

- Open LUX* Belle Mare and LUX* Guangzhou, a 120-key room standout property.
- Finalise management contracts with hotels in the Middle East, more particularly in Saudi Arabia and Dubai, as well as a pipeline of properties in Southeast Asia (China and Vietnam).

Life & Technologies

Market environment

Overall, the healthcare industry is undergoing a transformation in business models, with an emphasis on preventative, value-based and patient-centred care. This substantiates the relevance of Life Together's vision. In FY2023, the healthcare segment saw dynamic activity and important strategic developments, leading to a growth in turnover. However, most businesses are still in an incubator phase and incurring the necessary ramp-up costs to develop an innovative value proposition, thus translating into the expected lower profitability at Life Together. The cluster's investment and venture capital arm, for its part, operated in a conducive environment in Mauritius, East Africa and South Africa, with a wave of tech-driven startups driving development in the region and boosting VC activity.

Key figures

Revenue

Rs 679m

2022: Rs 409m

Operating profit

Rs (119m)

2022: Rs (32m)

Link to Group risks

1 2 4 5 6 8 9 11 12 13 14 15

International presence

Performance highlights FY2023

Property holding and asset management

Life Together

- Pursued its strategic initiative to raise awareness and enhance the visibility of Life Together's activities, and its unique value proposition rooted in an end-to-end and holistic approach to medical care, where the patient is at the centre of his healthcare pathway. Life Together's services are designed around a unique Patient Healthcare & Wellbeing journey, based on five strong pillars: Wellbeing & Alternative Care | Diagnostic & Analysis | Medical, Surgery & Maternity | Re-education & Rehabilitation | Home & Long-term care. Research & Development underpins all of these services.
- Merged C+S and NovaLab into Life | Nova+, bringing together general diagnosis services, as well as imagery, emergency and laboratory analyses for more accurate diagnosis for the specialised detection of pathologies and chronic diseases.
- Opened a second day care clinic and state-of-the-art medical destination in Cap Tamarin, offering Life | Nova+'s diagnostic activities, Life | Viva ambulatory clinic and daycare facilities, and Hospital at Home, enabling patients to receive top-quality medical attention in the comfort of their homes.

Investment and venture capital

DotExe Ventures

- The Mauritius-based fund – jointly managed by DotExe Ventures – secured regulatory approval for its launch this financial year, allowing it to invest in promising Eastern and Southern African tech startups. Furthermore, investments were made in 11 startups in various tech-enabled businesses.

IBL Link Investments

- Admitted as a Limited Partner (LP) in the fund and started the deployment of capital.

Outlook and priorities FY2024

Life Together

- Continue to entrench and communicate Life Together's innovative healthcare approach and mission to Put Patients Care and Health First.
- Continue to develop Hospital at Home services across the island thanks to two Ambulatory clinics and pluridisciplinary diagnostic centres.
- Finalise the implementation of the five pillars.
- Promote synergies with Nouvelle Clinique du Bon Pasteur.

DotExe Ventures

- Continue the deployment of the fund's investable capital, while monitoring the portfolio.
- Help investees raise their next round and follow up on top-performing startups to drive DPI (Distributions to Paid-in) and IRR (Internal Rate of Return).
- To further ensure the fund's success, DotExe aims to enhance brand equity to lay a solid foundation for future fund(s).

IBL Link Investments

- Continue the deployment of the committed capital into the fund.
- Actively participate in the fund's Limited Partners' (LP) day, engaging in meetings and presentations with all the Founders in the portfolio.

Life & Technologies

Investment and venture capital	
IBL Link · Successfully completed its divestment from Priceguru.mu. IBL Link's investment portfolio, currently featuring GWS Technologies and Universal Media, demonstrated a good performance. · GWS demonstrated remarkable resilience, with a steady growth of over 20%. In addition, it embarked on its international expansion and fortified its market position with a strategic partnership with Adobe. · Universal Media emulated its FY2022 performance concerning commissions, while effectively broadening its client base through successful agency partnerships. However, it is important to note that some existing clients faced budgetary restrictions due to ongoing supply chain challenges.	IBL Link · Strengthen and deepen the already successful collaboration within the portfolio of assets. · GWS Technologies: – Pursue international expansion – Diversify service offerings – Expand offerings with AI and data-driven solutions · Universal Media : – Deepen partnerships with agencies, expecting increased collaboration. – Improve service offering with the integration of pioneering technology and tools. – Focus on the identification and incorporation of emerging media platforms, both digital and traditional, into its comprehensive offering.

Logistics

Market environment

After two years of severe Covid-19 impacts on the aviation and related activities, the Logistics cluster returned to a growth path. The sector is benefitting from the reopening of borders, pick up in economic activities and stabilisation of supply chains. All businesses in the cluster achieved significant productivity and cost gains through a focus on operational efficiency and business expansion activities, and are working on developing a targeted sustainability strategy to contribute to a lower carbon footprint.

Key figures

Revenue

Rs 2,211m

2022: Rs 2,052m

Operating profit

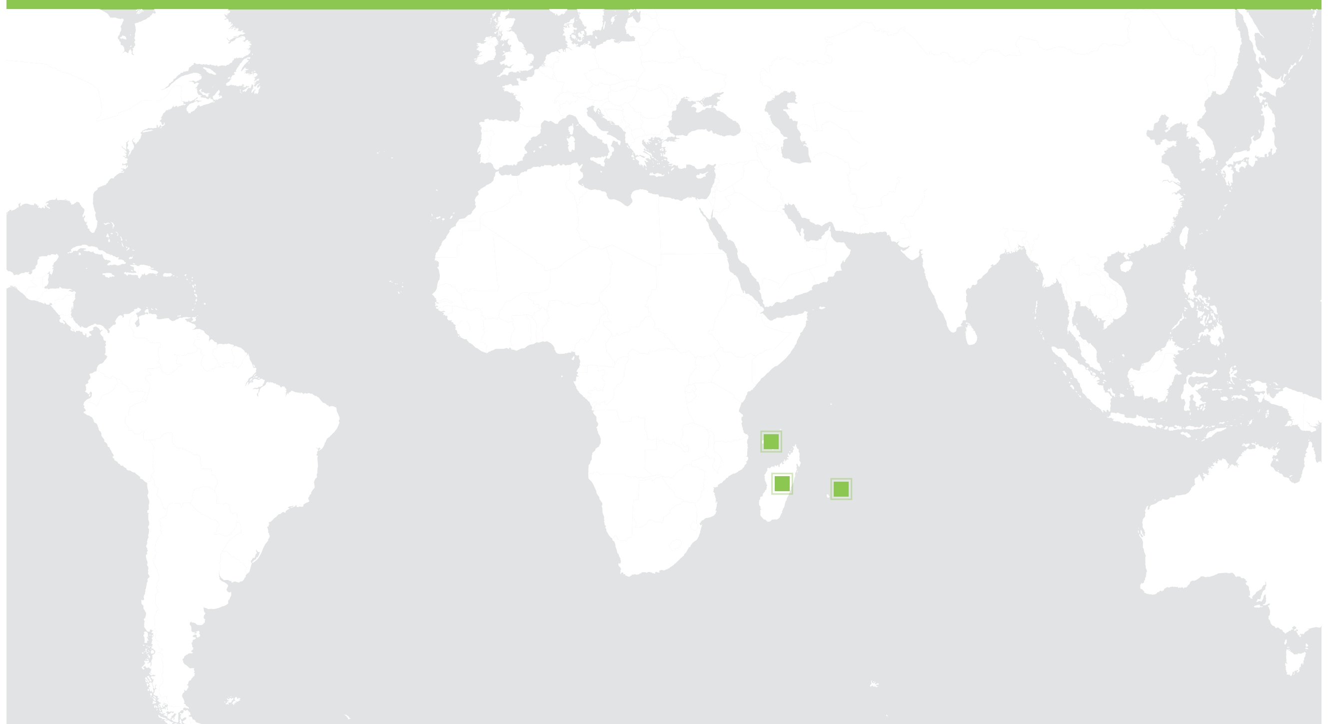
Rs 98m

2022: Rs 68m

Link to Group risks

1 2 3 4 5 6 8 9 11 12 13 14 15

International presence



Performance highlights FY2023	Outlook and priorities FY2024
Warehousing and distribution	
Logidis	Logidis
· Scaled the People Mobility business (corporate passenger services) through a dedicated Transport Routing System that optimises the routes and planning processes, offering operators and passengers real-time information on all routes and allowing them to plan trips more effectively. Built the vehicle management services approach to provide an extended package for users. · The Goods Mobility segment, which includes the warehousing and distribution of goods, was affected by higher operating costs. Logidis has embarked on transformation programmes in several areas, from its operations and human capital, to the customer experience, in a bid to turn the segment around.	· Logidis is optimistic that its transformation programmes will deliver greater employee engagement levels and customer experiences, translating into an improved financial performance.
Aviation	
Ground2Air, IBL Aviation and Arcadia Travel	Ground2Air, IBL Aviation and Arcadia
· All businesses within the Aviation segment saw a sharp increase in billing, owing to the reopening of borders and travel to Mauritius reaching to pre-Covid levels. After two years of losses and challenges, Ground2Air turned its performance around as a result of a focus on excellent customer support delivered by a highly skilled and engaged team. · GSAs and ticketing agencies have also seen a surge in performance as the travel boom occurred early during the financial year. The recovery of these businesses have been faster than initially planned, which is encouraging. That said, they need to deliver consistently to rebuild their financial strength.	· Aviation is expected to pick up, with passenger and business confidence growing. Ground2Air is well positioned to leverage its expertise and expand its operations overseas.
Shipping and freight forwarding	
Somatrans and IBL Shipping	Somatrans and IBL Shipping
· Somatrans delivered an exceptional year. It benefitted from favourable freight rates, coupled with the increased volume in transactions relating to air and sea operations. Its turnaround strategy included the development of an ERP for greater efficiency and greater agility within the teams in seizing opportunities and staying close to customers. The 'Service Excellence' project was launched to take customer centricity even further. · IBL Shipping saw increased revenues, resulting from higher activity in vessel calls and ancillary services, and the efficient management of costs. The division expanded its reach within its operating environment to a 40% revenue generated from ancillary services.	· Somatrans aims to pursue the service Excellence project to further strengthen employee and stakeholder relationships. · IBL Shipping's priority is to prepare the succession plan for the next generation of leaders, while also focusing on business development. · IBL Madagascar has an ambitious growth target not only in existing businesses, but also into other segments as opportunities and resources avail for them to do so.

Property

Market environment

As the Mauritian economy pursued its recovery post Covid-19, the property sector followed the same upward trend. Overall, the sector is benefitting from renewed impetus in tourism and positive traction in most sectors of the economy, prompting the cluster to bounce back to profitability. However, the cluster continues to grapple with stubborn inflation, pressures on the cost of capital and labour shortages, all of which drove up borrowing and operating costs. These challenges are expected to continue adversely impacting the Mauritian real estate sector in the coming financial year.

Key figures

Revenue

Rs 1,390m

2022: Rs 707m

Operating profit

Rs 307m

2022: Rs 64m

Link to Group risks

1 2 3 4 5 6 8 9 10 11 12 13 14 15

International presence

Performance highlights FY2023

Property development, Hotel & Leisure

BlueLife

- Returned to profitability and recorded an operating profit of Rs134m, compared to a loss of Rs 74m in 2022.
- Strong sales in the Property segment have allowed revenue recognition of Rs 594m (2022: Rs 83m). The hotel achieved a historic milestone in its operations, with the occupancy rate reaching 91% and TRevPAR standing at Rs 10,524.
- The successful commercialisation of Palmea Villas and Ennea Golf Villas led to the signature of the DOS and the start of construction work early in July 2023.
- Opened 'the Nine' golf course and completed the infrastructure works for Ennea North, Amara Fairviews and Les Hautes Rives projects. Construction work for Halona reached approximately 50%, permitting partial revenue recognition. Halona is scheduled for completion in in the beginning of 2024.
- Currently in the final stages of deployment and testing of the Smart Water Metering and Management System, scheduled for completion in September 2023.
- Following the identification of BlueLife's sustainability radar and areas of priority, the company is moving towards enhanced energy efficiency and working to obtain the LEED and EDGE certifications for its buildings and the use of solar panels.

Investment and asset management

Bloomage

- Recorded an overall 13% increase in turnover and operating profit, driven by improved occupancy rates, a higher dividend income and cost optimisation measures.
- Alignment with the strategy of accompanying Group companies in their expansion, with extension works carried out at Winners Forest Side and the co-design of the HealthScape precinct with Life Together.
- Marked first step into the healthcare asset class through the completion of a daycare centre in Tamarin.
- Continued geographical diversification of portfolio through the successful completion of an office building in Moka and the daycare centre in Tamarin.
- Continued exploring opportunities in East Africa and Reunion in the office, warehousing and industrial segments, leading to conditional offers made.

Outlook and priorities FY2024

BlueLife

- Constantly improve the urbanisation masterplan with immediate and future projects, as well as revised infrastructure budget as per changes/updates brought in the model.
- Monitor construction of projects under VEFA to ensure cost quality and programme of works.
- Launch new real estate projects.
- Planning of the commercial node at Azuri, and work out strategic direction with partners.
- Review the revenue model for Radisson Blu Azuri through the uplifting of rooms and common spaces (2023-2025).

Bloomage

- Inflationary pressures and pressures on cost of borrowing remain a challenge for both asset management and development.
- Focus on sustainability initiatives across Bloomage's property portfolio.
- Pursue geographical and sectoral diversification strategy.
- Break ground on projects in line with development pipeline.

Seafood

Market environment

The Seafood cluster benefitted from a Return On Luck (ROL) thanks to its preparedness to deliver an exceptional operational performance, coupled with favourable market conditions on the ingredients side. Over and above international competition in the tuna business, the industry is facing longer-term threats, such as overfishing and the impacts of climate change. All companies in the cluster remain strongly committed to advocating for the environmental, social and economic sustainability of tuna stocks at the local, regional and international levels.

Key figures

Revenue

Rs 1,945m

2022: Rs 1,547m

Operating profit

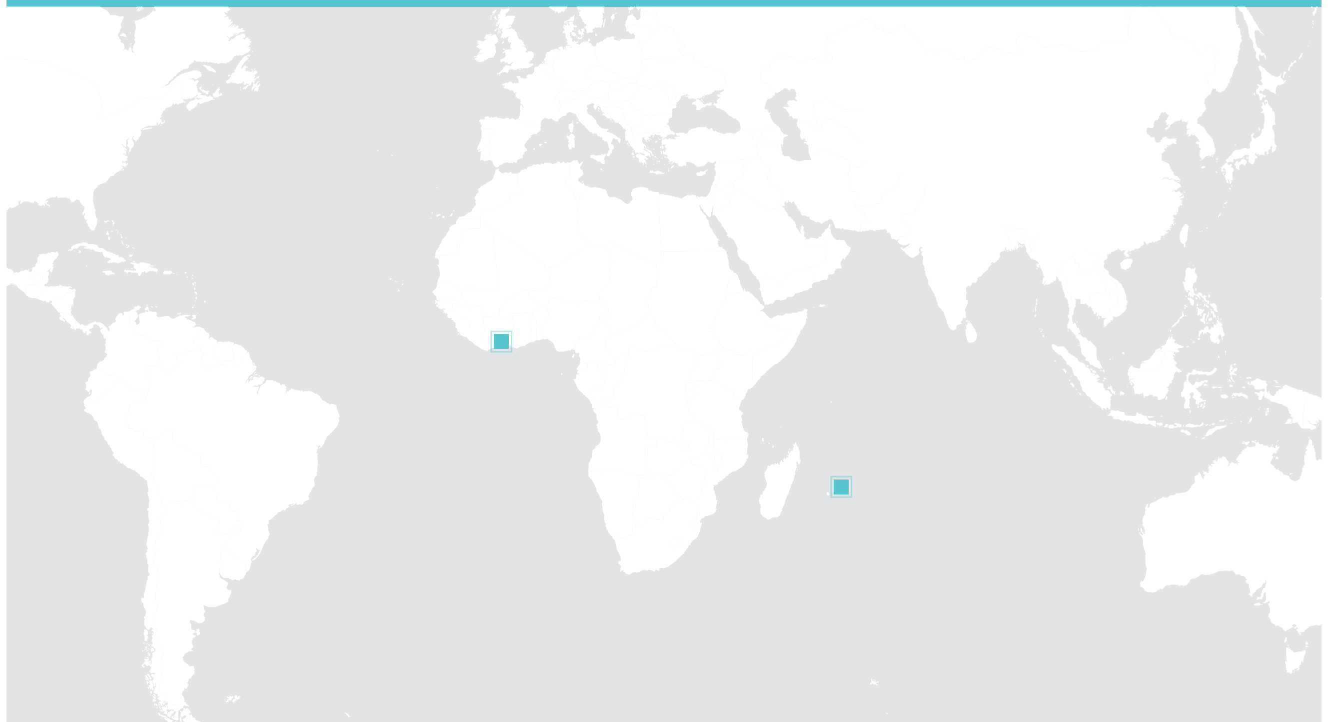
Rs 410m

2022: Rs 303m

Link to Group risks

1 2 4 5 6 7 8 9 10 11 12 13 14 15

International presence



Performance highlights FY2023

- Delivered an exceptional operational performance across most subsidiaries, driven by an effective people strategy and cost optimisation measures.
- MBP Ivory Coast's performance exceeded expectations thanks to improved production yields and favourable inflow of raw materials resulting from an increase in exports and local sales. Increase in market prices also helped achieve these results.
- The collective productivity, hard work and skills of the cluster's workforce translated into improved customer retention, which in turn led to an enhanced financial performance.
- The Future Fit Talent Journey, the cluster's leadership development plan, delivered excellent results. Coaching and development plans were carried out for managers to help them improve their leadership skills, resulting in a robust talent pipeline and an effective succession plan.
- Pursued diversification into value-added by-products, such as pet food and fish solubles. Following a favourable response, the production capacity of fish solubles was increased and the product was developed on a larger scale, with sales increasing by 31% compared to 2022.
- In partnership with the American embassy and ahead of the Indian Ocean Tuna Commission (IOTC) summit, the Sustainable Tuna Association (STA) hosted a regional conference entitled "Tuna in the Indian Ocean: Towards a Sustainable Future". The STA is the voice of the tuna value chain for sustainability and trade matters, and has been working hand in hand with the local Ministries and authorities for preparing the IOTC meeting in May in Mauritius. The conference resulted in the adoption of nine (9) conservation and management measures out of the 19 proposed resolutions, including a proposal from Mauritius for member-states to voluntarily announce a 30-day ban on fishing for critically endangered yellowfish tuna stocks. This marks a step in the right direction, but more remains to be done.
- Energie des Mascareignes (EDM), a waste-to-value plant created as a joint venture with IBL Energy and Green Create, became operational in October 2022. Part of Princes Tuna's and MBP steam production runs on biogas instead of heavy fuel oil. At full operation, EDM will cater for over 50% of the energy requirement for steam and have a near equivalent of 11,500 MT of CO_2 reduction per year.

Outlook and priorities FY2024

- Continue to deliver growth across our businesses and increase market share for newly introduced products.
- Sustain and improve operational performance through an ongoing focus on talent development.
- Launch the first 'Innovation sprint' within the cluster by working in close collaboration with the Group Innovation team.
- Sell gas under the ISCC EU green gas certification in line with its long-standing commitment to contribute to the sustainability of our industry and integrated circular economy solutions. Along the same lines, it aims to pursue its initiatives under the Sustainable Tuna Association to work towards more sustainable practices in the industry locally, regionally and internationally.
- Pursue growth opportunities in the region, building on its commendable performance in Ivory Coast.

Risk Management

In this section

Risk Management Report

1. Introduction

This year, we saw a stable recovery of the economy across the world despite the geopolitical and economic challenges resulting from the pandemic's ripple effects, compounded with the continued war in Ukraine. Global economic indicators are showing a positive trend and industries are back to their pre-Covid performance.

Similarly, IBL's performance has followed this upward trend as the Group stood strong in the face of headwinds and accelerated the implementation of its Beyond Borders strategy.

Set against this context, the risk management function is playing an active role in the Group's strategy by strengthening its support to IBL's overseas investments. To that effect, we are collaborating closely with our East African office to explore how best to adapt our risk management framework and governance to the needs of our foreign operations.

IBL's continued international expansion will reduce the Group's concentration risk in Mauritius and bring greater resilience. That said, it requires that we systematically include the assessment of geopolitical, currency, country and climate risks within our decision-making process.

Alongside the above, Artificial Intelligence (AI) and Sustainability are also topical themes for the Group and will be trending higher and higher on the risk management agenda for the years to come.

2. Our Four Pillars of Focus

The risk management function is focusing on the four pillars below, which align with IBL's Beyond Borders strategy, the digital and sustainability agenda at Group level, as well as the development of its People through the IBL Academy.

Extend and adapt our risk management framework to foreign operations by:

- Developing a tailored approach to support foreign Operations to ensure alignment with Group governance standards

Digitalise our risk management processes by:

- Considering Artificial Intelligence as an efficient solution to support risk management and compliance activities across the Group

Align our risk management processes with sustainability requirements by:

- Collaborating closely with IBL's sustainability function so that risk management supports sustainability initiatives and responses to climate change and climate-related risks

Continue to strengthen our risk management maturity through education and training by:

- Adapting our risk management and compliance services to the needs of IBL by growing capabilities and expertise within the Group

3. Risk Management Activities during the Year

The below table provides an overview of the risk management, compliance and ethics activities during the year.

Activities undertaken / To the benefit of	IBL Ltd	IBL Operations
1. Risk Management · Development of risk registers across IBL businesses · Review of risk appetite statements · Workshops on specific risk matters · Risk discussions prompted in all relevant forums across the Group · Facilitation of risk assessments exercises · Update of IBL Group Top Risks and controls · Identification of emerging risks · Annual assessment of IBL Group Top Risks · Discussions on specific risk aspects at Internal Risk Committee level · Reporting on risk matters to Chairman of IBL Audit and Risk Committee (ARC) and at ARC level · Review of and provision of advice on risk governance models for IBL businesses · Development of a risk governance approach for overseas subsidiaries · Oversight of Group insurances/specific insurances and review of insurance adequacy	✓	✓
2. Data protection · Assistance to IBL businesses in the implementation of the Data Protection Compliance programme · IBL Group Data Protection Officer (DPO) forum to share experiences, challenges and lessons learned on data protection · Training provided to IBL Group DPOs on Data Protection · Training provided to Data Users across IBL businesses to build and embed a data protection mindset · Celebration of World Privacy Day on 28th January to raise awareness of the importance of data privacy · Development of data protection support to East African businesses	✓	✓
3. Business continuity · Business continuity workshops · Testing of Business Continuity Plan · Digitalisation of Business Continuity Plan (concept stage) · Assistance provided to IBL businesses in compiling/reviewing their Business Continuity Plans · Business continuity communication (Together Magazine)	✓	✓

Risk Management Report

Activities undertaken To the benefit of	IBL Ltd	IBL Operations
4. Compliance · Strengthening of IBL's compliance management framework and development of similar framework for IBL businesses · Support and assistance provided to IBL businesses in addressing compliance gaps and closing audit findings · Assistance provided to IBL businesses in drafting and implementing specific policies · Review of IBL Travel Management Policy to align with ISO 33010 · Special assignments in certain IBL businesses to formalise and strengthen specific controls · Training provided on compliance management discipline · Development of compliance support approach to East African businesses	✓	✓
5. Business Ethics · Assistance to IBL businesses to set up or review their own Code of Business Ethics · Provision of advice on specific ethical questions · Close collaboration with Transparency Mauritius to strengthen anti-corruption and whistleblowing frameworks	✓	✓

4. Our Risk Management Approach

A tailor-made risk management framework is in place to address the diversified range of business activities within the Group, as well as the varying maturity levels of IBL's businesses. We have therefore defined three distinct approaches, adapted to the different risk management maturity levels of IBL's businesses.

Risk Management Maturity Level	Maturity Level Description	Risk Management Approach
Low	No risk management function in place and no dedicated risk management resources	Full risk management support from Group function. Assistance is provided across the risk management process from risk identification to risk reporting: · Identification of risks · Identification of existing controls · Assessment of risks · Improvement plan · Monitoring · Reporting
Medium	Basic risk management structure in place. Risks are identified and discussed, mostly at an operational level, but not systematically reported to the entity's Board or to the Group.	Partial risk management support focused on closing the key gaps in the risk management process: · Identification of existing controls · Assessment of risks · Improvement plan · Monitoring · Reporting
High	Material entities in their own right, which are either listed or highly regulated. Their risk management framework is well embedded and involves top-down and bottom-up monitoring and reporting of risks.	Limited risk management support from the risk management team of the Group. Focus is on monitoring the completeness of the management of risks and ensuring appropriate risk reporting at Group level: · Monitoring · Reporting

5. Risk Governance

Our risk governance framework has been set up to provide assurance to the Board that the risk management processes in place are effective.

The diagram below illustrates IBL Group's risk management structure and key responsibilities. This structure ensures that risk management processes are effectively embedded across the Group. Given the complexity of the Group's governance, the risk management structure is flexible and adapts to the different risk maturities and governance levels of IBL subsidiaries. Furthermore, the risk management structure must also adjust to differing regulatory and legal requirements applicable to IBL subsidiaries, locally and abroad.

Central to our risk governance framework, is IBL's risk management function, which drives, supports and coordinates risk management activities across the Group in line with its strategic objectives.

Risk Management Report

Risk Champions in IBL Subsidiaries	Board of Directors of IBL Subsidiaries	Group Risk Management function at IBL Ltd	Audit & Risk Committee of IBL Ltd	Board of Directors of IBL Ltd
· Determine risk maturity · Identify risks and controls · Design own risk registers · Nominate risk and control owners · Carry out risks and controls monitoring on a regular basis · Keep Group Risk Management function informed on implementation of Risk Management Framework (RMF)	· Approves implementation of Group RMF and sets risk appetite · Nominates risk champion to manage risks with support from Group Risk Management function · Assesses risks and consolidates a list of material risks to be included in the risk register · Reports main risks to Group Risk Management function	· Drives Risk Management across the Group · Facilitates implementation and assesses the performance of Group-wide RMF · Assesses reported risks and prioritises those to be reported to the Audit & Risk Committee of IBL Ltd (ARC) · Maintains, monitors the evolutions and reports on Group risks · Provides training on Risk Management to develop awareness and risk culture · Provides tools and guidelines to cultivate risk-based approach for launch of new projects · Reports risk information/ intelligence to the ARC · Drives brainstorming on specific risk matters with Internal Risk Committee · Contributes to other sub-committees on risk related matters	· Approves the risk management framework, policy, strategy and plan, implementation, appetite and tolerance · Reviews the adequacy and effectiveness of the risk management framework · Approves the setting-up of internal sub-committees · Reports risks to the Board of Directors of IBL Ltd	· Endorses, oversees and maintains the entire risk management system · Reviews the Company's risk appetite and Group's risk appetite parameters (where relevant) · Delegates risk governance duties to relevant board committees

Communication and reporting flow within the Group

Typical Risk Management (RM) Roles

Responsibilities/ Areas of focus	Board	Audit & Risk Committee	Risk Management Team	Risk Champions	Risk Owners	Control Owners
Risk management approach and process	A	C	R			
Implementation plan	I	A	R			
Risk management policy	I	A	R			
Risk management guidelines	I	A	R			
Risk appetite and tolerance	A	C	R	C		
Risk registers and dashboard	A	I	R	C	C	C
Risk mitigating action plan		I	I	A		
Monitoring of risks	I	I	I	A	R	R
Effectiveness of controls	I	I	I	A	R	R
Report on risks (existing and emerging)	I	I	A	R	C	
Training and awareness	I	I	R			

Legend: R Responsible | A Accountable | C Consulted | I Informed

6. Risk Management Performance

The activities and deliveries of the risk management function aim at continuously improving its performance through several actions, such as: (i) assisting IBL businesses in developing their risk appetite statement, as well as developing and updating their risk registers; (ii) conducting risk management training and awareness sessions for IBL leaders and risk champions; (iii) facilitating risk assessments and reporting, communicating, and sharing important risk management matters, and (iv) providing guidance on a number of topics related to the control environment of each IBL businesses.

7. Our Control Environment

The risk management function forms part of the second line of defence within IBL's control environment.

IBL's Combined Assurance on Risks

1 1st Line of Defence	2 2nd Line of Defence	3 3rd Line of Defence
People management, internal processes and technology	Oversight functions such as risk management, compliance and safety & health	Internal & External Audits

Risk Management Report

During this financial year, we continued to strengthen our control environment as detailed in sections 2 and 3 above.

The Head of Risk Management & Compliance attended one IBL Audit & Risk Committee (ARC) meeting held on 09 August 2022, which was specifically dedicated to risk matters. During this meeting, the committee was able to consider matters such as:

- Review and approval of the Risk Management Report for IBL's Integrated Report 2021/22
- Risk dashboard
- IBL Group and Cluster top risks
- East African risk factors and
- Emerging risks.

In addition, the Head of Risk Management & Compliance and the Chairman of the ARC meet on a regular basis to discuss and assess the effectiveness of the Group's risk management framework and governance, emerging risks and to receive updates on other risk management activities.

IBL's Internal Risk Committee

To strengthen IBL's risk management system, an Internal Risk Committee (IRC) was set up in September 2020. The role of the IRC is to assist the risk management function in its mission to drive risk management across the Group and support businesses in achieving their performance objectives. The IRC is composed of the following members of IBL's executive team:

Name	Function
Jean Claude Béga[1]	Group Head of Financial Services and Business Development / Executive Director
Dipak Chummun	Group CFO
Preetee Jhamna	CFO Group Operations
Thierry Labat	Group Head of Corporate Services
Christine Marot	Group Head of Technology & Sustainability
Olivier Decotter	Head of Risk Management & Compliance (Chairs the committee meetings)

The IRC mainly focused on the following matters during the year:

- Discussing on Emerging Risks
- Reviewing current insurances and discussing on new insurances
- Reviewing and updating IBL's Group Top Risks for this year
- Reviewing and refreshing the risk assessment methodology

IBL's Information Technology Committee

In 2021, the ARC approved the creation of a dedicated Information Technology Committee (ITC) to drive the implementation of IBL's Information Technology Governance Framework (ITGF). Its role includes the identification, assessment and management of Information Technology risks in line with IBL's risk management framework. The chairperson of the ITC reports to the ARC on the affairs of the ITC. Detailed information about IBL's ITGF and the composition of the ITC are provided on page 180 of this Integrated Report.

[1] Until 30 June 2023

8. Risk Appetite Statement of IBL

IBL is a conglomerate that holds a portfolio of businesses operating in different geographies and sectors of the economy.

The Board acknowledges that defining one global Risk Appetite Statement, that applies to IBL as well as all its subsidiaries and Operating Units, would not be adequate. Each subsidiary and Operating Units have their own risk profile based on their industry, environment, governance, stakeholders, and thus, a unique risk appetite aligned with their own strategy. In light of the above, the Board has focused on detailing, clarifying and approving a Risk Appetite Statement for the investment activities of IBL Ltd, excluding the Operating Units of the Company.

The Company's current portfolio exposure is mainly concentrated in Mauritius, which has prompted it to pursue its strategy to extend its diversification in the region, mainly in East Africa, focusing on the Retail, Health and Energy sectors inter alia.

To achieve its strategic objectives, the Company will have to take a reasonable amount of risks. However, if not properly addressed, these risks have the potential to threaten the Company's key assets (including profits, people, brand and the environment). These risks can also undermine the trust and confidence of IBL's stakeholders which, in turn, could hinder its strategy and, in extreme situations, threaten the sustainability of the Company.

IBL's Risk Appetite Statement serves as a compass that aims to guide the Board and management in their decision-making process. It intends to remind decision-makers to take into consideration risk factors when important decisions are called for. The Risk Appetite Statement describes the amount and type of risks that IBL is willing to take to meet its strategic objectives. It also describes certain risks that the Company should avoid.

In the event of a strategic or opportunistic reason, an exception to the risk appetite parameters is accepted. Any exception considered, however, will have to be approved by the relevant governance body according to the respective delegation of powers and authorities. Exceptions will be subject to enhanced control and monitoring measures.

IBL's Risk Appetite Statements have been framed around the Company's main risk areas, as outlined below:

- Investment
- Reputational
- Operational
- Financial
- Compliance
- People
- Sustainability

This Risk Appetite Statement, adopted by the Board of Directors of IBL Ltd in 2022, was reviewed this year.

Risk Management Report

Risk Areas		Risk Appetite Statements
Investment	Strategy	· IBL's investment strategy is to hold a portfolio of investments in companies in which it can generally act as an anchor partner and create sustainable value for all its stakeholders over the long term. To that effect, IBL has a long-term investment horizon with no predefined exit strategy in mind. · In pursuing its investment strategy, IBL will, on the local front, preserve its core Mauritian investments and, on the international front, expand its reach in the region, mainly in East Africa, by investing in businesses where its subsidiaries have world-class expertise and in fast-growing sectors such as Health, Energy and Technology. · IBL reckons that investments are risky in nature and that risk exposure varies according to the sector and/or geography. On a project basis, IBL will allocate a budget for investment in start-ups and R&D. · IBL will avoid investing in countries demonstrating high geopolitical risk. It will also avoid investing in countries and businesses where policies and practices are contrary to IBL's values and governance principles, including Environmental, Social and Governance (ESG) goals. · IBL may resort to arbitrage to finance its strategic opportunities. For example, it may do so by deciding to disinvest from mature investments, from investments that no longer fit its strategy or from investments that are no longer aligned with its ESG commitments.
	Execution	· In executing its investment strategy, IBL will aim to ensure that its investment portfolio remains sufficiently diversified across growth industry sectors and chosen geographies. · IBL will generally seek to acquire a controlling stake in a business ("path to control"). However, depending on its size or sector, IBL will be open to acquiring an initial minority stake alongside a trusted partner (some of whom may be looking for "a path to exit") with the possibility to building up its shareholding to a controlling position at a later stage. · Capital investments in greenfield projects will not be substantial, except for innovative and/or opportunistic projects in collaboration with strong and skilled partners in specific growth industries. · New investments and projects are executed with due regard to value-added ESG inputs. · IBL will draw on best practices and its own lessons learned from past experiences and will apply strict guidelines on all Mergers & Acquisitions (M&A) evaluations and potential transactions. When a potential M&A transaction materialises, appropriate procedures must be laid out to ensure that the transaction is executed in the most efficient manner. In the event of a new acquisition, IBL will adopt and set up a clear transition approach for post-merger integration.
	Management & Governance	· IBL is committed to standing as a trusted partner for its stakeholders. · IBL is committed to ensuring strong governance practices across its portfolio, in line with best corporate governance practices. · The Board of IBL is committed to including members of excellent repute, integrity and competence to drive its strategy, and to applying a stringent process in the selection of Directors. · IBL's representatives, who act as Directors on the Boards of subsidiaries and associates, will always be members of excellent repute, integrity and competence. · The Boards of IBL and its subsidiaries and associates will perform regular Board and Director evaluations to monitor their respective performance in compliance with best corporate governance practices. · IBL will follow appropriate procedures (including due diligence) to ensure that its strategic and commercial partners are promoting the highest standards of integrity, governance and values.

Risk Areas	Risk Appetite Statements
Reputational	· IBL enjoys a solid reputation in Mauritius. It considers its brand and the reputation of its people as a key strength towards achieving its objectives. · IBL commits to adopting the highest standards of ethics in all its activities to avoid damaging the strong reputation it has developed amongst its stakeholders. · IBL will continuously build, enhance and protect its reputation and brand through transparent communication with all its stakeholders. · IBL will continue nurturing and deploying the principles set out in its Code of Business Ethics.
Operational	· IBL is very concerned by the rising trend of cyber security threats and will continue to invest in top-class cyber security solutions, including user awareness, to consolidate its cyber resilience, as well as the resilience of its investees, to protect its assets and stakeholders. · IBL fiercely condemns fraud, corruption and related behaviours and will continue its fight against these plagues. As a key deterrent to these plagues, IBL will encourage whistleblowing and provide all necessary safeguards to protect whistle-blowers.
Financial	· Funding is key to IBL's expansion and growth. IBL can avail of a range of financing options, such as raising capital from the public or sophisticated investors, or seeking facilities from banking partners. IBL will always select the most suitable financing option for its investment projects. · IBL will maintain its gearing at a reasonable level. · IBL will avoid speculative investments or operations, and its finances will always be managed in a prudent and responsible manner.
Compliance	· IBL considers compliance as a key element of its risk management and internal control environments. Hence, IBL will dedicate the necessary resources to embed a strong compliance culture and framework across its portfolio, aiming to always reach maximum compliance with laws, by-laws, regulations and applicable policies, procedures and standards. · IBL will not allow any of its activities to be a channel for money laundering or terrorism financing. IBL is therefore committed to applying Anti-Money Laundering and Combatting the Financing of Terrorism ("AMLCFT") best practices to fight these crimes.
People	· IBL's people are its most important asset. IBL is dedicated to creating an environment in which its people can thrive and feel fulfilled. · IBL will work towards becoming an Employer of Choice, which ensures that its work environment is optimal to safeguard the safety and health of its people, provide opportunities for professional and personal development, and promote diversity, agility, mobility and inclusion across the organisation. · IBL will seek to hire the right people in terms of their attitude, skills, competence and agility, and build high-performing teams.
Sustainability	· IBL is committed to acting as a responsible corporate citizen. IBL will thus apply ESG and ethical principles in its decision-making process and strategic initiatives. · IBL's sustainability objectives are geared towards contributing to society, sustainable solutions and responsible actions. · IBL will strive to always improve the ecological footprint of its activities, assets and people.

Risk Management Report

9. Heat Map – IBL Group Top 15 Risks

As in previous years, IBL Group carried out an annual risk assessment of its top risks during the month of July 2023. During a risk rating exercise, a voting panel was tasked with ranking 32 main risks. These 32 main risks were pre-selected by the Internal Risk Committee out of a list of more than 50 risks. This year's list included one new top risk namely Water Stress, which ranked 10th within the Group's Top 15 risks. Most of our top 15 risks are dependent on external factors driven by major events that are generally outside our control.

We have considered the potential impact of external factors on our Group and Cluster top risks (see below).

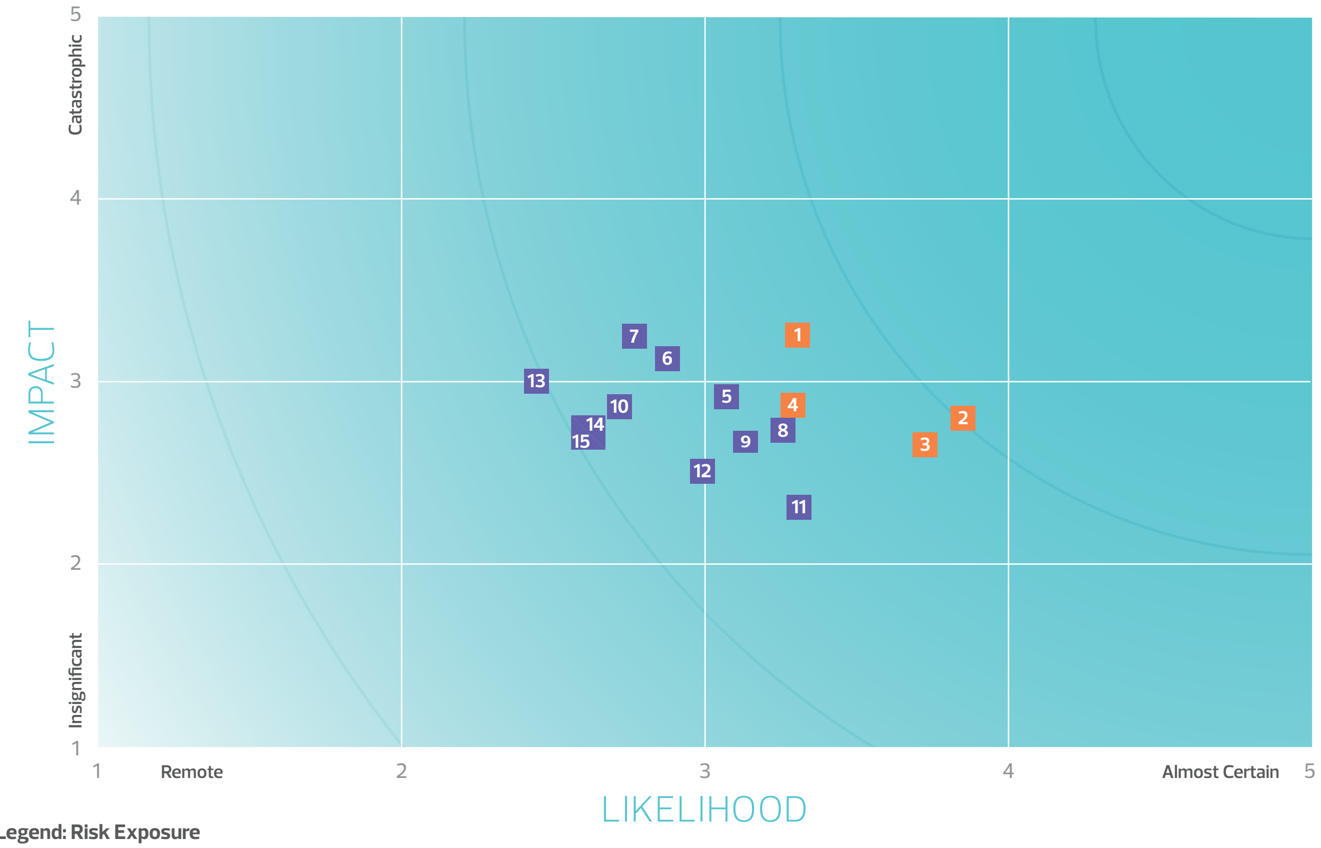
Factors affecting the risks: *External factors are represented in blue and internal factors in white. External factors relate to outside events or conditions. These include threats such as the sudden onset of a political crisis or opportunities such as a change in government policy or new partnerships. These risks may be beyond IBL's immediate control but are recognised and managed as far as possible. In contrast, internal factors relate to the adequacy of IBL's organisational policies, capacities, arrangements, resources and other issues.*

Internal Factors ○ ◔ ◑ ◕ ● External Factors

Our top 15 risks are forward-looking. Amongst these risks, some have a short-term horizon because they are related to the current context, (such as risks no. 1, 2 and 3) and others have a longer-term outlook (such as risks no. 4, 5 and 7).

Finally, as shown on the below Heat Map, 4 of our top 15 risks have been rated Medium-High and the remaining have been rated Medium-Low on a residual basis. We have also indicated the risk trends using last year's ranking as a baseline.

Heat Map – IBL Group Top 15 – Residual Risk Rating



Legend: Risk Exposure

Medium High   Medium Low

Ranking 2023	Risk Title	Risk Exposure	Trend vs 2022
1	Cybersecurity threats	Medium -High	↗
2	Forex fluctuations	Medium -High	→
3	Volatility of commodities price	Medium -High	↘
4	Climate Change (Physical)	Medium -High	↗
5	Climate Change Transition	Medium-Low	↗
6	Talent Management	Medium-Low	↗
7	Sustainability of tuna stocks	Medium-Low	↘
8	Geopolitical instability (East Africa)	Medium-Low	↗
9	Market conditions	Medium-Low	↘
10	Water Stress	Medium-Low	NEW
11	Geopolitical conflicts (East Europe)	Medium-Low	↘
12	Sustainability of National Debt	Medium-Low	↘
13	Capital investments abroad	Medium-Low	↗
14	Country attractiveness	Medium-Low	↘
15	Succession	Medium-Low	↗

Previous top risks that are no longer among IBL's TOP 15 risks in 2023

Risks	2023 Ranking	2022 Ranking
Supply chain	22	5
Global stagflation threat	18	8
Tourism performance	27	12
National government policies	16	13
Air connectivity	29	14
Debt Crises (large economies)	21	15

Risk Management Report

Group Risks

The following risks concern the entire IBL Group.

Rank	Risk	Description	Risk Factors	Mitigating measures	Main capital impacted	Link to Group-level Strategy
1	Cybersecurity threats	Increasing attempts at cyber-attacks, potentially leading to major disruptions in critical systems and work infrastructure, loss or theft of critical data, information leakages causing a halt in operations, financial loss and reputational damage.		· Ongoing implementation of IT governance framework within IBL Group · Remedial action plan for gaps identified during Technology Maturity Assessment based on Technology Governance Framework · IT Committee in place and reporting to the Audit & Risk Committee · Cyber/IT security strategy developed for IBL Ltd, development in progress in IBL Operations · Due diligence and security assessments of external vendors/service providers undertaken · Support of cybersecurity expertise to help build the Group's cyber security capability · Financial resources deployed to enhance IT security · Bi-monthly COO Forum to share Cyber Security updates & initiatives · Ongoing implementation of IT Security Policies throughout the Group · Implementation of Incident Management Policy and Cybersecurity Incident Response Procedure approved by the Group IT Committee · Evaluation of IT security solutions for the Group · Implementation of an AI-powered antivirus solution within the Group · Cyber footprint analysis carried out for IBL Ltd · Vulnerability Assessments and Penetration Testing exercises undertaken · Embedding security in technology projects · Awareness of security best practices and IT security risks continuously refreshed and strengthened at all levels within the organisation		
2	Forex fluctuations	Adverse fluctuations in the principal currencies and the MUR, impacting revenues from our import / export operations, and potentially negatively affecting the price of products and services and causing a decline in competitiveness.		· Group Treasury service to assist businesses in assessing and mitigating impact of adverse forex movements · Diversification of activities and income sources worldwide · Group forex conversion policy in place to mitigate a lack of forex on the market · Where applicable, creation of hedging strategies to match budgeted conversion prices while protecting companies (partially or in full) from exposure to foreign currencies		
4	Climate change (Physical)	Climate change resulting in more extreme weather events, extreme temperatures, droughts, fires, destruction, floods, resource scarcity, famine, species loss, among other impacts and brand damage for those contributing negatively and having a direct adverse effect on our people, assets and operations.		· Disaster recovery plans to limit impacts · Execution of drainage masterplan in some companies · Cyclone and flash flood procedures in place · Drainage and water accumulation controls in place · Insurance policies to cover operational losses caused by natural catastrophes (rainfall, cyclones and droughts) · Remote working capabilities · National measures taken to mitigate climate change effects (beach protection, landslide and flood management) · Use of more efficient modes of transport · Move to more efficient buildings (LEED Certified)		

Risk Management Report

Rank	Risk	Description	Risk Factors	Mitigating measures	Main capital impacted	Link to Group-level Strategy
5	**Climate Change Transition**	Failure to adapt our activities and take appropriate action regarding climate change events and natural disasters, leading to a shock in demand or supply, a complete stop of operations, the loss of lives and substantial financial losses and damage to assets.		· Sky Sails agreement (IBL Energy) relating to the installation of an airborne wind energy system on the eastern coast of the island to produce green electricity · Photovoltaic solar projects (LUX* Ile des Deux Cocos, LUX* Properties in the Maldives, Alteo) · Application made to local authorities to install photovoltaics on 32 IBL sites · Use of different/more efficient production and distribution processes · Raising awareness of environmental concerns and commitment to SDGs, with a particular focus on climate change and climate actions · Creation of Group (environmental) Sustainability Policy and development of Group-wide strategy for sustainability and responsible business conduct · Creation of new end-of-life procedures (including recycling, waste and packaging circularity) · Access to new markets through innovation awards · Cyclone and flash flood procedures in place · Insurance policies to cover operational losses caused by natural catastrophes (Hospitality) · Conducted knowledge building workshops and conferences to empower the decision makers in our Group to be actors of change in the climate transition. · Energy Audit conducted across some production sites, in anticipation of full carbon footprint assessments · Increased pricing of CHG emissions, accelerating any CO2e initiative · Commitment to setting a Near term target and a Net Zero target with the Science Based Targets Initiative (SBTI) in an IBL company. This company is also a member of the Business Ambition for 1.5 C campaign (The Lux Collective) · Resource substitutes / diversification · Use of lower-emission sources of energy (e.g. greener laptop batteries) · Shift in consumer preferences · Uncertainty in market signals		
6	**Talent Management**	Inability to attract, develop and retain talents to support and deliver on the Group's strategic objectives.		· Competitive remuneration packages aligned with market practice · Great Place To Work (GPTW or any related engagement) initiatives and follow-up/closing the gap actions to develop workplace excellence and a conducive work environment · Development of an engagement strategy to consolidate employer brand · Tailor-made in-house trainings and development plans to develop staff skills and expertise and at the same time cater for the needs of companies (e.g. Bud to boss, FFTJ and MDP) · Ensuring that talent development and management plans are in place across the Group · Deployment of Phase 2 (3-year plan) of the Human Capital strategy strengthening the human capital transformation process · Flexibility concept in place · Set up of remote training sessions · Talent Review Days & Talent Review Committees in place for the IBL Group · Provision of individual executive coaching with external coaches · Consolidation of current IBL Leadership frameworks and IBL Talent Management framework. · Launch of an IBL Academy to deploy a culture of performance and excellence · Revised work permit to facilitate talent attraction		

Risk Management Report

Rank	Risk	Description	Risk Factors	Mitigating measures	Main capital impacted	Link to Group-level Strategy
8	**Geopolitical instability (East Africa)**	Political, social and economic instability (including volatility in government policies) in East African countries where IBL intends to grow its activities intensively impacting investments, revenues and people.		· Diversification of activities in the region · Nurturing of positive relationships with relevant stakeholders and retention of experienced advisors to foresee eventual changes that might negatively affect businesses · Increasing presence on the ground (dedicated office and resource) and improved knowledge of local context and business culture · Monitoring of presence/exit of international financial players (banks, insurance) · Safe travel guidelines defined · No major disruptions following last elections in Kenya (politically stable country) · Country risk assessment framework in place		
9	**Market conditions**	Lack of foreign currency on the local market, leading to an inability to pay foreign suppliers and meet contractual agreements, resulting in financial penalties and partial or complete halt of commercial activities.		· Group forex conversion policy. IBL promotes sales of foreign currencies by Group forex sellers, ensuring that forex buyers can purchase foreign currencies from the Group · Negotiation of extended payment terms with foreign suppliers. · Strict management of cashflows and forecasts · Encourage clients to open and to use new bank accounts and facilities such as overdraft and import loans. · Where applicable, creation of hedging strategies to match budgeted conversion prices while protecting companies (partially or in full) from exposure to foreign currencies.		
11	**Geopolitical conflicts (East Europe)**	Lasting war in Ukraine and western sanctions against Russia with spillover effects on, for instance, the volatility of price of certain commodities, increasing cyber-attacks, and disruption in energy supplies indirectly impacting the performance of the IBL Group.		· Geographical diversification of the Group · The Group has no material, direct or indirect, financial or operational exposure to Russia or Ukraine · Constant monitoring of current macroeconomic and geopolitical events and the potential impact as regards our growth strategies and key stakeholders · Constant monitoring of cyber security threats (as a possible consequence of the war) · National measures taken to help contain the ripple economic effects of external shocks · Improving operational efficiency and productivity of businesses as well as stringent cash flow management to help navigate the uncertainties of the current global context		
12	**Sustainability of National Debt**	Growing national debt leading to political, financial and fiscal crises adversely impacting IBL Group as a whole.		· Geographical diversification of the Group · Improving operational efficiency and productivity of businesses as well as stringent cash flow management to help navigate the uncertainties of the current global context · Measures taken at the national level towards building resilience in the country's economy and public finances i.e. reduction of public sector debt		

Risk Management Report

Rank	Risk	Description	Risk Factors	Mitigating measures	Main capital impacted	Link to Group-level Strategy
13	Capital investments abroad	Management of significant capital investments in projects abroad.		· Retention of intelligence and learnings from past failures in Africa · Strategic committee in place to review investment projects · Dedicated IBL East African office and resource in Kenya to identify opportunities within given set investment framework and guidelines · COO based in Kenya and responsible for the management of IBL's East African headquarters to support the strategic expansion of IBL in East Africa · Well-structured M&A process and experienced team in place · Clear and structured approach to allocation of capital to projects and active portfolio management · Operational, legal, tax, financial and reputational due diligence on targets and their principals · Identification and training or recruitment of talent for new/key project positions · Enhanced risk management activities and reporting in the M&A process		
14	Country attractiveness	Lack of attractiveness of Mauritius to our traditional markets and global community, impacting key business sectors in which IBL has invested and reducing foreign direct investment and the development of new business relationships and opportunities.		· IBL and IBL companies are trustworthy and longstanding partners to strong international brands of good repute present in Mauritius · Recognition as a reputed international financial centre · New marketing strategy to continue promoting the destination · Participation in Government-led sustainability initiatives · Implementation of strategic expansion plan abroad · Promotion of R&D, health, energy efficiency industries as new development sectors · Increase in promotional tours abroad (traditional and new markets) · Competitive tax landscape making the country more attractive to investors		
15	Succession	Unclear succession plan for key executives and management positions within the Group for businesses requiring particular skills and competences.		· Implementation of a yearly talent review exercise including Business Critical Roles ("BCR") and succession planning · Launch of an IBL Academy to identify and to train future-fit talents · Progress on mobility and assignments guidelines · Competitive packages for high potentials and BCRs		

Risk Management Report

Cluster Risks

The following were identified as Top Risks for specific IBL clusters.

Rank	Risk	Description	Risk Factors	Mitigating measures	Main Cluster/s impacted	Main capital impacted	Link to Group-level Strategy
3	**Volatility of commodities price**	Volatility in the price of commodities (including raw materials), impacting margins and worsening performance by possible shortages in view of disruptions in the supply chain.		· Mitigation plan defined, including potential price adjustments and diversification of sources · Development of appropriate hedging mechanisms · Close monitoring of factors that generally affect commodity prices · Focus on local production capacities · Use of controlled pricing mechanisms when entering into construction contracts (property) · National measures in place to further control price hikes (subsidise essential products), provide subsidies to support purchasing power of population and promote higher levels of self sufficiency	· Building & Engineering · Property · Commercial & Distribution · Agro & Energy · Logistics		
7	**Sustainability of tuna stocks**	Depletion of wild tuna stocks, impacting the supply of raw materials to the seafood cluster and indirectly impacting the financial performance of the whole value chain.		· Ongoing lobbying by the Indian Ocean Tuna Commission (IOTC) to pass resolutions enabling the sustainable management of tuna stocks in the Indian Ocean. · Since the creation of the Sustainable Tuna Association in 2022, direct messages are being shared to the Government and public at large, as well as to the EU Commission · Through STA, IBL has a joint aligned position with Princes Tuna (Mauritius) Ltd regarding sustainability and trade negotiations approach. · STA has recruited a consultant based in Brussels to strengthen its lobbying actions. · New management measures and quotas introduced for Bigeye in May 2023. · Controversial measure against purse seiners adopted in February 2023, but in the process of being objected to by affected flag states, including the EU and Seychelles which are the main suppliers. · Increased participation in IOTC Working Groups, Scientific Committee and Commission meetings as part of the Mauritian delegation · Partnership agreement with EU for seafood: 0% duty on exports/quota free · Maintain good relationship with Ministry of Fisheries and Ministry of Foreign Affairs.	· Seafood		
10	**Water Stress**	Severe water related challenge/s causing major operational disruptions and thereby undermining the business viability of IBL businesses.		· Use of rainwater harvesting solutions · Use of desalination techniques · Use of water recycling solutions (reusing water for business purposes) · Implementation of a water conservation culture / fighting water leaks	· Agro & Energy · Building & Engineering · Commercial & Distribution · Hospitality & Services · Logistics · Seafood		

Corporate Governance

In this section

Corporate Governance Report

Introduction

IBL Ltd ('IBL' or the 'Company'), a public interest entity as defined by the Financial Reporting Act 2004, has applied the principles of the National Code of Corporate Governance (2016) (the 'Code'). The corporate governance report sets out how the Code's principles have been applied and reflected throughout IBL. Good governance is at the heart of IBL and is crucial to the Company's success, and its ability to deliver on its strategy.

This report forms part of IBL's Integrated Report for 2023-2023 and is also available on IBL's website: www.iblgroup.com

Principle 1: Governance Structure

Governance Charter

IBL's governance structure is set out in its Governance Charter. The Charter defines the role, function and objectives of the Board of Directors, Board Committees, Chairman, Group CEO and senior executives. It also sets out how they interact in order to promote efficient, transparent and ethical functioning/decision-making processes within the Group. In the same spirit, the IBL Share Dealing Policy has been approved and signed by all the Directors and Senior Officers of IBL.

In accordance with good governance practices, the Board of IBL ensures that regular Board meetings and Management Committee meetings are held throughout the Group. The composition of the Boards of the Group's main subsidiaries is reviewed by IBL's Corporate Governance Committee, which also acts as the Nomination and Remuneration Committee. For effective oversight, the Board of IBL subsequently designates its representatives on the Boards of these subsidiaries.

The Governance Charter and the IBL Share Dealing Policy are available on IBL's website: www.iblgroup.com

Code of Business Ethics

A Code of Business Ethics, which also includes whistleblowing procedures, was last reviewed and approved by the Board on 03 June 2019. The Board has strongly encouraged and recommended the companies of the Group to make use of the spirit of this Code when adopting their own Code of Ethics.

This Code is available on IBL's website: www.iblgroup.com

Constitution

IBL's Constitution complies with the provisions of the Mauritius Companies Act 2001 and the Listing Rules of the SEM.

A copy of the Constitution is available on the website: www.iblgroup.com

Organisational chart and Accountability Statement

A governance structure and organisational chart for IBL reflecting the key senior positions and the reporting lines within the Group, is set out in the "Leadership" section of the Integrated Report.

Principle 2: The Structure of The Board and its Committees

Key Metrics

29% Independent Directors

21% Foreign Directors

14% Women on Board

57% Expertise in Strategic Development

60 years Average Age of Directors

The Board

IBL is led by an effective and highly committed unitary Board comprising 14 independently-minded Directors, including two (2) female Directors, and of which four (4) are Independent Non-Executive, eight (8) are Non-Executive and two (2) are Executive Directors.

The composition of the Board as at the date of this report is as follows:

Name	Status
Jan Boullé	Non-Executive Chairperson
Martine De Fleuriot De La Colinière	Non-Executive Director
Isabelle de Melo	Non-Executive Director
Richard Arlove	Independent Non-Executive Director
Georges Desvaux	Independent Non-Executive Director
William Egbe	Independent Non-Executive Director
Arnaud Lagesse	Executive Director
Benoit Lagesse	Non-Executive Director
Hugues Lagesse	Non-Executive Director
Jean-Pierre Lagesse	Non-Executive Director
Thierry Lagesse	Non-Executive Director
Momar Nguer	Independent Non-Executive Director
Clément Rey	Non-Executive Director
Patrice Robert	Executive Director
Stéphane Lagesse	Alternate Director to Thierry Lagesse

Corporate Governance Report

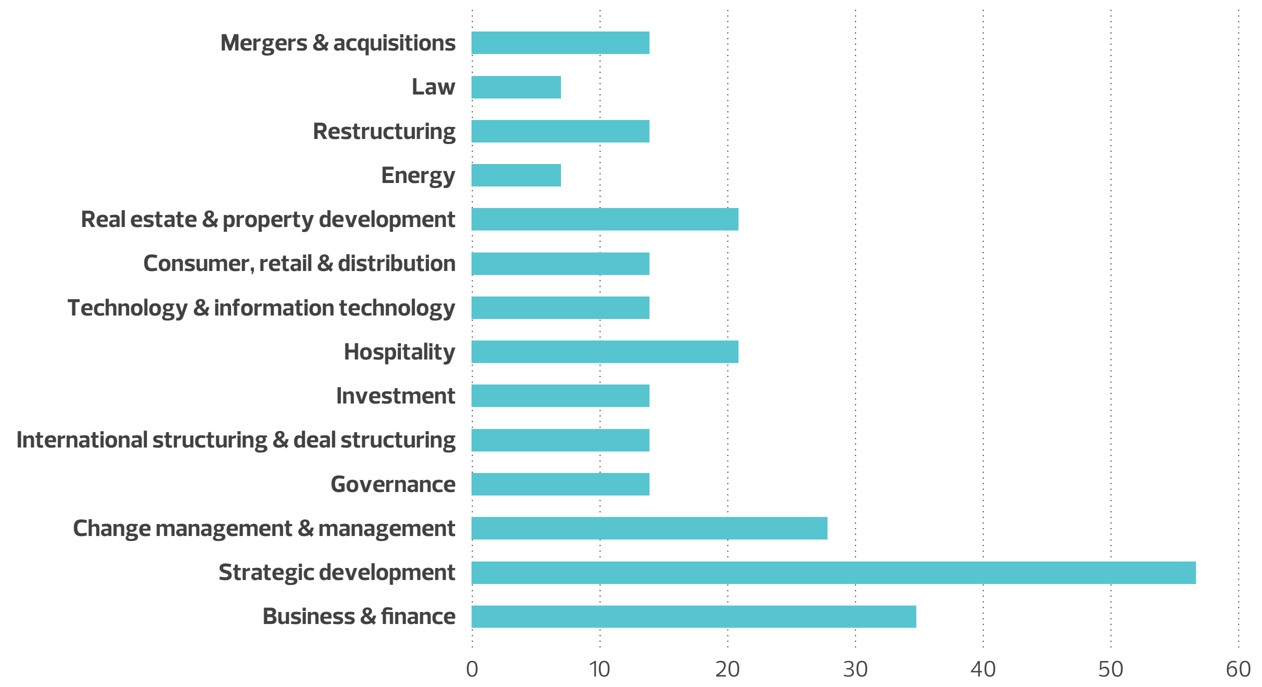
Board Changes as at date of this report:

Board Member	Date	Nature of Change	Impact on Committee Membership
Jean-Claude Béga	30/06/2023	Retired from office and subsequently resigned as Executive Director	· None
Georges Desvaux	01/07/2022	Appointed as Independent Non-Executive Director	· Appointed as Member of the Corporate Governance Committee and thereafter as its Chairperson · Appointed as Member of the Strategic Committee
William Egbe	01/10/2022	Appointed as Independent Non-Executive Director	· Appointed as Member of the Strategic Committee and thereafter as its Chairperson
Pierre Guénant	19/09/2022	Ceased to be an Independent Non-Executive Director upon his demise	· Ceased to be Chairperson of the Strategic Committee upon his demise
Gilles Michel	20/09/2022		· Appointed as Chairperson of the Strategic Committee in replacement of Pierre Guénant following his demise
	31/12/2022	Resigned as Independent Non-Executive Director	· Resigned as Chairperson of the Corporate Governance Committee · Resigned as Member and Chairperson of the Strategic Committee
Momar Nguer	01/01/2023	Appointed as Independent Non-Executive Director	· Appointed as Member of the Corporate Governance Committee · Appointed as Member of the Strategic Committee · Appointed as Member of the Remuneration Sub-Committee and thereafter as its Chairperson
Jean Ribet	05/04/2023	Ceased to be a Non-Executive Director upon his demise	· Resigned as Member of the Corporate Governance Committee · Ceased to be a Member of the Strategic Committee upon his demise · Ceased to be a Member of the Remuneration Sub-Committee upon his demise
Clément Rey	06/06/2023	Appointed as Non-Executive Director	· Appointed as Member of the Strategic Committee · Appointed as Member of the Remuneration Sub-Committee
Patrice Robert	01/07/2023	Appointed as Executive Director	· None

Skills & expertise

In view of the size of the Company, its current scope of activities and geographical spread of operation, the Board is of the view that its current Directors have the adequate set of expertise. They are of appropriate calibre and have the appropriate mix of core competencies, knowledge and diversity to manage the Company in an efficient manner in order to achieve the objectives and implement the strategy.

Skills & Expertise (%)



Profiles of Directors and details of external appointments

IBL's Directors' profiles, including details of their appointments in listed companies, have been disclosed in the "Leadership" section of the Integrated Report.

Corporate Governance Report

Board and Directors' roles and responsibilities

The Board assumes the responsibility for leading and controlling the Company and for ensuring that all legal and regulatory requirements are met. It plays a key role in determining the Company's direction, monitoring its performance and overseeing risks. It is collectively responsible for the long-term success of the Company.

Chairman

- Provides overall leadership.
- Ensures the smooth functioning of the Board.
- Encourages the active participation of each Director in discussions.

Non-Executive Directors

- Monitor the delivery of the agreed strategy within the risk and control framework set by the Board.
- Constructively challenge the Executive Directors and the management of the Company.

Executive Directors

- Responsible for the day-to-day running of the Company's operations.
- Leads and directs senior management to implement the strategy and policies set by the Board.

Company Secretary

- Provides assistance and information on governance and corporate administration issues.
- Guides the Board on the Directors' statutory duties under the law; disclosure obligations; listing rules and corporate governance requirements and effective Board processes.

Notes:

1. The four (4) Independent Non-Executive Directors are considered independent based on the independence criteria set out in the National Code of Corporate Governance for Mauritius. The Independent Directors have not been employees of the Group within the past three years, nor do they have a material business relationship with the Company, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Company.
2. A majority of the Directors do not have a relationship with the shareholders holding more than 5% of the Company's shares.

The Company Secretary

IBL Management Ltd comprises a team of experienced company secretaries providing support and services to the companies of the Group. As governance professionals, the company secretaries guide the Boards on corporate governance principles and on their statutory duties and responsibilities. In its advisory role, the Company Secretary provides support and advice to companies of the Group on corporate transactions/projects. The Company Secretary is responsible for the efficient administration of a company, particularly with regard to ensuring compliance with statutory and regulatory requirements.

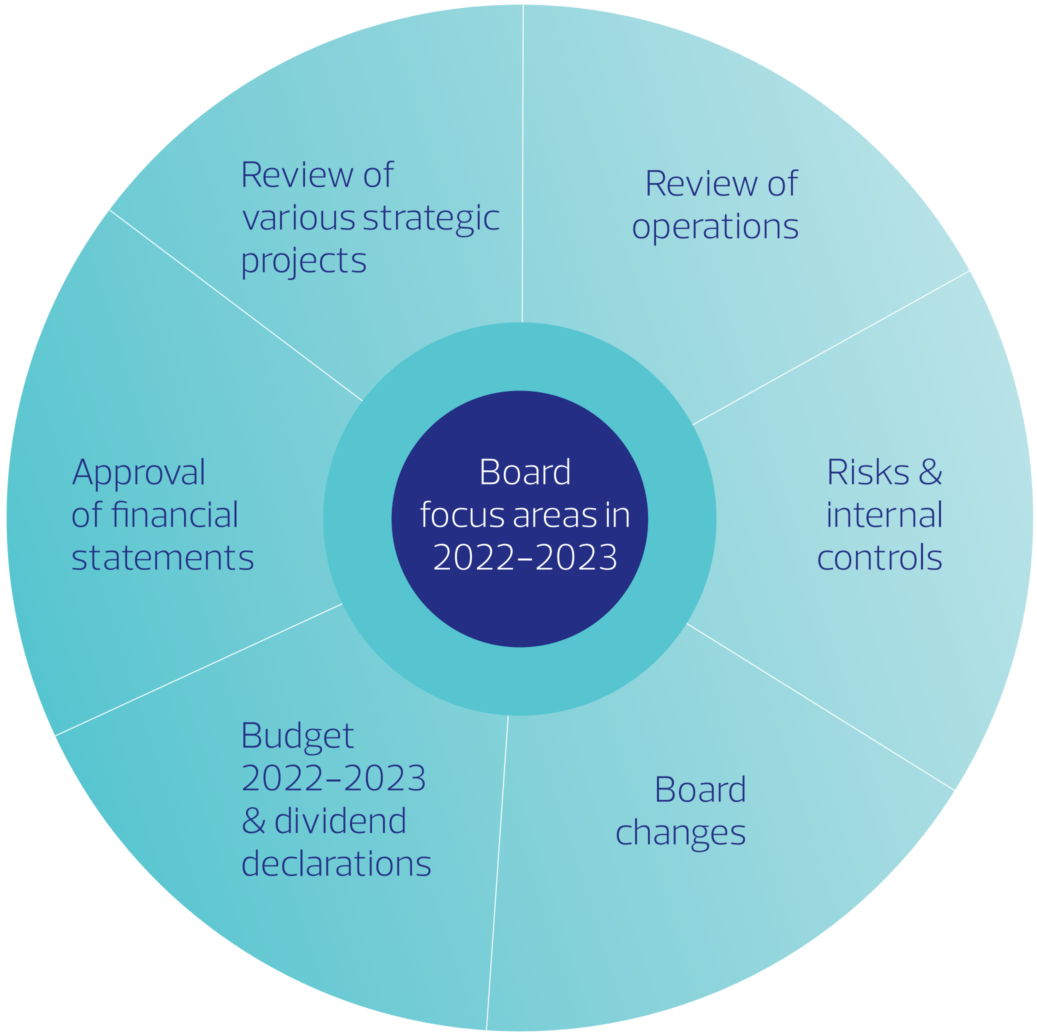
Board meeting process

Beginning of the year	· Planning for Board Meetings for the ensuing year is set by the Head of Corporate Affairs.
Setting of agenda	· Draft agendas for the Board are finalised by the Group CEO and the Chairman prior to each meeting. · Agendas are finalised at least one week before the scheduled date of the meeting.
Before the meeting	· Agendas and all relevant Board papers are uploaded on the Board portal to the Directors one week before the scheduled meeting. · Necessary arrangements (video conferencing, etc) are made for those Directors not able to be physically present.
Board meeting	· Board matters, such as the review of activities of the various clusters of IBL, or reports from the Committee Chairpersons, are discussed.
After Board Meeting	· Minutes are produced and sent to the Group CEO and Chairman for review and comments prior to circulating these to the Board. · Follow-up on certain Board decisions (update of authorised signatories, etc.) are then ensured by the Company Secretary.

Corporate Governance Report

The Board in 2022-2023

During the year under review, the Board met five (5) times and some of the main issues discussed at these meetings are set out below. Decisions were also taken by way of written resolutions signed by all the Directors.



Attendance in 2022-2023

Directors	12-Oct-22	03-Nov-22	05-Dec-22	14-Feb-23	06-Jun-23	Total number of meetings attended
Jan Boullé	✓	✓	✓	✓	✓	5
Richard Arlove	✓	✓	✓	✓	✗	4
Martine De Fleuriot De La Colinière	✓	✓	✓	✓	✓	5
Isabelle de Melo	✓	✓	✓	✓	✓	5
Benoit Lagesse	✓	✓	✓	✓	✓	5
Hugues Lagesse	✓	✓	✓	✓	✓	5
Thierry Lagesse	✓	✓	✓	✓	✓	5
Jean-Pierre Lagesse	✗	✓	✓	✓	✓	4
Georges Desvaux (1)	✓	✓	✗	✓	✓	4
William Egbe (2)	✓	✓	✓	✓	✓	5
Momar Nguer (3)				✓	✓	2
Gilles Michel (4)	✓	✓	✓			3
Pierre Guénant (5)						0
Jean Ribet (6)	✓	✓	✓	✓		4
Arnaud Lagesse	✓	✓	✓	✓	✓	5
Jean-Claude Béga	✓	✓	✓	✓	✓	5

Notes

1. Georges Desvaux was appointed on 01 July 2022.
2. William Egbe was appointed on 01 October 2022.
3. Momar Nguer was appointed on 01 January 2023.
4. Gilles Michel resigned on 31 December 2022.
5. Pierre Guénant passed away on 19 September 2022.
6. Jean Ribet passed away on 05 April 2023.

Corporate Governance Report

Board Committees

The Board is assisted in its functions by three (3) main sub-Committees: (i) an Audit and Risk Committee, (ii) a Corporate Governance Committee, which also acts as a Nomination and Remuneration Committee, and (iii) a Strategic Committee. These committees operate within defined terms of reference and may not exceed the authority delegated to them by the Board. The sub-Committees are chaired by experienced Chairpersons who report to the Board on the issues discussed at each Committee meeting.

IBL Management Ltd, the Company Secretary also acts as secretary to the Board Committees. Each member of the Board has access to the minutes of Board Committee meetings, regardless of whether the Director is a member of the Board Committee in question or not.

Audit and Risk Committee

The Audit and Risk Committee assists the Board in fulfilling its oversight responsibilities. It is the Committee's responsibility to review the integrity of the financial statements and the effectiveness of the internal and external auditors.

The Audit and Risk Committee Charter was last reviewed on 03 June 2019 and is available on the Company's website: www.iblgroup.com

Composition

The Committee is chaired by Richard Arlove, an Independent Non-Executive Director. The other members of the Committee are Isabelle de Melo, Benoit Lagesse and Thierry Lagesse (Non-Executive Directors). The Committee's meetings are also attended by the Group CEO, the Group CFO, the CFO – Group Operations, the Head of Internal Audit and the Head of Risk Management. Even though the Code requires that a majority of the members of this Committee be independent, the Board is of the view that the current members possess the required expertise and experience to sit on this Committee.

Attendance in 2022-2023

Members	09-Aug-22	09-Aug-22	29-Sep-22	31-Oct-22	25-Nov-22	30-Nov-22	03-Feb-23	04-May-23	29-May-23	Total number of meetings attended
Richard Arlove *(Chairperson)*	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Benoit Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Isabelle de Melo	✓	✓	✓	✓	✓	✗	✓	✓	✓	8
Thierry Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	✓	9

Notes

- Two (2) meetings were held on 09 August 2022
- A joint Strategic Committee/Audit & Risk Committee was held on 30 November 2022

Matters considered in 2022-2023

During the year under review, the Audit and Risk Committee met nine (9) times and the main issues discussed included:

Regular financial matters

- Abridged audited annual financial statements and full audited financial statements
- Abridged financial statements for the first, second and third quarters
- Budget for 2022-2023

Internal audit matters

- Reports from the Group Head of Internal Audit on the subsidiaries of the Group
- Internal audit report for inclusion in the Integrated Report

Risk management matters

- Considered the IBL Group top risks and their trends
- Risk management report for inclusion in the Integrated Report

Other matters

- Presentation by the external auditor on the key audit matters for 2022-2023
- Presentation by the external auditor on a valuation of investments within the Group
- Meeting with external auditor, without management's presence

Corporate Governance Report

Information, information technology and information security governance

Information Technology Governance

Following the assessment of a first group of Business Units ("BUs") and Group Companies ("GCs") last year, an action plan was established for each entity to address the gaps that needed to be treated, to increase their maturity level in each domain of the IBL Information Technology Governance Framework. The framework is laid out below for reference. The target maturity level for each domain was initially set to 3 as per the Capability Maturity Model Integration (CMM-I).

Governance & Strategy	Organisational structures for technology governance and responsibilities for technology strategy are well defined. Critical areas where technology performance measurement needs to be applied are identified and measured against. Stakeholders receive necessary communication around key IT objectives, strategy and decisions made. A formal technological innovation plan/programme is in place.
Resources	Management structures and responsibilities for technology are well defined. Processes and mechanisms are in place to ensure effective HR management practices within the organisation prior to employment, during employment and upon termination, and effective knowledge creation, transfer and sharing.
Finance	Responsibilities and processes for IT costs and budget management, cost optimisation and vendor management are well defined. Vendors are identified and chosen based on pre-defined criteria. Benchmarks are identified and measurement of vendor performance is regularly conducted. Vendor risk management is taken into account.
Infrastructure & Operations	Responsibilities for IT asset management practices, enterprise architecture and IT operations are formalised. Availability and capacity management procedures are defined. The service desk, including SLAs around incident and change management, is in place well-understood and utilised across the organisation, , acting as a single point of contact.
Application Portfolio Management	Application portfolio management responsibilities and practices are established.
Project Management	Project Management processes and governance are in place, with project planning and relevant resources are formally assigned to projects. Project risk is taken into account and formally documented. Informational, functional and technical requirements gathering aligned to enterprise strategy is formalised. Responsibilities for organisational change management are assigned, with mechanisms in place to ensure effective communication of changes within the organisation.
Data & Analytics	A data strategy has been defined. Responsibilities for data governance, business intelligence (BI) and reporting have been formally assigned in the organisation. Data management training and awareness are provided to users. A current and future state data architecture is maintained in alignment with the overall enterprise architecture. Data quality is formally assessed, in alignment with the data strategy. BI & reporting tools are well adopted and integrated within various areas and systems across the Company.
Security & Risks	A cybersecurity strategy, aligned with overall technology and business strategies, has been defined. Cybersecurity principles and policies are implemented. Technology risk management is in place, with periodic reporting of plans and events. Critical elements and services within the entire business are identified, and measures are put in place to ensure its seamless continuity during an adverse situation.

Several BUs and GCs from the first round of assessment have made considerable progress in their maturity level on the Security & Risks, Governance & Strategy and Data Analytics domains that needed to be reinforced in priority.

Ensuring good governance

The governance model below was described in last year's report, with the Technology & Transformation team being central to its implementation.

BU/GC Business & IT leaders	Technology & Transformation team	Group IT Committee
· Accountable for technology management and governance as per **IT framework** defined at Group level · Implement technology & digital plans in line with BU/GC objectives	· Custodian of **IT framework and policies** · Disseminates approved policies to BUs and GCs · Assists BUs and GCs in enhancing their maturity level in technology governance and management based on framework · Assists BUs and GCs in the execution of their technology & digital plans	· Oversees implementation of **IT framework** and approves **IT policies** · Oversees implementation of **strategic technology projects at BU/GC and Group levels** · Governs the Group's cybersecurity and manages IT-related risks

During the year, focus has been laid on the review and approval of over 30 information technology policies associated to the IBL IT framework. These policies have been disseminated to BU and GC IT Leaders by the Technology & Transformation team. The Cybersecurity posture of the Group has been presented at the IT Group and the Audit & Risk Committees. IT Governance has been reinforced within BU's and GC's with established Technology Steering Committees held every 2 months and bi-annual or annual updates provided at company board level. The launch of ChatGPT and other AI-based services during the year has given rise to new opportunities that are being explored as well as risks that are being monitored by the Technology & Transformation team and reported in the IT Committee. Besides AI, other IT trends are closely followed and their potential impact on IBL BUs and GCs regularly discussed in the IT Committee.

Information Technology Committee

The Information Technology Committee, which is a sub-Committee of the Audit and Risk Committee, operates within defined terms of reference and inter alia:

1. Monitors and evaluates significant IT investments and expenditure.
2. Ensures that information assets are effectively managed.

Composition

The Committee is chaired by Isabelle de Melo, a Non-Executive Director. The other members of the Committee, as at the date of this report, are the Executives of IBL namely: Arnaud Lagesse, Laurent de la Hogue *(in replacement of Jean-Claude Béga who retired from office at close of business of 30 June 2023)*, Christine Marot, Diya Nababsing-Jetshan, Patrice Robert and Thierry Labat.

Corporate Governance Report

Attendance in 2022-2023

Members	13-Sep-22	20-Jan-23	18-Apr-23	Total number of meetings attended
Isabelle de Melo *(Chairperson)*	✓	✓	✓	3
Christine Marot	✓	✓	✓	3
Diya Nababsing-Jetshan	✓	✓	✓	3
Jean-Claude Bega [1]	✓	✓	✓	3
Patrice Robert	✓	✓	✓	3
Arnaud Lagesse	✓	✓	✓	3
Thierry Labat	✓	✓	✓	3

Note

1. Jean-Claude Béga retired from office on 30 June 2023.

Matters considered in 2022-2023

During the year under review, the Information Technology Committee met three (3) times and matters discussed included:

- An IT assessment exercise
- Consideration of technology-related critical risks and issues
- Review of technological projects
- Review of IT policies and Group IT risks and issues

Corporate Governance Committee

The Corporate Governance Committee advises the Board on matters pertaining to corporate governance, and ensures that the principles of the National Code of Corporate Governance are applied. This Committee also acts as the Nomination & Remuneration Committee.

The Corporate Governance Committee's Charter was last reviewed and approved on 03 June 2021 and is available on IBL's website: www.iblgroup.com

Composition

The Committee was chaired by Gilles Michel until his resignation on 31 December 2022. The Committee is now chaired by Georges Desvaux, an Independent Non-Executive Director. The other members of the Committee are Jan Boullé, Martine de Fleuriot, both Non-Executive Directors; Momar Nguer, an Independent Non-Executive Director (appointed as member on 01 January 2023); and Arnaud Lagesse, Executive Director.

Attendance in 2022-2023

Members	16-Sep-22	29-Nov-22	30-May-23	19-Jun-23	Total number of meetings attended
Gilles Michel (Chairperson) [1]	✓	✓			2
Georges Desvaux (Chairperson) [2]			✓	✓	2
Martine de Fleuriot	✓	✓	✓	✓	4
Jan Boullé	✓	✓	✓	✓	4
Arnaud Lagesse	✓	✓	✓	✓	4
Momar Nguer [3]			✓	✓	2
Jean Ribet [4]	✗	✓			1

Notes

1. Gilles Michel resigned as Chairperson of the Corporate Governance Committee on 31 December 2022.
2. Georges Desvaux was appointed as Chairperson on 01 January 2023.
3. Momar Nguer was appointed as Member on 01 January 2023.
4. Jean Ribet passed away on 05 April 2023.

Matters considered in 2022-2023

During the year under review, the Corporate Governance Committee met four (4) times, and main matters discussed included:

Nomination matters

- Recommendation to the Board on the nomination of Directors on the Board of IBL Ltd
- Recommendation to the Board on the nomination of IBL's nominees on the various Boards of subsidiaries
- Recommendation to the Board for approval of the re-appointment of the Group CEO of IBL Ltd

Corporate governance matters

- Recommendation to the Board for approval of the Corporate Governance Report and Statement of Compliance
- Recommendation to the Board for a review of Directors' fees
- Review of the Board Evaluation Exercise results

Corporate Governance Report

Remuneration sub-Committee

The Corporate Governance Committee has assigned its remuneration functions to a sub-Committee, hereinafter referred to as Remuneration sub-Committee. The sub-Committee has also been entrusted with the Corporate Governance Committee's mandate to review the remuneration of staff members, managers and senior management.

Composition

The Remuneration sub-Committee was chaired by Marc Freismuth *(until his resignation on 31 May 2023)*, who is neither an Independent Non-Executive Director, nor a Board member. Momar Nguer, an Independent Non-Executive Director, was appointed as Chairperson on 01 June 2023. As at the date of this report, the other members of this Committee are Clément Rey *(in replacement of Jean Ribet)* and Jan Boullé, both Non-Executive Directors.

Attendance in 2022-2023

Members	25-Jul-22	16-Dec-22	27-Mar-23	17-May-23	29-May-23	27-Jun-23	Total number of meetings attended
Marc Freismuth (1)	✓	✓	✓	✓	✓		5
Momar Nguer (2)			✓	✓	✓	✓	4
Jan Boullé	✓	✓	✓	✓	✓	✓	6
Jean Ribet (3)	✓	✓	✗				2
Clément Rey (4)						✓	1

Notes

1. Marc Freismuth resigned on 31 May 2023.
2. Momar Nguer was appointed as Member on 01 January 2023 and Chairman on 01 June 2023.
3. Jean Ribet passed away on 05 April 2023.
4. Clément Rey was appointed as Member on 06 June 2023.

Matters considered in 2022-2023

During the year under review, the Remuneration Sub-Committee met six (6) times, and matters discussed included:

- Ratifying the payment made under the Long-Term Incentive (LTI) Scheme
- Reviewing the next LTI Scheme
- Reviewing the benchmarking of salaries
- Reviewing the new contract of employment of the Group CEO
- Reviewing talent/career development

Strategic Committee

The Strategic Committee was established for the purpose of advising the Board about the Company's strategy. This Committee also assists the Board in analysing, negotiating, reporting on and making recommendations on potential strategic transactions.

A copy of this Charter is available on the website of IBL: www.iblgroup.com

Composition

The Committee was previously chaired by Pierre Guénant *(up to 19 September 2022)* and subsequently by Gilles Michel *(up to 31 December 2022)*, both Independent Non-Executive Directors. William Egbe, an Independent Non-Executive Director, was appointed as Chairperson of this Committee on 01 January 2023. The other members are Georges Desvaux and Momar Nguer, both Independent Non-Executive Directors; Jan Boullé, Thierry Lagesse and Clément Rey, Non-Executive Directors; and Arnaud Lagesse, Executive Director.

Attendance in 2022-2023

Members	22-Aug-22	28-Sep-22	05-Oct-22	21-Oct-22	28-Nov-22	30-Nov-22	06-Apr-23	19-Apr-23	24-May-23	13-Jun-23	Total number of meetings attended
Pierre Guénant (1)	✓										1
Gilles Michel (2)	✗	✓	✓	✓	✓	✓					5
William Egbe (3)		✓	✓	✓	✗	✓	✓	✓	✓	✓	8
Jan Boullé	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
Arnaud Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
Thierry Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
Georges Desvaux	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	9
Momar Nguer							✓	✓	✓	✓	4
Jean Ribet (4)	✓	✓	✓	✓	✓	✓					6
Clément Rey										✓	1

Notes

- A joint Strategic Committee/Audit & Risk Committee was held on 30 November 2022.

1. Pierre Guénant passed away on 19 September 2022.
2. Gilles Michel resigned on 31 December 2022.
3. William Egbe attended the meeting held on 28 September 2022. He was appointed Member of this Committee on 01 October 2022 and subsequently as its Chairperson on 01 January 2023.
4. Jean Ribet passed away on 05 April 2023.

Corporate Governance Report

Matters considered by the Committee in 2022-2023

During the year under review, the Strategic Committee met 10 times and the matters which were discussed included:

Projects

- Assessed and reviewed various projects (Energy, Health and Retail amongst others)
- Received regular updates on projects/proposals presented by management

Other matters

- Followed up on the IBL Beyond Borders strategy
- Assessed the finance needs for the set strategies

Principle 3: Director Appointment Procedures

- Define the method to be used and assess whether the assistance of an external consultant is required
- Profiling of candidates
- Potential Directors identified and selected by the Corporate Governance Committee (in its capacity as Nomination Committee)
- Recommendation by the Corporate Governance Committee (in its capacity as Nomination Committee) to the Board of Directors
- Appointment of new Director by the Board of Directors
- Once appointed and in accordance with the Constitution of IBL Ltd, Directors must stand for re-election at the Company's Annual Meeting every three (3) years

At the forthcoming Annual Meeting, the following Directors shall stand for re-election as per the Constitution of IBL:

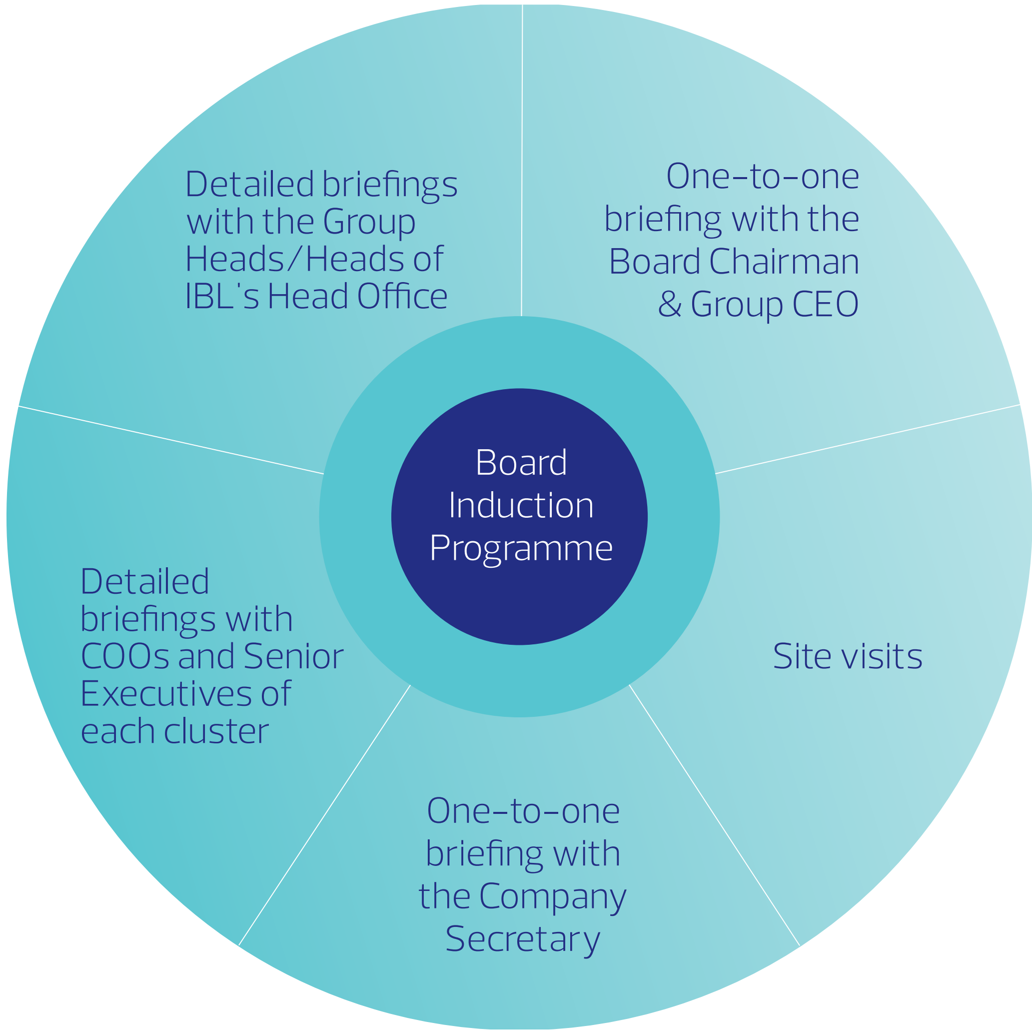
- Isabelle de Melo
- Richard Arlove
- Thierry Lagesse *(as per s 138(6) of the Mauritius Companies Act 2001)*

Upon the recommendation of the Corporate Governance Committee and as approved by the Board, the following Directors shall stand for election:

- Momar Nguer
- Clément Rey
- Patrice Robert

Board induction

The Company Secretary assists the Chairman in ensuring that an induction programme is in place for all new Directors to enable them to develop a good understanding of the Company and the Group. Additionally, as per the Governance Charter, each newly appointed Director receives an induction pack containing documents pertaining to his or her role, duties and responsibilities.



Corporate Governance Report

Professional development and training

Directors are encouraged to keep themselves up to date with the latest workplace trends and professional practices. They are also encouraged to participate in various workshops and presentations organised by the Company from time to time. During the year under review, the Directors attended workshops/seminars on AML-CFT, amongst others.

Time commitments

Board members are expected to dedicate such time as is necessary for them to effectively discharge their duties. Each Director is expected to act in the best interests of the Company and to ensure that his or her other responsibilities do not impinge on his or her responsibilities as a Director of IBL Ltd.

Succession plan

The Board believes that good succession planning is a key contributor to the delivery of the Group's strategy and its ability to create value in the long term. The Board is committed to recognising and nurturing talent across the Group's executive and management teams in order to develop current and future leaders.

On 30 June 2023, the Group CEO exercised his entitlement to retire as per his contract of employment. However, given that the Group has embarked on an ambitious growth strategy both in Mauritius and overseas, Arnaud Lagesse has been re-employed as Group CEO on a fixed-term contract which started on 01 August 2023.

Succession planning, which has been delegated by the Board to the Corporate Governance Committee, is reviewed on an annual basis by the Remuneration sub-Committee. However, the succession planning of key governance officers is dealt with at the Corporate Governance Committee level on a regular basis.

Principle 4: Directors' Duties, Remuneration and Performance

Directors' duties

Directors are aware of their legal duties. Once appointed to the Board, the Director receives the following documents pertaining to his or her duties and responsibilities:

- Board Charter
- Governance Charter
- Code of Business Ethics
- The Constitution
- Salient features of the Listing Rules and the Securities Act

Board evaluation

During the year under review, the Board carried out an internal Board evaluation exercise. This exercise, led by the Company Secretary, consisted of a Self-Assessment Questionnaire comprising a set of survey questions, some open statements and covering several main themes. The results of this exercise have been compiled and presented to the Corporate Governance Committee and to the Board. The salient points have been analysed and discussed, and relevant actions have accordingly been taken by the Board to address those points.

The Board will assess when the next evaluation exercise should be conducted. This exercise will be led by an independent service provider.

Conflicts of interest and related party transactions policy

The Board Charter contains provisions to prevent insider dealing and manage any potential conflict of interest. In addition, the Board approved on 03 June 2019, a Conflict of Interest and Related Party Policy.

Interest Register

An Interest Register, which is updated on an annual basis, is maintained by the Company Secretary. Any disclosure of interest as required under the Mauritius Companies Act 2001 is recorded in the Interest Register, which is available for inspection during normal office hours upon written request made to the Company Secretary.

Remuneration policy

There are no established policies for remunerating Executive Directors approaching retirement. This will be determined by the Board as and when required. Non-Executive Directors' fees consist of a fixed fee and an attendance fee per meeting. Any changes to Non-Executive Directors' remuneration are submitted to the shareholders of the Company for approval at the annual meeting of shareholders.

Corporate Governance Report

The following table depicts the fees paid to the Directors for their involvement in the Board and Committees during the year under review.

Names	Board		Audit & Risk Committee		Corporate Governance Committee	
	Annual fees	Attendance fees	Annual fees	Attendance fees	Annual fees	Attendance fees
	Chair: MUR 6,500,000 Member: NED MUR 375,000 INED MUR: 750,000	Chair: Nil Member: MUR 50,000 per meeting	Chair: MUR 500,000 Member: MUR 250,000	Chair: MUR 50,000 Member: MUR 25,000	Chair: MUR 500,000 Member: MUR 250,000	Chair: MUR 50,000 Member: MUR 25,000
	MUR	MUR	MUR	MUR	MUR	MUR
Jan Boullé [1]	6,500,000	0	–	–	0	0
Richard Arlove	750,000	200,000	500,000	425,000	–	–
Martine De Fleuriot De La Colinière	375,000	250,000	–	–	250,000	100,000
Isabelle de Melo	375,000	250,000	250,000	200,000	–	–
Benoit Lagesse	375,000	250,000	250,000	225,000	–	–
Hugues Lagesse	375,000	250,000	–	–	–	–
Thierry Lagesse	375,000	250,000	250,000	225,000	–	–
Jean-Pierre Lagesse	375,000	200,000	–	–	–	–
Georges Desvaux [2](*)	750,000	200,000	–	–	250,000	100,000
William Egbe [3](*)	562,500	250,000	–	–	–	–
Momar Nguer [4](*)	375,000	100,000	–	–	125,000	50,000
Gilles Michel [5](*)	375,000	150,000	–	–	250,000	100,000
Pierre Guénant [6](*)	62,500	0	–	–	–	–
Jean Ribet [7](*)	281,250	200,000	–	–	187,500	25,000
Arnaud Lagesse [8]	0	0	–	–	0	0
Jean-Claude Béga [8]	0	0	–	–	–	–
Clément Rey [9](*)	31,250	0	–	–	–	–
Marc Freismuth [10](*)	–	–	–	–	–	–

Names	Strategic Committee		Remuneration Sub-Committee		Information Technology Committee		Total Fees
	Annual fees	Attendance fees	Annual fees	Attendance fees	Annual fees	Attendance fees	
	Chair: MUR 500,000 Member: MUR 250,000	Chair: MUR 50,000 Member: MUR 25,000	Chair: MUR 150,00 Member: MUR 75,000	Chair: MUR 10,000 Member: MUR 5,000	Chair: MUR 75,000 Member: Nil	Chair: MUR 10,000 Member: Nil	
	MUR	MUR	MUR	MUR	MUR	MUR	MUR
Jan Boullé [1]	0	0	0	0	–	–	6,500,000
Richard Arlove	–	–	–	–	–	–	1,875,000
Martine De Fleuriot De La Colinière	–	–	–	–	–	–	975,000
Isabelle de Melo	–	–	–	–	75,000	30,000	1,180,000
Benoit Lagesse	–	–	–	–	–	–	1,100,000
Hugues Lagesse	–	–	–	–	–	–	625,000
Thierry Lagesse	250,000	250,000	–	0	–	–	1,600,000
Jean-Pierre Lagesse	–	–	–	–	–	–	575,000
Georges Desvaux [2](*)	250,000	225,000	–	–	–	–	1,775,000
William Egbe [3](*)	250,000	275,000	–	–	–	–	1,337,500
Momar Nguer [4](*)	125,000	100,000	43,750	25,000	–	–	943,750
Gilles Michel [5](*)	250,000	250,000	–	–	–	–	1,375,000
Pierre Guénant [6](*)	41,667	50,000	–	–	–	–	154,167
Jean Ribet [7](*)	187,500	150,000	56,250	10,000	–	–	1,097,500
Arnaud Lagesse [8]	0	0	–	–	0	0	0
Jean-Claude Béga [8]	–	–	–	–	0	0	0
Clément Rey [9](*)	20,833	25,000	6,250	5,000	–	–	88,333
Marc Freismuth [10](*)	–	–	150,000	50,000	–	–	200,000

Corporate Governance Report

Notes:

1. Jan Boullé is a full-time Non-Executive Chairman of the Company and is paid an annual fee of Rs 6.5M. He did not receive any attendance fees or Committee fees for the year under review. No fees were paid to him for attending meetings of the Group's subsidiaries or associates and these are instead paid to IBL Ltd.
2. Georges Desvaux was appointed as Independent Non-Executive Director and Member of the Strategic Committee on 01 July 2022 and was appointed as Chairperson of the Corporate Governance Committee on 01 January 2023.
3. William Egbe was appointed as Independent Non-Executive Director and Member of the Strategic Committee on 01 October 2022 and as its Chairperson on 01 January 2023.
4. Momar Nguer was appointed as Independent Non-Executive Director, Member of the Corporate Governance Committee, Member of the Strategic Committee and Member of the Remuneration Sub-Committee on 01 January 2023. He was subsequently appointed as Chairperson of the latter Committee on 01 June 2023.
5. Gilles Michel was appointed as Chairperson of the Strategic Committee following the demise of Pierre Guénant on 19 September 2022 and resigned as Director on 31 December 2022.
6. Pierre Guénant passed away on 19 September 2022.
7. Jean Ribet passed away on 05 April 2023.
8. Arnaud Lagesse and Jean-Claude Béga (who resigned as Executive Director on 30 June 2023) received no fees for attending IBL's Board or Committee meetings nor for attending meetings of subsidiaries or associates of the Group. These fees are instead paid to IBL Ltd.
9. Clément Rey was appointed as Non-Executive Director, Member of the Strategic Committee and Member of the Remuneration Sub-Committee on 06 June 2023.
10. Marc Freismuth resigned on 31 May 2023.

(*) Annual fees were calculated on a pro-rata basis.

Other Benefits/Incentives for IBL Employees

Long-term incentive scheme

A long-term incentive scheme targeted to eligible Executives was approved by the Board in 2018. This scheme, which is a phantom share award scheme, is overseen by the Corporate Governance Committee. The objectives of this scheme include:

- Creating a reward mechanism that supports the achievement of value creation and growth objectives of the Company in the long run.
- Strengthening the ability of the organisation to attract and retain executive talent.
- Strengthening the sense of alignment of interests between executives and shareholders.
- Raising the profile and reputation of the IBL Group by taking a leading position in employee value propositions for executives in the Mauritian market.

Short-term incentive scheme

The short-term incentive scheme, also referred to as performance bonus, puts forward the personal performance of the Executives, the Group and Company's profitability.

Principle 5: Risk Governance and Internal Control

The Directors are responsible for maintaining an effective system of internal control and risk management. While the Audit and Risk Committee oversees the Group's risk governance and internal controls, the nature of the risks facing IBL and its risk appetite remain the ultimate responsibility of the Board.

The Board, through the oversight of the Audit and Risk Committee, is also responsible for:

- Ensuring that structures and processes are in place to effectively manage risks;
- Identifying the principal risks and uncertainties that could potentially affect the Company and the Group;
- Ensuring that management has developed and implemented the relevant framework;
- Ensuring that systems and processes are in place for implementing, maintaining and monitoring internal controls;
- Identifying any deficiencies in the internal control system; and
- Ensuring that whistle-blowing rules and procedures are in place.

IBL's risk governance and internal control framework is guided by the COSO framework.

To assist the Board in its duties, the day-to-day management of risks has been delegated to IBL's Head of Risk Management whose main responsibility is to drive, support and coordinate risk management activities throughout the Group and in line with its strategic objectives.

Risk management activities and the risks potentially threatening IBL looking forward are explained in the Risk Management Report, included in the "Risk Management" section of the Integrated Report.

Risk Management (page 144)

Principle 6: Reporting With Integrity

The Directors are responsible for preparing an annual report and financial statements in accordance with applicable laws and regulations. Company law further requires the Directors to prepare financial statements for each financial year in accordance with International Financial Reporting Standards.

The Directors are also responsible for keeping adequate accounting records, explaining the Company's transactions and disclosing, with reasonable accuracy and at any time, the financial position of the Company and the Group. The Directors have the duty to safeguard the assets of the Company and the Group and for taking reasonable steps to prevent and detect fraud and other irregularities.

Information regarding IBL's financial, environmental and performance outlook have been disclosed further in the sections "Strategy" and "Performance" of the Integrated Report.

Strategy (page 62)

Performance (page 114)

Corporate Governance Report

Principle 7: Audit

The internal audit function positions itself in the third line of defence, and provides independent assurance on policies and controls, risk management procedures, maturity and effectiveness, as well as the governance models locally and internationally. The function does not participate in any first line and second line of defence activities or roles.

The Head of Group Internal Audit meets the Chairman of the Audit and Risk Committee in the absence of the Management and Key Operations Officers as and when required. The reporting structure is functionally to the Audit and Risk Committee and administratively to the Group Head of Corporate Services of IBL Ltd. Within that Group Structure, the Head of Group Internal Audit also reports to other Audit and Risk Committees, Sub-Committees of the Board and Boards. The leadership of the function rests with the Head of Group Internal Audit and PwC acts as a co-sourcer intervening on a few specific assignments. The focus of the internal audit engagement is to address the main risks identified by the Audit and Risk Committee and Senior Management, but also newly identified risks. This has enabled a flexible approach by providing reasonable assurance that related controls are adequate and effective on both generic business risks and new risks.

The internal audit approach and methodology are inspired by the international standards, for instance as enacted by the Institute of Internal Auditors and Information Systems Audit and Control Association, and other key internationally accepted standards as required during assignments. In a dynamic risk universe, the audit plan is designed to cater for new emerging business and auditable risks. The team is composed of professionals with appropriate expertise in internal auditing, information system audits, anti-fraud, governance and IT Security.

During the current year, the internal audit's focus was on the following five areas:

1. Adapting the service model in view of the international expansion strategy
2. IT governance and cyber risks
3. Data analytics
4. Financial crime and ESG impact
5. Maturity of the control environment

Adapting the service model in view of the international expansion strategy

The governance structure considers risks that are emerging across the different jurisdictions where the Group conducts its operations. This year, in line with IBL's execution of the Beyond Borders strategy, the internal audit team also followed through with a number of overseas assignments performed within multiple jurisdictions where IBL operations are held. In performing the international assignments, an adapted approach was designed to address the specific needs and circumstances of the international operations. The internal audit team conducted thorough assessments to understand the local regulatory landscape, cultural nuances, and operational complexities of each overseas location audited, which allowed it to devise the appropriate scopes that are specifically tailored to the unique risks and control environment of each operation. The overseas assignments provide invaluable insights to management, enabling them to have a comprehensive understanding of the operations and activities taking place in international locations. This information empowers management to make informed decisions, develop targeted strategies, and allocate resources effectively to improve the performance and mitigate risks in their international operations.

IT governance and cyber risks

Throughout the financial year ended 2023, IT audits were conducted within the Group, with a continued focus on IT risks relating to cybersecurity, system implementations, and digital infrastructure, while maintaining adequate coverage on the core business activities. For the coming year, the Internal Audit's vision emphasises on the analytics and robotics aspects, with a continuous risk-based approach on IT security audits that are designed to respond to emerging risks.

Data analytics

With the exponential growth in the new digital transformation wave within IBL Group, the internal audit function has embraced and reacted accordingly to the emerging changes, which contributed to the rise of big data and use of Business Intelligence (BI). By harnessing analytical tools and methodologies, the internal audit function effectively uncovers valuable insights through the extensive acquisition of data during internal audit assignments. Data analytics enables the function to proactively identify risks, detect irregularities and drive continuous improvement across IBL entities. This approach strengthens the function to effectively monitor controls, identify for efficiency gains and ensure adherence with regulatory requirements.

Financial crime and sustainability impact

Risks around financial crime, including related topics to money laundering and terrorism financing, are increasing significantly locally and worldwide; with money launderers and criminals continuously evolving in their way of operating. Mauritius has shown strong commitment and revamped its regulatory frameworks to remediate the deficiencies as recommended by FATF.

With the recent developments and compliance with international regulations, the internal audit function is committed to designing the right approach to protect IBL Ltd against financial crime risks. A risk-based approach has been adopted to identify the internal control deficiencies and provide stronger assurance on the control environment. This approach adopted by the internal audit allows businesses to understand their current positioning around the financial crime and allows them to achieve the desired control maturity.

Moreso, the focused driven approach on sustainability is becoming integrated to the business processes. Our methodology and approach will be tailored accordingly. An integrated approach to influence the control environment using both sustainability and anti-financial crime (AFC) is being set up.

Maturity of the control environment

With the challenging characteristics of the risk universe, the strengthening of the control environment, laying emphasis on Key Controls, is of utmost importance. To achieve this, there is a strong collaboration between the risk management function and the internal audit team, which ensures that key risks are identified and key controls are in place.

To continuously keep abreast with the dynamic risk landscape, the internal audit team follows adapted trainings to upheave the assurance and advisory work.

- Financial Crime
- Information security
- Internal audit updates and financial reporting updates

The internal audit engagements carried out during the financial year are detailed in the *"Audit and Risk Committee – Matters considered in 2022-2023"* section of this report.

The Head of Group Internal Audit attendance to IBL Ltd Audit and Risk Committee

Month in which IBL Ltd Audit and Risk Committee was held	Attended
August 2022	✔
November 2022	✔
February 2023	✔

Corporate Governance Report

No restriction has been imposed on the internal audit function to have access to records, management, or employees of IBL Ltd and its operations.

46 internal audit engagements were carried out and the commented reports were presented to the respective Audit and Risk Committees, Risk Committees and Boards where the main risks and audit findings were discussed. Follow ups were done on three instances on 18 previous reports. The split per cluster and audit types are shown in figures 1 and 1.1.

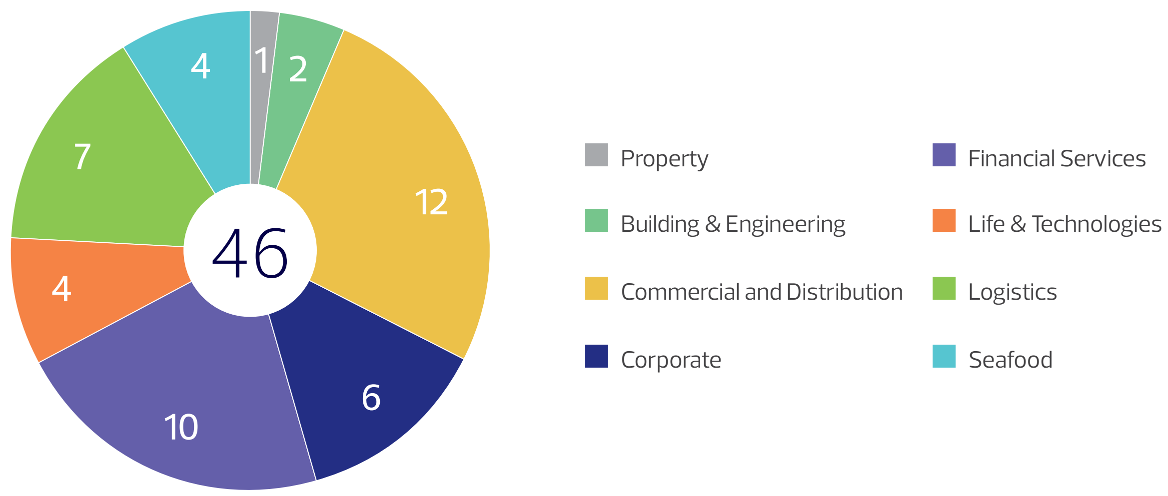


Figure 1 - Cluster analysis per internal audit engagements

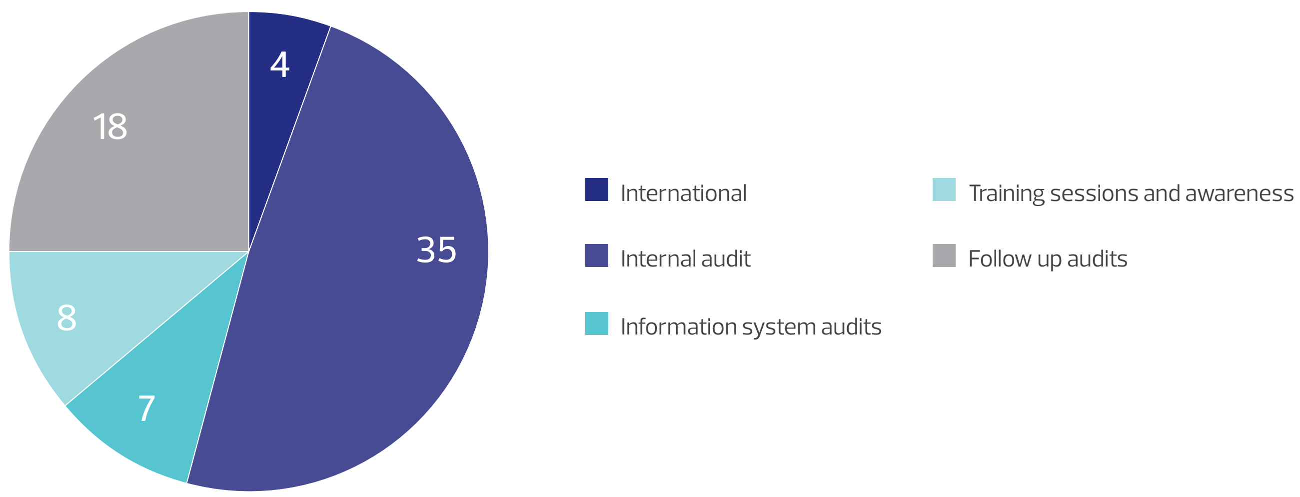


Figure 1.1 - Split between types of audits

The most recurring processes covered during these audits are listed below:

	Related auditable cycles and processes	Number of companies
1	Review of AML / CFT	6
2	Human capital-related processes and data privacy	5
3	Review of effectiveness of port operations, maintenance functions and management of spare parts	4
4	International approach: Four broad array covering governance, disruptive technologies, financial crime risks	4
5	Adherence to Group IT policies and cyber health check	4

External Audit

At the last Annual Meeting, Messrs. Deloitte was reappointed as external auditor for the year ended 30 June 2023. Their automatic reappointment for the year ending 30 June 2024 shall be considered at the forthcoming Annual Meeting.

With regard to external audit, the Audit and Risk Committee is responsible for, inter alia:

- reviewing the auditor's letter of engagement.
- reviewing the terms, nature and scope of the audit, and its approach.
- ensuring that no unjustified restrictions or limitations have been placed on its scope.
- assessing the effectiveness of the audit process.

The external auditor has direct access to the Committee should they wish to discuss any matters privately. During the financial year ended 2022-2023, the external auditor met the members of the Audit and Risk Committee outside the presence of management.

Auditor's independence

The Audit and Risk Committee is responsible for monitoring the external auditor's independence, objectivity and compliance with ethical, professional and regulatory requirements; and for maintaining control over the provision of non-audit services.

The external auditor is prohibited from providing non-audit services which might compromise their independence by requiring them to subsequently audit their own work. Any other non-audit services provided by the external auditor are required to be specifically approved by the Audit and Risk Committee. Audit fees are set in a manner that enables an effective external audit. The auditor should ensure that it observes the highest standards of business and professional ethics and, in particular, that its independence is not impaired in any manner.

Corporate Governance Report

Principle 8: Relations with Shareholders and Other Key Stakeholders

IBL's key stakeholders

Stakeholders' engagement

IBL's engagement with its shareholders and various stakeholders is detailed in the section "Group Overview" as well as the "Stakeholder engagement" section of the Integrated Report.

Group Overview (page 10)

Stakeholder engagement (page 24)

Communication with shareholders

IBL recognises that good communication with its shareholders is core to any good governance platform and is committed to regular and proactive communications with its shareholders. The Board thus ascertains that, at all times, there is sufficient disclosure of information to its shareholders so that they are kept fully informed of any information relating to the Company which is necessary to enable them to be apprised of the position of the Company. Any major announcement in relation to the activities of the Company, interim quarterly financial statements or abridged audited annual financial statements, as required by the Listing Rules and the Securities Act, are disclosed to the shareholders in a timely manner and posted on IBL's website.

Shareholding profile

As at 30 June 2023, the Company's stated capital is made up of 680,224,040 ordinary shares of no par value amounting to Rs 1,361,941,000 and 1,510,666,650 restricted redeemable shares (RRS'). All issued shares are fully paid.

IBL's shareholders who hold (directly and/or indirectly) 5% or more of the ordinary shares as at 30 June 2023 are highlighted below:

Name of shareholder	Percentage holding (%)
Espérance International Ltd	10.84
Société Portland	7.38
Swan Life Ltd	5.92
Mr. Benoit Lagesse	5.72

Shares in public hands

In accordance with SEM's Listing Rules, the percentage shareholding of IBL in public hands is more than 25%.

Restricted redeemable shares

As at 30 June 2023, GML Ltée held 1,510,666,650 RRS, representing 68.95% of the voting rights. These shares are not listed and the only rights attached to these shares is the power to vote at general meetings. GML Ltée has no right to dividends or distribution or to any surplus from the Company in case of winding up.

Dividend Policy

The Company does not have any predetermined dividend policy and the dividend payout is subject to the performance of the Company. An interim dividend is normally declared in November and paid in December, and a final dividend is normally declared in May and paid in June.

For the year under review, an interim dividend of Rs 0.16 per share was paid to the shareholders of IBL in December 2022 and in July 2023, a final dividend of Rs 0.50. Total dividends for the year amounted to Rs 0.66 per share (2021-2022: Rs 0.60).

Shareholders' agreement

There exists no Shareholders' Agreement to the knowledge of the Directors.

Calendar of forthcoming shareholders' events

One of the most important shareholder-related events of the year is the Annual Meeting scheduled on 30 November 2023. This meeting allows the Board of Directors to communicate to the shareholders up-to-date and detailed information on the activities of the Company for the year under review, as well as future projects or developments for the year ahead. Shareholders are therefore encouraged to attend the Annual Meeting and discuss with the Directors.

The external auditor also attends the Annual Meeting and is available to respond to queries which the shareholders may have with regard to their scope of work.

Jan Boullé
Chairman

Richard Arlove
Director

28 September 2023

Statutory Disclosures

In this section

Statement of Compliance

(Section 75 (3) of the Financial Reporting Act 2004)

Name of Public Interest Entity ("PIE"):	IBL Ltd
Reporting Period:	30 June 2023

We, the directors of IBL Ltd confirm that to the best of our knowledge, IBL Ltd has complied with all of its obligations and requirements under the Code of Corporate Governance.

Jan Boullé
Chairman

Richard Arlove
Director

Certificate from Company Secretary

(30 June 2023)

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act 2001.

Thierry Labat, FCG (CS)
Per IBL Management Ltd
Company Secretary

28 September 2023

Statutory Disclosures

S. 221 of The Companies Act 2001

Principal Activity of the Company

The Company and its subsidiaries are engaged in a wide range of activities organized in 9 business clusters: Agro & Energy, Building & Engineering, Commercial & Distribution, Financial Services, Hospitality & Services, Life & Technologies, Logistics, Seafood and Property. It holds substantial investments in several industries, such as real estate industry, tourism, banking, communication and biotechnologies and a chain of supermarkets.

The stated capital of the Company is made up of 680,224,040 ordinary shares and 1,510,666,650 Restricted Redeemable shares.

Directors

The name of the Directors of the Company as at 30 June 2023 were as follows:

Directors	Alternate Director
Jan Boullé (Chairman)	
Martine De Fleuriot De La Colinière	
Isabelle De Melo	
Richard Arlove	
Jean-Claude Béga *	
Georges Desvaux	
William Egbe	
Arnaud Lagesse	
Benoit Lagesse	
Hugues Lagesse	
Jean-Pierre Lagesse	
Thierry Lagesse	Stéphane Lagesse
Momar Nguer	
Clément Rey	

* Mr. Jean-Claude Béga resigned at close of business on 30 June 2023.

Directors' Service Contracts

There is no service contract between the Company and any of its non-Executive Directors. The Executive Directors had normal contracts of employment up to 30 June 2023.

Contract of Significance

There exists no contract of significance, save as disclosed above, between the Company and its Directors.

Directors' Insurance

The Directors benefit from an indemnity insurance to cover for liabilities which may be incurred while performing their duties to the extent permitted by law.

Directors' and Senior Officers' Interests in Shares

The direct and indirect interests of the Directors and Senior Officers in the equity securities of the Company as at 30 June 2023 were as follows:

Directors	Direct Interest		Indirect Interest
	Shares	%	%
Jan Boullé	-	-	2.3339
Martine De Fleuriot De La Colinière	-	-	-
Isabelle De Melo	-	-	-
Richard Arlove	116,521	0.0171	-
Jean-Claude Béga *	-	-	-
Georges Desvaux	-	-	-
William Egbe	-	-	-
Arnaud Lagesse	-	-	2.7434
Benoit Lagesse	25,746,273	3.7850	1.9443
Hugues Lagesse	-	-	3.6114
Jean-Pierre Lagesse	-	-	-
Thierry Lagesse	12,317,102	1.8107	0.6120
Momar Nguer	-	-	-
Clément Rey	-	-	-
Alternate Directors			
Stéphane Lagesse	12,437,225	1.8284	0.6120

* Mr. Jean-Claude Béga resigned at close of business on 30 June 2023.

Statutory Disclosures

S. 221 of The Companies Act 2001

For the private subsidiaries which have been dispensed to keep an interest register under Section 271 of the Mauritius Companies Act 2001, the Directors, the Senior Officers and the Company Secretary did not hold any shares whether directly or indirectly.

The direct shareholding of the Directors of IBL Ltd in the listed subsidiaries/reporting issuers of the IBL Group are set out hereunder:

Directors	Lux Island Resorts Ltd		Bluelife Limited		Eagle Insurance Limited		Ekada Capital Ltd	
	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %
Arnaud Lagesse	Nil	*	Nil	*	Nil	*	Nil	*
Benoit Lagesse	0.4313	*	0.6475	*	Nil	*	0.6576	*
Jan Boullé	Nil	*	Nil	*	Nil	*	0.01	*
Isabelle De Melo	Nil	*	Nil	*	Nil	*	Nil	*
Thierry Lagesse	0.001	*	0.0031	*	Nil	*	Nil	*
Hugues Lagesse	Nil	*	Nil	*	Nil	*	Nil	*
Richard Arlove	0.0259	*	Nil	*	Nil	*	Nil	*
Georges Desvaux	Nil	*	Nil	*	Nil	*	Nil	*
Momar Nguer	Nil	*	Nil	*	Nil	*	Nil	*
William Egbe	Nil	*	Nil	*	Nil	*	Nil	*
Clément Rey	Nil	*	Nil	*	Nil	*	Nil	*
Jean-Pierre Lagesse	Nil	*	Nil	*	Nil	*	Nil	*
Jean-Claude Béga*	0.0581	*	Nil	*	Nil	*	Nil	*
Martine de Fleuriot	Nil	*	Nil	*	Nil	*	Nil	*
Stéphane Lagesse (Alt)	0.0009	*	Nil	*	Nil	*	0.02	*

Note: *As per section 90 and 91 of the Securities Act 2005, all the Directors of IBL Ltd have opted to exclude notification of their interests of their associates in the securities of IBL Ltd and of their interests and those of their associates in the securities of the associates of IBL Ltd. Hence, no disclosure has been provided in this respect in the Integrated Report.

Directors	Camp Investment Company Limited		Phoenix Investment Company Limited		Phoenix Beverages Limited		The Bee Equity Partners Ltd		The Lux Collective Ltd		The United Basalt Products Ltd	
	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %	Direct Interest %	Indirect Interest %
Arnaud Lagesse	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Benoit Lagesse	Nil	*	0.3008	*	0.0122	*	Nil	*	0.3789	*	0.1465	*
Jan Boullé	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Isabelle De Melo	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Thierry Lagesse	Nil	*	Nil	*	Nil	*	0.0334	*	0.0006	*	0.008	*
Hugues Lagesse	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Richard Arlove	Nil	*	Nil	*	0.0345	*	Nil	*	0.0153	*	Nil	*
Georges Desvaux	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Momar Nguer	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
William Egbe	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Clément Rey	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Jean-Pierre Lagesse	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Jean-Claude Béga*	Nil	*	Nil	*	Nil	*	Nil	*	0.0344	*	Nil	*
Martine de Fleuriot	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*	Nil	*
Stéphane Lagesse (Alt)	Nil	*	Nil	*	Nil	*	Nil	*	0.0005	*	0.0007	*

Statutory Disclosures

S. 221 of The Companies Act 2001

Total remuneration and benefits received, or due and receivable by the Executive Directors for year ended 30 June 2023

The remuneration and benefits paid for the year ended 30 June 2023 to the Executive Directors – namely Mr. Arnaud Lagesse, Group CEO and Mr. Jean-Claude Béga - Group Head of Financial Services and Business Development, are made up of the following components: (a) 33 % for basic salary including end of year bonus; (b) 30 % for performance bonus; (c) 16 % for long term incentive related payments made during FY2022-23 and (d) the difference of 21 % comprised pension contributions and other benefits. The total amount paid – Rs. 65,382,429 are split between the Group CEO and the Group Head of Financial Services and Business Development, 68 % and 32 % respectively.

Total remuneration and benefits received, or due and receivable by the Directors from the Company and its subsidiaries for the year ended 30 June 2023

Directors of IBL Ltd	From the Company (Rs'000)	From the Subsidiaries (Rs'000)
Executive	65,382	nil
Non-Executive	17,558	nil

Donations for the year ended 30 June 2023

	The Group		The Company	
	2023 (Rs'000)	2022 (Rs'000)	2023 (Rs'000)	2022 (Rs'000)
Donations				
Political	500	-	500	-
Others	6,657	7,952	2,202	2,404
	7,157	**7,952**	**2,702**	**2,404**

Auditors' Remuneration

For the year under review, the fees incurred for audit services and non-audit services by the Company and the Group were as follows:

Audit Services		
	2023 (Rs'000)	2022 (Rs'000)
The Company	5,930	7,198
Subsidiaries of the Company	34,836	41,165
	40,766	**48,363**

Non-Audit Services		
	2023 (Rs'000)	2022 (Rs'000)
The Company	817	-
Subsidiaries of the Company	5,379	7,575
	6,196	**7,575**

Note: Details of audit and non-audit fees for the subsidiaries of the Company are disclosed on Appendix 1 of these statutory disclosures.

Signed on 28 September 2023

Jan Boullé
Chairman

Richard Arlove
Director

Statutory Disclosures

Appendix 1 – S 221 of The Companies Act 2001

Audit Services	The Group 2023 (Rs'000)	The Company 2023 (Rs'000)
Deloitte		
IBL Ltd	5,930	5,930
Arcadia Travel Ltd	292	–
Beach International Company Ltd	198	–
Bloomage Ltd	982	–
Blychem Ltd	462	–
Cervonic Ltd	475	–
Construction & Material Handling Company Ltd	575	–
DTOS Holdings Ltd	700	–
DTOS International Rwanda	14	–
DTOS Ltd	1,919	–
DTOS Trustees Ltd	116	–
Ekada Capital Ltd	437	–
Froid des Mascareignes Ltd	771	–
Ground 2 Air Ltd	253	–
IBL Biotechnology (International) Ltd	195	–
IBL Biotechnology Investment Holdings Ltd	83	–
IBL Cargo Village Ltd	109	–
IBL Gabon Investments Limited	113	–
IBL India Investments Ltd	241	–
IBL Regional Development Ltd	5	–
IBL Treasury Ltd	412	–
Interface International Ltd	116	–
Interface Management Services Ltd	116	–
IPSE (Nominees) Ltd	113	–
ITA EST (Nominees) Ltd	113	–
Knights & Johns Management Ltd	235	–
La Tropicale Mauricienne Ltée	221	–
Manser Saxon Contracting Ltd	1,256	–
Manser Saxon Interiors Ltd	450	–
Marine Biotechnology International Ltd	177	–
Medical Trading Company Ltd	391	–
Pick and Buy Limited	1,007	–
Pick and Buy Tribeca Ltd	275	–
Pick and Buy Victoria Ltd	50	–
Pines Nominees Ltd	110	–
Scomat Limitée	706	–
Seafood Hub Limited	782	–
Servequip Ltd	190	–
Southern Investments Limited	350	–
Specialty Risk Solutions Ltd	3	–

Audit Services	The Group 2023 (Rs'000)	The Company 2023 (Rs'000)
Systems Building Contracting Ltd	508	–
The Bee Equity Partners Ltd	663	–
Tornado Limited	607	–
Transfroid Ltd	144	–
BDO & Co		
Care and Science Health Diagnostics Ltd	300	–
CIDP Holding Ltd	588	–
Froid des Mascareignes Ltd	15	–
Life Together Ltd	1,788	–
IBL Link Ltd	195	–
Life Viva Medical Clinic Ltd	250	–
NovaLAB Medical Ltd	300	–
Universal Media Ltd	195	–
Ernst & Young		
The Lux Collective Ltd	1,259	–
Marine Biotechnology Products (Cote d'Ivoire)	669	–
Exco Reunion		
Intergraph Ltée	1,613	–
GD RICHES		
Compagnie des Magasins Populaires Ltée	38	–
Fit-Out (Mauritius) Ltd	45	–
Grant Thornton		
IBL International (Kenya) Limited	800	–
Gupta		
IBL Life Ltd	75	–
IBG		
Australair GSA Comores s.a.r.l.	2,845	–
IBL Comores s.a.r.l.	1,513	
KBW Group		
The Lux Collective Ltd	386	–

Statutory Disclosures

Appendix 1 – S 221 of The Companies Act 2001

Audit Services	The Group 2023 (Rs'000)	The Company 2023 (Rs'000)
Kemp Chatteris		
Seafood Hub Limited	195	–
NPNM		
Arcadia Travel Madagascar	63	–
Australair GSA Mada s.a.	90	–
RSM Mauritius		
Bluelife Limited	3,269	–
Confido Holding Limited	477	–
DTOS Capital Markets Ltd	631	–
Intergraph Ltée	349	–
PWC		
Lux Island Resorts Ltd	5,643	–
	46,409	**5,930**

Non-Audit Services	Details of services	The Group 2023 (Rs'000)	The Company 2023 (Rs'000)
Deloitte			
IBL Ltd	Professional fees for services -AUP report -LTI	250	250
IBL Ltd	Professional fees for services -Consent letter Bonds issue	350	350
Life Together Ltd	Restructuration fees	427	–
Universal Media Ltd	Taxation services	36	–
BDO & Co			
IBL Ltd	Fee for XBRL conversion of Financial Statements 2022	40	40
Ernst & Young			
The Bee Equity Partners Ltd		270	–
Masp Ltd			
Froid des Mascareignes Ltd	Consultancy Fee	60	–
National Productivity and Competitiveness Council			
Froid des Mascareignes Ltd	Diagnosis fees at FDM	18	–
PWC			
IBL Ltd	Review of tax schedule within Share Purchase Agreement	177	177
Bluelife Limited	Internal Audit	322	–
Life Together Ltd	Restructuration fees	3,691	–
Lux Island Resorts Ltd	Tax+Valuation	310	–
RSM Mauritius			
Bluelife Limited	Taxation fee	200	–
		6,196	**817**

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Adam & Company Ltd	Chummun Dipak		
	Labat Thierry		
Air Mascareignes Limitée	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Chummun Dipak		
	Ah Chong Daniel		31/12/2022
	Brema Joseph		
Alentaris Consulting Ltd	Decotter Olivier		
	Goder Thierry		
	Labat Thierry		
Alentaris Ltd	Decotter Olivier		
	Gaspard Hubert		
	Goder Thierry		
	Labat Thierry		
Alentaris Management Ltd	Decotter Olivier		
	Goder Thierry		
	Labat Thierry		
Alentaris Recruitment Ltd	Decotter Olivier		
	Goder Thierry		
	Labat Thierry		
Arcadia Travel Ltd	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Hannelas Philippe		
	Ah Chong Daniel		31/12/2022
	Ramasawmy Devdass		
Australair GSA Ltd	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Grazzini Jean-Marc René		
	Schafer Benoit		15/09/2022
	Ah Chong Daniel		31/12/2022
	Hannelas Philippe		
Azuri Estate Management Ltd	Béga Jean-Claude	28/09/2022	
	Espitalier-Noël Michèle Anne		
	Lagesse Hugues		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Azuri Golf Management Ltd	Béga Jean-Claude	28/09/2022	
	Espitalier-Noël Michèle Anne	28/09/2022	
	Boullé Jan		28/09/2022
	Lagesse Hugues		
Azuri Services Ltd	Béga Jean-Claude	28/09/2022	
	Espitalier-Noël Michèle Anne		
	Lagesse Hugues		
Azuri Suites Ltd	Béga Jean-Claude	28/09/2022	
	Espitalier-Noël Michèle Anne		
	Lagesse Hugues		
Azuri Smart City Company Ltd	Béga Jean-Claude	28/09/2022	
	Espitalier-Noël Michèle Anne		
	Lagesse Hugues		
Bloomage Ltd	Boullé Jan		
	Carayon Bernard		
	Chummun Dipak		
	Hardin Ravi Prakash (Robin)		
	Lagesse Arnaud		
	Marot Christine		
	Jhamna Ramdin Preetee		
Bluelife Limited	Béga Jean-Claude		
	Espitalier-Noël Michèle Anne		
	Yeung Sik Yuen Laura	10/02/2023	
	Lam Hau Ching Doreen		09/02/2023
	Boullé Jan		
	Hardin Ravi Prakash (Robin)		
	Koenig Roger		
	Labat Thierry		
	Lagesse Hugues		
	Siew Hew Sam Gaetan	28/09/2022	

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Blychem Limited	Dupont Michel	01/07/2022	
	Jownally Bibi Nazeema		
	Robert Patrice		
	Jhamna Ramdin Preetee		
Blyth Brothers & Co Ltd (Previously IBL Ugandan I Ltd)	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Chummun Dipak		
Camp Investment Company Limited	Boullé Jan		
	Dalais François		
	Espitalier-Noël Roger		
	Hugnin Guillaume		
	Lagesse Arnaud		
	Lagesse Hugues		
	Lagesse Thierry		
	Marot Christine		
	Zerzuben Alain		
Life Nova Plus Ltd (Previously Care And Science Health Diagnostics Ltd)	Jauffret Géraldine		
	Marot Christine		
	Schmitt Olivier		
	Woler Charles		
Cassis Ltd	Chummun Dipak		
	Labat Thierry		
Centre De Phytothérapie et de Recherche Ltée	Blazy-Jauzac Claire		
	Jauffret Géraldine		
	Loumeau Jean François		
	Marot Christine		
Centre International De Développement Pharmaceutique Ltée ('Cidp Ltee')	Jauffret Géraldine		
	Blazy-Jauzac Claire		
	Loumeau Jean François		
	Marot Christine		
Cervonic Ltd	Chummun Dipak		
	Robert Patrice		
	Purseramen Gopalakrishna Naidu (Cougen)		
Chantier Naval De L'ocean Indien Ltd	Robert Patrice		
	Perrier Nicolas		
	Piriou Frank		
	Purseramen Gopalakrishna Naidu (Cougen)		
	Jhamna Ramdin Preetee		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Chemin Rail & Amaury Housing Co. Ltd	De Souza Martine		
	Marot Christine		
CIDP Holding Ltd	Blazy-Jauzac Claire		
	Desvaux De Marigny Agathe		
	Jauffret Géraldine		
	Lagesse Arnaud		
	Le Fur Gérard		
	Leclézio Hubert		
	Loumeau Jean François		
	Marot Christine		
	Raffray Philippe		
CIDP Singapore Ltd	Blazy-Jauzac Claire		
	Jauffret Géraldine		
	Loumeau Jean François		
	Marot Christine (Alternate)		
CMPL (Mont Choisy) Limitée	Letimier Aldo		
	Robert Patrice		
CNOI Investissements Ltd	Robert Patrice		
	Perrier Nicolas		
	Piriou Franck		
	Purseramen Gopalakrishna Naidu (Cougen)		
	Jhamna Ramdin Preetee		
Compagnie Des Magasins Populaires Limitée	Letimier Aldo		
	Robert Patrice		
Confido Holding Limited	Labat Thierry		
	Samouilhan Anabelle		
Construction & Material Handling Company Ltd	Dupont Michel		
	Robert Patrice		
	Jhamna Ramdin Preetee		
	Ulcoq Yannick		
Dieselactiv Co Ltd	Dupont Michel	01/07/2022	
	Robert Patrice		
	Jhamna Ramdin Preetee		
	Ulcoq Yannick		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Dotexe Ventures Ltd	Boullé Jan		
	Fayolle Laurent		
	Lagesse Arnaud		
	Leclézio Hubert		
	Marot Christine		
DTOS Holdings Ltd	Chummun Dipak		
	Decotter Olivier		
	Jackaria Sattar		
	Murphy Michael		
	Wong Yuen Tien Jimmy		
DTOS International Ltd	Antoinette Terry		
	Viney Didier		
DTOS Ltd	Chummun Dipak		
	Decotter Olivier		
	Jackaria Sattar		
	Murphy Michael		
	Wong Yuen Tien Jimmy		
DTOS Outsourcing Ltd	Jackaria Sattar		
	Poolay Mootien Paramasiven (Mike)		
	Viney Didier		
	Wong Yuen Tien Jimmy		
Dtos Registry Services Ltd	Viney Didier		
Dtos Trustees Ltd	How Ah Chong Lina		
	Jackaria Sattar		
	Poolay Mootien Paramasiven (Mike)		
	Wong Yuen Tien Jimmy		
Eagle Insurance Limited	Abdoolakhan Shahannah Bibi		
	Blignaut Jacob Pieter Van Wyk		
	Chan Chin Wah Kim Lin Winson		
	Chasteau De Balyon Jean-Paul		
	Chummun Dipak		
	De La Hogue Laurent		
	Emilien Natacha		31/03/2023
	Jackaria Sattar	07/04/2023	

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Eagle Insurance Limited	O'neill John Edward		
	Parrish Cynthia		
	Ulcoq Yannick		
	Wong Wan Po Derek		14/02/2023
Eagle Investment Property Limited	Malliate Alain		30/06/2023
	Chan Chin Wah Kim Lin Winson	14/02/2023	
	Chellen Olivier	14/02/2023	
	Wong Wan Po Derek		14/02/2023
Edena Sa	Lagesse Arnaud		
	Rivalland Patrick		
	Theys Bernard		
Ekada Capital Ltd	De La Hogue Laurent		
	Coothoopermal Christine		
	Ramnauth Kailash Sharma		
	Robertson Graeme		
	Wertheimer François (Alternate)		
	Béga Jean-Claude		30/06/2023
	Zerzuben Alain		
Ellgeo Re (Mauritius) Ltd	Francis Jean-Alain		
	Labat Thierry		
	Lallmamode Nadeem		
	Leung Lam Hing Hau Yu Kiow Suzanne	14/09/2022	
	Samouilhan Anabelle		
Engineering Support Services Ltd	Chummun Dipak		
	Hardy Eric		
	Hurbungs Ashutosh		
Engitech Ltd	Labat Thierry		
	Ramasawmy Devdass		
	Jhamna Ramdin Preetee		
Equip and Rent Company Ltd	Chummun Dipak		
	Labat Thierry		
	Ramasawmy Devdass		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Espace Solution Reunion Sas	Theys Bernard		
Fit Out (Mauritius) Ltd	Hardy Eric		
	Hurbungs Ashutosh		
	Robert Patrice		
Flacq Associated Stonemasters Limited	Quevauvilliers Christophe		
	Ulcoq Stéphane		
Fondation Joseph Lagesse	De Souza Geneviève		
	Hardowar Krish		
	De Souza Martine		
	Labat Thierry		
	Lagesse Adeline		
	Lagesse Arnaud		
	Marot Christine		
	Ravat Jonathan		
	Rogers Anne		
Froid Des Mascareignes Ltd	Young David	01/01/2023	
	Elizondo Kepa Echevarria		
	Ganga Shreeganesh		
	Robert Patrice		
	Newoor Kavidev (Alternate)		
	Purseramen Gopalakrishna Naidu (Cougen)		
	Jhamna Ramdin Preetee		
	Rault Maurice		
	Seebaluck Nomita Devi		
	Seelochun Sandesh Kumar (Alternate)		
	Ah Chong Daniel		31/12/2022
	Teran Ignacio Ibarra (Alternate)		
G2A Camas Ltd	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Barel Christel		
	Hannelas Philippe		
	Ah Chong Daniel		31/12/2022
	Grandoulier Patrick		01/09/2022
	Rozier Ludovic		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
GML Immobilier Ltée	Lagesse Arnaud		
Ground 2 Air Ltd	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Hannelas Philippe		
	Robert Patrice		
	Ah Chong Daniel		31/12/2022
	Jhamna Ramdin Preetee		
Gws Technologies Ltd	Commarmond Jacques David		
	Fayolle Laurent		
	Marot Christine		
Haute Rive Azuri Hotel Ltd	Espitalier-Noël Michèle Anne	28/09/2022	
	Larabi-Guidez Anaick		
	Fayolle Olivier		30/06/2023
	Teeroovengadum Kevin		31/12/2022
	Lagesse Hugues		
	Ruhl Dominik	28/09/2022	
Haute Rive IRS Company Limited	Béga Jean-Claude	28/09/2022	
	Espitalier-Noël Michèle Anne	28/09/2022	
	Boullé Jan		28/09/2022
	Lagesse Hugues		
Haute Rive Ocean Front Living Ltd	Béga Jean-Claude	28/09/2022	
	Boullé Jan		28/09/2022
	Espitalier-Noël Michèle Anne		
	Lagesse Hugues		
Healthscape Ltd	Chummun Dipak		
	Hardin Ravi Prakash (Robin)		
	Jauffret Géraldine		
	Marot Christine		
Heidelberg Ocean Indien Limitée	Lagesse Arnaud		
	Leclézio Hubert		
	Macé Patrick		
Helping Hands Foundation	Rivalland Patrick		
	Rose Paul		
	Theys Bernard		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
IBL Africa Investment Ltd	Chummun Dipak		
	Lagesse Delphine		
IBL Biotechnology (Mauritius) Ltd	Merlo Fabrizio		09/05/2023
	Hurbungs Ashutosh	06/04/2023	
	Simonsen Jesper		
IBL Cargo Village Ltd	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Hannelas Philippe		
IBL Energy Efficiency Ltd	Egot Pierre	01/07/2022	
	Marouby Pierre Martial Paul		
	Regnard Benoit Joseph Gérard		
IBL Energy Ltd	Cahuzac Antoine		
	Egot Pierre		
	Njoroge Edward		
	Michel Gilles		31/12/2022
	Bonieux André	11/05/2023	
	Nguer Momar	11/05/2023	
	Robert Patrice		
IBL Waste to Energy Ltd	Egot Pierre		
	Purseramen Gopalakrishna Naidu (Cougen)		
	Jhamna Ramdin Preetee		
IBL Entertainment Holdings Ltd	Chummun Dipak		
	Hardin Ravi Prakash (Robin)		
IBL Entertainment Ltd	Chummun Dipak		
	Hardin Ravi Prakash (Robin)		
IBL Financial Services Holding Limited	Chummun Dipak		
	Béga Jean-Claude		30/06/2023
	Labat Thierry		
IBL Fishing Company Ltd	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Chummun Dipak		
IBL LAS Support Ltd	Ah Chong Daniel		31/12/2022
	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
IBL Link Ltd	Boullé Jan		
	Fayolle Laurent		
	Lagesse Arnaud		
	Leclézio Hubert		
	Marot Christine		
IBL Link Investments Ltd	Boullé Jan		
	Fayolle Laurent		
	Lagesse Arnaud		
	Leclézio Hubert		
	Marot Christine		
IBL Corporate Services Ltd	Labat Thierry		
IBL Management Ltd	Boullé Jan		
	Lagesse Arnaud		
	Labat Thierry		
IBL Photovoltaic Solutions Ltd	Egot Pierre	01/07/2022	
	Marouby Pierre Martial Paul		
	Regnard Benoit Joseph Gérard		
IBL Seafood Support Services Ltd	Chan Pak Choon Cune Chue		
	Purseramen Gopalakrishna Naidu (Cougen)		
IBL Training Services Ltd	Chummun Dipak		
	Gaspard Hubert		
	Labat Thierry		
IBL Treasury Ltd	Chummun Dipak		
	De La Hogue Laurent		
	Decotter Olivier		
	Hardy Philippe		
	Ulcoq Yannick		
IBL Treasury Management Ltd	Chummun Dipak		
	Ulcoq Yannick		
IBL Ventures Ltd	Boullé Jan		
	Fayolle Laurent		
	Lagesse Arnaud		
	Leclézio Hubert		
	Marot Christine		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
I-Consult Limited	Nababsing - Jetshan Diya		
	Ramasawmy Devdass		
IMV Services Ltd	Chummun Dipak		
	Labat Thierry		
	Jhamna Ramdin Preetee		
In Conformita Ltd	Decotter Olivier		
	Jackaria Sattar		
	Subramanien Chaya		
	Kumalsingh (Kye Thiam) Melanie		
	Wong Yuen Tien Jimmy		
Industrie Et Services De L'océan Indien Limitée	Piriou Franck		
	Robert Patrice		
	Jhamna Ramdin Preetee		
	Perrier Nicolas		
	Purseramen Gopalakrishna Naidu (Cougen)		
Indian Ocean Reefers Limited	Chummun Dipak		
	Purseramen Gopalakrishna Naidu (Cougen)		
Interface International Ltd	Chan Mervyn		
	Chummun Dipak		
	Jackaria Sattar		
	Wong Yuen Tien Jimmy		
Interface Management Services Ltd	Chan Mervyn		
	Jackaria Sattar		
	Viney Didier		
	Wong Yuen Tien Jimmy		
Intergraph Africa Ltd	Lagesse Arnaud		
	Leclézio Hubert		
	Macé Patrick		
	Ramasawmy Devdass		
	Samouilhan Anabelle		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Intergraph Ltée	Lagesse Arnaud		
	Leclézio Hubert		
	Macé Patrick		
	Ramasawmy Devdass		
	Samouilhan Anabelle		
Ireland Fraser & Company Ltd	Chummun Dipak		
	Labat Thierry		
I-Telecom Ltd	Nababsing - Jetshan Diya		
	Ramasawmy Devdass		
Jv Enerfund Ltd	Egot Pierre	15/12/2022	
	Meghji Karim Mohamedhussein Hassanali	15/12/2022	
	Dupont Michel	15/12/2022	
Knights & Johns Management Ltd	Chummun Dipak		
	Decotter Olivier		
	Jackaria Sattar		
	Wong Yuen Tien Jimmy		
La Tropicale Mauricienne Ltée	Chummun Dipak		
	Marie Patrice		
	Jhamna Ramdin Preetee		
Life Viva Medical Clinic Ltd	Jauffret Géraldine		
	Marot Christine		
Liparom Mauritius Ltee (Previously Laboratoire D'innovation Phyto-Aromatiques Ltée)	Guidez Jean-François		
DTOS Capital Markets Ltd (Previously LCF Holdings Ltd)	Tapesar Teeluckraj		
	De La Hogue Laurent		
	Viney Didier	21/12/2022	
LCF Securities Ltd	Padayachy Kamben		
	Viney Didier	01/06/2023	
	De La Hogue Laurent		21/04/2023
	Tapesar Teeluckraj		
Life In Blue Limited	Béga Jean-Claude	28/09/2022	
	Espitalier-Noël Michèle Anne		
	Rey Nicolas		28/09/2022
	Lagesse Hugues		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Life Together Ltd	Boullé Jan		
	Lagesse Arnaud		
	Lagesse Thierry		
	Leclézio Hubert		
	Loumeau Jean François		
	Marot Christine		
	Rivalland François		
Les Cuisines Solidaires Ltée	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Arnassalon-Seerungen Luvna		
	De Souza Martine		
	Merven Nicolas		
Logidis Limited	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Robert Patrice		
	Pilot Vincent		
	Padayachi Oulaganaden		
Lux Island Resorts Ltd	Béga Jean-Claude		
	Elliah Désiré		
	Boullé Jan		
	Brennan John	24/01/2023	
	Chung Wong Tsang Jenifer		
	De La Hogue Laurent		
	Lagesse Pascale		
	Lagesse Thierry		
	Rey Maxime		
Beau Rivage Co Ltd	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Blue Bay Tokey Island Limited	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
FMM Ltee	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Holiday & Leisure Resorts Limited	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
LIR Properties Ltd	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Les Pavillons Resorts Ltd	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
LTK Ltd	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Merville Beach Hotel Ltd	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
MSF Leisure Company Ltd	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Néréide Limited	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Océanide Limited	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Les Villas Du Lagon SA	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
Merville Limited	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
	Bissessur Jitendra		
Lux Island Resorts Foundation	Désiré Elliah		
	Hurrydeo Ramlagun		
Lux Island Resorts Maldives Ltd	Béga Jean-Claude	17/05/2023	
	Désiré Elliah		
Hotel Prestige Réunion	Désiré Elliah		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
LIRCO Ltd Sarl	Désiré Elliah		
	Sellam Eric		
Naiade Holidays (Proprietary) Limited	Jones Paul		
	Elliah Désiré		
White Sands Resort & Spa Pvt Ltd	Béga Jean-Claude		
	Désiré Elliah		
	Hurrydeo Ramlagun		
	Liu Leon		
Manser Saxon Contracting Ltd	Hardy Eric		
	Hurbungs Ashutosh		
	Labat Thierry		
	Meur Mathieu Serge		
	Robert Patrice		
	Jhamna Ramdin Preetee		
Manser Saxon Elevators Ltd	Hurbungs Ashutosh		
	Lebreton De La Vieuville Pierre Eric		
	Jhamna Ramdin Preetee		
Manser Saxon Facilities Ltd	Bassac Eric Louis Pierre		
	Hardy Eric		
	Liautaud Didier Pierre Raoul		
	Ng Tang Fui Jean Noel		
Manser Saxon Interiors Ltd	Hurbungs Ashutosh		
	Ng Tang Fui Jean Noel		
	Jhamna Ramdin Preetee		
Manser Saxon Plumbing Ltd	Hurbungs Ashutosh		
	Ng Tang Fui Jean Noel		
	Jhamna Ramdin Preetee		
Manser Saxon Training Services Ltd	Hardy Eric		
	Hurbungs Ashutosh		
	Labat Thierry		
	Ng Tang Fui Jean Noel		
Marine Biotechnology Products Ltd	Elahee Doomun Abdulla		
	Robert Patrice		
	Purseramen Gopalakrishna Naidu (Cougen)		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Mauritius Breweries Investments Ltd (Previouly MBL Offshore Ltd)	Lagesse Thierry		
	Lagesse Arnaud		
	Dalais François		
	Theys Bernard		
Mednorth Ltd	Hardin Ravi Prakash (Robin)		
	Mootoosawmy Selvin		
Medical Trading Company Ltd	Adolphe Fabrice		
	Chummun Dipak		
	Marie Patrice		
	Lagesse Xavier	18/05/2023	
	Samouilhan Anabelle		
Medical Trading International Ltd	Adolphe Fabrice		
	Chummun Dipak		
	Marie Patrice		
	Samouilhan Anabelle		
	Lagesse Xavier	18/05/2023	
	Tin Wan Yuen Kee Sik (Eric)		
Medwest Ltd	Baichoo Bibi Nourayna		
	Hardin Ravi Prakash (Robin)		
Brandactiv Exports Ltd (Previously New Cold Storage Company Ltd)	Chummun Dipak		
	Marie Patrice		
Naivas Kenya	Kimani David		
	Mukuha Charles		
	Waithera Mercy		
	Magalinga Patten Thiaravanan (Jorsen)		
	Pilot Michel		
Monvid Insurance	Mukuha Peter		
	Nganga Jonathan		
	Kimani David		
	Magalinga Patten Thiaravanan (Jorsen)		
	Pilot Michel		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Nou Zenfan Bois Marchand Ltd	De Souza Martine		
	Labat Thierry		
	Marot Christine		
Novalab Medical Ltd	Jauffret Géraldine		
	Marot Christine		
Ocean Edge Property Management Company Ltd	Espitalier-Noël Michèle Anne		
	Béga Jean-Claude	28/09/2022	
	Lagesse Hugues		
Laboratoire D'innovation Phyto-Aromatiques Ltée (Previously Panacea Pharma Ltée)	Ghanty Oumar Yachine		
	Guidez Jean-François		
	Richard Stephane	14/02/2023	
	Jauffret Géraldine		
	Leclézio Hubert		
Phoenix Beverages Limited	Béga Jean-Claude		30/06/2023
	Boullé Jan		
	Dalais François		
	Hugnin Guillaume		
	Lagesse Arnaud		
	Lagesse Hugues		
	Lagesse Thierry		
	Maigrot Sylvia		
	McIlraith Catherine		
	Rivalland Patrick		
	Theys Bernard		
Phoenix Beverages Overseas Ltd	Dalais François		
	Lagesse Thierry		
	Theys Bernard		
Phoenix Camp Minerals Limited (Previously Phoenix Camp Minerals Offshore Limited)	Lagesse Thierry		
	Theys Bernard		
Phoenix Réunion SARL	Theys Bernard		
Phoenix Distributors Limited	Dalais François		
	Theys Bernard		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Phoenix Foundation	Lagesse Thierry		
	Rivalland Patrick		
	Theys Bernard		
Phoenix Investment Company Limited	Abdoolakhan Shahannah Bibi		
	Boullé Jan		
	Dalais François		
	Gujadhur Madhukar		
	Hugnin Guillaume		
	Lagesse Arnaud		
	Lagesse Hugues		
	Lagesse Thierry		
	Marot Christine		
Phoenix Management Company Ltd	Béga Jean-Claude		30/06/2023
	Dalais François		
	Hugnin Guillaume		
	Lagesse Arnaud		
	Lagesse Thierry		
Pick & Buy Limited	Boullé Jan		
	Gaspard Hubert		
	Lagesse Arnaud		
	Letimier Aldo		
	Mayer James Harold		
	Magalinga Patten Thiaravanan (Jorsen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Robert Patrice		
	Jhamna Ramdin Preetee		
Pick And Buy Tribeca Ltd (Previously Pick & Buy Trianon Ltd)	Letimier Aldo		
	Robert Patrice		
Pick & Buy Victoria Ltd	Letimier Aldo		
	Robert Patrice		
Pines Ltd	Wong Yuen Tien Jimmy		
	Jackaria Sattar		
	Poolay Mootien Paramasiven (Mike)		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Pines Nominees Ltd	Wong Yuen Tien Jimmy		
	Poolay Mootien Paramasiven (Mike)		
Plat – Form Laser Ltée	Jauffret Géraldine		
	Marot Christine		
	Schmitt Olivier (Alternate Director)		
	Ulcoq Yannick		
Retail Properties Ltd	Baichoo Bibi Nourayna		
	Hardin Ravi Prakash (Robin)		
	Marot Christine		
Saxon International Ltd	Hurbungs Ashutosh		
	Robert Patrice		
SCI Edena	Theys Bernard		
Scomat Limitée	Dupont Michel	01/07/2022	
	Robert Patrice		
	Jhamna Ramdin Preetee		
	Ulcoq Yannick		
Seafood Hub Limited	Chummun Dipak		
	Elizondo Kepa Echevarri		
	Lagesse Arnaud		
	Robert Patrice		
	Purseramen Gopalakrishna Naidu (Cougen)		
	Teran Ignacio Ibarra (Alternate)		
Servequip Ltd	Dupont Michel		
	Robert Patrice		
	Jhamna Ramdin Preetee		
	Ulcoq Yannick		
Skysails Power Indian Ocean Ltd	Egot Pierre		
	Le Breton De La Vieuville Pierre Eric		
	André Emmanuel		11/07/2022
	Wrage Stephan		
Société Mauricienne de Navigation Ltée	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Jhamna Ramdin Preetee		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Somatrans SDV Logistics Ltd	Purseramen Gopalakrishna Naidu (Cougen)	01/01/2023	
	Ah Chong Daniel		31/12/2022
	Decotter Jean François		
Somatrans Bolloré Logistics Limited	Purseramen Gopalakrishna Naidu (Cougen)		
	Decotter Jean François		
	De Crécy Philippe (Alternate)	25/10/2022	
	Ehrenbogen Thierry		
	Ah Chong Daniel		31/12/2022
	Robert Patrice		
Southern Investments Ltd	Chummun Dipak		
	Hardin Ravi Prakash (Robin)		
	Robert Patrice		
Southern Seas Shipping Company Limited	Chummun Dipak		
	Ah Chong Daniel		31/12/2022
	Purseramen Gopalakrishna Naidu (Cougen)	16/01/2023	
Specialty Risk Solutions Ltd	Chan Chin Wah Kim Lin Winson		
	Dookun Arvind		
	Olivier Chellen	14/02/2023	
	Wong Wan Po Derek		14/02/2023
Switch Energy Ltd	D'hotman De Villiers Anne		
	Perrier Nicolas		
	Piriou Franck		
	Ruellou Jean-Yves		
Systems Building Contracting Ltd	De Marasse Enouf Maurice		
	Hurbungs Ashutosh		
	Ng Tang Fui Jean Noel		
	Jhamna Ramdin Preetee		
	Rouillard Christine		
The (Mauritius) Glass Gallery Ltd	Hugnin Guillaume		
	Rivalland Patrick		
	Theys Bernard		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
The Bee Equity Partners Ltd	Doherty Bigara Claire	03/04/2023	
	Béga Jean-Claude		30/06/2023
	Fayolle Olivier		30/06/2023
	Lagesse Delphine	16/06/2023	
	Gujadhur Madhukar		
	Hardin Ravi Prakash (Robin)		
	Henry Stéphane		
	Jackaria Sattar		
	Pilot Denis Claude		
The Cryoact Ltd	Albert Laurent Nicholas		
	Blanc-Bui-Van Lionel Jean Robert		
	Boullé Amaury Christophe (Alternate)		
	Doger De Speville Elodie		
	Jauffret Géraldine		
	Marot Christine		
	Ulcoq Yannick		
The Ground Collaborative Space Ltd	Baichoo Bibi Nourayna		
	Fayolle Olivier		
	Mootoosawmy Selvin		
	Planel Celine		
The Lux Collective Ltd	Lagesse Arnaud		
	Jones Paul		
	Amsellem David		
	De Fondaumiere Jean		
	Harel Alexis		
	Olbertz Hans		
	Woroch Scott		
	Nababsing-Jetshan Diya		
	Poolovadoo Deodass	09/02/2023	
	Hagger Julian		15/12/2022
The Lux Collective Pte Ltd	Lagesse Arnaud		
	Jones Paul		
	Poolovadoo Deodass		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Salt Hospitality Ltd	Lagesse Arnaud		
	Jones Paul		
	Poolovadoo Deodass		
	Hagger Julian		15/12/2022
Café Lux Ltd	Lagesse Arnaud		
	Jones Paul		
	Poolovadoo Deodass		
Island Light Vacations Ltd	Lagesse Arnaud		
	Jones Paul		
	Poolovadoo Deodass		
	Valet Guillaume		
LIRTA Ltd	Jones Paul		
	Poolovadoo Deodass		
	Autrey Nicolas		
Lux Island Resorts (Seychelles) Ltd	Lagesse Arnaud		
	Poolovadoo Deodass		
Palm Boutique Hotel Ltd	Lagesse Arnaud		
	Jones Paul		
	Poolovadoo Deodass		
	Valet Guillaume		
The Lux Collective Uk Ltd	Lagesse Arnaud		
	Jones Paul		
Lux Hotel Management (Shanghai) Co Ltd	Jones Paul		
	Ah-You Marie Laure		
The Lux Collective Llc	Jones Paul		
The Traditional Green Mill Ltd	Rivalland Patrick		
	Theys Bernard		
Tornado Ltd	Hurbungs Ashutosh		
	Law Min Georges Bernard Hing Meng		
	Ng Tang Fui Jean Noel		
	Jhamna Ramdin Preetee		
Tower Bridge Projects (Mauritius) Limited	Hurbungs Ashutosh		

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Transfroid Ltd	Elizondo Kepa Echevarria		
	Robert Patrice		
	Purseramen Gopalakrishna Naidu (Cougen)		
	Jhamna Ramdin Preetee		
	Ah Chong Daniel		31/12/2022
	Bunwaree-Ramsaha Aruna Devi		18/12/2022
	Rault Maurice		
Universal Media Ltd	Cervello Jacques Philippe		
	Fayolle Laurent		
	Lai Tung Chan Phong Wha		
	Marot Christine		
	Cervello Julien Philippe (Alternate)		
	Wong Diffa Marie Francoise (Alternate)		17/03/2023
	Cervello Ines	17/03/2023	
Winhold Limited	Chummun Dipak		
	Letimier Aldo		
	Robert Patrice		
Wellactiv Company Ltd (Previously Healthactiv Ltd)	Adolphe Fabrice		
	Robert Patrice		
	Samouilhan Anabelle		
	Lagesse Xavier	18/05/2023	
	Marie Patrice		
Ze Dodo Trail	Decotter Olivier		
	Labat Thierry		
	Rouget Roy		
The United Basalt Products Ltd	Béga Jean-Claude		
	Boullé François		31/12/2022
	Boullé Jan		
	Brossard Stéphane		
	Gris Catherine		
	Lagesse Stéphane		
	Lagesse Thierry		
	Marot Christine		
	Ramdhonee Kalindee		

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
The United Basalt Products Ltd	Quevauvilliers Christophe		
	Ulcoq Stéphane		
Espace Maison Ltée	Béga Jean-Claude		
	Quevauvilliers Christophe	08/12/2022	
	Ulcoq Stéphane		
	Lagesse Thierry		08/12/2022
	Boullé François		08/12/2022
	Boullé Jan		08/12/2022
	Lagesse Stéphane		08/12/2022
Compagnie de Gros Cailloux Limitée	Béga Jean-Claude	08/12/2022	
	Quevauvilliers Christophe		
	Ulcoq Stéphane		
	Lagesse Thierry		08/12/2022
	Boullé François		08/12/2022
UBP Coffrages Ltée	Béga Laurent		
	Gujjalu Bryan		
	Quevauvilliers Christophe		
Welcome Industries Ltd	Béga Jean-Claude	10/02/2023	
	Quevauvilliers Christophe		
	Ulcoq Stéphane		
	Lagesse Thierry		08/12/2022
UBP International Limited	Béga Jean-Claude	10/02/2023	
	Ulcoq Stéphane		
	Lagesse Thierry		08/12/2022
United Granite Products (Private) Limited	Quevauvilliers Christophe		
	Ulcoq Stéphane		
Sainte Marie Crushing Plant Limited	Quevauvilliers Christophe		
	Sauzier Thierry		
	Ulcoq Stéphane		
	Gujjalu Bryan	10/02/2023	
	Lagesse Thierry		08/12/2022

List of Directors – Subsidiaries

Subsidiary Company	Name of Director	Date of Appointment (FY2022-23)	Date of Resignation (FY2022-23)
Drymix Ltd	Jullienne Jean-Jacques		
	Taylor Colin		
	Ulcoq Stéphane		
Drymix Ltd	Adam Eric	14/11/2022	
	Quevauvilliers Christophe	14/11/2022	
	Béga Jean-Claude	14/11/2022	
	Gujjalu Bryan (Alternate)	14/11/2022	
	Ahkang Gaetan (Alternate)	14/11/2022	
	Jauffret Guillaume (Alternate)	14/11/2022	
Premix Ltd	Béga Jean-Claude	08/12/2022	
	Ulcoq Stéphane		
	Quevauvilliers Christophe		
	Lagesse Thierry		08/12/2022
Pricom Ltd	Ulcoq Stéphane		
	Quevauvilliers Christophe		

Statement of Directors' Responsibilities

In respect of the preparation of financial statements

Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable laws and regulations.

Company law requires Directors to prepare financial statements in accordance with International Financial Reporting Standards for each financial year. Financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. The external auditors are responsible for reporting on whether the financial statements are fairly presented. In preparing these financial statements, Directors confirm that they have:

- Selected suitable accounting policies and then apply them consistently.
- Made judgements and accounting estimates that are reasonable and prudent.
- Stated that International Financial Reporting Standards have been adhered to, subject to any material departures being disclosed and explained in the financial statements.
- Prepared the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.
- Ensured application of the Code of Corporate Governance and provided reasons in case of non-application with the Code.

Directors are responsible for keeping proper accounting records, which disclose reasonable accuracy at any time, the financial position of the Company and the Group, to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. Directors have the duty to safeguard the assets of the Company and the Group, and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for maintaining an effective system of internal control and risk management.

The Directors hereby confirm that they have complied with the above requirements.

Approved by the Board of Directors on 28 September 2023 and signed on its behalf by

Jan Boullé
Chairman

Richard Arlove
Director

Consolidated and Separate Financial Statements

In this section

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of IBL Ltd (the "Company" and the "Public Interest Entity") and its subsidiaries (the "Group") set out on pages 246 to 394, which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of properties	
The Group's and the Company's carrying value of land and buildings amounted to Rs 23.77 billion and Rs 451.20 million and investment properties amounted to Rs 3.65 billion and Nil respectively. The Group's and the Company's revaluation adjustments in respect of land and buildings recorded in other comprehensive income for the year was Rs 1.40 billion and Nil while the fair value adjustments in respect of investment property recorded in profit for the year was Rs 102.14 million and Nil respectively. The disclosures are provided in Notes 3, 4 and 5 to the financial statements. The properties of the Group and the Company comprise of owner-occupied land and buildings and investment properties. The models used to determine the fair values for each of the categories differ due to the different nature of each of these categories. The Group uses independent professional valuers to determine the fair values for all of the properties held in these categories. Significant judgement is required by management in determining the fair value of properties. Accordingly, the valuation of properties is considered to be a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgement associated with determining the fair value. The inputs with the most significant impact on these valuations include comparable market data, discount rates, capitalisation rates, depreciation rates, rental income and replacement costs.	We assessed the competence, capabilities and objectivity of management's independent valuers. In addition, we discussed the scope of their work with management and reviewed their terms of engagement to determine that there were no matters that affected their objectivity or imposed scope limitations upon them. We verified that the approaches used were consistent with IFRS and industry norms. With the support of our internal valuation specialists, we evaluated management's judgement, in particular: · The models used by management; and · The significant assumptions including comparable market data, discount rates, capitalisation rates, depreciation rates, rental income and replacement costs. We compared these inputs to market data and entity-specific historical information to confirm the appropriateness of these judgement. Furthermore, we tested a selection of data inputs underpinning the valuation against appropriate supporting documentation to assess the accuracy, reliability and completeness thereof. We have also assessed whether the disclosures are in accordance with the requirements of IFRS 13.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

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

Key audit matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill	
The Group has goodwill amounting to Rs 1.94 billion at 30 June 2023. Significant judgement is required by management in assessing the impairment of goodwill, if any, which is determined using discounted cash flows for each Cash Generating Unit (CGU) for which goodwill has been allocated. The management has disclosed the accounting judgement and estimate used in the above in Notes 3 and 6. The value-in-use is sensitive to changes in the weighted average cost of capital (WACC) rate and growth rate and significant judgement is involved in the preparation of the cash flow forecasts. Accordingly, the impairment test of goodwill is considered to be a key audit matter.	In evaluating the impairment assessment of goodwill, we reviewed the value-in-use calculations prepared by management. The procedures performed, with the support of our internal valuation specialists, included the following: · Reviewed the entity's key controls relating to the preparation of the cash flow forecasts. · Reviewed the inputs used in the cash flow forecast against historical performance and in comparison to management's strategic plans. · Compared the economic growth rates used to historical data in the Cash Generating Units. · Reviewed appropriateness of discount factors used, including any illiquidity and size factors. · Verified the mathematical accuracy of the valuation. · Performed sensitivity analyses on the growth rates and discount rates to evaluate the extent of impact on the value-in-use of each CGU in line with the requirements of IAS 36 – Impairment of Assets. · Assessed whether the disclosures made in the financial statements are as per the requirements of IFRS.
Retirement benefit obligations	
The Group and the Company operate defined benefit plans and have recognised retirement benefit obligations of Rs 2.35 billion and Rs 775.23 million respectively at 30 June 2023. The management has applied judgement in determining the retirement benefits and has involved an independent actuary to assist with the IAS 19 provisions and disclosures. Retirement benefit obligations are considered a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgement associated with determining the amount of provision. The significant assumptions used in respect of the retirement benefit obligations have been disclosed in Note 24.	We assessed the competence, capabilities and objectivity of management's independent actuaries. The procedures performed included the following: · Assessed and challenged the assumptions that management made in determining the present value of the liabilities and fair value of plan assets; · Independently recalculated the discount rate used based on the duration of the employee benefit liabilities; · Assessed the reasonableness of future salary increase; · Verified the data used by the actuaries with the payroll report for completeness and accuracy; and · Assessed whether the disclosures made in the financial statements are as per the requirements of IAS 19.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

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

Key audit matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of unquoted investments	
Fair values of unquoted investments of the Group and the Company amounting to Rs 752.98 million and Rs 30.79 billion respectively are determined by using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flow, whichever is considered to be most appropriate. The disclosures of fair values of unquoted investments have been provided in Notes 11, 12, 13 and 14 to the financial statements. The management has also disclosed the accounting judgements and estimates used for fair valuation in Notes 3 and 37(a) to the financial statements. The valuation exercise, as carried out in the current year, requires that management makes estimates of discount factors and price earnings ratio as applicable to the relevant market. Changes in assumptions about these factors could affect the reported fair values of the unquoted investments and the valuation techniques can be subjective in nature and require significant management estimates. Accordingly the valuation of unquoted investments is considered to be a key audit matter.	In evaluating the fair values of unquoted investments, we reviewed the valuation calculations prepared by the management. We assessed the competence, capabilities and objectivity of the valuers. The procedures performed, with the support of our internal valuation specialists, included the following: · Evaluated the appropriateness of the valuation methodologies and models used to ensure they are properly applied in compliance with IFRS 13 – Fair Value Measurement. · Reviewed the entity's key controls relating to the preparation of the cash flow forecasts. · Reviewed the inputs used in the cash flow forecast against historical performance and in comparison to the directors' and management's strategic plans. · Assessed the reasonableness of the valuation assumptions and tested the underlying source information of the significant valuation assumptions. · Reviewed appropriateness of discount factors used, including any illiquidity, size and lack of control factors. · Verified the mathematical accuracy of the valuation. · Performed sensitivity analyses on the growth rates and discount rates to evaluate the extent of impact on the value-in-use and the appropriateness of the directors' and management's disclosures. · Assessed whether the disclosures made in the financial statements are as per the requirements of IFRS.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

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

Other information

The Directors are responsible for the other information. The other information comprises the Corporate Governance Report, Statutory disclosures, Certificate from Company Secretary as well as other reports which are included in the Annual Report which we obtained prior to the date of this auditor's report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements (Continued)

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company and its subsidiaries other than in our capacity as auditor;

- we have obtained all information and explanations that we have required; and

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

Financial Reporting Act 2004 – Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Use of this report

This report is made solely to the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte	**LLK Ah Hee, FCCA**
Chartered Accountants	Licensed by FRC
28 September 2023	

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023

		THE GROUP		THE COMPANY	
	Notes	**2023**	2022	**2023**	2022
		Rs'000	Rs'000	**Rs'000**	Rs'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	**34,363,614**	30,163,221	**545,359**	550,463
Investment properties	5	**3,646,098**	3,356,188	**–**	–
Intangible assets	6(a)	**2,565,719**	2,450,211	**11,796**	13,816
Land conversion rights	6(b)	**27,198**	27,198	**–**	–
Bearer biological assets	8(b)	**1,125**	–	**–**	–
Deferred tax assets	7	**325,760**	287,942	**99,129**	53,608
Right of use assets	16(a)	**5,880,010**	4,916,237	**74,957**	62,273
Non-current receivables	17(a)	**101,897**	80,788	**322,785**	154,818
Advance towards equity	17(b)	**637,975**	–	**1,403,341**	–
Retirement benefit obligations allocated to related parties	24	**6,026**	8,173	**181,191**	250,400
Investment in:					
– Subsidiaries	11	**–**	–	**29,077,267**	24,454,888
– Associates	12	**20,608,026**	10,234,684	**6,730,533**	6,611,217
– Joint ventures	13	**755,871**	109,104	**1,617,463**	406,932
– Other financial assets	14	**1,242,095**	978,579	**98,398**	125,221
		22,605,992	11,322,367	**37,523,661**	31,598,258
		70,161,414	52,612,325	**40,162,219**	32,683,636
CURRENT ASSETS					
Consumable biological assets	8(a)	**103,351**	77,086	**–**	–
Inventories	15	**8,828,983**	8,077,194	**1,930,736**	1,578,834
Trade and other receivables	18	**8,361,976**	6,104,799	**2,083,572**	1,634,131
Contract assets	29(b)	**1,048,635**	763,745	**–**	–
Gross outstanding claims - Reinsurance assets	9(a)	**1,995,711**	1,164,645	**–**	–
General insurance fund - Reinsurance assets	10	**384,229**	316,870	**–**	–
Current tax assets	26	**82,067**	53,725	**2,939**	1,944
Other financial assets	14	**69,211**	256,183	**–**	–
Cash and cash equivalents		**5,634,484**	5,848,841	**423,802**	603,898
		26,508,647	22,663,088	**4,441,049**	3,818,807
Assets classified as held for sale	21	**135,037**	828,556	**–**	–
TOTAL ASSETS		**96,805,098**	76,103,969	**44,603,268**	36,502,443

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023

		THE GROUP		THE COMPANY	
	Notes	**2023**	2022	**2023**	2022
		Rs'000	Rs'000	**Rs'000**	Rs'000
EQUITY AND LIABILITIES					
Stated capital	20(a)	**1,361,941**	1,361,941	**1,361,941**	1,361,941
Revaluation and other reserves		**7,902,955**	6,988,087	**16,615,302**	15,087,595
Retained earnings		**9,885,852**	7,593,425	**4,858,211**	5,110,754
EQUITY ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY		**19,150,748**	15,943,453	**22,835,454**	21,560,290
Restricted redeemable shares	20(b)	**5,000**	5,000	**5,000**	5,000
Convertible bonds	20(c)	**1,460,283**	1,460,283	**–**	–
Non-controlling interests		**15,921,627**	12,180,393	**–**	–
TOTAL EQUITY		**36,537,658**	29,589,129	**22,840,454**	21,565,290
NON-CURRENT LIABILITIES					
Borrowings	22	**20,720,686**	18,125,950	**11,000,000**	8,000,000
Lease liabilities	16(b)	**5,008,491**	4,037,626	**39,980**	45,618
Retirement benefit obligations	24	**2,351,306**	2,243,840	**775,229**	834,263
Government grants	27	**41,773**	51,480	**–**	–
Deferred tax liabilities	7	**1,526,136**	1,271,484	**–**	–
Contract liabilities	29(c)	**85,738**	–	**–**	–
Other payables	23	**59,738**	135,769	**29,006**	84,093
		29,793,868	25,866,149	**11,844,215**	8,963,974
CURRENT LIABILITIES					
Borrowings	22	**11,489,037**	6,627,119	**7,480,983**	4,242,204
Lease liabilities	16(b)	**525,055**	578,499	**39,864**	22,553
Trade and other payables	25	**13,030,206**	9,488,813	**2,034,973**	1,680,907
Other payables	23	**35,144**	45,047	**22,667**	27,515
Gross outstanding claims	9(a)	**2,719,802**	1,819,756	**–**	–
General insurance fund	10	**609,276**	504,553	**–**	–
Contract liabilities	29(c)	**1,313,561**	891,607	**–**	–
Dividend payable	19	**340,112**	–	**340,112**	–
Current tax liabilities	26	**399,095**	226,553	**–**	–
Government grants	27	**12,284**	12,163	**–**	–
		30,473,572	20,194,110	**9,918,599**	5,973,179
Liabilities associated with assets classified as held for sale	21	**–**	454,581	**–**	–
TOTAL LIABILITIES		**60,267,440**	46,514,840	**21,762,814**	14,937,153
TOTAL EQUITY AND LIABILITIES		**96,805,098**	76,103,969	**44,603,268**	36,502,443

Approved by the Board of Directors and authorised for issue on 28 September 2023.

Jan Boullé
Chairman of the Board of Directors

Richard Arlove
Director

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2023

		THE GROUP		THE COMPANY	
	Notes	**2023**	2022	**2023**	2022
		Rs'000	Rs'000	**Rs'000**	Rs'000
Continuing operations					
Revenue from contracts with customers	29(a)	**52,038,153**	43,248,880	**6,370,736**	5,442,503
Gross insurance premiums		**1,916,970**	1,614,142	**–**	–
Rental income		**114,696**	87,992	**2,025**	2,964
Dividend income		**15,822**	26,134	**1,577,598**	825,709
Revenue	29	**54,085,641**	44,977,148	**7,950,359**	6,271,176
Cost of sales		**(36,999,905)**	(31,239,760)	**(5,053,731)**	(4,320,857)
Reinsurance premiums ceded		**(1,338,405)**	(1,120,325)	**–**	–
(Charge)/release from general insurance fund	10	**(37,364)**	23,853	**–**	–
Gross profit		**15,709,967**	12,640,916	**2,896,628**	1,950,319
Other income	30	**1,145,337**	1,313,439	**74,846**	185,015
Administrative expenses		**(12,264,601)**	(10,540,522)	**(1,938,344)**	(1,518,400)
Expected credit losses	28(b)	**(41,062)**	247,718	**(22,902)**	71,477
Gross claims paid	9(b)	**(2,369,796)**	(1,057,652)	**–**	–
Claims recovered from reinsurers	9(b)	**1,988,624**	756,052	**–**	–
Operating profit	28	**4,168,469**	3,359,951	**1,010,228**	688,411
Interest income using the EIR method	31	**191,809**	63,411	**29,666**	1,394
Finance costs	32	**(2,066,795)**	(1,246,481)	**(899,132)**	(433,683)
Other gains and losses	33	**697,444**	(404,377)	**24,093**	–
Share of results of associates	12	**2,329,782**	870,570	**–**	–
Share of results of joint ventures	13	**176,413**	34,986	**–**	–
Profit before tax		**5,497,122**	2,678,060	**164,855**	256,122
Tax (expense)/credit	26	**(611,120)**	(736,366)	**44,879**	(11,811)
Profit for the year from continuing operations		**4,886,002**	1,941,694	**209,734**	244,311
Discontinued operations					
Profit for the year from discontinued operations	21	**–**	23,123	**–**	–
Profit for the year		**4,886,002**	1,964,817	**209,734**	244,311
Attributable to:					
– Owners of the Company		**3,064,183**	1,182,613	**209,734**	244,311
– Non-controlling interests		**1,821,819**	782,204	**–**	–
		4,886,002	1,964,817	**209,734**	244,311
Earnings per share (Rs)					
Basic and diluted:					
– From continuing and discontinued operations	40	**4.50**	1.74		
– From continuing operations	40	**4.50**	1.72		

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

		THE GROUP		THE COMPANY	
	Notes	**2023**	2022	**2023**	2022
		Rs'000	Rs'000	**Rs'000**	Rs'000
Profit for the year		**4,886,002**	1,964,817	**209,734**	244,311
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Net gain on equity instruments at FVTOCI	(a)	**34,813**	41,643	**1,500,983**	3,643,355
Revaluation of land and buildings		**1,399,081**	549,491	**–**	–
Deferred tax on revaluation of land and buildings		**(176,492)**	(54,303)	**–**	–
Remeasurement of employee benefit liabilities		**7,536**	(127,545)	**16,139**	(91,013)
Deferred tax on remeasurement of employee benefit liabilities		**1,717**	23,755	**(2,744)**	17,314
Remeasurement of employee benefit liabilities – share of associates and joint ventures		**45,812**	(22,759)	**–**	–
Share of OCI of associates – revaluation reserves		**8,597**	76,272	**–**	–
Share of OCI of associates – fair value		**378**	495	**–**	–
Share of OCI of associates and joint ventures – other reserves		**4,906**	1,711	**–**	–
		1,326,348	488,760	**1,514,378**	3,569,656
Items that may be reclassified subsequently to profit or loss					
Cash flow hedge movements		**(137,108)**	310,882	**–**	–
Deferred tax on cash flow hedge movements		**–**	(2,043)	**–**	–
Exchange differences on translating foreign operations		**290,331**	(294,885)	**–**	–
Share of OCI of joint ventures – other reserves		**(2,203)**	–	**–**	–
Share of OCI of associates and joint ventures – translation reserves		**(30,240)**	(110,307)	**–**	–
Total other comprehensive income		**1,447,128**	392,407	**1,514,378**	3,569,656
Total comprehensive income for the year		**6,333,130**	2,357,224	**1,724,112**	3,813,967
Attributable to:					
Owners of the Company		**3,737,297**	1,216,602	**1,724,112**	3,813,967
Non-controlling interests		**2,595,833**	1,140,622	**–**	–
		6,333,130	2,357,224	**1,724,112**	3,813,967
Total comprehensive income for the year analysed as follows:					
Continuing operations		**6,333,130**	2,334,101	**1,724,112**	3,813,967
Discontinued operations		**–**	23,123	**–**	–
		6,333,130	2,357,224	**1,724,112**	3,813,967

(a) The fair value gain/(loss) is analysed as follows:

		THE GROUP		THE COMPANY	
		2023	2022	**2023**	2022
		Rs'000	Rs'000	**Rs'000**	Rs'000
Subsidiaries	11	**–**	–	**229,369**	3,067,129
Associates	12	**–**	–	**1,612,552**	542,588
Joint ventures	13	**–**	–	**(309,615)**	24,307
Other financial assets	14	**34,813**	41,643	**(31,323)**	9,331
		34,813	41,643	**1,500,983**	3,643,355

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

THE GROUP	EQUITY ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY											
	Stated capital	Capital contribution reserve	Revaluation reserves	Currency translation reserves	Fair value reserves	(Note (a)) Other reserves	Retained earnings	Total	Restricted redeemable shares	Convertible bonds	Non-controlling interests	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2021	1,361,941	2,382,387	2,844,526	1,189,640	137,690	75,877	7,049,184	15,041,245	5,000	744,083	11,672,133	27,462,461
Profit for the year	–	–	–	–	–	–	1,182,613	1,182,613	–	–	782,204	1,964,817
Other comprehensive income/(loss) for the year	–	–	275,884	(283,930)	27,555	172,972	(158,492)	33,989	–	–	358,418	392,407
Total comprehensive income/(loss) for the year	–	–	275,884	(283,930)	27,555	172,972	1,024,121	1,216,602	–	–	1,140,622	2,357,224
Changes in percentage holding in subsidiaries	–	–	–	–	–	–	(40,090)	(40,090)	–	–	(60,824)	(100,914)
Disposal of subsidiaries	–	–	–	–	–	–	–	–	–	–	19,722	19,722
Transfer between reserves	–	–	(8,656)	18,452	1,352	82,600	128,316	222,064	–	–	(222,064)	–
Other movements in reserves of subsidiaries	–	–	71,738	–	–	–	(68,445)	3,293	–	–	3,377	6,670
Other movements in reserves of associates	–	–	–	–	–	–	(69,722)	(69,722)	–	–	–	(69,722)
Convertible bonds issued	–	–	–	–	–	–	–	–	–	716,200	–	716,200
Interest on convertible bonds	–	–	–	–	–	–	(21,805)	(21,805)	–	–	(16,808)	(38,613)
Shares issued to non-controlling interests	–	–	–	–	–	–	–	–	–	–	22,167	22,167
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(377,932)	(377,932)
Dividends (Note 19)	–	–	–	–	–	–	(408,134)	(408,134)	–	–	–	(408,134)
At 30 June 2022	1,361,941	2,382,387	3,183,492	924,162	166,597	331,449	7,593,425	15,943,453	5,000	1,460,283	12,180,393	29,589,129
At 1 July 2022	**1,361,941**	**2,382,387**	**3,183,492**	**924,162**	**166,597**	**331,449**	**7,593,425**	**15,943,453**	**5,000**	**1,460,283**	**12,180,393**	**29,589,129**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**3,064,183**	**3,064,183**	**–**	**–**	**1,821,819**	**4,886,002**
Other comprehensive income/(loss) for the year	**–**	**–**	**589,226**	**100,400**	**6,973**	**(79,628)**	**56,143**	**673,114**	**–**	**–**	**774,014**	**1,447,128**
Total comprehensive income/(loss) for the year	**–**	**–**	**589,226**	**100,400**	**6,973**	**(79,628)**	**3,120,326**	**3,737,297**	**–**	**–**	**2,595,833**	**6,333,130**
Changes in percentage holding in subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**(2,663)**	**(2,663)**	**–**	**–**	**2,013**	**(650)**
Other movements in reserves and retained earnings	**–**	**–**	**(26,650)**	**737**	**(8,142)**	**332,844**	**(298,789)**	**–**	**–**	**–**	**–**	**–**
Other movements in reserves of associates	**–**	**–**	**–**	**–**	**–**	**–**	**(27,213)**	**(27,213)**	**–**	**–**	**(6,606)**	**(33,819)**
Acquisition of subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(19,783)**	**(19,783)**
Effect of restructuring	**–**	**–**	**(892)**	**–**	**–**	**–**	**(15,626)**	**(16,518)**	**–**	**–**	**(7,037)**	**(23,555)**
Interest on convertible bonds	**–**	**–**	**–**	**–**	**–**	**–**	**(34,660)**	**(34,660)**	**–**	**–**	**(26,717)**	**(61,377)**
Shares issued to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2,143,506**	**2,143,506**
Dividends paid to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(939,975)**	**(939,975)**
Dividends (Note 19)	**–**	**–**	**–**	**–**	**–**	**–**	**(448,948)**	**(448,948)**	**–**	**–**	**–**	**(448,948)**
At 30 June 2023	**1,361,941**	**2,382,387**	**3,745,176**	**1,025,299**	**165,428**	**584,665**	**9,885,852**	**19,150,748**	**5,000**	**1,460,283**	**15,921,627**	**36,537,658**

Note (a): Other reserves include cash flow hedge movement, profits transferred from retained earnings for appropriation purpose as well as reserve adjustments following changes in shareholding of subsidiaries without loss of control.

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

THE COMPANY

	Stated capital	Fair value reserve	Revaluation reserve	Capital contribution reserve	Retained earnings	Equity attributable to ordinary shareholders	Restricted redeemable shares	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2021	1,361,941	6,250,694	219,435	5,383,752	4,938,635	18,154,457	5,000	18,159,457
Profit for the year	–	–	–	–	244,311	244,311	–	244,311
Other comprehensive income/(loss) for the year	–	3,643,355	–	–	(73,699)	3,569,656	–	3,569,656
Total comprehensive income for the year	–	3,643,355	–	–	170,612	3,813,967	–	3,813,967
Transfer of fair value reserves to retained earnings	–	(409,641)	–	–	409,641	–	–	–
Dividends (Note 19)	–	–	–	–	(408,134)	(408,134)	–	(408,134)
At 30 June 2022	1,361,941	9,484,408	219,435	5,383,752	5,110,754	21,560,290	5,000	21,565,290
At 1 July 2022	**1,361,941**	**9,484,408**	**219,435**	**5,383,752**	**5,110,754**	**21,560,290**	**5,000**	**21,565,290**
Profit for the year	**–**	**–**	**–**	**–**	**209,734**	**209,734**	**–**	**209,734**
Other comprehensive income for the year	**–**	**1,500,983**	**–**	**–**	**13,395**	**1,514,378**	**–**	**1,514,378**
Total comprehensive income for the year	**–**	**1,500,983**	**–**	**–**	**223,129**	**1,724,112**	**–**	**1,724,112**
Transfer of fair value reserves to retained earnings	**–**	**26,724**	**–**	**–**	**(26,724)**	**–**	**–**	**–**
Dividends (Note 19)	**–**	**–**	**–**	**–**	**(448,948)**	**(448,948)**	**–**	**(448,948)**
At 30 June 2023	**1,361,941**	**11,012,115**	**219,435**	**5,383,752**	**4,858,211**	**22,835,454**	**5,000**	**22,840,454**

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
OPERATING ACTIVITIES				
Profit before tax from continuing operations	**5,497,122**	2,678,060	**164,855**	256,122
Profit before tax from discontinued operations	**–**	23,123	**–**	–
Profit before tax	**5,497,122**	2,701,183	**164,855**	256,122
Adjustments to reconcile profit before tax to net cash flows:				
Share of profits from associates	**(2,329,782)**	(870,570)	**–**	–
Share of profits from joint ventures	**(176,413)**	(34,986)	**–**	–
Depreciation and impairment of property, plant and equipment	**1,839,485**	1,771,952	**49,392**	43,301
Amortisation of intangible assets	**83,275**	95,218	**6,219**	9,722
Depreciation on right of use assets	**661,221**	581,940	**26,677**	24,528
Profit on disposal of property, plant and equipment, intangible assets and investment properties	**–**	(28,496)	**(1,351)**	(493)
Assets written off	**4,201**	124,557	**6**	2,538
Impairment of property, plant and equipment and right of use assets	**212,573**	247,620	**–**	–
Termination of lease	**(3,165)**	(3,843)	**(2,344)**	–
Amortisation of grants	**(13,285)**	(21,890)	**–**	–
Impairment of goodwill	**18,841**	380,747	**–**	–
Gain on bargain purchase of associates	**–**	(21,631)	**–**	–
Gain on disposal and winding up of subsidiaries	**–**	(42,939)		–
Gain on disposal of associates	**(3,667)**	(158,236)	**–**	–
Impairment loss on associates and joint ventures	**15,713**	259,942	**–**	–
Impairment of held for sale assets	**–**	7,414	**–**	–
Exchange differences	**75,574**	(15,562)	**5,367**	(8,019)
Dividend income	**(15,822)**	(26,134)	**(26,410)**	–
Interest income	**(191,809)**	(63,411)	**(29,666)**	(1,394)
Interest expense	**2,066,795**	1,258,228	**903,084**	433,683
Movement in employee benefit liabilities	**101,582**	9,428	**26,314**	(5,413)
Fair value of investment properties	**(102,137)**	(290,279)	**–**	–
Fair value movement on land conversion rights	**–**	(1,576)	**–**	–
Fair value movement on consumable biological assets	**210**	20,291	**–**	–
Fair value movement on other financial assets measured at FVTPL	**(34,279)**	13,395	**–**	–
Expected credit losses on other financial assets and financial guarantee contracts	**(2,310)**	(127,256)	**31,342**	(38,107)
Release from general insurance fund	**37,364**	(23,853)	**–**	–
	7,741,287	5,741,253	**1,153,485**	716,468
Working capital adjustments:				
Movement in consumable biological assets	**(27,600)**	(42,950)	**–**	–
Movement in inventories	**(685,549)**	(1,893,456)	**(351,902)**	(390,751)
Movement in non-current loan receivables	**(21,109)**	11,475	**(308,731)**	(86,582)
Movement in contract assets	**(284,890)**	116,123	**–**	–
Movement in trade and other receivables	**(2,157,497)**	(980,002)	**(454,562)**	(111,463)
Movement in net insurance claims	**68,980**	36,409	**–**	–
Movement in trade and other payables	**4,134,342**	1,599,139	**296,024**	415,470
Movement in contract liabilities	**507,692**	290,930	**–**	(15,737)
CASH GENERATED FROM OPERATIONS	**9,275,656**	4,878,921	**334,314**	527,405
Interest paid	**(2,048,934)**	(1,213,688)	**(899,132)**	(430,219)
Tax paid, net of refund	**(448,705)**	(222,898)	**(4,381)**	56
NET CASH FLOW GENERATED FROM/(USED IN) OPERATING ACTIVITIES	**6,778,017**	3,442,335	**(569,199)**	97,242

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
NET CASH FLOW GENERATED FROM/(USED IN) OPERATING ACTIVITIES	**6,778,017**	3,442,335	**(569,199)**	97,242
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	**(4,101,030)**	(2,663,917)	**(44,840)**	(73,343)
Purchase of intangible assets	**(107,778)**	(127,702)	**(4,199)**	(4,744)
Purchase of investment properties	**(737,469)**	(97,984)	**–**	–
Purchase/reassessment of right of use assets	**7,307**	(38,887)	**–**	–
Proceeds from sale of property, plant and equipment, investment properties and intangible assets	**549,906**	373,657	**1,896**	62,842
Proceeds from disposal of other financial assets	**501,656**	289,714	**–**	–
Acquisition of investments	**(9,634,277)**	(423,691)	**(5,698,907)**	(71,418)
Advance towards acquisition of investments	**(637,975)**	–	**–**	–
Disposal of subsidiary	**–**	–	**10,206**	–
Net cash outflow on acquisition of subsidiaries (Note 38(a))	**(87,241)**	(271,781)	**–**	–
Net cash inflow on disposal and winding up of subsidiaries (Note 38(b))	**–**	15,490	**–**	–
Dividend received from associated companies and joint ventures	**502,996**	382,031	**–**	–
Dividend received	**15,822**	26,134	**–**	–
Interest received	**191,809**	63,411	**29,666**	1,394
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(13,536,274)**	(2,473,525)	**(5,706,178)**	(85,269)
FINANCING ACTIVITIES				
Net movement in borrowings	**7,239,012**	163,824	**6,848,864**	(84,594)
Repayment of leases	**(631,141)**	(575,243)	**(28,795)**	(26,374)
Convertible bonds issued	**–**	716,200	**–**	–
Interests on convertible bonds	**(61,377)**	(38,613)	**–**	–
Shares issued to non-controlling shareholders	**2,143,506**	22,167	**–**	–
Dividend paid to non-controlling shareholders	**(1,879,950)**	(242,263)	**–**	–
Dividend paid to owners of the Company	**(108,836)**	(632,608)	**(108,836)**	(632,608)
NET CASH FLOW GENERATED FROM/(USED IN) FINANCING ACTIVITIES	**6,701,214**	(586,536)	**6,711,233**	(743,576)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(57,043)**	382,274	**435,856**	(731,603)
NET FOREIGN EXCHANGE DIFFERENCE	**47,902**	81,063	**22,864**	8,019
CASH AND CASH EQUIVALENTS AT 1 JULY	**2,854,567**	2,391,230	**(1,604,482)**	(880,898)
CASH AND CASH EQUIVALENTS AT 30 JUNE	**2,845,426**	2,854,567	**(1,145,762)**	(1,604,482)
Represented by:				
Cash and cash equivalents	**5,634,484**	5,848,841	**423,802**	603,898
Bank overdrafts (Note 22)	**(2,789,058)**	(3,117,094)	**(1,569,564)**	(2,208,380)
Cash and equivalents attributable to assets classified as held for sale (Note 21)	**–**	122,820	**–**	–
	2,845,426	2,854,567	**(1,145,762)**	(1,604,482)

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 240 to 245.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. CORPORATE INFORMATION

IBL Ltd (the "Company") is a public company incorporated in Mauritius and its main activities are that of investment holding and trading in consumables and healthcare products. Its registered office and principal place of business is situated on 4th Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius.

IBL Ltd as a group (the "Group") has investments in subsidiaries, associates and joint ventures spanning over 9 clusters namely Agro and Energy, Building and Engineering, Commercial and Distribution, Financial Services, Hospitality and Services, Life and Technologies, Logistics, Property and Seafood. The Company is listed on the official market of the Stock Exchange of Mauritius and has a global presence in more than 20 countries.

2(A). APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

In the current year, the Group and the Company have applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 July 2022.

New and revised IFRSs that are effective for the current year

The following relevant revised Standards have been applied in these financial statements. Their application has not had any significant impact on the amounts reported for the current and prior periods but may affect the accounting treatment for future transactions or arrangements.

IAS 16 Property, Plant and Equipment – Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use

IAS 37 Provisions, Contingent Liabilities and Contingent Assets – Amendments regarding the costs to include when assessing whether a contract is onerous

IFRS 3 Business Combinations – Amendments updating a reference to the Conceptual Framework

IFRS 9 Financial Instruments – Amendments resulting from Annual Improvements to IFRS Standards 2018 – 2020 (fees in the '10 per cent' test for derecognition of financial liabilities)

The adoption of the amendments had no impact on the financial performance and financial position of the Group and the Company.

New and revised IFRSs and IFRICs in issue but not yet effective

IAS 1 Presentation of Financial Statements – Amendments regarding classification of liabilities (effective 01 January 2024)

IAS 1 Presentation of Financial Statements – Amendments regarding the disclosure of accounting policies (effective 01 January 2023)

IAS 1 Presentation of Financial Statements – Amendments regarding the classification of debt with covenants (effective 01 January 2024)

IAS 7 Statement of cash flows – Amendments regarding supplier finance arrangements (effective 01 January 2024)

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments regarding the definition of accounting estimates (effective 01 January 2023)

IAS 12 Income Taxes – Amendments regarding deferred tax on leases and decommissioning obligations (effective 01 January 2023)

IAS 12 Income Taxes – Amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes (effective 01 January 2023)

IFRS 7 Financial Instruments Disclosure – Amendments regarding supplier finance arrangements (effective 01 January 2024)

IFRS 16 Leases – Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions (effective 01 January 2024)

IFRS 17 Insurance Contracts – Original issue (effective 01 January 2023)

IFRS 17 Insurance Contracts – Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published (includes a deferral of the effective date to annual periods beginning on or after 01 January 2023) (effective 01 January 2023)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(A). APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

New and revised IFRSs and IFRICs in issue but not yet effective (Continued)

IFRS 17 Insurance Contracts (and its related amendments)

Introduction

The IASB issued IFRS 17 Insurance Contracts in May 2017 and on 25 June 2020, the IASB issued amendments to the standard. The effective date of IFRS 17 is for annual reporting periods beginning on or after 01 January 2023. The Group shall apply the standard retrospectively on 01 July 2023 with restatement of comparatives for the 2023 financial period.

Project Governance and Progress

The Group established an IFRS 17 implementation programme to coordinate the efforts and deliver the necessary processes and requirements of the Group to successfully implement the standard. The implementation programme is in its advanced stages, and the Group has commenced efforts to perform its parallel run.

Accounting policy papers and actuarial methodologies have been provisionally prepared and will be subject to refinement based on the practical outcomes of the implementation phase.

As at 30 June 2023, the parallel run for the Group is still in progress. The actuarial and finance teams are closely monitoring all technical developments from the IASB and industry to evaluate the effects of such developments and where applicable, align the policy and methodology papers accordingly.

The implementation of IFRS 17 is significant for the Group's insurance activities, specifically in areas such as recognition, measurement and presentation in the statement of comprehensive income, the level of transparency of the measurement components and significant additional disclosure requirements. Significant effort has been applied to the technical interpretation of the standard and the corresponding decisions required.

The Group will focus on the following key areas during the 2024 financial period:

- Finalize the parallel run for the 2023 financial period.
- Assess disclosures for transition, interim financial statements, and annual financial statements.
- Refining remaining internal financial controls to ensure accuracy of reporting.
- Engage external auditors for the sign-off of June 2023 results (the comparative year) under IFRS 17.

The directors anticipate that these amendments will be adopted in the consolidated and separate financial statements for the annual periods beginning on the respective dates as indicated above. The directors have not yet had an opportunity to consider the potential impact of the adoption of these amendments.

Classification

The definition and scope of contracts to be measured under IFRS 17 are largely aligned to IFRS 4 for the Group, and therefore the Group will apply IFRS 17 to all insurance contracts issued and reinsurance contracts held.

Once a contract has been classified as an insurance contract, the classification remains unchanged for the remainder of its lifetime, even if the insurance risk reduces significantly during the coverage period, unless the terms of the contract are modified.

A contract is classified as an insurance contract where the Group provides insurance coverage by accepting significant insurance risk when agreeing with the policyholder to pay benefits if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary.

Where a distinct investment component, service component or embedded derivative are identified within the insurance contracts, these components are required to be separated out and measured under another applicable account standard.

No distinct investment component, service component or embedded derivative have been identified within the Group's contracts that require being unbundled and measured separately.

Some insurance or reinsurance contracts entered into by the Group may include an amount that meets the definition of a 'non-distinct investment component' ("NDIC") under IFRS 17. The NDIC is the amount that an insurance or reinsurance contract requires to be repaid to a policyholder or cedant respectively in all circumstances, regardless of whether an insured event occurs. Given that the potential investment components are deemed non-distinct, they are not required to be separated out from the contract to be measured separately.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(A). APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

New and revised IFRSs and IFRICs in issue but not yet effective (Continued)

IFRS 17 Insurance Contracts (and its related amendments) (Continued)

Unit of account

Portfolios are established for insurance contracts that have similar risks and are managed together. Contracts within each portfolio are further grouped into cohorts of contracts not issued more than a year apart. The contracts are further divided into a minimum of three expected profitability groupings, namely those that are onerous, those that have a significant risk of becoming onerous over time, and the remaining contracts.

Measurement

The accounting model applied to these insurance contracts, including reinsurance contracts issued and/or held, for liability measurement purposes is either the General Measurement Model (GMM) or the Premium Allocation Approach (PAA).

Based on assessments performed to date, the Group does not have contracts which meet the definition of insurance or investment contracts with discretionary participation features. Therefore, the Group does not expect to apply the Variable Fee Approach (VFA) measurement model to insurance contracts in the Group.The PAA is a modification of the GMM that allows the use of a simplified approach for measuring the insurance contract liabilities for certain eligible types of contracts.

The Group may apply the PAA to measure a group of insurance/reinsurance contracts issued or reinsurance held if, at inception of the group:

- the coverage period of each contract in the group of insurance contracts is one year or less; or
- the Group reasonably expects that the PAA would produce a measurement of the liability or asset for remaining coverage for a group of insurance contracts that would not differ materially from the measurement that would be achieved by applying the requirements of the GMM.

Given that the nature of the contracts entered into by the Group are largely short-term in nature, most of the contracts entered into by the Group are expected to be automatically eligible for the PAA measurement based on the first criterion above.

Where the coverage period for a group of contracts is greater than one year, the Group will assess the appropriateness of the PAA measurement model by performing quantitative PAA eligibility testing based on the second criterion above. Scenario testing will be performed by updating the projected fulfilment cash flows (best estimates and corresponding risk adjustments) under reasonably expected scenarios, which would be expected to affect cash flow variability.

The standard provides that the liability for remaining coverage (LRC) of insurance contracts and asset for remaining coverage (ARC) for reinsurance contracts be measured as:

- Fulfilment cash flows, that is, the present value of future cash flows necessary to fulfil insurance obligations under the contract; plus
- A risk adjustment for non-financial risk; and
- The contractual service margin (CSM) (representing unearned profit).

Under the simplified approach (PAA), the insurance and reinsurance groups of contracts are measured as the premiums received less acquisition costs (if the accounting policy choice was made to defer acquisition costs).

The liability for incurred claims (LIC) is measured as the best estimate of the present value of future cash flows necessary to fulfill a claim and associated expenses, plus an explicit risk adjustment for non-financial risk and applies to both GMM and PAA.

Transition approaches

If it is impracticable to apply IFRS 17 fully retrospectively, an entity can choose either a modified retrospective or a fair value approach to measure the initial IFRS 17 balances on the first retrospective restatement date (1 July 2022). The Group intends to apply IFRS 17 as of 01 July 2023 on a fully retrospective basis for all its portfolios, unless deemed impractical to do so. For such portfolios where it is assessed to be impracticable, the modified retrospective approach will be applied.

The directors anticipate that these amendments will be adopted in the financial statements for the annual periods beginning on the respective dates as indicated above. The directors have not yet had an opportunity to consider the potential impact of the adoption of these amendments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards (''IFRS'') and complied with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The financial statements have been prepared on a historical cost basis, except for:

- land and buildings which are carried at revalued amounts;
- investment properties which are carried at fair value;
- investments at FVTPL and FVTOCI;
- biological assets except for bearer plants which are stated at fair value less estimated point of sale costs.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value-in-use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated and separate financial statements are presented in Mauritian rupees and all values are rounded to the nearest thousand (Rs'000) except when otherwise indicated.

Going concern

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

When making that assessment, the directors and management have taken into consideration the existing and longer term effects of the COVID-19 pandemic on the Group's and the Company's activities and their ability to post profitable results and positive cashflows for the year ended 30 June 2023. The directors will continue to monitor the impact of the situation on the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June each year. The Company controls an entity when it has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power to affect those returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that the decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Business combinations

Acquisition method

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values, (at the date of exchange), of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IFRS 9 Financial Instruments, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss in accordance with IFRS 9. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 Share-based Payment; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Business combinations (Continued)

Acquisition method (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date. The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Business combination under common control

A business combination involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties, both before and after the business combination, is considered as business combination under common control.

In case of any acquisitions which meet the criteria of business combinations under common control, the assets and liabilities are recorded at their previous carrying values and the difference between the purchase consideration and share of net assets transferred are accounted for as an adjustment to equity as common control reserve in the retained earnings.

(d) Investment in subsidiaries

In the Company's financial statements, investment in subsidiaries are measured at fair value and are classified as financial assets at FVTOCI under IFRS 9. The gains and losses in fair value are recognised in other comprehensive income and accumulated under the heading of fair value reserves.

(e) Investment in associates and joint ventures

Associates are entities in which the Company or the Group has significant influence but which are neither a subsidiary nor a joint venture of the Company or the Group. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of the parties sharing joint control.

Financial statements of the Company

Investment in associates and joint ventures are measured at fair value and are classified as financial assets at FVTOCI under IFRS 9. The gains and losses in fair value are recognised in other comprehensive income and accumulated under the heading of fair value reserves.

Financial statements of the Group

The policy for the equity method of accounting described below is specific to the consolidated financial statements.

Equity method of accounting

The results and assets and liabilities of associates and joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates and joint ventures are initially carried in the consolidated statement of financial position at cost and adjusted for post-acquisition changes in the Group's share of the profit or loss and other comprehensive income of the associates and joint ventures. Losses of an associate or joint venture in excess of the Group's interest in that associate or joint venture (which includes any long-term interests, that in substance, form part of the Group's net investment in the associate and joint venture) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Investment in associates and joint ventures (Continued)

Equity method of accounting (Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date of equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Group reduces its ownership in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or joint venture of the Group, profits or losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term assets interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

The accounting policies of the associates and joint ventures are in line with those used by the Group.

(f) Foreign currency translation

Functional and presentation currency

The individual financial statements of each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Mauritian rupees, which is the presentation currency for the consolidated financial statements.

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated into the entity's functional currency at the rates of exchange prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Foreign currency translation (Continued)

Transactions and balances (Continued)

Exchange differences are recognised in profit or loss in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- Exchange differences on transactions entered into to hedge certain foreign currency risks.
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

Group companies

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Mauritian rupee using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. The exchange differences arising from translation of the foreign operations are recognised in other comprehensive income and accumulated in equity (Currency translation reserve) and attributed to non-controlling interests as appropriate.

On the disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of the associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

(g) Property, plant and equipment

Subsequent to the initial recognition at cost, land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity (1 to 4 years) to ensure that the fair value of a revalued asset does not differ materially from its carrying amount at the reporting date.

Any revaluation surplus is credited in other comprehensive income and accumulated in equity to the property revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss in which case the increase is recognised in profit or loss to the extent of the decrease previously charged. A revaluation deficit is recognised in profit or loss, to the extent that it exceeds the balance, if any, held in the property revaluation reserve relating to a previous revaluation of that asset.

On the subsequent sale or retirement of a revalued property, the revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

Other plant and equipment are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (Continued)

Depreciation is calculated on the straight-line method to write off the cost of assets, or the revalued amounts, to their estimated residual values over their estimated useful life as follows:

Buildings	–	1% – 10% p.a.
Plant and equipment	–	1% – 33.3% p.a.
Motor vehicles	–	6.7% – 25% p.a.
Office furniture and equipment	–	5% – 33.3% p.a.
Computer and security equipment	–	14.3% – 50% p.a.
Containers	–	10% – 20% p.a.

Land and assets in progress are not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss in the year the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

(h) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains and losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Right of use assets

The Group recognises right of use assets at the commencement date of the lease (i.e the date the underlying asset is available for use). Subsequent to initial recognition, the right of use assets meeting the definition of investment property are recognised as part of investment property and measured using the fair value model as per the provision of IAS 40. Gains and losses arising from changes in the fair value of right of use assets are included in profit and loss in the period in which they arise, including the corresponding tax effect.

(i) Intangible assets

(i) *Goodwill*

Goodwill arising in a business combination is recognised as an asset at cost as established at the date that control is acquired (the acquisition date) less any accumulated impairment losses, if any. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Intangible assets (Continued)

(i) Goodwill (Continued)

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the related amount of goodwill is included in the determination of the profit or loss on disposal. The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described in Note 2B(e).

(ii) Other intangible assets

Other intangible assets include trademarks, computer software and land conversion rights. Intangible assets acquired separately are measured on initial recognition at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised but are recognised as expenses in the period in which they are incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year-end with the effect of any changes in estimate being accounted for on a prospective basis. The intangible assets are amortised over a period of 2 to 20 years.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised.

(iii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(j) Impairment of non-financial assets excluding goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Land conversion rights

Land conversion rights are in relation to the reform of the Sugar Industry in the years 2000, which necessitated redundancy payments in the form of cash and serviced land, as well as capital expenditure for capacity expansion and optimisation. These capital expenditure investments and expenses have been financed by debt. To assist the repayment of these debts, Government granted a tax exemption to the Sugar Industry when converting agricultural land into residential land in the form of Land Conversion Rights ("LCRs"). These LCRs are granted by the Mauritius Cane Industry Authority (MCIA) based on the qualifying costs incurred by an entity. An LCR is recognised as a non-current asset and is initially measured at fair value at the date on which the Company is entitled to receive those rights, that is when there is reasonable assurance that the LCR will be received and all the attached conditions will be complied with. LCRs are derecognised upon disposal (i.e. the date the recipient obtains control) or use for converting agricultural land into residential land for land projects. Any gain or loss on derecognition of the LCR is included in profit or loss.

LCRs are tested annually for impairment. When the carrying amount of the asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. LCRs are derecognised upon disposal (i.e. the date the recipient obtains control), used internally for converting agricultural land into residential land for land projects or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the LCR is included in profit or loss.

(l) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, an entity may make the following irrevocable election / designation at initial recognition of a financial asset:

- the entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (ii) below); and
- The entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial assets (Continued)

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

(ii) Equity instruments designated as at FVTOCI

On initial recognition, the Group and the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Finance income - Other' line item in profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (ii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group and the Company designate an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (ii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group and the Company have not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial assets (Continued)

(iii) Financial assets at FVTPL (Continued)

The Group and the Company have designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition of IFRS 9. Held for trading financial assets or financial assets that do not meet the SPPI test are measured at FVTPL. All other financial assets are measured at amortised cost.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investment revaluation reserve.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9 (see financial assets above).
- The amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company apply the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all investments in debt instruments and loans, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12-month ECL.

For all other financial instruments, the Group and the Company recognise lifetime ECL until they are derecognised due to short-term nature of the receivables and have been assessed to have credit risk other than low.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

i. Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, an entity compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the entity considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

ii. Definition of default

The Group and the Company consider a financial asset in default when contractual payments are past due for a period ranging from 90 to 360 days depending on the business environment in which each entity operates. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

iii. Write off policy

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

iv. Recognition of expected credit losses

The Group and the Company recognise an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Group and the Company recognise their retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group and the Company have elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs.

Convertible bonds

Convertible bonds that are convertible at a fixed amount of cash for a fixed number of equity shares are classified as equity on initial recognition based on the subscription proceeds received, net of transactions costs and are not subsequently remeasured. Interests payable on the bonds are recognised directly in retained earnings in statement of changes in equity.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

The Group and the Company do not have any financial liabilities that are measured at FVTPL.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Group and the Company measure all their financial liabilities at amortised cost.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial instruments (Continued)

Derivative financial instrument

The Group and the Company enter into a variety of derivative financial instruments to manage their exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group and the Company have both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured at either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group and the Company generally designate the whole hybrid contract at FVTPL.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

(m) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

(n) Client monies

The term "client money" is used to describe a variety of arrangement in which the Group holds funds on behalf of clients. Client money should be recognised as an asset, and an associated liability, if the general definition of an asset as per the Conceptual Framework for Financial Reporting is met. The Conceptual Framework for Financial Reporting defines an asset as "a present economic resource controlled by the entity as a result of past events", with an economic resource being defined as "a right that has the potential to produce economic benefits". If both conditions apply, the client money should be recognised as an asset of the reporting entity.

(o) Cash and cash equivalents

Cash comprises cash at bank and in hand and demand deposits or deposits with an original maturity of three months or less net of bank overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the method most appropriate to the particular class of inventory. Purchase cost is calculated on a weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(q) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that the Group and the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(r) Leases

The Group and the Company as lessee

An entity assesses at contract inception whether a contract is, or contains, a lease. The entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the entity recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (Continued)

The Group and the Company as lessee (Continued)

An entity remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever an entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

· Land & Buildings	7 to 60 years
· Plant and equipment	5 to 10 years
· Motor vehicles	5 to 7 years
· Office furniture and computer equipment	1 to 5 years

If ownership of the leased asset transfers to the entity at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are presented as a separate line in the statement of financial position.

An entity applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'administrative expenses' in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The lease contracts do not have lease and non-lease components and hence the Group and the Company have not used this practical expedient.

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which an entity is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Group has only operating lease contracts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (Continued)

The Group as a lessor (Continued)

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(s) Taxation

The income tax expense represents the current tax provision and the movement in deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where an entity operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The principal temporary differences arise from depreciation on property, plant and equipment, revaluations of certain non-current assets, tax losses carried forward and on retirement benefit obligations.

Deferred income tax liabilities are recognised for all taxable temporary differences and deferred income tax assets are recognised for all deductible temporary differences, to the extent that it is probable that sufficient taxable profit will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recorded if the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Corporate Social Responsibility ("CSR")

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax recognised in profit or loss and the income tax liability on the statement of financial position.

The CSR charge for the current year is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Retirement benefit obligations

Defined contribution schemes

Payments to defined contribution retirement plans are charged as an expense when employees have rendered service entitling them to the contributions.

Defined benefit schemes

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period.

Remeasurement, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item administrative expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the statements of financial position represent the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Other retirement benefits

The present value of other retirement benefits as provided under The Worker's Rights Act 2019 is recognised in the statement of financial position as a non-current liability and is not funded. The recognition and presentation of the components of the retirement gratuities are similar to the defined benefit plan (as above).

State plan

Contributions to the National Pension Scheme are expensed to profit or loss in the period in which they fall due.

(u) Revenue recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the entity expects to be entitled in exchange for transferring promised goods or services to a customer, net of taxes, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. Revenue recognised are net of Value Added Taxes and other taxes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

The Group and the Company recognise revenue from the following major sources:

Building and Engineering

- Revenue from construction contracts as well as mechanical, electrical and plumbing (MEP)
- Revenue from interior design including manufacture and sale of furniture
- Supply and installation of air conditioners and elevators
- Construction and repairs of ships and sale of related parts
- Sale of building materials and manufactures aggregates, rocksand, concrete blocks and other construction materials for resale
- Sale of various concrete building components including decorative items, agricultural products and garden accessories

The Group has mid to long term contracts with customers in relation to revenue from construction and MEP contracts, interior design, manufacture and sale of furniture including installation of air conditioners and elevators as well as repairs of ships. Construction contracts involving engineering services comprise multiple deliverables which are highly integrated and are therefore recognised as a single performance obligation. Under the terms of these contracts, the Group creates or enhances the assets that the customer controls and has an enforceable right to payment for work done.

Revenues from these contracts are therefore recognised over time on an input method, i.e. based on cost incurred to date (excluding costs incurred but do not depict the progress towards completion), Management consider this method to be an appropriate measure of the progress towards complete satisfaction of these performance obligations under IFRS 15.

The Group becomes entitled to invoice customers for the above based on achieving a series of performance-related milestones. When a particular milestone is reached the customer is sent a relevant statement of work signed by a third-party assessor and an invoice for the related milestone payment. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date under the input cost method, then the Group recognises a contract liability for the difference. This is not considered to be a significant financing component in construction contracts with customers as the period between the recognition of revenue under the input method and the milestone payment is always less than one year. Advance received are included in contract liabilities.

Revenue from maintenance, repairs and after sale service contracts are considered as distinct services and are invoiced separately for each service provided. Revenue from these are recognised over time when the services have been provided.

Receivables are recognised by the Group when the goods and services are delivered to the customers as this represent the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Commercial and Distribution

- Processing and sale of beverages (predominantly for local sale)
- Sale of fast-moving consumer products (wholesale)
- Sale of fast-moving consumer products (operate chain of supermarkets)
- Sale of pharmaceutical products and equipment (wholesale and export)
- Sale of pharmaceutical products (operate chain of pharmacies)
- Sale of printing equipment and related consumables
- Supply and installation of heavy machineries and generators
- Sale of parts for electro diesel and hydraulic equipment
- Sale of agrochemical products, detergents and fire-retardant products
- Supply and installation of irrigation equipment
- Sale of electrical accessories, parts, power tools, furniture and water pumps
- Rental of handling equipment
- Servicing and maintenance services including after sales service

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Commercial and Distribution (Continued)

Revenue on consumer, printing and pharmaceutical products is recognised when control of the goods has been transferred, being when the products are delivered and accepted by the customers i.e. at a point in time. For wholesale, the customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

Sale of equipment, parts and other products are made directly to customers and revenue is recognised by the Group at a point in time when control of the goods has been transferred to the customers, i.e. delivered and accepted by the customers. Where installation service is not considered to be perfunctory to the sale of the equipment, a separate performance obligation is identified for the installation service and the Group allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation services. Revenue is recognised upon completion of installation.

Revenue from maintenance, repairs and after sale service contracts are considered as distinct services and are invoiced separately for each service provided. Revenue from these are recognised over time when the services have been provided.

For exports, revenue is recognised when control of the goods has been transferred to the customers. In majority of the cases, this condition is met when the goods are loaded on the ship and customer receives the bill of lading (delivery). In certain cases, revenue is recognised when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has primary responsibility when onselling the goods and bears all the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

Some of the products are often sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the selling price net of the estimate volume discounts. The estimate for volume discount is based on the most likely amount method.

There is no right of return policy on the sale of some equipment. Warranty granted on the equipment are assurance type warranty and are accounted in accordance with IAS 37 Provisions, Contingent liabilities and Contingent Assets.

The Group and the Company have trade agreements with some of its customers where cash payments are made to them in order to have their products prominently displayed (slotting fees) and for co-operative advertising (advertising by the customers of the company's products). The consideration payable to a customer is accounted for as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the entity.

Logistics

- Revenue from shipping and aviation services
- Revenue from warehousing and related services
- Freight forwarding and custom clearing service
- Transport services - transport of cargo and passengers
- Travel related services - corporate and leisure

Revenue for providing these services is recognised in the period in which the services are rendered. Each service is considered as distinct and represents a performance obligation and price for each service is agreed with customers and defined in respective contracts.

A receivable is recognised when the services are rendered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Logistics (Continued)

For some contract relating to freight forwarding and transport services, the Group has determined whether the nature of its promise is a performance obligation to provide the specified services itself (i.e. it is acting as a principal) or to arrange for those services to be provided by other party (i.e. it is acting as an agent). Main factors considered are control over fulfilling the promise to provide the specified service and discretion over establishing the pricing. The revenue contracts in relation to freight forwarding include factors indicating that the Group acts as either principal or agent depending on nature of promise and revenue has been recognised as either gross or net wherever applicable. With respect to transport services for passengers, the Group has determined that it is acting as principal and revenue has been recognised as gross.

Seafood

- Manufacturing and sale of seafood and associated products (predominantly for export)
- Handling and storage of seafood products

Revenue is recognised when control of the goods has been transferred, being when the products are delivered and accepted by the customers i.e. at a point in time. The customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

For exports, revenue is recognised when control of the goods has been transferred to the customers. In majority of the cases, this condition is met when the goods are loaded on the ship and customer receives the bill of lading (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has primary responsibility when selling the goods and bears all the risks of obsolescence and loss in relation to the goods.

Revenue from providing handling services for seafood products is recognised in the period in which the services are rendered.

A receivable is recognised when the goods and services are delivered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

There is no right of return policy on the sale of goods.

Financial and other services

- Management services to local corporates and global business (include secretarial, human resource, information technology and other related services)
- Treasury management and related services
- Income from insurance contracts and insurance premiums

Revenue for providing these services is recognised in the period in which the services are rendered. Each service is considered as distinct and represents a performance obligation and price for each service are agreed with customers and defined in respective contracts.

A receivable is recognised when the services are rendered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

Revenue arising from insurance contracts falls under IFRS 4. Insurance contracts are those contracts that transfer significant insurance risk at the inception of the contract. Such contracts remain insurance contracts until all rights and obligations are extinguished or expired. Gross premiums (including the marine business) on general business are earned on a pro-rata basis over the term of the policy coverage. The movement on the provision for unearned premiums is transferred to the general insurance fund based on the $1/24^{th}$ method. Premiums are shown gross of commission.

Property

- Rental income and related services
- Property development and management services

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Property (Continued)

Rental income from utilisation of investment properties are recognised on straight line basis over the tenure of the lease – refer to accounting policy on leases.

Revenue from property management services is recognised in the period in which the services are rendered. Each service is considered as distinct and represents a performance obligation and price for each service are agreed with customers and defined in respective contracts.

A receivable is recognised when the services are rendered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

Hospitality

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer.

The main streams of revenue are as follows:

- Room revenue is recognised when performance obligation performed, i.e. once the guests check-in at the hotel premises. Revenue is recognised daily.
- Food & Beverages revenue is generated from packaged sales (e.g. half boards, full boards or All-inclusive) or through direct sales at the restaurants or bars. Packaged sales are recognised as revenue daily when it is probable that the future economic benefits will flow to the entity and those benefits can be measured reliably, i.e., upon consumption.
- Revenue recognised in other operating departments include the provision of services such as laundry, spa and boutique sales. The Group acts as an agent from time to time (e.g. for diving, big game fishing, horse riding, etc.). In an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result on increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.
- Management fees are recognised on an accrual basis.

Life and Technologies

Revenue is segregated as follows:

- Revenue from cosmetics trials;
- Revenue from pharmaceutical trials.

Cosmetics trials are divided into 3 classes following their deliverables:

1) Sun Protection Factor (SPF) trials - The SPF trials are studies that last for 1-day to 1-week. There is only 1 deliverable for such trials which is sending of results to clients. Hence, revenue will be recognised at the end of the trials.

2) Standard trials - The standard trials are studies that last for 1-week to1-month. There are 2 key deliverables for such trials which are signature of protocol and sending of report. Hence, revenue will be recognised when the protocol is signed and when the report is sent to the clients.

3) Long-term trials - The long-term trials are studies that last for 1-month or more. For such studies the deliverables are mentioned in the quotation. Below is an illustration of the deliverable for a long-term study:

   - Reception of Purchase Order - 25% of Study Cost
   - Inclusion of all subjects - 25% of Study Cost
   - Last visit of the last subject - 40% of Study Cost
   - Final report - 10% of Study Cost

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Life and Technologies (Continued)

Hence, revenue will be recognised as and when the above milestones are achieved.

Pharma trials are long-term studies that last for 1-year to 5-years. The study quotation is divided in 2 parts:

- Conduct of study costs (Clinical Monitoring / Site Management & Quality Assurance units)
- Pass-Through Costs incurred

For Pharma trials the revenue of the conduct of study is recognised on an equal monthly basis over a specified time period since the tasks are repetitive. Revenue relating to pass-through are recognised as and when costs are incurred.

Other income

Other income earned are recognised on the following basis:

Interest income – as it accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividend income – when the shareholder's right to receive payment is established.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of financial assets in section 2B(l).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(v) Biological assets

(i) Bearer biological assets

Bearer biological assets comprising of sugar cane ratoons and plantation costs are capitalised and amortised over the period during which the Group expects to benefit from the asset, usually seven years.

(ii) Consumable biological assets

Consumable biological assets represent standing cane and plants and are stated at fair value. The fair value is measured as the expected net cash flows from the sale of the cane and plants discounted at the relevant market determined pre-tax rate.

(w) Related parties

Related parties include individuals and companies where the individual or company has the ability directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Affiliates are related parties of the company which cannot be considered as parent or subsidiary as defined by IAS 27, as associate and joint venture as defined by IAS 28, or as key management personnel as defined by IAS 24.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

(y) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of the assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to profit or loss in the period in which they are incurred.

(z) Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Hedge accounting (Continued)

The Group currently has only cash flow hedges which are accounted for as follows:

- The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss.
- Amounts taken to other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.
- If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in other comprehensive income are transferred to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in other comprehensive income remains separately in equity until the forecast transaction or firm commitment affects profit or loss.

(aa) Share based payment

Some executives of the Group receive remuneration in the form of share-based payments which is cash-settled. For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

(ab) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

(ac) Fair value measurement

The Group and the Company measure their financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ac) Fair value measurement (Continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(ad) General insurance fund

The provision for unearned premiums represents that part of the written premiums on short-term insurance contracts, gross of commission payable to intermediaries, that is estimated to be earned in subsequent periods. Unearned premiums are computed on 1/24th method. The change in the provision is recorded in the statement of profit or loss and other comprehensive income to recognise revenue over the period of the risk. The provision is transferred to or released to the General Insurance Fund. The provision is derecognised when the contract expires, is discharged or cancelled.

(ae) Outstanding claims

Outstanding claims represent the estimated liability for claims reported plus losses incurred but not yet reported and the related loss adjustment expenses. Claims and loss adjustment expenses are charged to the statement of profit or loss and other comprehensive income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claim settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Group. The liability for losses and loss adjustment expenses is determined using "case basis" evaluations and statistical analysis and represents an estimate of the ultimate cost of all losses incurred but not paid at the end of the reporting period. Although considerable variability is inherent in such estimates, management believes that the liability for unpaid losses and loss adjustment expenses is adequate. These estimates are continually reviewed and adjusted as necessary, such adjustments are reflected in current operations.

(af) Salvage and subrogation reimbursements

Some insurance contracts permit the Group to sell property acquired in settling a claim (i.e. Salvage). The Group may also have the right to sue third parties for payment of some or all the costs incurred (i.e subrogation). Estimate of salvage recoveries are included as allowance in the measurement of the insurance liability for claims, and salvage property is recognised in other assets when the liability is settled.

(ag) Reinsurance

The Group enters into reinsurance contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Outwards reinsurance premiums are accounted for in the same period as the related premiums for the direct or inwards reinsurance business being reinsured.

Reinsurance liabilities comprise premiums payable for outwards reinsurance contracts and are recognised as an expense when due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ag) Reinsurance (Continued)

Reinsurance assets include balances due from reinsurance companies for paid and unpaid losses. Reinsurance assets are measured consistently with the amounts associated with the underlying insurance or investment contracts and in accordance with the terms of the reinsurance contract. Reinsurance is recorded as an asset unless a right of set-off exists, in which case the associated liabilities are reduced to take into account of reinsurance.

Reinsurance assets are subject to impairment testing and the carrying amount is reduced to its recoverable amount. The impairment loss is recognised in the statement of profit or loss and other comprehensive income. The asset is impaired if objective evidence is available to suggest that it is probable that the Group will not be able to collect the amounts due from reinsurers.

Gains and losses on buying reinsurance are recognised in income at the date of purchase and are not amortised.

(ah) Liability adequacy

At the end of each reporting period the Group performs a liability adequacy test on its insurance liabilities to ensure that the carrying value is adequate, using current estimates of future cash flows (including claims handling and related costs), taking into account the relevant investment return. If that assessment shows that the carrying amount of the liabilities is inadequate, any deficiency is recognised as an expense to the statement of profit or loss and other comprehensive income by recognising an additional liability for claims provisions or recognising a provision for unexpired risks.

(ai) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

(aj) WIIV Loyalty Programme

The Group has a customer loyalty programme whereby customers are awarded with reward credits (loyalty points) which are effectively used as cash back against future purchases. Loyalty points granted to customers participating in the loyalty programme provide rights to customers that need to be accounted for as a separate performance obligation.

The fair value of the consideration received under loyalty programme is allocated between the sale of goods supplied and the loyalty points granted. The consideration allocated to the loyalty points is measured by reference to their relative stand-alone selling price which is calculated as the amount for which the loyalty points could be separately sold, adjusted for an expected forfeiture rate. Such consideration is not recognised as turnover at the time of the sales transaction but is recognised as a deferred revenue liability until the loyalty points have been redeemed or forfeited. The likelihood of redemption, based on management's judgement of expected redemption rates, is reviewed on a regular basis and any adjustments to the deferred revenue liability is recognised in turnover.

(ak) Comparative figures

Where necessary, comparative figures have been restated or reclassified to conform to the current year's presentation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires the directors and management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Judgements

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Determination of functional currency of the group entities

As described in note 2(B)(f), the determination of the functional currency of each group entity is critical since the way in which every transaction is recorded and whether exchange differences arise are dependent on the functional currency selected. In making this judgement, the directors and management have considered the currencies in which revenue is received, the currency of the country whose competitive forces and regulations matter, the currencies in which labour, material and other costs are settled, the currencies in which the funds from financing activities are generated and the currency in which receipts from operating activities are usually retained. The directors and management have determined that the functional currency of the Company as well as that of most subsidiaries is the Mauritian rupee, except for the foreign subsidiaries.

Classification as subsidiaries

The Group considers certain entities over which it controls less than 50% of the voting rights as subsidiaries. The remaining ownership interests of these entities, where most of them are listed on the Stock Exchange of Mauritius, are held by several widely dispersed shareholders not related to the Group. The directors and management have assessed whether or not the Group has control over these entities based on whether the Group has the practical ability to direct the relevant activities.

In making their judgement, the directors and management considered the Group's absolute size of holding and the relative size and dispersion of the shareholdings owned by the other investors. After assessment, the directors and management concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities and therefore has control over these entities.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group and the Company determine the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured and how the risks affecting the performance are managed. Monitoring is part of the Group's and the Company's continuous assessment of whether the business model for which the financial assets are held continues to be appropriate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Judgements (Continued)

Leases

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (12 months). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on the higher of its fair value less cost to sell and value-in-use, calculated on the basis of management's assumptions and estimates. Changing the key assumptions, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the value-in-use calculations.

Impairment of goodwill

As described in note 6, the Group determines whether goodwill is impaired on an annual basis. This requires an estimation of the 'value-in-use' of the cash generating units to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

In relation to note 7 in the notes to the financial statement, deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The directors have made an assessment and believe that the deferred tax assets are recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimates and assumptions (Continued)

Retirement benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include a selection of discount rate.

The Group and the Company determine the appropriate discount rate at the end of each year. The Nelson Siegel model has been used to derive a yield curve and to extrapolate the discount rates at the corresponding duration for this year's exercise for the Group and the Company. Other key assumptions for pension obligations are based in part on current market conditions. The mortality rate is based on publicly available mortality tables and will change only at intervals in response to demographic changes.

These assumptions are considered to be a key source of estimation uncertainty as relatively small changes in the assumptions used may have a significant effect on the Group's and the Company's financial statements within the next year. Further information on the carrying amounts of the Group's and the Company's defined benefit obligation and the sensitivity of those amounts to changes in discount rate are provided in note 24.

Property valuation

The Group measures land and buildings and investment properties at fair value based on periodic valuations by external independent valuers and as estimated by the directors and management based on reference to their knowledge on the current market evidence of transaction prices for similar properties. In arriving at the valuation, assumptions and economic estimates have to be made. The actual results could differ from their estimates and the directors and management consider they have used their best estimates to arrive at fair value of the properties. Reference is made to notes 4 and 5 in the note to the financial statements.

Fair value of unquoted investments

Where there is no active market, the fair values of unquoted investments have been determined using valuation techniques including comparisons to similar recent transactions, reference to price earnings ratios of similar quoted investments, discounted cash flow and other valuation models. Such valuation exercises require that the Group makes estimates of future cash flows, discount rates and price earnings ratio as applicable to the relevant markets.

Provision for expected credit losses

The Group and the Company use a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns as disclosed in Note 18. The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. Refer to note 18 for more details.

In relation to ECLs for financial assets at amortised cost provided in Note 14, the Group and the Company determine credit rating of the corporate bonds and deposits to determine their probability of default by reference to the country rating. The Group and the Company also determine that there has been no significant increase in credit risk since initial recognition of the instruments since these assets are held with reputable banking institutions and listed entities and there has been no history of event of default.

In relation to the Company's loans and advances receivable from related parties, these are mainly repayable on demand and where the related companies do not have unrestricted cash at reporting date to repay the debts, management has determined expected credit losses based on future cash flows on the basis that the entities will continue to operate. The main assumption used in determining the cash flows is the discount rate and growth rate and any change in the assumption will change the estimated credit loss. The key assumptions are provided in Note 17.

When measuring ECL, the Group and the Company use reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the entity would expect to receive, taking into account cash flows from credit enhancements.

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimates and assumptions (Continued)

Insurance contracts

The uncertainty inherent in the financial statements arise mainly in respect of insurance liabilities, which include outstanding claims provision (including IBNR). In addition to the inherent uncertainty when estimating liabilities, there is also uncertainty as regards to the eventual outcome of claims. As a result, the Group applies estimation techniques to determine the appropriate provisions.

These estimates are described below.

The estimation of the ultimate liability arising from the claims made under insurance contracts is one of the Group's most important accounting estimates. There are sources of uncertainty that need to be considered in the estimate of the liability that the Group will eventually pay for such claims. Estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not reported (''IBNR'') at the reporting date. The Group uses a range of actuarial methodologies to estimate these provisions. Liabilities for unpaid reported claims are estimated using the input of assessments for individual cases reported to the Group and management estimates based on past claims settlement trends for the claims incurred but not reported. General insurance loss reserves require significant judgement relating to factors and assumptions such as inflation, claims development patterns and regulatory changes.

Specifically, long-tail lines of business, which often have low frequency, high severity claims settlements, are generally more difficult to project and subject to greater uncertainties than short-tail, high frequency claims. Further, not all catastrophic events can be modelled using actuarial methodologies, which increases the degree of judgement needed in estimating general insurance loss reserves. At each reporting date, prior year claims estimates are reassessed for adequacy and changes are made to the provision.

The Group adopts multiple techniques to estimate the required level of provisions, thereby setting a range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and risks involved.

Recoverable amount on insurance and other receivables

In preparing those consolidated financial statements, the directors have made estimates of the recoverable amounts of insurance and other receivables and impaired those receivables where the carrying amounts exceeded recoverable amounts. The estimation of recoverable amounts involves an assessment of the financial condition of the debtors concerned and estimate of the timing and the extent of cash flows likely to be received by the Group.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities in Note 16. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. PROPERTY, PLANT AND EQUIPMENT

THE GROUP

	Land and buildings	Infrastructure production	Plant and equipment	Motor vehicles	Office furniture and equipment	Computer and security equipment	Containers	Assets in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST/VALUATION									
At 1 July 2021	20,699,450	1,768,377	11,956,689	760,927	2,906,159	813,199	395,640	2,439,695	41,740,136
Reclassification (Note (i))	682,156	–	(660,344)	5,510	(36,222)	70,583	(61,683)	–	–
Additions	325,850	678	774,704	114,117	279,809	98,749	148,677	969,557	2,712,141
Disposals	(9,024)	–	(182,682)	(59,397)	(87,112)	(28,059)	(12,681)	–	(378,955)
Write offs	(17,483)	–	(333,334)	(16,151)	(84,691)	(3,767)	–	–	(455,426)
Impairment of assets (Notes (ii) and 33)	(211,830)	–	–	–	–	–	–	–	(211,830)
Revaluation adjustments	(78,528)	–	–	–	–	–	–	–	(78,528)
Transfer from right of use asset (Notes 16)	–	–	18,652	24,614	–	–	–	–	43,266
Transfer from investment properties (Note 5)	515,002	–	–	–	–	–	–	(17,777)	497,225
Transfer to intangible assets (Note 6)	–	–	–	–	–	(7,499)	–	(1,407)	(8,906)
Transfer to inventories	(12,819)	–	(816)	–	–	–	–	–	(13,635)
Transfer from assets in progress	1,861,206	–	494,026	–	239,962	39,746	–	(2,634,940)	–
Transfer to assets classified as held for sale (Note 21)	(1,097,464)	–	(276,242)	(12,383)	(27,725)	(16,345)	–	–	(1,430,159)
Acquisition of subsidiaries (Note 38(a))	82,017	–	77,842	9,398	11,005	4,370	–	22,705	207,337
Adjustments			–	–	–	–	–	–	–
Translation differences	(107,979)	(150,426)	(143,117)	(2,375)	(5,558)	(2,009)	–	(42,531)	(453,995)
At 30 June 2022	22,630,554	1,618,629	11,725,378	824,260	3,195,627	968,968	469,953	735,302	42,168,671
At 1 July 2022	**22,630,554**	**1,618,629**	**11,725,378**	**824,260**	**3,195,627**	**968,968**	**469,953**	**735,302**	**42,168,671**
Reclassification (Note (i))	**(692,067)**	**–**	**704,174**	**–**	**(12,387)**	**280**	**–**	**–**	**–**
Additions	**885,750**	**906**	**1,010,577**	**57,327**	**500,884**	**113,485**	**104,403**	**1,427,698**	**4,101,030**
Disposals	**(71,799)**	**–**	**(257,956)**	**(58,870)**	**(57,578)**	**(46,665)**	**(48,256)**	**–**	**(541,124)**
Write offs	**(69,040)**	**–**	**(168,602)**	**(48,355)**	**(253,727)**	**(20,192)**	**–**	**–**	**(559,916)**
Impairment of assets (Notes (ii) and 33)	**(172,962)**	**–**	**(57,104)**	**–**	**(39,951)**	**(388)**	**–**	**–**	**(270,405)**
Revaluation adjustments	**589,801**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**589,801**
Transfer from right of use asset (Notes 16)	**–**	**–**	**80,641**	**30,026**	**–**	**6,710**	**–**	**–**	**117,377**
Transfer to investment properties (Note 5)	**(26,675)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(26,675)**
Transfer to intangible assets (Note 6)	**–**	**–**	**–**	**–**	**–**	**(32)**	**–**	**–**	**(32)**
Transfer to inventories	**–**	**–**	**(26,630)**	**–**	**–**	**–**	**–**	**–**	**(26,630)**
Transfer from assets in progress	**86,189**	**–**	**242,450**	**737**	**7,398**	**7,626**	**8,222**	**(352,622)**	**–**
Transfer from assets classified as held for sale (Note 21)	**1,109,254**	**–**	**311,181**	**12,588**	**27,725**	**16,351**	**–**	**–**	**1,477,099**
Acquisition of subsidiaries (Note 38(a))	**5,026**	**–**	**18,682**	**1,426**	**1,065**	**86**	**–**	**–**	**26,285**
Translation differences	**339,984**	**5,265**	**164,191**	**6,802**	**13,591**	**19,455**	**–**	**18,564**	**567,852**
At 30 June 2023	**24,614,015**	**1,624,800**	**13,746,982**	**825,941**	**3,382,647**	**1,065,684**	**534,322**	**1,828,942**	**47,623,333**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

THE GROUP

	Land and buildings	Infrastructure production	Plant and equipment	Motor vehicles	Office furniture and equipment	Computer and security equipment	Containers	Assets in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
DEPRECIATION AND IMPAIRMENT									
At 1 July 2021	1,347,105	47,760	7,780,064	526,783	1,934,138	745,452	134,727	–	12,516,029
Charge for the year	617,984	(15,666)	699,693	69,627	233,541	82,677	78,242	–	1,766,098
Disposals	(14,057)	–	(40,482)	(30,330)	(79,808)	(8,110)	(12,513)	–	(185,300)
Write offs	(891)	–	(309,510)	(15,404)	(5,159)	(3,582)	–	–	(334,546)
Revaluation adjustments	(628,019)	–	–	–	–	–	–	–	(628,019)
Transfer from right of use assets (Note 16)	–	–	6,780	15,497	–	–	–		22,277
Transfer to assets classified as held for sale (Note 21)	(668,258)	–	(238,237)	(9,544)	(21,066)	(16,303)	–	–	(953,408)
Reclassification (Note (i))	62,079	–	(61,571)	–	(7,059)	6,551	–	–	–
Translation differences	(105,798)	–	(85,925)	(3,342)	(1,944)	(672)	–	–	(197,681)
At 30 June 2022	610,145	32,094	7,750,812	553,287	2,052,643	806,013	200,456	–	12,005,450
At 1 July 2022	**610,145**	**32,094**	**7,750,812**	**553,287**	**2,052,643**	**806,013**	**200,456**	**–**	**12,005,450**
Charge for the year	**520,028**	**19,066**	**737,540**	**64,112**	**295,891**	**98,418**	**104,430**	**–**	**1,839,485**
Disposals	**(69,260)**	**–**	**(252,222)**	**(49,562)**	**(56,518)**	**(42,267)**	**(42,898)**	**–**	**(512,727)**
Write offs	**(68,557)**	**–**	**(165,118)**	**(48,355)**	**(254,489)**	**(20,139)**	**–**	**–**	**(556,658)**
Revaluation adjustments	**(809,280)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(809,280)**
Transfer from right of use assets (Note 16)	**–**	**–**	**75,520**	**28,867**	**–**	**6,710**	**–**	**–**	**111,097**
Transfer from assets classified as held for sale (Note 21)	**672,272**	**–**	**259,030**	**12,784**	**21,066**	**16,303**	**–**	**–**	**981,455**
Reclassification (Note (i))	**(74,477)**	**–**	**71,145**	**1,668**	**1,419**	**245**	**–**	**–**	**–**
Transfer to inventories	**–**	**–**	**(1,461)**	**–**	**–**	**–**	**–**	**–**	**(1,461)**
Translation differences	**65,773**	**1,209**	**97,441**	**5,280**	**14,416**	**18,239**	**–**	**–**	**202,358**
At 30 June 2023	**846,644**	**52,369**	**8,572,687**	**568,081**	**2,074,428**	**883,522**	**261,988**	**–**	**13,259,719**
NET BOOK VALUE									
At 30 June 2023	**23,767,371**	**1,572,431**	**5,174,295**	**257,860**	**1,308,219**	**182,162**	**272,334**	**1,828,942**	**34,363,614**
At 30 June 2022	22,020,409	1,586,535	3,974,566	270,973	1,142,984	162,955	269,497	735,302	30,163,221

(i) The Directors have reviewed the classification of certain assets and as a result, reclassification adjustments were made between land and buildings, plant and equipment, motor vehicles, office furniture and equipment, computer and security equipment and containers. This had no impact on the useful lives and residual values as initially estimated upon recognition.

(ii) During the year ended 30 June 2023, one of the subsidiaries has recognised an impairment loss on part of property, plant and equipment destroyed by fire amounting to Rs 251m.

(iii) The main component of additions of property, plant and equipment in assets-in-progress is in respect of the redevelopment of Lux* Grand Baie.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

THE COMPANY

	Land and buildings	Plant and equipment	Motor vehicles	Office furniture and equipment	Computer and security equipment	Assets in progress	Total
COST/VALUATION	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At 1 July 2021	476,712	83,578	35,202	236,208	79,920	–	911,620
Additions	42,824	5,331	412	6,899	12,470	5,407	73,343
Disposals	–	(18,386)	(5,009)	(47,541)	(5,864)	–	(76,800)
Transfer from right of use assets (Note 16)	–	–	2,671	–	–	–	2,671
Reclassification	–	–	–	(581)	581	–	–
At 30 June 2022	519,536	70,523	33,276	194,985	87,107	5,407	910,834
At 1 July 2022	**519,536**	**70,523**	**33,276**	**194,985**	**87,107**	**5,407**	**910,834**
Additions	**1,843**	**1,497**	**5,133**	**13,608**	**14,011**	**8,748**	**44,840**
Disposals	**(48,077)**	**–**	**(5,217)**	**(68)**	**(2,610)**	**–**	**(55,972)**
Write offs	**–**	**–**	**–**	**–**	**(5,502)**	**–**	**(5,502)**
At 30 June 2023	**473,302**	**72,020**	**33,193**	**208,525**	**93,006**	**14,155**	**894,200**
DEPRECIATION							
At 1 July 2021	8,320	55,675	30,662	173,522	61,206	–	329,385
Charge for the year	52,304	(6,908)	2,085	(15,842)	11,662	–	43,301
Disposals	–	(3,110)	(4,538)	(625)	(6,209)	–	(14,482)
Transfer from right of use assets (Note 16)	–	–	2,167	–	–	–	2,167
At 30 June 2022	60,624	45,657	30,376	157,055	66,659	–	360,371
At 1 July 2022	**60,624**	**45,657**	**30,376**	**157,055**	**66,659**	–	**360,371**
Charge for the year	**9,556**	**7,599**	**1,337**	**15,981**	**14,919**	**–**	**49,392**
Disposals	**(48,077)**	**–**	**(4,784)**	**(68)**	**(2,498)**	**–**	**(55,427)**
Write offs	**–**	**–**	**–**	**–**	**(5,495)**	**–**	**(5,495)**
At 30 June 2023	**22,103**	**53,256**	**26,929**	**172,968**	**73,585**	**–**	**348,841**
NET BOOK VALUE							
At 30 June 2023	**451,199**	**18,764**	**6,264**	**35,557**	**19,421**	**14,155**	**545,359**
At 30 June 2022	458,912	24,866	2,900	37,930	20,448	5,407	550,463

The Directors have reviewed the carrying amount of the Company's property, plant and equipment and are of the opinion that no further impairment is required at reporting date (2022: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Historical cost of revalued land and buildings:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Cost	**14,340,482**	13,525,625	**234,612**	280,846
Accumulated depreciation	**(4,456,431)**	(4,169,621)	**(84,517)**	(79,825)
Net book value	**9,884,051**	9,356,004	**150,095**	201,021

The Group's and Company's freehold land and buildings as well as buildings on leasehold land are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements were performed in accordance with the 'RICS Valuation Standards' by accredited independent valuers namely Elevante Property Services Ltd, CBRE Excellente CRES (PTY) Ltd, Noor Dilmahomed & Associates, Chasteau Doger De Speville Ltd, Ramiah-Isabel Consultancy Ltd, CDDS Ltd and Galtier Valuation. The valuers have the appropriate qualifications and experience in the fair value measurements of properties in the relevant locations.

Land and buildings leased to subsidiaries within the Group are valued on an annual basis while the remaining properties are valued every 3 to 4 years unless there is evidence that the fair value of the assets differs materially from the carrying amount. The valuation of these properties was performed as at 30 June between 2021 and 2023.

The fair value of the land and buildings has been assessed on the basis of its market value, being the estimated amount for which the property could be exchanged between knowledgeable willing parties in an arm's length transaction and taking into account the current market conditions and similar transactions undertaken in recent years. In arriving at the market value, the sales comparison approach has been used for the land, which is based on recent transactions for similiar properties, and the depreciated replacement cost approach has been used for the buildings (including production infrastructure) which estimates the value by computing the current cost of replacing a property less any depreciation resulting from physical, functional and economic obsolescence factors. Land and buildings that are leased have been fair valued using the income approach by reference to the capitalisation rate on net operating income or based on discounted cash flows, the highest and best use of the properties being their current use. The revaluation surplus was credited to revaluation reserves.

The significant inputs used are as follows:

Valuation methodology	Significant unobservable inputs	Relationship to fair value
Sale comparison approach	Estimated price per square meter	A higher price will result in higher fair value and vice versa
Depreciated replacement cost approach	Replacement/Construction cost per square meter	A higher cost will result in higher fair value and vice versa
	Depreciation rate	A higher depreciation rate will result in lower fair value and vice versa
Income approach (Discounted cash flows and income capitalisation approach)	Rental income	Higher rental income projections will result in higher fair value and vice versa
	Discount rate	A higher discount rate will result in lower fair value and vice versa
	Capitalisation rate	A higher capitalisation rate will result in lower fair value and vice versa

The significant unobservable inputs vary from property to property based on the location and use by each entity within the Group.

There has been no change to the valuation techniques during the year.

Management and the directors have estimated that the carrying values of land and buildings approximate their fair values at 30 June 2022 and 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Borrowing costs capitalised during the year is Rs nil (2022: Rs 20.1 million).

Borrowings are secured by fixed and floating charges on the property, plant and equipment of the Group and the Company.

(c) Details of the Group's and the Company's land and buildings measured at fair value and information about the fair value hierarchy as at 30 June are as follows:

THE GROUP	Level 3
	Rs'000
2023	
Land and buildings	**23,767,371**
Infrastructure production	**1,572,431**
	25,339,802
2022	
Land and buildings	22,020,409
Infrastructure production	1,586,535
	23,606,944
THE COMPANY	
2023	
Land and buildings	**451,199**
2022	
Land and buildings	458,912

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. INVESTMENT PROPERTIES

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
At 1 July	**3,356,188**	3,267,618
Additions	**555,274**	87,007
Transfer from property, plant and equipment (Note 4)	**26,675**	(497,225)
Assets in progress	**182,195**	10,977
Transfer from inventories	**–**	295,270
Transfer to assets classified as held for sale (Note 21)	**(24,271)**	–
Disposals	**(490,452)**	(66,238)
Lease termination	**(61,648)**	(31,500)
Fair value movement	**102,137**	290,279
At 30 June	**3,646,098**	3,356,188
Rental income	**100,894**	85,297
Direct operating expenses:		
– generating rental income	**54,785**	42,562
– did not generate income	**9,248**	18,380

The fair value of investment properties has been arrived at on the basis of valuations performed by accredited independent valuers, namely Elevante Property Services Ltd, CBRE Excellente CRES (PTY) Ltd, Noor Dilmahomed & Associates, Chasteau Doger De Speville Ltd and Ramiah-Isabel Consultancy Ltd. The fair valuation exercise was carried out at 30 June 2023 in accordance with the 'RICS Valuation Standards'.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. The valuations were based on market economic conditions and active market prices existing at the reporting date, adjusted for any difference in the nature, location or condition of the specific property.

The fair value is determined on open market value using the income approach (discounted cash flows) for rented properties, sales comparison approach for bare land as well as depreciation replacement cost approach for some buildings. Where the income approach is used, the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The sales comparison approach is by reference to market evidence of transaction prices for similar properties on an arm's length term while the depreciated replacement cost approach estimates the value by computing the current cost of replacing a property less any depreciation resulting from physical, functional and economic obsolescence factors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. INVESTMENT PROPERTIES (CONTINUED)

The significant inputs used are as follows:

Valuation methodology	Significant unobservable inputs	Relationship to fair value
Sale comparison approach	Estimated price per square meter	A higher price will result in higher fair value and vice versa
Depreciated replacement cost approach	Replacement/Construction cost per square meter	A higher cost will result in higher fair value and vice versa
	Depreciation rate	A higher depreciation rate will result in lower fair value and vice versa
Income approach (Discounted cash flows and income capitalisation approach)	Rental income	Higher rental income projections will result in higher fair value and vice versa
	Discount rate	A higher discount rate will result in lower fair value and vice versa
	Capitalisation rate	A higher capitalisation rate will result in lower fair value and vice versa

The significant inputs vary from property to property based on the location and use by each entity within the Group.

There has been no change to the valuation techniques during the year.

Management and the directors have estimated that the carrying values of the investment properties approximate their fair values at 30 June 2022 and 2023.

(a) Banking facilities of some subsidiaries have been secured by charges on their investment properties.

(b) Details of the Group's investment properties measured at fair value and information about the fair value hierarchy as at 30 June are as follows:

THE GROUP	Level 3
	Rs'000
2023	
Investment properties	**3,646,098**
2022	
Investment properties	3,356,188

(c) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6(a). INTANGIBLE ASSETS

THE GROUP	Goodwill	Computer software	Others	Total
	Rs'000	Rs'000	Rs'000	Rs'000
COST				
At 1 July 2021	3,353,854	809,905	232,434	4,396,193
Additions	340,716	94,496	17,504	452,716
Disposals	–	(12,769)	(1,774)	(14,543)
Write offs	–	(7,854)	(13,152)	(21,006)
Transfer from property, plant and equipment (Note 4)	–	8,906	–	8,906
Transfer to assets classified as held for sale (Note 21)	–	(3,097)	–	(3,097)
Acquisition of subsidiaries (Note 38(a))	–	2,294	81,465	83,759
Assets in progress	–	15,702	–	15,702
Exchange differences	(52,434)	(3,004)	(2,366)	(57,804)
At 30 June 2022	3,642,136	904,579	314,111	4,860,826
At 1 July 2022	**3,642,136**	**904,579**	**314,111**	**4,860,826**
Additions	**18,136**	**106,084**	**1,056**	**125,276**
Disposals	**–**	**(14,792)**	**–**	**(14,792)**
Write offs	**–**	**(9,694)**	**–**	**(9,694)**
Transfer from property, plant and equipment (Note 4)	**–**	**32**	**–**	**32**
Transfer from assets classified as held for sale (Note 21)	**–**	**2,075**	**–**	**2,075**
Acquisition of subsidiaries (Note 38(a))	**–**	**54**	**32,399**	**32,453**
Assets in progress	**–**	**638**	**–**	**638**
Exchange differences	**58,484**	**17,788**	**(296)**	**75,976**
At 30 June 2023	**3,718,756**	**1,006,764**	**347,270**	**5,072,790**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6(a). INTANGIBLE ASSETS (CONTINUED)

THE GROUP	Goodwill	Computer software	Others	Total
	Rs'000	Rs'000	Rs'000	Rs'000
AMORTISATION AND IMPAIRMENT				
At 1 July 2021	1,378,439	553,519	33,632	1,965,590
Charge for the year	–	91,708	3,373	95,081
Disposals	–	(7,843)	(1,196)	(9,039)
Write offs	–	(4,177)	(13,152)	(17,329)
Impairment loss (Note 33)	380,747	–	–	380,747
Transfer to assets classified as held for sale (Note 21)	–	(1,974)	–	(1,974)
Exchange differences	–	(2,287)	(174)	(2,461)
At 30 June 2022	1,759,186	628,946	22,483	2,410,615
At 1 July 2022	**1,759,186**	**628,946**	**22,483**	**2,410,615**
Charge for the year	**–**	**78,812**	**4,463**	**83,275**
Disposals	**–**	**(14,792)**	**–**	**(14,792)**
Write offs	**–**	**(8,751)**	**–**	**(8,751)**
Impairment loss (Note 33)	**18,841**	**–**	**–**	**18,841**
Transfer to assets classified as held for sale (Note 21)	**–**	**952**	**–**	**952**
Exchange differences	**–**	**16,938**	**(7)**	**16,931**
At 30 June 2023	**1,778,027**	**702,105**	**26,939**	**2,507,071**
NET BOOK VALUE				
At 30 June 2023	**1,940,729**	**304,659**	**320,331**	**2,565,719**
At 30 June 2022	1,882,950	275,633	291,628	2,450,211

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6(a). INTANGIBLE ASSETS (CONTINUED)

THE COMPANY	Computer software	Total
	Rs'000	Rs'000
COST		
At 1 July 2021	116,636	116,636
Additions	4,744	4,744
Write off	(4,913)	(4,913)
Disposals	(171)	(171)
At 30 June 2022	116,296	116,296
At 1 July 2022	**116,296**	**116,296**
Additions	**4,199**	**4,199**
Disposals	**(6,399)**	**(6,399)**
At 30 June 2023	**114,096**	**114,096**
AMORTISATION		
At 1 July 2021	95,272	95,272
Charge for the year	9,722	9,722
Write off	(2,375)	(2,375)
Disposals	(139)	(139)
At 30 June 2022	102,480	102,480
At 1 July 2022	**102,480**	**102,480**
Charge for the year	**6,219**	**6,219**
Disposals	**(6,399)**	**(6,399)**
At 30 June 2023	**102,300**	**102,300**
NET BOOK VALUE		
At 30 June 2023	**11,796**	**11,796**
At 30 June 2022	13,816	13,816

Intangible assets included under "Others" at Group level consist of rights to publishing titles, trademarks, development costs, licences, customer relationships and brands.

The Directors have considered the relevant factors in determining the useful life of the trademarks. For one of the subsidiaries, as there is no foreseeable limit to the period over which these are expected to generate net cash inflows for the Group, the trademarks have been assessed as having an indefinite useful life.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6(a). INTANGIBLE ASSETS (CONTINUED)

Goodwill acquired through business combinations have indefinite lives and have been allocated to the following cash generating units for impairment testing in the following clusters:

	Carrying value	
	2023	2022
	Rs'000	Rs'000
Building & Engineering	**25,567**	11,763
Commercial & Distribution	**729,135**	680,360
Financial Services	**232,742**	232,742
Logistics	**–**	12,606
Corporate Services	**32,096**	32,096
Hospitality & Services	**802,022**	792,442
Life & Technologies	**119,167**	120,941
	1,940,729	1,882,950

Overall, the recoverable amounts of these cash generating units (CGU) have been determined based on their value-in-use calculation and fair value less cost to sell where applicable using cash flow projections based on financial budgets established by management. The pre-tax discount rates applied to cash flow projections vary and the growth rates have been explained below. The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of each cash generating unit to at least maintain its market share.

The Group assesses goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

Impairment loss of goodwill amounting to Rs 18.8 million (2022: Rs 380.7 million) is attributable to the cash generating units of Building & Engineering and Life & Technologies to reflect the loss in value of the CGU. This was done for the non-operating and loss-making units. The impairment loss is recognised in the statement of profit or loss. While the recoverable amount for the clusters has been determined based on their value-in-use.

The Directors have reviewed the carrying values of goodwill at 30 June 2023 and are of the opinion that no additional impairment losses need to be recognised. Based on the weightage of the CGUs on the total amount of goodwill, the following clusters have been analysed:

Commercial & Distribution

Camp Investment Company Limited

In the commercial cluster, the recoverable amounts of trademarks and goodwill of Edena S.A. and its subsidiaries (Edena Group), have been determined based on their value-in-use calculations. These calculations use cash flow projections based on financial budgets prepared by management covering a period of five years. Value-in-use was determined by discounting the future cash flows generated from the continuing use of trademarks and the cash generating unit of Edena Group respectively using a pre-tax discount rate. Discount rates used represent the current market assessment of the risk specific to a cash generating unit taking into consideration the time value of money and the weighted average cost of capital (WACC).

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of the trademarks and Edena Group to at least maintain their respective market share. The assumptions used for the value-in-use calculations are as follows:

- cash flows were projected based on actual operating results extrapolated using an annual growth rate of 4% (2022: 4%) for a period of five years; and
- cash flows after the five years period were extrapolated using a perpetual growth rate of 2% (2022: 2%) in order to calculate the terminal recoverable amount.

Goodwill

The discount rate calculation is based on the specific circumstances of Edena Group and is derived from its weighted average cost of capital (WACC) of 8.91% (2022: 7.63%). The WACC takes into account both debt and equity.

Trademarks

The discount rate calculation is based on the specific circumstances of Edena Group and is derived from its weighted average cost of capital (WACC) of 10.1% (2022: 6.65%). The WACC takes into account both debt and equity.

As a result of the above analysis, the directors are satisfied that there is no indication of impairment of goodwill of Edena S.A for the year ended 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6(a). INTANGIBLE ASSETS (CONTINUED)

Hospitality & Services

Lux Island Resorts Ltd ("LIR")

LIR has not recognised any impairment on goodwill for the year ended 30 June 2023 (2022: Rs Nil).

The recoverable amount of each cash generating unit (CGU) has been determined based on their fair value less cost to sell. The post-tax cash flow projection is based on financial budgets approved by management covering a five-year period. The post-tax discount rate applied represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) which ranges between 12.14% to 15.78% (2022: 10.76% to 13.80%) for the various entities of the Group. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with the industry in which each CGU operates.

A terminal growth of 3.30% to 5.1% (2022: 3.30% to 4%) has been assumed in the calculation.

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of each cash generating unit to at least maintain its market share.

Building & Engineering

The United Basalt Products Limited ("UBP")

Premix Ltd (formerly known as Pre-Mixed Concrete Ltd)

On 27 October 2021, UBP exercised its first right of refusal in the acquisition of Premix Ltd after considering the CGU's synergies to UBP Group. The recoverable amount is based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five year period and a range of discount rate of 14.45% to 15.54% per annum. However, the purchase price agreed and paid was significantly higher than the net asset value of the CGU at the acquisition date. The directors have consequently determined to write off the goodwill directly related to Pre-Mixed Concrete Ltd as the goodwill will not be sustained in future years. No other write-down of the assets of Pre-Mixed Concrete Ltd is considered necessary. In 2022, impairment losses amounting to Rs340.7 million were attributable to the cash generating units of Pre-Mixed Concrete Ltd to reflect the loss in value of the CGU. These were done for certain non-operating and loss making units.

Life & Technologies

Life Together

The recoverable amount of CIDP Holding Ltd has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of CIDP Holding Ltd to at least maintain their respective market share. Moreover, a terminal growth rate of 3% (2022: 3%) was used to calculate the terminal recoverable amount, which is consistent with the long-term average growth rate for the life and technologies industry.

The discount rate calculation is based on the specific circumstances of CIDP Holding Ltd and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The pre-tax discount rate applied to cash flow projections is 13.32% (2022: 17.06%). The directors are satisfied that there is no indication of impairment of goodwill for the year ended 30 June 2023. Also, any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount of goodwill to exceed their aggregate recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6(b). LAND CONVERSION RIGHTS

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
At 1 July	**27,198**	25,622
Fair value movement	**–**	1,576
At 30 June	**27,198**	27,198

The reform of the Sugar Industry in the years 2000 necessitated redundancy payments in the form of cash and serviced land, as well as capital expenditure for capacity expansion and optimisation. These capital expenditure investments and expenses have been financed by debt. In order to assist the repayment of these debts, Government granted a tax exemption to the Sugar Industry when converting agricultural land into residential land in the form of Land Conversion Rights ("LCRs"). These LCRs are granted by the Mauritius Cane Industry Authority (MCIA) based on the qualifying costs incurred by an entity.

LCR is recognised as a non-current asset and is initially measured at fair value at the date on which the Company is entitled to receive those rights, that is when there is reasonable assurance that the LCR will be received and all the attached conditions will be complied with. The level of the fair value hierarchy within which the fair value measurement is categorised is level 2. LCRs are derecognised upon disposal (i.e. the date the recipient obtains control), or use for converting agricultural land into residential land for land projects. Any gain or loss on derecognition of the LCR is included in profit or loss.

7. DEFERRED TAXATION

Deferred tax is calculated on all temporary differences under the liability method at the rate of 17% (2022: 17%).

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Deferred tax liabilities	**1,526,136**	1,271,484	**–**	–
Deferred tax assets	**(325,760)**	(287,942)	**(99,129)**	(53,608)
Net deferred tax at 30 June	**1,200,376**	983,542	**(99,129)**	(53,608)

The movement in deferred tax during the year is as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 July	**983,542**	645,998	**(53,608)**	(48,105)
Acquisition of subsidiaries (Note 38(a))	**19**	(14,308)	**–**	–
Translation differences	**2,855**	5	**–**	–
Other movement	**17,515**	(9,392)	**–**	5,282
Amounts recognised in profit or loss				
Charge/(Credit) for the year (Note 26(b))	**21,670**	328,648	**(48,265)**	6,529
Amounts recognised in other comprehensive income				
Deferred tax on hedge reserves	**–**	2,043	**–**	–
Deferred tax on revaluation of land and buildings	**176,492**	54,303	**–**	–
Deferred tax relating to remeasurement of retirement benefit obligations	**(1,717)**	(23,755)	**2,744**	(17,314)
At 30 June	**1,200,376**	983,542	**(99,129)**	(53,608)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

7. DEFERRED TAXATION (CONTINUED)

THE GROUP	Accelerated tax depreciation	Revaluation of property, plant and equipment	Hedge reserves	Provisions	Employee benefit (assets)/ liabilities	Right of use assets	Tax losses	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2021	1,135,433	517,195	(2,043)	(120,564)	(319,244)	(91,451)	(473,328)	645,998
Other movement	(27,000)	(37)	–	8,950	4,138	2,548	2,009	(9,392)
Transfer to assets classified as held for sale (Note 21)	–	(84,972)	–	24,550	(11,410)	(23,265)	234,315	139,218
Charge/(credit) to other comprehensive income	–	54,303	–	–	(23,755)	–	–	30,548
Charge/(credit) to profit or loss	189,430	–	2,043	(12,956)	(4,438)	–	–	174,079
Tax on acquisition of subsidiaries (Note 38(a))	3,086	–	–	–	–	–	–	3,086
Translation differences	5	–	–	–	–	–	–	5
At 30 June 2022	1,300,954	486,489	–	(100,020)	(354,709)	(112,168)	(237,004)	983,542
At 1 July 2022	**1,300,954**	**486,489**	**–**	**(100,020)**	**(354,709)**	**(112,168)**	**(237,004)**	**983,542**
Other movement	**6,778**	**6,416**	**–**	**(2,167)**	**(2,061)**	**8,233**	**316**	**17,515**
Charge/(credit) to profit or loss	**–**	**2,054**	**5,185**	**29,369**	**(17,277)**	**(41,378)**	**43,717**	**21,670**
Charge/(credit) to other comprehensive income	**–**	**176,492**	**–**	**–**	**(1,717)**	**–**	**–**	**174,775**
Translation differences	**–**	**–**	**–**	**–**	**2,855**	**–**	**19**	**2,874**
At 30 June 2023	**1,307,732**	**671,451**	**5,185**	**(72,818)**	**(372,909)**	**(145,313)**	**(192,952)**	**1,200,376**

THE COMPANY	Accelerated tax depreciation	Revaluation of property, plant and equipment	Provisions	Employee benefit (assets)/ liabilities	Right of use assets	Tax losses	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2021	6,875	89,490	(48,105)	(89,081)	228	(7,512)	(48,105)
(Credit)/charge to profit or loss	(2,654)	–	12,812	(2,231)	(90)	(1,308)	6,529
Credit to other comprehensive income	–	–	–	(17,314)	–	–	(17,314)
Other movement	(2,027)	–	–	–	–	7,309	5,282
At 30 June 2022	2,194	89,490	(35,293)	(108,626)	138	(1,511)	(53,608)
At 1 July 2022	**2,194**	**89,490**	**(35,293)**	**(108,626)**	**138**	**(1,511)**	**(53,608)**
Charge/(credit) to profit or loss	**2,294**	**–**	**(2,907)**	**246**	**(2,382)**	**(45,516)**	**(48,265)**
Charge to other comprehensive income	**–**	**–**	**–**	**2,744**	**–**	**–**	**2,744**
At 30 June 2023	**4,488**	**89,490**	**(38,200)**	**(105,636)**	**(2,244)**	**(47,027)**	**(99,129)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

8(a). CONSUMABLE BIOLOGICAL ASSETS

THE GROUP	Standing cane	Plants	Vegetables	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2021	3,438	34,176	16,813	54,427
Production	16,979	64,331	44,645	125,955
Sales	(8,594)	(42,404)	(32,007)	(83,005)
Fair value movement	(4,797)	(9,176)	(6,318)	(20,291)
At 30 June 2022	**7,026**	**46,927**	**23,133**	**77,086**
Production	**14,992**	**49,538**	**49,535**	**114,065**
Sales	**14,401**	**(52,909)**	**(49,082)**	**(87,590)**
Fair value movement	**(24,944)**	**17,413**	**7,321**	**(210)**
At 30 June 2023	**11,475**	**60,969**	**30,907**	**103,351**

The consumable biological assets are measured at fair value determined in accordance with the level 3 of the fair value hierarchy.

The main assumptions for estimating the fair values are as follows:

	2023	2022
Standing cane		
Expected area to harvest (ha)	**97**	80
Estimated yields (%)	**10.2**	10.3
Estimated price of sugar – Rs (per ton)	**25,000**	22,350
Plants		
Expected area to harvest (ha)	**8**	8
Maximum maturity of plants at 30 June	**1 year**	1 year
Vegetables		
Expected area to harvest (ha)	**58**	59
Discount factor (%)	**9.1**	8.8

Description of significant unobservable inputs to valuation:

	Valuation technique	Significant unobservable inputs	Sensitivity of the input to value
Standing cane	Discounted cash flows	Cane yield per Ha:35.0 ton/ha (2022: 34.7 ton/ha)	1% increase/(decrease) in cane yield per Ha would result in increase/(decrease) in fair value by Rs 163,184 (2022: Rs 11,152).
		Price of sugar: Rs 25,000/ton (2022: Rs 22,350/ton)	5% increase/(decrease) in the price of sugar would result in increase/(decrease) in fair value by Rs 844,331 (2022: Rs 557,589).
		WACC:10.50% (2022: 8.51%)	1% increase/(decrease) in WACC would result in (decrease)/increase in fair value by –Rs 1,407 (2022: Rs 734).
Plants	Discounted cash flows	Average price of plants: Rs 329 (2022: Rs 224)	5% increase/(decrease) in price of plants would result in increase/(decrease) in fair value by Rs 3,106,687 (2022:Rs 2,882,903).
		Mortality rate:3 % (2022: 3%)	5% increase/(decrease) in mortality rate would result in (decrease)/increase in fair value by Rs 3,352,133 (2022: Rs 2,889,299).
		WACC 18.5% (2022: 18%)	1% increase/(decrease) in WACC would result in (decrease)/increase in fair value by Rs 753,576 (2022: Rs 54,176).
Vegetables	Discounted cash flows	Discount factor:9.1% (2022: 8.8%)	1% increase/(decrease) in discount factor would result in (decrease)/increase in fair value by Rs 76,786 (2022: Rs 57,473).
		Price of vegetables: Rs 15,000 – Rs 29,000 (2022: Rs 10,500 – Rs 26,500)	5% increase/(decrease) in price of vegetables would result in increase/(decrease) in fair value by Rs 2,120,240 (2022: Rs 1,606,374).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

8(b). BEARER BIOLOGICAL ASSETS

THE GROUP	Plant canes
	Rs'000
At 1 July 2022	–
Expenditure during the year	**1,125**
At 30 June 2023	**1,125**
Other information:	**2023**
Area harvested (Arpents)	**38**
Cost per Arpent (Rs)	**70,313**

The Directors made an assessment of the carrying value of the bearer plants as at 30 June 2023 and concluded that no impairment was required based on their forecasts.

9 (a). GROSS OUTSTANDING CLAIMS AND REINSURANCE ASSETS

THE GROUP	2023			2022		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Claims notified	1,662,158	(1,084,186)	577,972	1,220,427	(703,100)	517,327
Claims incurred but not reported	157,598	(80,459)	77,139	236,409	(135,034)	101,375
At 1 July	1,819,756	(1,164,645)	655,111	1,456,836	(838,134)	618,702
Movement in claims incurred	2,454,775	(1,996,296)	458,479	1,100,458	(756,052)	344,406
Cash (paid)/received for claims settled in the year	(1,554,729)	1,165,230	(389,499)	(737,538)	429,541	(307,997)
At 30 June	2,719,802	(1,995,711)	724,091	1,819,756	(1,164,645)	655,111
Analysed as:						
Claims notified	2,554,532	(1,905,033)	649,499	1,662,158	(1,084,186)	577,972
Claims incurred but not reported	165,270	(90,678)	74,592	157,598	(80,459)	77,139
	2,719,802	(1,995,711)	724,091	1,819,756	(1,164,645)	655,111

9 (b). NET CLAIMS INCURRED

THE GROUP	2023			2022		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Net claims incurred	2,369,796	(1,988,624)	381,172	1,057,652	(756,052)	301,600

10. GENERAL INSURANCE FUND AND REINSURANCE ASSETS

THE GROUP	Gross	Reinsurance	Net
	Rs '000	Rs '000	Rs '000
At 1 July 2021	477,987	(266,451)	211,536
Movement during the year	26,566	(50,419)	(23,853)
At 30 June 2022	**504,553**	**(316,870)**	**187,683**
Movement during the year	**104,723**	**(67,359)**	**37,364**
At 30 June 2023	**609,276**	**(384,229)**	**225,047**

The general insurance fund will be released over a period of 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES

THE COMPANY

	Listed	Secondary market	Unquoted	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At FVTOCI				
At 1 July 2021	4,600,793	655,425	16,058,600	21,314,818
Additions	–	–	58,066	58,066
Capitalisation of loans (Note (ii))	–	–	24,875	24,875
Disposals	–	–	(10,000)	(10,000)
Fair value adjustment	1,435,436	89,367	1,542,326	3,067,129
At 30 June 2022	6,036,229	744,792	17,673,867	24,454,888
At 1 July 2022	**6,036,229**	**744,792**	**17,673,867**	**24,454,888**
Additions	**–**	**–**	**4,290,566**	**4,290,566**
Capitalisation of loans (Note (ii))	**–**	**–**	**112,650**	**112,650**
Disposals	**–**	**–**	**(10,206)**	**(10,206)**
Fair value adjustment	**(531,525)**	**(277,119)**	**1,038,013**	**229,369**
At 30 June 2023	**5,504,704**	**467,673**	**23,104,890**	**29,077,267**

The additions have been financed as follows:

	2023	2022
	Rs'000	Rs'000
Cash	**4,290,566**	54,386
Payables	**–**	3,680
Capitalisation of loans	**112,650**	24,875
	4,403,216	82,941

(i) The Group and the Company have pledged their investments to secure the banking facilities obtained.

(ii) During years ended 30 June 2023 and 2022, the Group converted several non-current receivable balances from related parties into equity investments.

(iii) The Group considers certain entities over which it controls less than 50% of the voting rights as subsidiaries since it has sufficient dominant voting interest to direct the relevant activities of these entities and therefore has control over them (refer to Note 3).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries	Country of incorporation	Type of shares	Principal activity	2023 % held		2022 % held	
				Direct	Indirect	Direct	Indirect
IBL Energy Ltd *(Formerly: IBL Energy Holdings Ltd)*	Mauritius	Ordinary	Investment	**100.00**	**–**	100.00	–
IBL Waste to Energy Ltd *(Formerly: IBL Energy Ltd)*	Mauritius	Ordinary	Investment	**–**	**100.00**	–	100.00
IBL Energy (Kenya) Ltd	Kenya	Ordinary	Investment	**–**	**100.00**	–	100.00
Skysails Power Indian Ocean Ltd	Mauritius	Ordinary	Investment	**–**	**74.00**	–	74.00
Construction & Material Handling Company Ltd	Mauritius	Ordinary	Handling equipment	**100.00**	**–**	100.00	–
DieselActiv Co Ltd	Mauritius	Ordinary	Mechanical	**100.00**	**–**	100.00	–
Servequip Ltd	Mauritius	Ordinary	Rental & servicing of equipment	**100.00**	**–**	100.00	–
Scomat Limitée	Mauritius	Ordinary	Industrial & Mechanical	**100.00**	**–**	100.00	–
Blychem Ltd	Mauritius	Ordinary	Manufacturing of Chemical products	**100.00**	**–**	100.00	–
Medical Trading Company Ltd	Mauritius	Ordinary	Healthcare	**100.00**	**–**	100.00	–
WellActiv Company Ltd	Mauritius	Ordinary	Healthcare	**–**	**100.00**	100.00	100.00
Medical Trading International Ltd	Mauritius	Ordinary	Healthcare	**100.00**	**–**	100.00	–
BrandActiv Exports Ltd *(Formerly: New Cold Storage Company Limited)* (i)	Mauritius	Ordinary	Inactive	**100.00**	**–**	100.00	–
La Tropicale Mauricienne Ltée	Mauritius	Ordinary	Manufacturing	**100.00**	**–**	100.00	–
Winhold Limited	Mauritius	Ordinary	Investment	**100.00**	**–**	100.00	–
Pick and Buy Limited	Mauritius	Ordinary	Supermarkets	**–**	**100.00**	–	100.00
Compagnie des Magasins Populaires Limitée	Mauritius	Ordinary	Hypermarket	**–**	**100.00**	–	100.00
Pick and Buy Victoria Ltd	Mauritius	Ordinary	Hypermarket	**–**	**100.00**	–	100.00
Pick and Buy Tribeca Ltd *(Formerly: Pick and Buy Trianon Ltd)*	Mauritius	Ordinary	Hypermarket	**–**	**100.00**	–	100.00
CMPL (Mont Choisy) Limitée	Mauritius	Ordinary	Hypermarket	**–**	**100.00**	–	100.00
Mambo Retail Ltd	Mauritius	Ordinary	Investment holding	**65.29**	**–**	–	–
Intergraph Ltée	Mauritius	Ordinary	Trading in printing equipment and consumables	**100.00**	**–**	100.00	–
Heilderberg Océan Indien Limitée	Mauritius	Ordinary	Investment	**–**	**100.00**	–	100.00
Intergraph Réunion	Reunion	Ordinary	Trading in printing equipment and consumables for printing	**–**	**100.00**	–	100.00
SCI Les Alamandas	Mauritius	Ordinary	Real estate	**–**	**100.00**	–	100.00
Intergraph Africa Ltd	Mauritius	Ordinary	Trading in printing equipment and consumables	**–**	**100.00**	–	100.00
Camp Investment Company Limited	Mauritius	Ordinary	Investment	**49.60**	**–**	49.60	–
Phoenix Management Company Ltd	Mauritius	Ordinary	Management	**–**	**49.58**	–	49.58
Phoenix Investment Company Limited	Mauritius	Ordinary	Investment	**26.17**	**11.25**	26.17	11.25
Phoenix Beverages Limited	Mauritius	Ordinary	Production of Beer and Bottles and distribution of beverages	**3.21**	**20.07**	3.21	20.07
Mauritius Breweries Investments Ltd *(Formerly: MBL Offshore Ltd)*	Mauritius	Ordinary	Investment	**–**	**23.28**	–	23.28
Phoenix Beverages Overseas Ltd	Mauritius	Ordinary	Export of beverages	**–**	**23.28**	–	23.28
The (Mauritius) Glass Gallery Ltd	Mauritius	Ordinary	Production and sale of glasswares	**–**	**23.28**	–	17.69
Phoenix Distributors Limited	Mauritius	Ordinary	Distribution of beverages	**–**	**22.66**	–	22.66
Phoenix Camp Minerals Limited *(Formerly: Phoenix Camp Minerals Offshore Limited)*	Mauritius	Ordinary	Investment	**–**	**23.28**	–	23.28
Phoenix Réunion SARL	Reunion	Ordinary	Commissioning agent	**–**	**23.28**	–	23.28
Helping Hands Foundation	Mauritius	Ordinary	Charitable institution	**–**	**23.28**	–	20.37
Phoenix Foundation	Mauritius	Ordinary	Foundation	**–**	**23.28**	–	23.28
Edena S.A.	Reunion	Ordinary	Distribution of beverages	**–**	**23.28**	–	23.28
Espace Solution Reunion SAS	Reunion	Ordinary	Other Services	**–**	**23.28**	–	23.28
The Traditional Green Mill Ltd	Mauritius	Ordinary	Restaurant	**–**	**23.28**	–	23.28
SCI Edena	Reunion	Ordinary	Real Estate	**–**	**23.28**	–	23.28

(i) Companies are inactive
(ii) Companies are inactive and in process of deregistration

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2023 % held		2022 % held	
				Direct	Indirect	Direct	Indirect
Chantier Naval de l'Océan Indien Limited	Mauritius	Ordinary	Construction and repair of ships	63.83	–	63.83	–
CNOI Investments Ltd	Mauritius	Ordinary	Investment	–	63.83	–	63.83
Mer and Design Ltd	Mauritius	Ordinary	Naval architechs	–	63.83	–	63.83
Industrie et Services de l'Océan Indien Limitée	Mauritius	Ordinary	Maritime Transport	–	63.83	–	63.83
AFIX Scaff (Mauritius) Ltd	Mauritius	Ordinary	Construction	–	51.06	–	–
AFIX Stage Ltd	Mauritius	Ordinary	Construction	–	19.55	–	–
Engineering Support Services Ltd	Mauritius	Ordinary	Support Services	100.00	–	100.00	–
Engitech Ltd	Mauritius	Ordinary	Commerce	100.00	–	100.00	–
IBL Madagasikara S.A.	Madagascar	Ordinary	Commerce	90.00	–	90.00	–
Engineering Services Ltd	Seychelles	Ordinary	Outsourcing	–	100.00	–	99.97
Manser Saxon Contracting Limited	Mauritius	Ordinary	Manufacturing & contracting	100.00	–	100.00	–
Fit-Out (Mauritius) Ltd	Mauritius	Ordinary	Manufacturing	–	75.50	–	75.50
Manser Saxon Interiors Ltd	Mauritius	Ordinary	Manufacturing	–	100.00	–	100.00
Manser Saxon Elevators Ltd	Mauritius	Ordinary	Manufacturing	–	100.00	–	100.00
Manser Saxon Plumbing Ltd	Mauritius	Ordinary	Manufacturing	–	100.00	–	100.00
Manser Saxon Training Services Ltd	Mauritius	Ordinary	Training services	–	100.00	–	100.00
Tower Bridge Projects (Mauritius) Ltd	Mauritius	Ordinary	Construction	–	100.00	–	100.00
Saxon International Ltd	Mauritius	Ordinary	Investment	–	100.00	–	100.00
Systems Building Contracting Ltd	Mauritius	Ordinary	Manufacturing & contracting	–	70.50	–	64.50
Tornado Limited	Mauritius	Ordinary	Manufacturing	–	100.00	–	100.00
United Basalt Products Ltd	Mauritius	Ordinary	Investment	33.14	–	33.14	–
Espace Maison Ltée	Mauritius	Ordinary	Commerce	–	33.14	–	33.14
La Savonnerie Creole Ltée	Mauritius	Ordinary	Agriculture	–	33.14	–	33.14
Compagnie de Gros Cailloux Limitée	Mauritius	Ordinary	Agriculture	–	33.14	–	33.14
Welcome Industries Limited	Mauritius	Ordinary	Manufacture of building materials	–	25.15	–	25.15
UBP International Ltd	Mauritius	Ordinary	Investment	–	33.14	–	33.14
UBP Madagascar	Madagascar	Ordinary	Manufacture of building materials	–	33.14	–	33.14
United Granite Products (Pvt) Ltd	Sri-Lanka	Ordinary	Manufacture of building materials	–	25.52	–	25.52
DHK Metal Crusher (Pvt) Ltd	Sri-Lanka	Ordinary	Manufacture of building materials	–	25.52	–	33.14
Sheffield Trading(Pvt) Ltd	Sri-Lanka	Ordinary	Manufacture of building materials	–	25.52	–	33.14
Sainte Marie Crushing Plant Ltd	Mauritius	Ordinary	Manufacture of building materials	–	25.35	–	25.35
Société des petits Cailloux	Mauritius	Ordinary	Investment	–	25.35	–	25.35
Drymix Ltd	Mauritius	Ordinary	Manufacture of building materials	–	23.79	–	18.09
Premix Ltd	Mauritius	Ordinary	Supplier of ready-mixed concrete	–	33.14	–	33.14
Société d'Investissement Rodriguais	Mauritius	Ordinary	Investment	–	33.14	–	33.14
Drymat SAS (Reunion)	Reunion	Ordinary	Manufacture of building materials	–	26.51	–	26.51
UBP Coffrages Ltee	Mauritius	Ordinary	Manufacture of building materials	–	33.14	–	33.14
Pricom Ltd	Mauritius	Ordinary	Manufacture of building materials	–	33.14	–	33.14
Alentaris Ltd	Mauritius	Ordinary	Investment	85.00	–	85.00	–
Alentaris Recruitment Ltd	Mauritius	Ordinary	Recruitment services	–	85.00	–	85.00
Alentaris Consulting Ltd	Mauritius	Ordinary	Human resource consulting	–	85.00	–	85.00
Alentaris Management Ltd	Mauritius	Ordinary	Management company	–	85.00	–	85.00

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(ii) Companies are inactive and in process of deregistration

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2023 % held		2022 % held	
				Direct	Indirect	Direct	Indirect
EKADA CAPITAL LTD	Mauritius	Ordinary	Wealth management	56.80	–	56.80	–
DTOS Holdings Ltd	Mauritius	Ordinary	Global business	100.00	–	–	–
DTOS Ltd	Mauritius	Ordinary	Global business	–	100.00	100.00	–
Beach International Company Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS International Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS Trustees Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS Outsourcing Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS Registry Services Ltd	Mauritius	Ordinary	Provider of Services	–	100.00	–	100.00
DTOS East Africa Company Limited	Uganda	Ordinary	Global business	–	100.00	–	100.00
DTOS International East Africa (K) Limited	Kenya	Ordinary	Global business	–	100.00	–	100.00
Inconformità Ltd	Mauritius	Ordinary	Provider of Services	–	100.00	–	100.00
Interface International Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Interface Management Services Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
IPSE (Nominees) Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
ITA EST (Nominees) Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Knights & Johns Management Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Pines Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Pines Nominees Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS Capital Markets Ltd (Formerly: LCF Holdings Ltd)	Mauritius	Ordinary	Investment dealing and advisory services	–	100.00	100.00	–
LCF Securities Ltd	Mauritius	Ordinary	Investment dealing and advisory services	–	100.00	–	77.00
IBL Financial Services Holding Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Eagle Insurance Limited	Mauritius	Ordinary	General Insurance	60.00	–	60.00	–
Specialty Risk Solutions Ltd	Mauritius	Ordinary	General Insurance	–	42.00	–	42.00
Eagle Investment Property Limited	Mauritius	Ordinary	Property	–	60.00	–	60.00
The Bee Equity Partners Ltd	Mauritius	Ordinary	Investment	34.95	–	34.95	–
Flacq Associated Stonemasters Limited	Mauritius	Ordinary	Production and sale of aggregates and bricks	–	28.15	–	3.14
Confido Holding Limited	Mauritius	Ordinary	Investment	100.00	–	100.00	–
EllGeo Re (Mauritius) Ltd	Mauritius	Ordinary	Reinsurance	–	100.00	–	100.00
Life Together Ltd *(Formerly: IBL Life Ltd)*	Mauritius	Ordinary	Biotechnologies	100.00	–	100.00	–
Life Viva Medical Clinic Ltd *(Formerly: Life Together Medical Clinic Ltd)*	Mauritius	Ordinary	Clinical Activities	–	100.00	–	100.00
Care and Science Health Diagnostics Ltd	Mauritius	Ordinary	Medical and dental practice	–	100.00	–	100.00
Novalab	Mauritius	Ordinary	Laboratory testing	–	100.00	–	100.00
Plat-Form Laser	Mauritius	Ordinary	Laser treatment	–	100.00	–	100.00
Healthscape Ltd	Mauritius	Ordinary	Wellness	–	100.00	–	100.00
The Cryoact Ltd	Mauritius	Ordinary	Cryotherapy	–	51.00	–	51.00
CIDP Holding Ltd	Mauritius	Ordinary	Research and Biotechnology	–	90.00	–	90.00
CIDP Preclinical Ltd	Mauritius	Ordinary	Clinical testing	–	90.00	–	90.00
CIDP India Ltd	Mauritius	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	90.00	–	90.00
CIDP Biotech India Private Limited	India	Ordinary	Clinical testing	–	90.00	–	90.00
CIDP International	Mauritius	Ordinary	Clinical research and investment	–	–	–	89.10
CIDP Biotechnology SRL	Romania	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	90.00	–	90.00
CIDP Brasil Ltd	Mauritius	Ordinary	Clinical research and investment	–	–	–	90.00
CIDP Do Brasil Pesquisas Clinicas Ltda	Brasil	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	90.00	–	90.00
Centre de Phytotherapie et de Recheche Ltée	Mauritius	Ordinary	Testing and analysis of plants	–	90.00	–	90.00
CIDP Singapore Ltd	Mauritius	Ordinary	Clinical research and investment	–	90.00	–	90.00
Centre International de Development Pharmaceutique Ltd	Singapore	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	90.00	–	90.00

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(ii) Companies are inactive and in process of deregistration

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2023 % held		2022 % held	
				Direct	Indirect	Direct	Indirect
Lux Island Resorts Ltd	Mauritius	Ordinary	Hospitality and Tourism	56.47	–	56.47	–
Holiday & Leisure Resorts Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Merville Beach Hotel Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Merville Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Blue Bay Tokey Island Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Beau Rivage Co Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
LIR Properties Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Les Pavillons Resorts Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
LTK Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
FMM Ltée	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
MSF Leisure Company Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Hotel Prestige Reunion SAS	Reunion	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
LIRCO Ltd	Luxemburg	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Les Villas du Lagon SA	Reunion	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Naiade Holidays (Pty) Ltd	South Africa	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Lux Island Resort Foundation	Mauritius	Ordinary	Charitable institution	–	56.47	–	56.47
Lux Island Resort Maldives Ltd	Seychelles	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
White Sand Resorts & Spa Pvt Ltd	Maldives	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Oceanide Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Nereide Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
The Lux Collective Ltd	Mauritius	Ordinary	Hospitality and Tourism	56.37	–	56.37	–
The LUX Collective UK Ltd	UK	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Island Light Vacations Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
LIRTA Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Lux Island Resort Seychelles Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Salt Hospitality Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Palm Boutique Hotel Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
The Lux Collective Pte Ltd	Singapore	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Cafe LUX Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Lux Hotel Management (Shanghai) Co Ltd	China	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
The Lux Collective LLC	Dubai	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
IBL Link Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Universal Media Ltd	Mauritius	Ordinary	Media	–	55.00	–	55.00
GWS Technologies Ltd	Mauritius	Ordinary	Investment	–	80.00	–	80.00
IBL Ventures Ltd	Mauritius	Ordinary	Management consultancy	100.00	–	100.00	–
DotExe Ventures Ltd	Mauritius	Ordinary	Management consultancy	–	100.00	–	100.00
IBL Link Investments Ltd	Mauritius	Ordinary	Management consultancy	100.00	–	100.00	–
Air Mascareignes Limitée	Mauritius	Ordinary	Tourism	50.00	–	50.00	–
Australair General Sales Agency Ltd	Mauritius	Ordinary	Tourism and Travel	–	50.00	–	50.00
Australair GSA Comores SARL	Comoros	Ordinary	Tourism and Travel	–	50.00	–	50.00
Australair GSA Mada SA	Madagascar	Ordinary	Tourism and Travel	–	50.00	–	50.00
Catovair Comores SARL (i)	Comores	Ordinary	Tourism and Travel	–	50.00	–	50.00
Arcadia Travel Limited	Mauritius	Ordinary	Travel agency	100.00	–	100.00	–
Arcadia Travel Madagascar	Madagascar	Ordinary	Travel agency	–	100.00	–	100.00
Arcadia Travel Comores SARL	Comoros	Ordinary	Travel agency	–	100.00	–	100.00
Compagnie Thonière de l'Ocean Indien Ltée	Mauritius	Ordinary	Rental of fishing boats	–	–	100.00	–
Ground 2 Air Ltd	Mauritius	Ordinary	Ground handling	100.00	–	100.00	–
Equity Aviation Comores SARL	Mauritius	Ordinary	Ground handling	–	100.00	–	100.00
G2A Camas Ltd	Mauritius	Ordinary	Training	–	50.00	–	50.00
IBL Aviation Comores SARL (i)	Comoros	Ordinary	Tourism and Travel	–	100.00	–	100.00
IBL Cargo Village Ltd	Mauritius	Ordinary	Tourism and Travel	100.00	–	100.00	–
IBL Fishing Company Ltd	Mauritius	Ordinary	Shipping	100.00	–	100.00	–
IBL Regional Development Limited	Mauritius	Ordinary	Investment	100.00	–	100.00	–
IBL Comores SARL	Comoros	Ordinary	Tourism	–	100.00	–	100.00
IBL Comores GSA Anjouan SARL	Comoros	Ordinary	Tourism	–	100.00	–	100.00

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(ii) Companies are inactive and in process of deregistration

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2023 % held		2022 % held	
				Direct	Indirect	Direct	Indirect
Mada Aviation SARL	Madagascar	Ordinary	GSA	–	100.00	–	100.00
IBL Shipping Company Ltd (ii)	Mauritius	Ordinary	Import-Export	100.00	–	100.00	–
Ireland Fraser (Madagascar) SARL (ii)	Madagascar	Ordinary	Commerce	–	100.00	–	100.00
Logidis Limited	Mauritius	Ordinary	Warehousing	100.00	–	100.00	–
Mad Courrier SARL	Madagascar	Ordinary	Courier service	92.50	–	92.50	–
Somatrans Bolloré Logistics Ltd *(Formerly: Somatrans SDV Ltd)*	Mauritius	Ordinary	Import-Export	75.00	–	75.00	–
Somatrans SDV Logistics Ltd	Mauritius	Ordinary	Import-Export	–	75.00	–	75.00
Southern Seas Shipping Company Limited	Mauritius	Ordinary	Shipping	100.00	–	100.00	–
Reefer Operations (BVI) Limited	Mauritius	Ordinary	Shipping	–	100.00	–	100.00
Indian Ocean Reefers Limited	Mauritius		Shipping	–	100.00		100.00
IBL LAS Support Ltd	Mauritius	Ordinary	Support Services	100.00	–	100.00	–
Société de Transit Aérien et Maritime SARL (ii)	Madagascar	Ordinary	Clearing & forwarding	–	85.50	–	85.50
Bloomage Ltd	Mauritius	Ordinary	Real Estate & Property Management	100.00	–	100.00	–
MedWest Ltd	Mauritius	Ordinary	Real Estate & Property Management	–	100.00	–	100.00
OneMoka Ltd	Mauritius	Ordinary	Real Estate & Property Management	–	–	–	100.00
MedNorth Ltd	Mauritius	Ordinary	Real Estate & Property Management	–	100.00	–	–
Retail Properties Ltd	Mauritius	Ordinary	Real Estate & Property Management	–	100.00	–	–
Southern Investments Ltd	Mauritius	Ordinary	Real Estate	–	100.00	–	100.00
The Ground Collaborative Space Ltd	Mauritius	Ordinary	Collaborative workspace	–	86.23	–	86.23
BlueLife Limited	Mauritius	Ordinary	Property Development & Holding Co	57.41	–	57.41	–
Haute Rive Holdings Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Suites Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Smart City Company Ltd *(Formerly: Azuri Watch Ltd)*	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Services Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Estate Management Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Haute Rive Ocean Front Living Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Haute Rive IRS Company Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Haute Rive PDS Company Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
HR Golf Holding Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Golf Management Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Circle Square Holding Company Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Life in Blue Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Ocean Edge Property Management Company Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Les Hauts Champs 2 Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Haute Rive Azuri Hotel Company Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	51.78	–	51.78
IBL India Investments Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2023 % held Direct	2023 % held Indirect	2022 % held Direct	2022 % held Indirect
Aquatic Proteins Private Limited	India	Ordinary	Manufacturing	–	70.00	–	70.00
Seafood Hub Limited	Mauritius	Ordinary	Investment	85.00	–	85.00	–
Cervonic Ltd	Mauritius	Ordinary	Manufacturing	–	85.00	–	85.00
Froid des Mascareignes Ltd	Mauritius	Ordinary	Storage	–	59.50	–	59.50
Transfroid Ltd	Mauritius	Ordinary	Import-Export	–	59.50	–	59.50
Marine Biotechnology Products Ltd	Mauritius	Ordinary	Manufacturing	–	70.36	–	70.36
Marine Biotechnology International Ltd	Mauritius	Ordinary	Investment	–	85.00	–	85.00
Marine Biotechnology Products Cote d'Ivoire	Ivory Coast	Ordinary	Investment	–	43.35	–	43.35
IBL Biotechnology Investment Holdings Ltd (ii)	Mauritius	Ordinary	Investment	100.00	–	100.00	–
IBL Biotechnology (Mauritius) Ltd (i)	Mauritius	Ordinary	Research and Development	98.99	–	98.99	–
IBL Gabon Investments Limited	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Tropical Holding SA	Gabon	Ordinary	Seafood	–	60.00	–	60.00
IBL Seafood Support Services Ltd	Mauritius	Ordinary	Support Services	100.00	–	100.00	–
IBL Biotechnology International Ltd (II)	Mauritius	Ordinary	Research and Development	100.00	–	100.00	–
Blyth Brothers & Company Limited *(Formerly: IBL Ugandan Holdings 1 Ltd)*	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Adam and Company Limited (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
Société Mauricienne de Navigation Ltée (i)	Mauritius	Ordinary	Service provider	–	100.00	–	100.00
Fondation Joseph Lagesse	Mauritius	Ordinary	Charitable institution	100.00	–	100.00	–
Les Cuisines Solidaires Ltée	Mauritius	Ordinary	Charitable institution	–	100.00	–	100.00
Chemin Rail & Amaury Housing Co Ltd	Mauritius	Ordinary	Charitable institution	–	100.00	–	100.00
Cassis Limited (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
Equip and Rent Company Ltd	Mauritius	Ordinary	Rental of equipment	100.00	–	100.00	–
IBL Africa Investment Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
IBL Corporate Services Ltd *(Formerly: IBL Loyalty Ltd)*	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IBL Entertainment Limited (i)	Mauritius	Ordinary	Inactive	–	100.00	–	100.00
IBL Entertainment Holding Limited (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IBL Treasury Management Ltd (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IBL International Limited	Kenya	Ordinary	Business Development	100.00	–	100.00	–
IBL Training Services Limited	Mauritius	Ordinary	Training services	100.00	–	100.00	–
GML Immobilier Ltée	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IMV Services Ltd	Mauritius	Ordinary	Rental of equipment	100.00	–	100.00	–
I-Consult Limited	Mauritius	Ordinary	IT Services	100.00	–	100.00	–
I-Telecom Ltd	Mauritius	Ordinary	IT Services	100.00	–	100.00	–
Ireland Blyth (Seychelles) Ltd (i)	Seychelles	Ordinary	Inactive	100.00	–	100.00	–
Ireland Fraser and Company Limited (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IBL Management Ltd	Mauritius	Ordinary	Management Services	100.00	–	100.00	–
IBL Treasury Ltd	Mauritius	Ordinary	Treasury	100.00	–	100.00	–
Ze Dodo Trail Ltd (ii)	Mauritius	Ordinary	Organiser of trails	100.00	–	100.00	–

(i) Companies are inactive
(ii) Companies are inactive and in process of deregistration

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of non-wholly owned subsidiaries of the Group that have non-controlling interest:

	Percentage of voting rights held by non-controlling interests		Net profit/(loss) attributable to non-controlling interest		Accumulated non-controlling interests		Dividend paid to non-controlling interests	
	2023	2022	2023	2022	2023	2022	2023	2022
			Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Lux Island Resorts Ltd	43.53%	43.53%	629,829	217,051	3,157,969	3,995,504	119,373	–
Camp Investment Company Limited	50.40%	50.40%	121,947	339,560	4,608,084	4,197,169	30,232	(185,504)
United Basalt Products Ltd	66.86%	66.86%	102,667	(33,918)	2,922,272	2,444,259	–	(60,523)
Chantier Naval de l'Océan Indien Ltd	36.17%	36.17%	121,809	87,036	1,090,576	937,159	56,658	(50,186)
Bluelife Limited	42.59%	42.59%	20,558	48,787	1,007,784	951,175	–	–
Individually immaterial subsidiaries with non-controlling interests			825,009	123,688	3,134,942	(344,873)	(1,146,238)	(81,719)
Total			1,821,819	782,204	15,921,627	12,180,393	(939,975)	(377,932)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Lux Island Resorts Ltd

	2023 Rs'000	2022 Rs'000
Summarised statement of financial position:		
Current assets	2,860,616	2,473,935
Non-current assets	16,369,492	14,700,802
Current liabilities	3,385,199	2,477,618
Non-current liabilities	7,781,422	8,075,148
Equity attributable to owners of the company	3,445,235	1,166,184
Convertible bonds	1,460,283	1,460,283
Non-controlling interests	3,157,969	3,995,504

	2023 Rs'000	2022 Rs'000
Summarised statement of profit or loss:		
Revenue from contracts with customers	7,773,333	6,810,860
Expenses	(6,326,449)	(6,332,184)
Profit for the year	1,446,884	478,676
Profit for the year:		
– Profit attributable to owners of the company	817,055	261,625
– Profit attributable to the non-controlling interests	629,829	217,051
	1,446,884	478,676
Other comprehensive income for the year:		
– Other comprehensive income attributable to owners of the company	186,487	212,188
– Other comprehensive income attributable to the non-controlling interests	143,753	166,729
	330,240	378,917
Total comprehensive income for the year:		
– Total comprehensive income attributable to owners of the company	1,003,542	473,813
– Total comprehensive income attributable to the non-controlling interests	773,582	383,780
	1,777,124	857,593
Summarised statement of cash flows:		
Net cash inflow from operating activities	1,768,469	2,024,371
Net cash outflow from investing activities	(1,188,930)	(616,310)
Net cash outflow from financing activities	(684,513)	(101,139)
Net cash (outflow)/inflow for the year	(104,974)	1,306,922

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Camp Investment Company Limited

	2023 Rs'000	2022 Rs'000
Summarised statement of financial position:		
Current assets	3,282,664	2,740,527
Non-current assets	5,871,249	5,657,357
Current liabilities	1,838,042	1,811,415
Non-current liabilities	1,216,448	1,018,845
Equity attributable to owners of the company	1,491,339	1,370,455
Non-controlling interests	4,608,084	4,197,169

	2023 Rs'000	2022 Rs'000
Summarised statement of profit or loss:		
Revenue from contracts with customers	10,608,594	9,014,922
Expenses	(9,798,380)	(8,561,457)
Profit for the year	810,214	453,465
Profit for the year:		
– Profit attributable to owners of the company	688,267	113,905
– Profit attributable to the non-controlling interests	121,947	339,560
	810,214	453,465
Other comprehensive income for the year:		
– Other comprehensive income attributable to owners of the company	623	64,979
– Other comprehensive income attributable to the non-controlling interests	36,699	209,281
	37,322	274,260
Total comprehensive income for the year:		
– Total comprehensive income attributable to owners of the company	688,890	178,884
– Total comprehensive income attributable to the non-controlling interests	158,646	548,841
	847,536	727,725
Summarised statement of cash flows:		
Net cash inflow from operating activities	985,313	784,077
Net cash outflow from investing activities	(404,847)	(298,407)
Net cash outflow from financing activities	(717,350)	(442,609)
Net cash (outflow)/inflow for the year	(136,884)	43,061

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

United Basalt Products Limited

	2023 Rs'000	2022 Rs'000
Summarised statement of financial position:		
Current assets	**2,033,885**	2,014,636
Non-current assets	**5,718,726**	4,394,790
Current liabilities	**2,235,265**	1,322,485
Non-current liabilities	**1,182,596**	1,615,533
Equity attributable to owners of the Company	**1,412,478**	1,027,149
Non-controlling interests	**2,922,272**	2,444,259

	2023 Rs'000	2022 Rs'000
Summarised statement of profit or loss:		
Revenue from contracts with customers	**4,691,080**	4,073,535
Expenses	**(4,529,175)**	(4,130,248)
Profit/(loss) for the year	**161,905**	(56,713)
Profit/(loss) for the year		
– Profit/(loss) attributable to owners of the company	**59,238**	(22,795)
– Profit/(loss) attributable to the non-controlling interests	**102,667**	(33,918)
	161,905	(56,713)
Other comprehensive income for the year:		
– Other comprehensive income attributable to owners of the company	**229,866**	37,687
– Other comprehensive income attributable to the non-controlling interests	**476,618**	76,076
	706,484	113,763
Total comprehensive income for the year:		
– Total comprehensive income attributable to owners of the company	**289,104**	14,892
– Total comprehensive income attributable to the non-controlling interests	**579,285**	42,158
	868,389	57,050
Summarised statement of cash flows:		
Net cash inflow from operating activities	**538,215**	55,463
Net cash outflow from investing activities	**(840,148)**	(741,570)
Net cash inflow from financing activities	**247,267**	226,118
Net cash outflow for the year	**(54,666)**	(459,989)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Chantier Naval de l'Océan Indien Limited

	2023 Rs'000	2022 Rs'000
Summarised statement of financial position:		
Current assets	**881,092**	1,006,770
Non-current assets	**3,280,367**	2,879,340
Current liabilities	**409,630**	675,111
Non-current liabilities	**784,181**	568,921
Equity attributable to owners of the Company	**1,877,072**	1,704,919
Non-controlling interests	**1,090,576**	937,159

	2023 Rs'000	2022 Rs'000
Summarised statement of profit or loss:		
Revenue from contracts with customers	**2,012,404**	1,454,545
Expenses	**(1,675,637)**	(1,201,324)
Profit for the year	**336,767**	253,221
Profit for the year:		
– Profit attributable to owners of the company	**214,958**	166,185
– Profit attributable to the non-controlling interests	**121,809**	87,036
	336,767	253,221
Other comprehensive income/(loss) for the year:		
– Other comprehensive income/(loss) attributable to owners of the company	**122,221**	(148,785)
– Other comprehensive income/(loss) attributable to the non-controlling interests	**69,258**	(84,311)
	191,479	(233,096)
Total comprehensive income for the year:		
– Total comprehensive income attributable to owners of the company	**337,179**	17,400
– Total comprehensive income attributable to the non-controlling interests	**191,067**	2,725
	528,246	20,125
Summarised statement of cash flows:		
Net cash inflow from operating activities	**288,834**	214,662
Net cash outflow from investing activities	**(342,610)**	(269,912)
Net cash (outflow)/inflow from financing activities	**(27,112)**	43,107
Net cash outflow for the year	**(80,888)**	(12,143)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Bluelife Limited

	2023 Rs'000	2022 Rs'000
Summarised statement of financial position:		
Current assets	449,787	740,779
Non-current assets	5,075,631	2,639,666
Current liabilities	119,551	553,072
Non-current liabilities	2,980,046	625,845
Equity attributable to owners of the Company	1,418,037	1,250,353
Non-controlling interests	1,007,784	951,175

	2023 Rs'000	2022 Rs'000
Summarised statement of profit or loss:		
Revenue from contracts with customers	1,007,662	717,683
Expenses	(957,649)	(598,476)
Profit for the year	50,013	119,207
Profit for the year		
– Profit attributable to owners of the company	29,455	70,420
– Profit attributable to the non-controlling interests	20,558	48,787
	50,013	119,207
Other comprehensive income/(loss) for the year:		
– Other comprehensive income/(loss) attributable to owners of the company	36,649	(38,580)
– Other comprehensive income/(loss) attributable to the non-controlling interests	34,162	(28,569)
	70,811	(67,149)
Total comprehensive income for the year:		
– Total comprehensive income attributable to owners of the company	66,104	31,840
– Total comprehensive income attributable to the non-controlling interests	54,720	20,218
	120,824	52,058
Summarised statement of cash flows:		
Net cash inflow/(outflow) from operating activities	246,973	(181,100)
Net cash inflow from investing activities	178,737	64,236
Net cash inflow from financing activities	18,159	209,246
Net cash inflow for the year	50,076	92,382

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12. INVESTMENTS IN ASSOCIATES

	2023 Rs'000	2022 Rs'000
(a) **THE GROUP**		
At 1 July	10,234,684	10,180,691
Additions	8,656,839	8,421
Additions - Deposit on capital	27,079	4,564
Disposals	–	(145,131)
Impairment losses (Note 33)	(1,752)	(259,942)
Share of results - continuing operations	2,329,782	870,570
Dividend income	(406,874)	(332,031)
Remeasurement of retirement benefit obligations (OCI)	47,122	(26,866)
Movement in fair value reserves (OCI)	378	495
Movement in revaluation reserves (OCI)	8,597	76,272
Movement in reserves of associated companies (OCI)	4,906	1,711
Movement in currency translation reserves (OCI)	68,782	(110,307)
Movement in other reserves	(332,844)	102,357
Other movements in retained earnings	346,602	(94,699)
Transfer of revaluation reserves to retained earnings	(13,758)	(5,204)
Movement in retained earnings - change in percentage holding	7,809	(72,175)
Effect of restructuring	(361,902)	–
Transfer to assets classified as held for sale (Note 21)	(7,424)	–
Transfer from other financial assets (Note 14)	–	35,958
At 30 June	20,608,026	10,234,684

At 30 June 2023, the Group has recognised impairment loss in respect of investment in Scimat Ltee due to recoverable amount being lower than carrying value.

At 30 June 2022, the Group had recognised impairment losses mainly with respect to Princes Tuna (Mauritius) Ltd (Rs 240.5 million) and Mer des Mascareignes Limitee (Rs 24.5 million) due to recoverable amounts being lower than the carrying values. The recoverable amounts of the associates were determined based on their value-in-use calculations. These calculations are based on a price to earnings multiple of 10 for Princes Tuna (Mauritius) Ltd and a revalued net asset value for Mer des Mascareignes Limitee.

(b) **THE COMPANY**

	Listed Rs'000	Unquoted Rs'000	Total Rs'000
At FVTOCI			
At 1 July 2021	2,271,259	3,787,608	6,058,867
Additions	–	9,762	9,762
Fair value adjustments	528,200	14,388	542,588
At 30 June 2022	2,799,459	3,811,758	6,611,217
At 1 July 2022	2,799,459	3,811,758	6,611,217
Additions	–	500	500
Effect of restructuring	(1,493,736)	–	(1,493,736)
Fair value adjustments	(580,328)	2,192,880	1,612,552
At 30 June 2023	725,395	6,005,138	6,730,533

(c) Additions during the year have been financed as follows:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	2023 Rs'000	2022 Rs'000
Cash consideration	6,634,168	12,985	500	9,762
Payable	2,049,750	–	–	–
	8,683,918	12,985	500	9,762

(d) The Group and the Company have pledged their investments to secure banking facilities obtained.

(e) Refer to Note 34 for commitments and Note 35 for contingent liabilities related to associates of the Group.

(f) The carrying amount of the investment in associates include an investment in preference shares of Rs 16,291,000 in Victoria Station Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(g)

Details of associates	Country of incorporation	Type of shares	2023 % held Direct	2023 % held Indirect	2022 % held Direct	2022 % held Indirect
AfrAsia Bank Limited	Mauritius	Ordinary	**30.29**	**–**	30.29	–
Alteo Ltd	Mauritius	Ordinary	**27.64**	**–**	27.64	–
Compagnie des Travaux Maritimes des Mascareignes Ltee	Mauritius	Ordinary	**–**	**25.00**	–	25.00
Cosy Club Management Services Ltd	Mauritius	Ordinary	**–**	**44.67**	–	44.67
Crown-Corks Industries Ltd	Mauritius	Ordinary	**–**	**7.07**	–	7.07
DDL Promotion Ltee (i)	Mauritius	Ordinary	**–**	**40.00**	–	40.00
Chronopost (Mauritius) Ltd	Mauritius	Ordinary	**25.00**	**–**	25.00	–
Energie des Mascareignes Limitée	Mauritius	Ordinary	**–**	**30.00**	–	30.00
Island Management Ltd	Mauritius	Ordinary	**25.00**	**–**	25.00	–
IBL Energy Efficiency Ltd	Mauritius	Ordinary	**–**	**35.00**	–	35.00
IBL Photovoltaic Solutions Ltd	Mauritius	Ordinary	**–**	**40.00**	–	40.00
Identical Media Holding Ltd	Mauritius	Ordinary	**–**	**10.48**	–	10.48
Madalg SARL	Madagascar	Ordinary	**40.00**	**–**	40.00	–
Mauritian Commodities and Applied Solutions Co. Ltd *(Formerly: Mauritius Coal and Allied Services Co Ltd)*	Mauritius	Ordinary	**49.00**	**–**	49.00	–
Medscheme (Mtius) Ltd	Mauritius	Ordinary	**–**	**18.00**	–	18.00
H. Savy Insurance Company Ltd	Mauritius	Ordinary	**–**	**12.00**	–	12.00
LCL Cynologics Ltd	Mauritius	Ordinary	**–**	**29.02**	–	29.02
Mer des Mascareignes Limitee	Mauritius	Ordinary	**–**	**42.50**	–	42.50
MDM Distribution Ltd	Mauritius	Ordinary	**–**	**42.50**	–	42.50
Nutrifish SAS	France	Ordinary	**–**	**41.25**	–	41.25
Princes Tuna (Mauritius) Ltd	Mauritius	Ordinary	**23.37**	**17.27**	23.37	17.27
Naivas International Ltd	Mauritius	Ordinary	**–**	**33.55**	–	–
Naivas Limited	Kenya	Ordinary	**–**	**33.55**	–	–
Nouvelle Clinique du Bon Pasteur	Mauritius	Ordinary	**–**	**27.57**	–	27.57
Quantilab Holding Ltd	Mauritius	Ordinary	**–**	**50.00**	–	50.00
Real Soft Ltd	Mauritius	Ordinary	**–**	**40.00**	–	40.00
Scimat SAS	Reunion	Ordinary	**50.00**	**–**	50.00	–
Switch Energy Ltd	Mauritius	Ordinary	**–**	**21.27**	–	21.27
Price Guru Ltd	Mauritius	Ordinary	**–**	**–**	–	20.00
Victoria Station Ltd	Mauritius	Ordinary	**–**	**19.34**	–	19.34
Proxifresh Ltd	Mauritius	Ordinary	**50.00**	**–**	50.00	–
Cement Transport Ltd	Mauritius	Ordinary	**–**	**8.29**	–	8.29
Terrarock Ltd	Mauritius	Ordinary	**–**	**15.24**	–	15.24
Prochimad Mine et Carrières SARL	Madagascar	Ordinary	**–**	**11.27**	–	11.27
Compagnie Mauricienne d'Entreprise Ltee	Mauritius	Ordinary	**–**	**6.70**	–	6.70

(i) Companies are inactive

All the above associates are accounted using the equity method in the consolidated financial statements, except where mentioned otherwise.

(h) Information presented in aggregate for associates that are not individually significant:

	2023 Rs'000	2022 Rs'000
The Group's share of loss from continuing operations	**100,819**	206,665
The Group's share of other comprehensive (loss)/income	**(31,130)**	57,171
The Group's share of profit and total comprehensive income	**69,689**	777,836
Carrying amount of the Group's total interest in its associates	**662,829**	341,926

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(i) Details of significant associates

The table below presents a summary of financial information in respect of each of the significant associates of the Group. This summary represents the amounts reported in the financial statements of the respective associates prepared in accordance with IFRS.

AfrAsia Bank Limited

	2023 Rs'000	2022 Rs'000
Summarised statements of financial position:		
Current assets	**117,281,520**	149,032,981
Non-current assets	**114,306,209**	59,966,708
Current liabilities	**214,766,040**	191,198,510
Non-current liabilities	**1,372,931**	7,608,961
Equity attributable to other shareholders	**1,385,768**	1,385,768
Summarised statements of profit or loss:		
Net operating income	**8,288,979**	3,297,512
Profit for the year attributable to ordinary shareholders of the company	**5,878,570**	1,429,266
Other comprehensive income attributable to ordinary shareholders of the company	**4,351**	6,288
Total comprehensive income for the year attributable to ordinary shareholders of the company	**5,882,921**	1,435,554
Group's share of profit for the year of the associate	**1,738,878**	413,223
Group's share of total comprehensive income of the associate	**1,318**	1,905
Dividend income from associate	**147,990**	71,177

Reconciliation of financial information summarised above and the carrying value of the investment in AfrAsia Bank Limited recorded in the consolidated financial statements:

	2023 Rs'000	2022 Rs'000
Net assets of the associate attributable to the Group	**14,062,985**	8,806,450
Percentage holding by the Group (Note 12(g))	**30.29%**	30.29%
Share of net assets	**4,259,678**	2,667,474
Goodwill	**364,963**	364,963
Carrying value of the Group's share	**4,624,641**	3,032,437

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(i) Details of significant associates (Continued)

Alteo Ltd

	2023 Rs'000	2022 Rs'000
Summarised statement of financial position:		
Current assets	**3,490,026**	13,284,244
Non-current assets	**18,743,658**	18,742,424
Current liabilities	**1,875,469**	9,335,611
Non-current liabilities	**2,487,090**	3,378,177
Equity attributable to other shareholders	**444,068**	1,747,076
Summarised statement of profit or loss:		
Revenue from contracts with customers	**4,392,167**	12,100,019
Profit for the year attributable to ordinary shareholders of the company	**5,029,192**	996,436
Other comprehensive income attributable to ordinary shareholders of the company	**330,292**	72,701
Total comprehensive income for the year attributable to ordinary shareholders of the company	**5,359,025**	1,069,137
Group's share of profit for the year of the associate	**258,234**	275,415
Group's share of total comprehensive income of the associate	**42,799**	17,641
Dividend income from associate	**33,657**	69,545

Reconciliation of financial information summarised above and the carrying value of the investment in Alteo Ltd recorded in the consolidated financial statements:

	2023 Rs'000	2022 Rs'000
Net assets of associate	**17,427,057**	17,565,804
Percentage holding by the Group (Note 12(g))	**27.64%**	27.64%
Share of net assets	**4,816,839**	4,855,188
Carrying value of the Group's share	**4,816,839**	4,855,188

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(i) Details of significant associates (Continued)

Princes Tuna (Mauritius) Ltd

	2023 Rs'000	2022 Rs'000
Summarised statement of financial position:		
Current assets	**5,219,184**	4,321,138
Non-current assets	**2,705,564**	2,620,664
Current liabilities	**2,921,797**	2,601,008
Non-current liabilities	**530,566**	496,586
Equity attributable to other shareholders	**4,472,385**	289,194
Summarised statement of profit or loss:		
Revenue from contracts with customers	**12,771,659**	10,465,002
Profit/(loss) for the year attributable to ordinary shareholders of the company	**333,500**	(56,622)
Other comprehensive (loss)/income attributable to ordinary shareholders of the company	**(339,452)**	89,803
Total comprehensive (loss)/income for the year attributable to ordinary shareholders of the company	**(5,952)**	33,181
Group's share of profit/(loss) for the year of the associate	**201,255**	(24,732)
Group's share of total comprehensive income of the associate	**114,953**	14,493
Dividend income from associate	**–**	36,223

Reconciliation of financial information summarised above and the carrying value of the investment in Princes Tuna (Mauritius) Ltd recorded in the consolidated financial statements:

	2023 Rs'000	2022 Rs'000
Net assets of associate attributable to the Group	**4,278,934**	3,555,014
Pecentage holding by the Group (Note 12(g))	**43.68%**	43.68%
Share of net assets	**1,868,039**	1,552,830
Goodwill	**393,753**	452,303
Carrying value of the Group's share	**2,261,792**	2,005,133

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(i) Details of significant associates (Continued)

Naivas Ltd

	2023 Rs'000
Summarised statement of financial position:	
Current assets	4,319,657
Non-current assets	7,018,770
Current liabilities	4,985,848
Non-current liabilities	3,935,653
Equity attributable to other shareholders	2,416,926
Summarised statement of profit or loss:	
Revenue from contracts with customers	31,989,132
Profit for the year attributable to ordinary shareholders of the company	819,814
Other comprehensive income attributable to ordinary shareholders of the company	–
Total comprehensive income for the year attributable to ordinary shareholders of the company	819,814
Group's share of profit for the year of the associate	30,596
Group's share of total comprehensive income of the associate	(92,412)
Dividend income from associate	182,200

Reconciliation of financial information summarised above and the carrying value of the investment in Naivas Ltd recorded in the consolidated financial statements:

	2023 Rs'000
Net assets of associate attributable to the Group	2,778,215
Percentage holding by the Group (Note 12(g))	40.00%
Share of net assets	1,111,286
Goodwill	7,130,639
Carrying value of the Group's share	8,241,925

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

13. INVESTMENTS IN JOINT VENTURES

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	2023 Rs'000	2022 Rs'000
At July 1	109,104	90,950	406,932	382,625
Additions	366,852	29,061	–	–
Share of results – continuing operations	176,413	34,986	–	–
Dividends	(96,122)	(50,000)	–	–
Impairment loss (Note 33)	(13,961)	–	–	–
Remeasurement of retirement benefit obligations (OCI)	(1,310)	4,107	–	–
Movement in other reserves (OCI)	(2,203)	–	–	–
Movement in currency translation reserve (OCI)	(99,022)	–	–	–
Fair value movement	–	–	(309,615)	24,307
Other movement in retained earnings	(35,269)	–	–	–
Effect of restructuring	351,389	–	1,520,146	–
At 30 June	755,871	109,104	1,617,463	406,932

During the year, the Board of Directors of Alteo Limited, announced its decision to separate Alteo Group into two distinct listed groups namely Miwa Sugar Limited and Alteo Limited. The restructuring was carried out by way of a Scheme of Arrangement under Section 261 to 264 of the Mauritius Companies Act 2001 by way of demerger and asset split. Upon implementation of the Scheme, the Company received Ordinary shares and Class A shares in Miwa Sugar Limited. The impact of the restructuring has been reflected in Note 12 and Note 13.

The Company classified and measured its investments in joint ventures at FVTOCI.

There are no contingent liabilities and capital commitments with respect to the joint ventures (2022: nil).

Details of joint ventures	**Type of Shares**	**Country of incorporation**	**Type of investment**	**Percentage held**	
				2023	2022
City Brokers Ltd	Ordinary	Mauritius	Direct	50.00	50.00
Miwa Sugar Limited	Ordinary	Mauritius	Direct	27.64	–
Manser Saxon Facilities Ltd	Ordinary	Mauritius	Indirect	50.00	50.00
Panacea Pharma Ltee	Ordinary	Mauritius	Indirect	50.00	50.00
Laboratoire d'Innovations Phyto-Aromatiques Ltee	Ordinary	Mauritius	Indirect	50.00	50.00
Energy Pulse Ltd	Ordinary	Mauritius	Indirect	51.00	–
E-Motion Recharge Solutions Ltd	Ordinary	Mauritius	Indirect	50.00	–
JV Enerfund	Ordinary	Mauritius	Indirect	60.00	–
Enerfund LLP	Ordinary	Kenya	Indirect	51.00	–

Information presented in aggregate for joint ventures that are not individually significant:

	2023 Rs'000	2022 Rs'000
The Group's share of loss from continuing operations	37,629	34,986
The Group's share of other comprehensive (loss)/income	(277)	4,107
The Group's share of profit and total comprehensive income	37,352	39,093
Carrying amount of the Group's total interest in its joint ventures	267,907	109,104

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

13. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Details of significant joint ventures

Miwa Sugar Ltd

	2023 Rs'000
Summarised statement of financial position:	
Current assets	4,792,498
Non-current assets	5,647,061
Current liabilities	3,643,954
Non-current liabilities	4,106,560
Equity attributable to other shareholders	923,617
Summarised statement of profit or loss:	
Revenue from contracts with customers	6,369,035
Profit for the year attributable to ordinary shareholders of the company	503,147
Other comprehensive income attributable to ordinary shareholders of the company	242,187
Total comprehensive income attributable to ordinary shareholders of the company	745,335
Group's share of profit for the year of the joint venture	139,061
Group's share of total comprehensive income of the joint venture	(102,535)
Dividend income from joint venture	70,922

Reconciliation of financial information summarised above and the carrying value of the investment in Miwa Sugar Ltd recorded in the consolidated financial statements:

	2023 Rs'000
Net assets of joint venture	1,765,427
Percentage holding by the Group (Note 12(g))	27.64%
Share of net assets	487,964
Carrying value of the Group's share	487,964

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

14. OTHER FINANCIAL ASSETS

THE GROUP	Fair value through OCI	Fair value through profit or loss	Measured at amortised cost	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2021	391,549	429,354	376,871	1,197,774
Additions	36,845	163,350	181,450	381,645
Disposals	(49,128)	(230,856)	(59,881)	(339,865)
Fair value adjustments	41,643	(13,395)	–	28,248
Translation differences	(275)	–	(572)	(847)
Transfer to investments in associates (Note 12)	(16,291)	–	(19,667)	(35,958)
Accrued interest during the year	–	–	(74)	(74)
Expected credit losses (Note (i))	–	–	3,839	3,839
At 30 June 2022	404,343	348,453	481,966	1,234,762
At 1 July 2022	**404,343**	**348,453**	**481,966**	**1,234,762**
Additions	**285,128**	**69,661**	**176,110**	**530,899**
Disposals	**(212,779)**	**(180,651)**	**(104,560)**	**(497,990)**
Fair value adjustments	**34,813**	**34,279**	**–**	**69,092**
Translation differences	**5,910**	**850**	**8,836**	**15,596**
Transfer to held for sale (Note 21)	**–**	**–**	**(44,668)**	**(44,668)**
Accrued interest during the year	**–**	**–**	**1,305**	**1,305**
Expected credit losses (Note (i))	**–**	**–**	**2,310**	**2,310**
At 30 June 2023	**517,415**	**272,592**	**521,299**	**1,311,306**

Analysed as follows:	**2023 Rs'000**	2022 Rs'000
Current	69,211	256,183
Non-current	1,242,095	978,579
	1,311,306	1,234,762
Analysed as follows:		
Listed	558,322	576,065
Unquoted	752,984	658,697
	1,311,306	1,234,762

THE COMPANY	Equity securities designated at FVTOCI	Total
	Rs'000	Rs'000
At 1 July 2021	102,300	102,300
Additions	13,590	13,590
Fair value adjustments	9,331	9,331
At 30 June 2022	125,221	125,221
At 1 July 2022	**125,221**	**125,221**
Additions	**4,500**	**4,500**
Fair value adjustments	**(31,323)**	**(31,323)**
At 30 June 2023	**98,398**	**98,398**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

14. OTHER FINANCIAL ASSETS (CONTINUED)

	Listed		Unquoted	
	2023	2022	**2023**	2022
Analysed as follows:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
At 1 July	**36,457**	32,805	**88,764**	69,495
Additions	**–**	–	**4,500**	13,590
Fair value adjustments	**414**	3,652	**(31,737)**	5,679
At 30 June	**36,871**	36,457	**61,527**	88,764

(i) Impairment of financial assets:

At Group level, the corporate bonds and deposits are held mainly with reputable local banks and listed entities. The Directors have assessed that the credit risk on these financial instruments has not increased significantly since initial recognition and recognises 12-month ECL for these assets. The Directors have determined the credit ratings of these instruments to be BBB- to BB+ based on the sovereign rating and external rating for main local banks. A loss rate given default of 45% has been applied in determining the ECL on the assumption that these corporate bonds are unsecured. There was no impairment of the financial assets at Company level (2022: nil).

15. INVENTORIES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Raw materials	**1,763,738**	1,297,260	**–**	–
Spare parts and consumables	**695,288**	608,365	**735**	769
Work in progress - others	**332,109**	534,247	**–**	–
Work in progress - property	**361,972**	497,081	**–**	–
Finished goods	**4,855,764**	4,303,634	**1,414,804**	1,295,410
Goods in transit	**782,246**	748,056	**515,197**	282,655
Stock of land for sale	**37,866**	88,551	**–**	–
	8,828,983	8,077,194	**1,930,736**	1,578,834

The trading stocks of some subsidiaries have been pledged as security for bank facilities granted to them. The carrying amount of inventories pledged as securities is Rs 2,733.3 million (2022: Rs 2,982.4 million) for the Group and Rs 1,414.8 million (2022: Rs 1,295.4 million) for the Company. The cost of inventories recognised as an expense includes an amount of Rs 3,230.92 million (2022: Rs 82.4 million) in respect of write down of inventories to net realisable value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

16. RIGHT OF USE ASSETS AND LEASE LIABILITIES

(a) Right of use assets

The Group as a lessee

The Group and the Company have lease contracts for land and buildings, plant and equipment, motor vehicles, office furniture and computer equipment which contain lease components used in their operations. Land and buildings have lease terms between 7 and 60 years, plant and equipment have lease terms of 4 to 10 years, motor vehicles have lease terms between 5 and 7 years and office furniture and computer equipment have lease terms of 1 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

Set out below are the carrying amounts of right of use assets recognised and the movements during the period:

	THE GROUP					THE COMPANY		
	Land and building	**Plant and equipment**	**Motor vehicles**	**Office furniture and Computer equipment**	**Total**	**Land and building**	**Motor vehicles**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At 1 July 2021	4,199,676	438,035	170,055	21,576	4,829,342	40,417	32,657	73,074
Additions for the year	38,384	128,269	106,792	269	273,714	2,782	11,449	14,231
Acquisition of subsidiaries (Note 38 (a))	256,001	9,768	83,677	8,220	357,666	–	–	–
Impairment of leased assets (Note (i) and 33)	(35,790)	–	–	–	(35,790)	–	–	–
Reassessment of leases (Note (ii))	83,656	247	1,119	–	85,022	–	–	–
Transfer to property, plant and equipment (Note 4)	–	(11,872)	(9,117)	–	(20,989)	–	(504)	(504)
Transfer to held for sale (Note 21)	(28,519)	–	–	–	(28,519)	–	–	–
Exchange differences	42,450	(17)	(5,698)	–	36,735	–	–	–
Depreciation charge for the year	(381,760)	(51,568)	(146,907)	(709)	(580,944)	(14,143)	(10,385)	(24,528)
At 30 June 2022	4,174,098	512,862	199,921	29,356	4,916,237	29,056	33,217	62,273
At 1 July 2022	**4,174,098**	**512,862**	**199,921**	**29,356**	**4,916,237**	**29,056**	**33,217**	**62,273**
Additions for the year	**1,006,713**	**64,492**	**279,239**	**2,046**	**1,352,490**	**15,795**	**34,874**	**50,669**
Termination of lease	**(26,245)**	**(24,960)**	**(13,618)**	**(1,018)**	**(65,841)**	**–**	**(11,308)**	**(11,308)**
Reversal Impairment of leased assets (Note (i) and 33)	**57,832**	**–**	**–**	**–**	**57,832**	**–**	**–**	**–**
Reassessment of leases (Note (ii))	**175,986**	**–**	**–**	**–**	**175,986**	**–**	**–**	**–**
Transfer to property, plant and equipment (Note 4)	**–**	**(5,121)**	**(1,159)**	**–**	**(6,280)**	**–**	**–**	**–**
Transfer from held for sale (Note 21)	**28,519**	**–**	**–**	**–**	**28,519**	**–**	**–**	**–**
Exchange differences	**82,980**	**(3,358)**	**2,666**	**–**	**82,288**	**–**	**–**	**–**
Depreciation charge for the year	**(442,131)**	**(56,721)**	**(161,327)**	**(1,042)**	**(661,221)**	**(16,398)**	**(10,279)**	**(26,677)**
At 30 June 2023	**5,057,752**	**487,194**	**305,722**	**29,342**	**5,880,010**	**28,453**	**46,504**	**74,957**

(i) One of the subsidiaries of the Group has reversed impairment loss previously booked, upon review of the cash flow projections on the economic viability of the right of use assets.

(ii) During the year, leases have been reassessed due to changes in the lease terms which are not lease modifications.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

16. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(b) Lease liabilities

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 July	**4,616,125**	4,586,594	**68,171**	76,883
Additions for the year	**1,359,797**	246,187	**50,168**	13,534
Acquisition of subsidiaries (Note 38(a))	**1,709**	391,787	**–**	–
Interest expense (Note 32)	**383,574**	345,349	**3,952**	4,128
Termination of lease	**(133,638)**	(3,843)	**(13,653)**	–
Reassessment of lease liability (Note a(ii))	**178,969**	42,162	**–**	–
Transfer from assets classified as held for sale	**39,739**	(39,739)	**–**	–
Lease payment	**(1,014,715)**	(920,592)	**(28,794)**	(26,374)
Exchange differences	**101,986**	(31,780)	**–**	–
At 30 June	**5,533,546**	4,616,125	**79,844**	68,171

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Analysed as follows:				
Current	**525,055**	578,499	**39,864**	22,553
Non-current	**5,008,491**	4,037,626	**39,980**	45,618
	5,533,546	4,616,125	**79,844**	68,171

Refer to Note 22(e) for the cash and non-cash movements in lease liabilities.

The following are the amounts recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Depreciation charge of right of use assets	**661,221**	580,944	**26,677**	24,528
Interest expense on lease liabilities (Note 32)	**383,574**	345,349	**3,952**	4,128
Total amount recognised in profit or loss	**1,044,795**	926,293	**30,629**	28,656

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group and the Company had total cash outflows for leases amounting to Rs 1,015 million (2022: Rs 920 million) and Rs 29 million (2022: Rs 26 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

16. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(c) Minimum lease payments:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Within one year	**725,436**	778,880	**31,752**	19,375
After one year but not more than five years	**2,559,298**	2,801,267	**57,044**	70,431
More than five years	**14,477,232**	11,993,091	**–**	–
	17,761,966	15,573,238	**88,796**	89,806
Less: future finance charges	**(12,228,420)**	(10,957,113)	**(8,952)**	(21,635)
Present value of lease obligations	**5,533,546**	4,616,125	**79,844**	68,171

The present value of liabilities may be analysed as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Within one year	**525,055**	578,499	**39,864**	22,553
After one year but not more than five years	**2,196,034**	2,438,003	**20,181**	45,618
More than five years	**2,812,457**	1,599,623	**19,799**	–
	5,533,546	4,616,125	**79,844**	68,171

(d) The effective interest rates at the end of reporting date were as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Lease liabilities	**1.0% – 8.25%**	3.0% – 8.0 %	**1.0% – 8.25%**	3.0% – 8.0%

During the year under review, the Group has taken exemption for short-term lease accounting amounting to Rs 5.4 million (2022: Rs 37.1 million). These leases were taken for a period of 6 – 12 months.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

17(a) NON-CURRENT RECEIVABLES

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Amount due from related parties (Note (a))	**–**	–	**192,328**	189,086
Loan receivable	**–**	–	**399,697**	206,858
Less: Provision for expected credit losses (Note (b))	**–**	–	**(270,740)**	(242,626)
Other amounts receivable (Note (c))	**100,397**	79,288	**–**	–
Other assets	**1,500**	1,500	**1,500**	1,500
At 30 June	**101,897**	80,788	**322,785**	154,818

(i) Amount due from related parties

The Company has determined lifetime expected credit loss on loan receivables from related companies based on expected recovery of the related debts.

Amount due from related parties for the Company are unsecured and repayable on demand but not within the next 12 months. Receivable amounting to Rs 165 million (2022: Rs 240 million) are interest-free while remaining balances of Rs 323 million (2022: Rs 156 million) bear interest at rates ranging from 4% to 8% (2022: 4% to 8%). In determining the expected credit losses, the Company has assessed the ability of the related parties to pay the debts if demanded at reporting date and where the borrower has access to unrestricted cash to repay the debt, the ECL determined is immaterial. If the borrower cannot repay the debts at reporting date, management has determined a recovery period usually between 3 to 5 years on the basis that the entities will continue operations and generate future cash flows. The expected credit loss will be limited to the effect of discounting the amount due on the loan (at the loan's effective interest rate, which might be 0% if the loan is interest free) over the period until cash is realised. If the time period to realise cash is short or the effective interest rate is low, the effect of discounting might be immaterial. If the effective interest rate is 0%, and all strategies indicate that the lender would fully recover the outstanding balance of the loan, there is no impairment loss to recognise.

During the years ended 30 June 2022 and 2023, several balances due from related parties were converted into equity investments.

(ii) Set out below is the movement in the loss allowance:

	THE GROUP	THE COMPANY
	Rs'000	**Rs'000**
At 1 July 2021	96,276	337,906
Decrease in loss allowance recognised in profit or loss during the year	(96,276)	(49,406)
Amounts recovered during the year	–	(45,874)
At 30 June 2022	–	242,626
At 1 July 2022	**–**	**242,626**
Increase in loss allowance recognised in profit or loss during the year	**–**	**28,114**
At 30 June 2023	**–**	**270,740**

(iii) Other amounts receivable relate to deposits which are repayable after more than one year.

Other receivables also include an amount of Rs 48,187,000 relating to sale of SAS Hotel Le Récif. As per the deed of sale of SAS Hotel Le Récif, an amount of EUR 1 million is receivable 4 years after effective date of transfer. Furthermore a contingent fee of EUR 1 million is payable upon SAS Hotel Le Récif achieving a target EBITDA. The contingent fee has not been included at this stage as it is very difficult to assess whether the set target results would be achieved. The proceeds receivable is interest free and has been accounted as its net present value using an effective discount rate of 3%.

(iv) Management has assessed ECL on other amounts receivable and other financial assets and the ECL amount is insignificant (2022: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

17(b) ADVANCE TOWARDS EQUITY

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
At 1 July	**–**	–	**–**	–
Additions	**637,975**	–	**1,403,341**	–
At 30 June	**637,975**	–	**1,403,341**	–

Advance towards equity relates to funds disbursed for investments for which shares have not yet been alloted.

18. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Trade receivables (Note (a))	**5,105,189**	4,483,299	**777,464**	631,453
Trade receivables from related parties	**332,941**	223,716	**377,714**	454,170
Less: Allowance for expected credit losses	**(717,075)**	(718,054)	**(64,552)**	(74,575)
	4,721,055	3,988,961	**1,090,626**	1,011,048
Other receivables	**2,658,048**	1,501,227	**353,875**	93,040
Less: Allowance for expected credit losses (Note (b))	**(22,289)**	(10,610)	**(4,902)**	–
Prepayments	**610,960**	436,340	**73,039**	44,598
Tax receivables (VAT, TDS, etc.)	**300,902**	120,658	**46,810**	9,877
Dividend receivable	**93,300**	68,223	**524,124**	475,568
	8,361,976	6,104,799	**2,083,572**	1,634,131

The receivable balances are unsecured and interest free at year end. The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

(a) Trade receivables

Before accepting any new customer, the Group and the Company assess the potential customer's credit quality and define credit limits by customer and these are reviewed on a regular basis. The concentration of credit risk is limited due to the customer base being large and unrelated.

The Group and the Company have recognised allowance for expected credit losses against trade receivables by reference to past default experience on an individual basis.

The Group and the Company measure the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The provision rates are based on days past due for grouping of various customer segments with similar loss patterns (i.e. by geographical region, product type, customer type and credit terms). The Group has presented the credit risk exposure on trade receivables by the different business clusters consistent with the reportable segments. The Company's trade receivables arise from services provided by corporate office as well as operations in commercial and logistics clusters mainly from sale of consumer goods, healthcare products and equipment and rendering of shipping and aviation services.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

Building & Engineering

The activities within this cluster consist of engineering and contracting services including providing related services as well as sale of building materials. The average credit period on sales of goods and services ranges from 30 to 90 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 180 days to 360 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Some of the entities within this cluster have segmented the trade receivables by customer/product/service types (e.g. related/non related, electrical, parts, storage and furniture). The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed) where historical experience has indicated that these receivables are generally not recoverable.

Commercial & Distribution

The Commercial & Distribution cluster consists mainly of sale of consumer goods/products, healthcare and industrial goods and rendering of related services. The average credit period on sales of goods and services ranges between 30 to 90 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 90 days to 180 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Some of the entities within the cluster have segmented the trade receivables by geography/customer base (e.g. countries of exportation – Madagascar, Seychelles, hotel, restaurant, cafe (HORECA), retail key account, retail modern account, retail traditional account, Government). The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that the receivables are generally not recoverable.

Logistics

This cluster provides logistics, shipping and aviation services to clients. The average credit period on sales of most services is 30 days except for provision of aviation courses which has a credit period of 150 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 90 days to 150 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Trade receivables have been segmented between related and non-related for some entities. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

Seafood

The activities within this cluster include production and distribution of seafood and associated products as well as provision of handling and storage services of seafood products. The average credit period on sales of goods and services is 0 to 60 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 120 days to 180 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Trade receivables for certain entities have been segmented based on credit period granted to customers. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

Financial Services

The Financial Services cluster includes mainly revenue from global business management and insurance business. The average credit period on provision of services is 90 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 120 days to 180 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. No segmentation has been done by the entities as the historical loss experience does not show significantly different loss patterns for different customer segments. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

Property

Revenue from Property cluster includes mainly property management, real estate development and income from rental of properties. The average credit period on rendering of services ranges from 0 to 30 days. Management considers trade receivables to be in default when contractual payments are past due for 90 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Trade receivables have been segmented between related and non-related for some entities. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

Hospitality & Services

This cluster provides hospitality services to its clients. Trade receivables are not secured, non interest-bearing and are generally on 30 days term. Impairment of receivables have been assessed on an individual basis and also on a collective basis under the 'Expected Credit Loss' model. The hospitality group has subscribed to a credit protection scheme for its trade receivables with a Global Service Provider, with a view to minimise its credit risk exposure. Bad debts written off which were provided for relate to individual debtor balances which have been impaired during the year and which were not previously provided for.

Life & Technologies

The activities within this cluster include clinical research and development and chemical, toxicological and microbiological analysis, medical diagnosis, medical and para-medical treatment and patient care. It also includes digital solutions in the web and e-commerce space. Trade receivables are considered in default when contractual payments are 90 days past due. However, in certain cases, receivables are considered to be in default when internal or external information indicates that it is unlikely that the outstanding contractual amounts will be received in full before taking into account any credit enhancements held. The balance is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The following table details the credit risk exposure of trade receivables based on the Group's and Company's provision matrix at 30 June 2023 and 30 June 2022:

THE GROUP

		Number of days past due									
	Not past due	**< 30**	**31 – 60**	**61 – 90**	**91 – 120**	**121 – 150**	**151 – 180**	**181 – 270**	**271 – 360**	**> 360**	**Total**
At 30 June 2023											
Expected credit loss rate (%)	**0–0.08**	**0–0.06**	**0–65**	**0–74**	**0–26**	**0–17**	**0–18**	**0–19**	**0–4.7**	**0–63**	
Expected total gross carrying amount at default (Rs'000)	**2,758,389**	**963,274**	**427,127**	**216,996**	**206,096**	**89,393**	**33,611**	**81,401**	**64,920**	**596,923**	**5,438,130**
Lifetime ECL (Rs'000)	**(64,755)**	**(25,601)**	**(16,054)**	**(16,869)**	**(93,772)**	**(9,207)**	**(11,265)**	**(40,386)**	**(38,318)**	**(400,848)**	**(717,075)**
At 30 June 2022											
Expected credit loss rate (%)	0.08 – 4.74	0.20 – 8.0	0.39 – 13.16	0.47 – 18.70	0.54 – 34.53	0.82 – 64.78	8.15 – 100	15.56 – 100	36.89 – 100	100	
Expected total gross carrying amount at default	1,854,451	1,037,362	492,655	207,192	245,845	190,267	47,800	121,477	49,320	460,646	4,707,015
Lifetime ECL (Rs'000)	(57,887)	(17,293)	(12,293)	(16,862)	(108,687)	(25,066)	(22,097)	(25,593)	(32,800)	(399,476)	(718,054)

THE COMPANY

		Number of days past due									
	Not past due	**< 30**	**31 – 60**	**61 – 90**	**91 – 120**	**121 – 150**	**151 – 180**	**181 – 270**	**271 – 360**	**> 360**	**Total**
At 30 June 2023											
Expected credit loss rate (%)	**0–0.1**	**0–0.06**	**0–62**	**0–17**	**0–12**	**0–15**	**0–1.4**	**0–0.1**	**0**	**0–63**	
Expected total gross carrying amount at default (Rs'000)	**781,521**	**221,370**	**35,209**	**12,564**	**4,526**	**46,524**	**3,871**	**1,356**	**1,324**	**46,913**	**1,155,178**
Lifetime ECL (Rs'000)	**(33,927)**	**(4,274)**	**(1,767)**	**(869)**	**(617)**	**(3,201)**	**(3,209)**	**(12,521)**	**–**	**(4,167)**	**(64,552)**
At 30 June 2022											
Expected credit loss rate (%)	0.08 – 4.74	0.20 – 8.0	0.39 – 13.16	0.47 – 18.70	0.54 – 34.53	0.82 – 64.78	8.15 – 100	15.56 – 100	36.89 – 100	100	
Expected total gross carrying amount at default	366,935	367,087	82,538	34,040	17,822	88,335	(196)	8,952	113,809	6,301	1,085,623
Lifetime ECL (Rs'000)	(36,828)	(4,999)	(204)	(576)	(888)	(1,502)	118	(8,451)	(14,944)	(6,301)	(74,575)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The following table details the credit risk exposure of trade receivables based on the Group's and Company's provision matrix at 30 June 2023 and 30 June 2022 per industry groups:

THE GROUP

At 30 June 2023	**Agro & Energy**	**Building & Engineering**	**Commercial & Distribution**	**Financial Services**	**Hospitality & Services**	**Life & Technologies**	**Logistics**	**Property**	**Seafood**	**Corporate Services**	**Consolidation adjustments**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Expected total gross carrying amount at default	**79,706**	**1,393,996**	**3,876,117**	**672,631**	**511,763**	**125,509**	**292,581**	**128,463**	**246,142**	**157,696**	**(2,046,474)**	**5,438,130**
Lifetime ECL	**–**	**(219,775)**	**(367,453)**	**(46,617)**	**(36,617)**	**(16,263)**	**(10,878)**	**(20,449)**	**–**	**(23,344)**	**24,321**	**(717,075)**
At 30 June 2022												
Expected total gross carrying amount at default	27,000	1,201,436	2,926,613	681,280	517,778	120,429	334,508	80,995	305,976	244,107	(1,733,107)	4,707,015
Lifetime ECL	–	(199,786)	(382,217)	(46,937)	(56,543)	(16,012)	(18,344)	(20,153)	–	(21,346)	43,284	(718,054)

THE COMPANY

At 30 June 2023	**Agro & Energy**	**Building & Engineering**	**Commercial & Distribution**	**Financial Services**	**Hospitality & Services**	**Life & Technologies**	**Logistics**	**Property**	**Seafood**	**Corporate Services**	**Consolidation adjustments**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Expected total gross carrying amount at default	**–**	**–**	**1,004,257**	**–**	**–**	**–**	**3,534**	**–**	**–**	**147,387**	**–**	**1,155,178**
Lifetime ECL	**–**	**–**	**(41,208)**	**–**	**–**	**–**	**–**	**–**	**–**	**(23,344)**	**–**	**(64,552)**
At 30 June 2022												
Expected total gross carrying amount at default	–	–	848,733	–	–	–	8,149	–	–	228,741	–	1,085,623
Lifetime ECL	–	–	(46,928)	–	–	–	(6,301)	–	–	(21,346)	–	(74,575)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9.

THE GROUP	Collectively assessed	Individually assessed	Total
	Rs'000	Rs'000	Rs'000
At 1 July 2021	459,633	286,774	746,407
(Decrease)/increase in loss allowance	(95,852)	54,543	(41,309)
Transfer to assets held for sale	(7,428)	-	(7,428)
Acquisition of subsidiaries	77,402	-	77,402
Amounts written off	(16,631)	(13,590)	(30,221)
Amounts recovered during the year	(1,459)	(4,425)	(5,884)
Net foreign exchange loss	(1,552)	(19,361)	(20,913)
At 30 June 2022	414,113	303,941	718,054
At 1 July 2022	**414,113**	**303,941**	**718,054**
Increase/(decrease) in loss allowance	**34,882**	**(36,321)**	**(1,439)**
Transfer to assets held for sale	**7,428**	**-**	**7,428**
Acquisition of subsidiaries	**715**	**-**	**715**
Reclassification	**(140,521)**	**140,521**	**-**
Amounts written off	**(3,382)**	**(3,678)**	**(7,060)**
Amounts recovered during the year	**(7,964)**	**(10,311)**	**(18,275)**
Net foreign exchange loss	**2,763**	**14,888**	**17,651**
At 30 June 2023	**308,035**	**409,040**	**717,075**

THE COMPANY	Collectively assessed	Individually assesed	Total
	Rs'000	Rs'000	Rs'000
At 1 July 2021	22,995	35,544	58,539
Increase in loss allowance	4,165	11,871	16,036
At 30 June 2022	27,160	47,415	74,575
At 1 July 2022	**27,160**	**47,415**	**74,575**
Decrease in loss allowance	**(5,673)**	**(2,547)**	**(8,220)**
Reclassification	**28,949**	**(28,949)**	**-**
Amounts recovered during the year	**4,777**	**(6,580)**	**(1,803)**
At 30 June 2023	**55,213**	**9,339**	**64,552**

(b) Other receivables

The Group and the Company have determined lifetime expected credit loss on other receivables based on expected recovery of the related debts. Set out below is the movement in the loss allowance in accordance with IFRS 9:

	THE GROUP	THE COMPANY
	Rs'000	Rs'000
At 1 July 2021	17,464	16,476
Increase in loss allowance	11,453	-
Amounts recovered during the year	(18,307)	(16,476)
At 30 June 2022	10,610	-
At 1 July 2022	**10,610**	**-**
Increase in loss allowance	**17,187**	**4,902**
Amounts recovered during the year	**(5,508)**	**-**
At 30 June 2023	**22,289**	**4,902**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

19. DIVIDENDS

On 05 December 2022, the Board of Directors declared an interim dividend of Rs 0.16 per share (2022: Rs 0.15 per share) which was paid on 30 December 2022. On 06 June 2023 a final dividend of Rs 0.50 per share (2022: Rs 0.45 per share) was declared and paid on 10 July 2023. The total dividends declared for the year amounted to Rs 448.9 million (2022: Rs 408.1 million). The Company had a dividend payable of Rs 340.1 million at 30 June 2023 (2022: Rs Nil).

20.(a) STATED CAPITAL

The Group and the Company

	2023	2022
Issued and fully paid	Rs'000	Rs'000
At 30 June 2023: 680,224,040 ordinary shares of no par value (2022: 680,224,040 ordinary shares of no par value)	**1,361,941**	1,361,941

Each share confers to its holder the right to vote and a proportional right to dividends and to the distribution of the surplus assets of the Company upon winding up.

(b) RESTRICTED REDEEMABLE SHARES

The Group and the Company

1,510,666,650 Restricted Redeemable Shares (RRS) of no par value amounting to Rs 5 million were in issue on 30 June 2022 and 2023.

Each RRS confers to the holder the right to vote at general meetings and right to participate in a rights issue together with the holders of the ordinary shares. The RRS holders have no right to dividends or distribution of any surplus of the Company in case of winding up. The RRS are redeemable at the option of the Company and at no proceeds.

(c) CONVERTIBLE BONDS

The Group

During the financial year ended 30 June 2021, Lux Island Resorts Ltd signed a subscription agreement with the Mauritius Investment Corporation Ltd ("MIC"), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds for a total amount of Rs 1 billion comprising of 100 bonds of Rs 10 million each. Subsequently both parties have mutually agreed to reduce the subscription amount to Rs 920 million (92 bonds).

During the financial year 2022, the Group, through one of its subsidiary companies, Merville Limited also signed an agreement with the MIC to issue redeemable convertible bonds for a total amount of Rs 700 million comprising of 70 bonds of Rs 10 million each. Only Rs 550 million out of the total amount of Rs 700 million have been subscribed for up to date.

The key terms and conditions of the funding arrangements for Lux Island Resorts Ltd and Merville Limited are as follows:

- The maturity date is 9 years from disbursement of the first tranche of the subscription proceeds
- The conversion has been pre-determined prior to subscription
- Interest rates are as follows:

(a) 3.00% p.a. over the duration of the bonds for Lux Island Resorts Ltd (from issue date to the earlier of the redemption date or the conversion date).

The interest is payable on the last day of each interest period. On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.

(b) the key repo rate plus 2.25% but subject to a floor of 4.10% p.a.over the duration of the bonds for Merville Limited (from issue date to the earlier of the redemption date or the conversion date). The interest is payable on the last day of each interest period. On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.

- Redemption of the bonds shall be at the option of the issuer. The issuer may redeem some or all the bonds, any time prior to the maturity date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

20 (c). CONVERTIBLE BONDS (CONTINUED)

The Group (Continued)

The option price shall be determined as follows:

- if redemption happens before the 4th anniversary of the first subscription, the redemption price shall be the nominal amount.
- if redemption happens after the 4th anniversary of the first subscription, the redemption amount shall be 100.5% of the nominal amount.
- all outstanding bonds will be converted into ordinary shares at a pre-agreed formula and price on maturity date.

The number of shares to be issued shall be determined as per below formula:

[(A+B)/C]

- A is the nominal amount of all bonds held by the subscriber
- B is equal to the amount of outstanding and unpaid interest in relation to the bonds held by the subscriber, and
- C is the conversion price which has been set at Rs 33.52 and Rs 405 for Lux Island Resorts Ltd and Merville Limited respectively.

21. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

(a) **Les Villas Du Lagon**

On 29 June 2022, Lux Island Resorts Ltd ("LIR") had an offer from a potential buyer for the acquisition of Les Villas Du Lagon, in Reunion Island. Hence all the assets and liabilities of the entity were classified as held for sale as at 30 June 2022. However, in financial year 2023, the authorities of Reunion Island made an offer to LIR so that the latter can acquire the land on which the resort has been constructed. Negotiations to sell the hotel have been closed and hence the hotel's assets and liabilities are no longer classified as held for sale and have been reclassified to their respective class of assets and liabilities at start of the current year.

(b) **UBP Madagascar**

UBP had the intention to sell its Malagasy subsidiary, UBP Madagascar and had initiated an active programme to locate a buyer as from 01 November 2021. As a result the entity had been classified as a disposal group held for sale and presented separately in the statement of financial position for the years ended 30 June 2022 and 2021. As at reporting date, no buyer has been identified and no deal has been completed and as per the requirements of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, UBP Madagascar is now presented under continuing operations in the statement of profit or loss and other comprehensive income.

(c) **United Granite Products (Private) Limited ("UGPL")**

In June 2021, UBP initiated an active programme to locate a buyer following its intention to sell its Sri Lankan subsidiary, United Granite Products (Private) Limited. This operation, which was expected to be sold within 12 months, was classified as a disposal group held for sale and presented separately in UBP's consolidated statement of financial position at 30 June 2021. As a result of the programme initiated, several potential buyers showed their interest, but the deal could not be completed as there was no agreement on the proposed consideration. Moreover, during the one-year period, there were circumstances beyond the Group's control took place and further complicated the negotiations. Management remained committed to their plan to sell UGPL which continued to be classified as a disposal group held for sale and presented separately in UBP's consolidated statement of financial position at 30 June 2022.

However, at 30 June 2023, no potential buyer was identified and no deal has been completed and UGPL is now presented under continuing operations in the statement of profit or loss and other comprehensive income since the requirements of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are not met.

(d) **Bare Land in the books of Circle Square Holding Co Ltd ("CSHL")**

CSHL owns bare land at Forbach and the Circle Square Retail Park and these investment properties of CSHL were classified as held for sale. The investment properties of CSHL, which were held for sale since the past three years, have been partly sold during the reporting year ended 30 June 2021. The sale of 3 plots have been completed and a fourth plot has been sold in August 2021. The three remaining units were sold in the first quarter of the year ended 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

21. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

(e) **Bare Land in the books of Aquatic Proteins Products Limited ("APPL")**

APPL owns bare land in the state of Kerala in India. On 1 July 2020, the Board of Directors of APPL has decided to discontinue its operations in India and has been looking for a buyer to dispose of the bare land. The bare land was transferred from property, plant & equipment amounting to Rs 145 million to assets held for sale. At the reporting date, the land was valued at the lower of fair value less cost to sell and its carrying value and an impairment loss of Rs 86 million was provided during the year ended 30 June 2021 in view of current market conditions in India. The carrying value of the bare land at the reporting date was Rs 58 million and no further impairment loss was recognised during the year under review. The company expects to complete the sale during the financial year ending 30 June 2024.

(f) **PL Resort Ltd**

The assets and liabilities were classified as held for sale during the financial year ended 30 June 2021 as a binding offer was signed since April 2021 with an external foreign third party. The sale was concluded in March 2022. The results up to date of disposal were recognised in discontinued operations for the year ended 30 June 2022.

(g) **SALT Hospitality Ltd ("SHL")**

SHL entered into a voluntary administration in February 2021. Consequently, The Lux Collective Ltd ("TLC") lost control over the activities of SHL. TLC had accounted for the results of SHL under discontinued operations, recognised liabilities and guarantees given on behalf of SHL and have deconsolidated the statement of financial position of SHL when control was lost.

During the financial year 2022, SHL exited from the voluntary administration, as explained in Note 38(a), and the restructured SALT Hospitality Ltd was consolidated effective as from 5 January 2022.

(h) **Hotel Le Récif**

On 1 August 2020, LIR had finalised the sale of Hotel Le Récif, in Reunion Island for a total proceeds of EUR 9 million, payable as follows:

- EUR 7 million payable on date of signature
- EUR 1 million payable 4 years after date of signature
- EUR 1 million contingent upon Hotel Le Récif achieving a target EBITDA

The amount of EUR 7 million as per the deed of sale has already been paid. There was no impairment of the assets of Hotel Le Récif as the disposal proceeds exceeds the fair value of the net assets.

The effective date of the disposal was 01 July 2020 where the net asset value of the subsidiary after netting off of intercompany transactions was Rs 264.5m. This resulted in a gain on disposal of Rs 12.5m at 30 June 2021. Cash proceeds upon disposal of Hotel Le Récif was Rs 231.1m. Total fair value of consideration was Rs 277m.

As per the deed of sale of SAS Hotel Le Récif, an amount of EUR 1 million (Rs 45.9m) is receivable 4 years after effective date of transfer. Furthermore, a contingent fee of EUR 1 million is receivable upon Hotel le Recif achieving a target EBITDA. The contingent fee has not been included at this stage as it is very difficult to assess whether the set target results would be achieved.

The proceeds receivable is interest free and has been accounted at its net present value using an effective discount rate of 3%.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

21. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

The assets and liabilities classified as held for sale in related to the Group are as follows:

	THE GROUP	
	2023 Rs'000	2022 Rs'000
Assets		
Property, plant and equipment (Note (i))	**58,674**	554,318
Investment property (Note (ii))	**24,271**	31,055
Intangible assets (Note (iii))	**–**	1,123
Right of use assets (Note (iv))	**–**	28,519
Investments in associates	**7,424**	–
Other financial assets	**44,668**	–
Inventories	**–**	41,071
Trade and other receivables	**–**	49,650
Cash and cash equivalents	**–**	122,820
Assets classified as held for sale	**135,037**	828,556
Liabilities		
Borrowings	**–**	147,608
Retirement benefit obligations (Note (v))	**–**	14,446
Current tax liabilities	**–**	870
Lease liabilities	**–**	39,739
Trade and other payables	**–**	251,918
Liabilities associated with assets classified as held for sale	**–**	454,581

The results for the years ended 30 June 2023 and 30 June 2022 for the assets classified as held for sale are disclosed below. The comparative figures have been reclassified in accordance with IFRS 5.

	THE GROUP	
	2023 Rs'000	2022 Rs'000
Revenue	**–**	189,183
Cost of sales	**–**	(139,787)
Gross profit	**–**	49,396
Other income	**–**	52,532
Administrative expenses	**–**	(97,789)
Operating profit	**–**	4,139
Finance costs	**–**	(11,747)
Other gains and losses	**–**	30,731
Profit before tax	**–**	23,123
Tax expense	**–**	–
Profit for the year from discontinued operations	**–**	23,123
Attributable to:		
· Owners of the Company		14,769
· Non-controlling interests		8,354
	–	23,123

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

21. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

Movement in the assets during the year ended 30 June 2023:

		THE GROUP	
		2023 Rs'000	2022 Rs'000
(i)	Property, plant and equipment		
	Carrying amount at 1 July	**554,318**	466,540
	Additions	**–**	1,210
	Impairment of assets	**–**	(7,414)
	Depreciation for the year	**–**	(5,854)
	Disposal of subsidiary	**–**	(363,612)
	Disposal of assets	**–**	(1,600)
	Transfer (to)/from property, plant and equipment (Note 4)	**(495,644)**	476,751
	Translation differences	**–**	(11,703)
	Carrying amount at 30 June	**58,674**	554,318
(ii)	Investment property		
	Carrying amount at 1 July	**31,055**	109,219
	Transfer from investment property	**24,271**	–
	Disposal of assets	**(31,055)**	(78,164)
	Carrying amount at 30 June	**24,271**	31,055
(iii)	Intangible assets		
	Carrying amount at 1 July	**1,123**	211
	Transfer (to)/from intangible assets (Note 6)	**(1,123)**	1,123
	Amortisation for the year	**–**	(137)
	Disposal of subsidiary	**–**	(74)
	Carrying amount at 30 June	**–**	1,123
(iv)	Right of use assets		
	Carrying amount at 1 July	**28,519**	79,389
	Depreciation charge for the year	**–**	(996)
	Disposal of subsidiary	**–**	(78,393)
	Transfer (to)/from right of use assets (Note 16)	**(28,519)**	28,519
	Carrying amount at 30 June	**–**	28,519
(v)	Retirement benefit obligations		
	Carrying amount at 1 July	**14,446**	1,411
	Movement for the year – profit or loss	**–**	(446)
	Disposal of subsidiary	**–**	13,481
	Transfer to retirement benefit obligations (Note 24)	**(14,446)**	–
	Carrying amount at 30 June	**–**	14,446

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

22. BORROWINGS

(a) The borrowings are repayable as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Within one year	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Secured bank overdrafts	**1,472,517**	897,156	**256,351**	6,748
Unsecured bank overdrafts	**1,316,541**	2,219,938	**1,313,213**	2,201,632
Secured bank loans	**7,975,115**	1,399,363	**5,911,419**	–
Unsecured borrowings	**58,591**	66,209	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**10,298**	1,032,345	**–**	1,032,345
Bonds and notes issued	**655,975**	1,012,108	**–**	1,001,479
Borrowings – Current	**11,489,037**	6,627,119	**7,480,983**	4,242,204
After one year and before two years				
Secured bank loans	**1,613,364**	1,485,957	**–**	–
Unsecured borrowings	**12,000**	–	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**3,000,000**	–	**3,000,000**	–
Bonds and notes issued	**–**	650,000	**–**	–
	4,625,364	2,135,957	**3,000,000**	–
After two years and before five years				
Secured bank loans	**2,852,802**	2,837,626	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**4,731,390**	5,000,000	**4,731,390**	5,000,000
	7,584,192	7,837,626	**4,731,390**	5,000,000
After five years				
Secured bank loans	**2,203,855**	2,569,954	**–**	–
Unsecured borrowings	**1,665**	3,413	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**3,268,610**	3,000,000	**3,268,610**	3,000,000
Bonds and notes issued	**3,037,000**	2,579,000	**–**	–
	8,511,130	8,152,367	**3,268,610**	3,000,000
Borrowings – Non-current	**20,720,686**	18,125,950	**11,000,000**	8,000,000
Total borrowings	**32,209,723**	24,753,069	**18,480,983**	12,242,204

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

22. BORROWINGS (CONTINUED)

(b) Details of borrowings facilities :

(i) *Secured bank overdraft and bank loans*

The bank overdrafts and bank loans are secured by fixed and floating charges on the assets of the Group and of the Company.

(ii) *Bank covenants*

During the years ended 30 June 2023 and 2022, there has been no breach of bank covenants by the Group and the Company.

(iii) *Bonds issued by the Company*

Multicurrency notes

The Company has set up a multicurrency medium term secured and unsecured note programme of up to an aggregate nominal of Rs 9 billion.

In September 2017, the Company issued the first Series of notes, in 4 tranches for an aggregate nominal amount of Rs 2 billion (in Mauritian Rupees) which are secured by floating charges on the assets of the Company. Tenor period ranges from 5 to 7 years and interest is payable semi-annually at both fixed and floating rates. On 08 September 2022, notes with maturity period of 5 years aggregating to Rs 1 billion were fully repaid.

On 27 September 2019, the Company issued the second Series of notes, in 4 tranches for an aggregate nominal amount of Rs 4 billion which are secured by floating charges on the assets of the Company. Tenor period ranges from 5 to 7 years and interest is payable semi-annually at both fixed and floating rates. The notes issued aggregating to Rs 2 billion are listed on the Stock Exchange of Mauritius and the fair value of these notes at 30 June 2023 amounted to Rs 2.01 billion (2022: Rs 2.01 billion).

On 17 June 2021, the Company has issued a third Series of notes in 5 tranches for an aggregate nominal amount of Rs 3 billion with tenors ranging from 7 to 15 years. The notes are secured by floating charges on the assets of the Company and were issued under private placement to sophisticated investors. The proceeds of the third issue will be used to refinance the Company's existing short-term debts and for future financing investment.

On 09 March 2023, the Company issued notes for an aggregate amount of Rs 3 billion (in Mauritian Rupees) which are secured by floating charges on the assets of the Company. Tenor period ranges from 4 to 7 years and interest is payable quarterly at fixed rates. The notes are listed on the Stock Exchange of Mauritius and the fair value 2023 amounts to Rs 3 billion.

(iv) The Company had also issued a promissory note of Rs1 billion to a financial institution which has been repaid during the year.

(v) One of the subsidiaries has agreed to borrow principal amounts of Rs 2 billion and Rs 1 billion against the issue of Company Notes as per the Notes Subscription Agreement dated February and July 2019. The notes are secured by floating charges on the subsidiary's assets and the principal is payable after 12 years from the subscription date. At 30 June 2023, the outstanding balance was Rs 2.75 billion (2022 : Rs 2.30 billion)

(vi) One of the subsidiaries has taken a long term secured Promissory Note amounting to Rs 650 million. The notes are secured by a floating charge on the subsidiary's assets and are repayable in October 2023.

(vii) One of the subsidiaries has issued convertible redeemable bonds amounting to Rs 300 million in July 2021 as follows:

- 506 unsecured and 106 secured bonds issued to the shareholder of the subsidiary
- 5,318 secured bonds issued to a sophisticated investor by way of a private placement
- 5 unsecured and 5 secured bonds listed on the Stock Exchange of Mauritius

The bonds will constitute unsecured obligations of the issuer and will be subordinated to secured creditors. IBL Ltd has provided a corporate guarantee in favour of the secured bondholders to secure the repayment of the nominal amount only.

The bonds are convertible at the option of the bondholders as from the 5th anniversary and unconverted bonds will be payable on 4 July 2028.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

22. BORROWINGS (CONTINUED)

(c) The effective interest rate on borrowings are as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Secured borrowings	**1.50% - 7.05%**	1.45% - 7.75%	**5.40 - 5.70%**	4.50%
	PLR + (0.53% - 7.14%)	PLR + (0.53% - 7.14%)	**-**	-
	-	LIBOR + (1.25% - 5.00%)	**-**	-
	EURIBOR + (1.30% - 5.00%)	EURIBOR + (1.30% - 4.50%)	**-**	-
	-	PLR - (1.00% - 4.95%)	**-**	-
	SOFR + (2.75% - 5.00%)	-	**SOFR + 3.50 %**	-
Unsecured borrowings	**3.25% - 7.00%**	3.25% - 7.00%	**-**	2.00% - 4.95%
	PLR + (1.00 % - 4.00%)	PLR + (0.25% - 5.00%)	**-**	-
Bonds and Notes	**4.00% - 6.25%**	4.00% - 7.50%	**4.00% - 6.25%**	4.00% - 5.50%
	Repo + (1.00 - 2.05%)	Repo + (0.75% - 2.05%)	**Repo + (0.75% - 2.05%)**	Repo + (0.75% - 2.05%)

(d) Reconciliation of liabilities arising from financing activities

The table details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in cash flows from financing activities in the statements of cash flows.

THE GROUP			Non-cash changes							
	At 1 July	Financing cash flows	Acquisition of subsidiaries	Disposal of subsidiaries	Cash flow hedge	New leases	Exchange differences	Held for sale	Others	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
					(Note (i))				(Note (ii))	
2023										
Bank loans	**8,292,900**	**5,827,686**	**-**	**-**	**137,108**	**-**	**236,974**	**147,608**	**2,860**	**14,645,136**
Other borrowings	**69,622**	**(2,227)**	**4,822**	**-**	**-**	**-**	**-**	**-**	**39**	**72,256**
Bonds and notes	**13,273,453**	**1,413,553**	**-**	**-**	**-**	**-**	**-**	**-**	**16,267**	**14,703,273**
Lease liabilities	**4,616,125**	**(631,141)**	**1,709**	**-**	**-**	**1,359,797**	**101,986**	**39,739**	**45,331**	**5,533,546**
	26,252,100	**6,607,871**	**6,531**	**-**	**137,108**	**1,359,797**	**338,960**	**187,347**	**64,497**	**34,954,211**
2022										
Bank loans	8,989,358	(366,261)	-	-	(310,882)	-	104,674	(123,989)	-	8,292,900
Other borrowings	58,973	(3,543)	14,277	-	-	-	(172)	-	87	69,622
Bonds and notes	12,695,372	533,628	-	-	-	-	-	-	44,453	13,273,453
Lease liabilities	4,586,594	(575,243)	391,787	-	-	284,506	(31,780)	(39,739)	-	4,616,125
	26,330,297	(411,419)	406,064	-	(310,882)	284,506	72,722	(163,728)	44,540	26,252,100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

22. BORROWINGS (CONTINUED)

(d) Reconciliation of liabilities arising from financing activities (Continued)

THE COMPANY			Non-cash changes		
	At 1 July	Financing cash flows	New leases	Others	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2023				(Note (ii))	
Other borrowings	**-**	**5,882,688**	**-**	**28,731**	**5,911,419**
Bonds and notes	**10,033,824**	**966,176**	**-**	**-**	**11,000,000**
Lease liabilities	**68,171**	**(28,795)**	**50,168**	**(9,700)**	**79,844**
	10,101,995	**6,820,069**	**50,168**	**19,031**	**16,991,263**
2022					
Other borrowings	84,594	(84,594)	-	-	-
Bonds and notes	10,032,844	-	-	980	10,033,824
Lease liabilities	76,883	(26,374)	13,534	4,128	68,171
	10,194,321	(110,968)	13,534	5,108	10,101,995

(i) Cash flow hedge reserve is used to record the exchange differences arising on the EUR, GBP and USD loans taken by the Group. The hedging of those loans are done with the inflows of revenue by the Group in the same currency. The movement for the year is in respect of exchange difference on conversion of loan in USD, GBP and EUR at year end rate. Upon annual repayment of long term borrowings the portion of hedge realised is released to profit or loss.

(ii) Others include non-cash transactions such as interests accrued but not yet paid on interest-bearing loans and borrowings. The Group classifies interests paid as cash flows from operating activities.

23. OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Long term incentive scheme (Note (a))	**79,709**	155,420	**51,673**	100,335
Other payables	**15,173**	25,396	**-**	11,273
	94,882	180,816	**51,673**	111,608
Analysed as follows:				
Current	**35,144**	45,047	**22,667**	27,515
Non-current	**59,738**	135,769	**29,006**	84,093
	94,882	180,816	**51,673**	111,608

IBL Ltd has implemented a Long Term Incentive scheme (LTI) as from 1 July 2017 which provides an opportunity for executives of IBL Ltd and certain subsidiaries to participate in the creation of value within the IBL Group.

The LTI is a Phantom Share Award Scheme whereby executives are entitled to future cash payments based on the increase in share price of IBL Ltd from a specified level over a specified period of time. Allocations to eligible executives may be made once a year on 1 July.

The LTI payment shall be made to participants who remain employees in Good Standing of IBL Ltd or relevant subsidiaries on the exercise date, and based on IBL Ltd shares vested and the Exercise Price.

The vesting periods for payments to be made under the scheme are based on a percentage of phantom shares allocated and start at the end of the third year from the allocation date up to the fifth year.

Under IFRS 2, for cash-settled share-based payment transactions, the fair value of liability for the awards made is remeasured at the reporting date and at the settlement date. The fair value is recognised over the vesting period and is based on the closing share price of IBL Ltd as published on the Stock Exchange of Mauritius at each reporting date. The amount recognised takes into account the best available estimate of the number of phantom shares to vest under the service and the performance conditions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

24. RETIREMENT BENEFIT OBLIGATIONS

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Amounts recognised in the statements of financial position:				
Defined benefit plans (Note (i))	**1,138,583**	1,302,174	**607,322**	734,351
Other retirement benefits (Note (ii))	**1,212,723**	941,666	**167,907**	99,912
	2,351,306	2,243,840	**775,229**	834,263
DB plan allocated to related companies	**(6,026)**	(8,173)	**(181,191)**	(250,400)

THE GROUP AND THE COMPANY

(i) **Defined benefit plan**

Pension plans

The Company and its subsidiaries provide final salary defined benefit (DB) plans to some of their employees, and the plans operate under the IBL Pension Fund Scheme ('Fund') which is in existence since 1 July 2002. The plans provide for a pension at retirement and a benefit on death or disablement in service before retirement. The plans are wholly funded. The Fund is managed by Pension Consultants and Administrators Ltd. These entities are participating employers of the Fund that allows them to pool their assets for investment purposes (group administration plans).

Moreover, some of the employees of the Group who were previously under the defined benefit plans were transferred to the defined contribution plans in prior years. These employees have a No Worse Off Guarantee (NWOG) whereby at retirement, their pension benefits will not be less than what would have been payable under the previous DB plans. An employee forgoes this guarantee if he leaves before normal retirement age. The NWOG is unfunded.

The Company's pension plan shares risks between some of its subsidiaries (group plan) while the Company remains the legal sponsoring employer of the plan. The Company and these subsidiaries are party to contractual agreements whereby each subsidiary bears a proportion of the retirement benefit obligations for its employees (both active employees and pensioners) who are part of the group plan. The liabilities recharged by the Company are presented in non-current assets under 'Retirement benefit obligations allocated to related parties'.

The most recent actuarial valuation of the pension plans were carried out at 30 June 2023 by Swan Life Ltd.

The pension plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Longevity risk – The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. If the experience of the pension plan is less favorable than the standard mortality tables, the liability will increase.

Interest rate risk – If bond yields decline, the liability would be calculated using a lower discount rate and would therefore increase.

Investment risk – The present value of the liabilities of the plan are calculated using a discount rate. Should the returns on the assets of the plan be lower than the discount rate, a deficit will arise.

Salary risk – If salary increases are higher than anticipated in the assumptions, the liabilities would increase giving rise to actuarial losses.

There has been no plan amendment, curtailment or settlement during the year.

The Company has assessed for expected credit losses (ECL) on the employee benefit assets and ECL are deemed to be insignificant.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(i) **Defined benefit plan (Continued)**

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Amounts recognised in the statements of financial position:				
Present value of funded obligation	**3,231,664**	3,549,787	**1,672,180**	1,841,729
Present value of unfunded obligation	**238,180**	106,791	**46,814**	9,941
Fair value of plan assets	**(2,331,261)**	(2,354,404)	**(1,111,672)**	(1,117,319)
Liability recognised in the statements of financial position	**1,138,583**	1,302,174	**607,322**	734,351
DB plan allocated to related companies	**(6,026)**	(8,173)	**(181,191)**	(250,400)

Movement in the liabilities recognised in the statements of financial position:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
At 1 July	**1,302,174**	1,217,056	**734,351**	627,125
Amount recognised in profit or loss	**126,472**	125,606	**61,557**	53,691
Amount recognised in other comprehensive income	**(130,430)**	100,809	**(110,466)**	153,645
Acquisition of subsidiaries (Note 38(a))	**–**	21,321	**–**	–
Contributions and direct benefit paid	**(159,633)**	(162,618)	**(78,120)**	(100,110)
At 30 June	**1,138,583**	1,302,174	**607,322**	734,351

Amounts recognised in:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
– Statements of profit or loss:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Current service cost	**73,493**	76,035	**32,351**	28,816
Net interest cost	**52,979**	49,571	**29,207**	24,875
	126,472	125,606	**61,558**	53,691
Allocated to related companies	**(209)**	(600)	**(12,936)**	(20,008)
Components of amount recognised in profit or loss	**126,263**	125,006	**48,622**	33,683
– Statements of other comprehensive income:				
Return on plan assets (excluding amounts included in net interest expense)	**29,788**	58,416	**22,780**	76,978
Actuarial (gain)/loss arising from changes in financial assumptions	**(364,694)**	31,334	**(222,113)**	45,402
Actuarial loss arising from experience adjustments	**204,476**	11,059	**88,867**	31,265
	(130,430)	100,809	**(110,466)**	153,645
Allocated to related companies	**(1,584)**	(2,002)	**57,776**	(51,023)
Components of amount recognised in other comprehensive income	**(132,014)**	98,807	**(52,690)**	102,622
Total	**(5,751)**	223,813	**(4,068)**	136,305

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(i) **Defined benefit plan (Continued)**

Movement in the present value of the defined benefit obligations were as follows:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
At 1 July	**3,656,578**	3,513,962	**1,851,670**	1,796,784
Current service cost	**69,213**	66,540	**28,815**	22,413
Interest cost	**150,656**	150,989	**75,076**	74,001
Curtailment or settlement loss	**(5,020)**	–	**–**	–
Benefits paid	**(333,562)**	(201,514)	**(103,321)**	(118,195)
Actuarial loss arising from experience adjustments	**204,476**	11,059	**88,867**	31,265
Actuarial (gain)/loss arising from changes in financial assumptions	**(335,108)**	23,450	**(222,113)**	45,402
Transfer of liabilities to Annuity Fund	**45,903**	48,156	**–**	–
Acquisition of subsidiaries	**–**	43,834	**–**	–
Employee's contribution	**16,708**	102	**–**	–
At 30 June	**3,469,844**	3,656,578	**1,718,994**	1,851,670

Movements in the fair value of the plan assets were as follows:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
At 1 July	**2,354,404**	2,296,906	**1,117,319**	1,169,659
Interest income	**97,677**	101,418	**45,869**	49,126
Current service cost	**(1,475)**	–	**–**	–
Transfer from member account to Annuity Fund	**45,903**	48,156	**–**	–
Acquisition of subsidiaries	**–**	22,513	**–**	–
Actuarial loss/(gain) arising from changes in financial assumptions	**29,586**	(7,884)	**–**	–
Return on plan assets excluding interest income	**(29,788)**	(58,416)	**(22,780)**	(76,978)
Employer contributions	**159,633**	162,618	**78,120**	100,110
Employee's contribution	**16,708**	102	**–**	–
Scheme expenses	**(6,477)**	(6,113)	**(2,450)**	(4,457)
Cost of insuring risk benefits	**(1,348)**	(3,382)	**(1,086)**	(1,946)
Benefits paid	**(333,562)**	(201,514)	**(103,319)**	(118,195)
At 30 June	**2,331,261**	2,354,404	**1,111,673**	1,117,319

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(i) **Defined benefit plan (Continued)**

The fair value of the plan assets at the end of the reporting period for each category are as follows:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Cash and cash equivalents	**312,994**	219,032	**137,771**	138,857
Equity investments categorised by industry type:				
– Local	**789,761**	633,890	**427,673**	375,739
– Foreign	**696,286**	657,896	**329,039**	390,952
Fixed interest instruments	**502,937**	791,910	**217,190**	211,771
Properties	**29,283**	51,676	**–**	–
Total market value of assets	**2,331,261**	2,354,404	**1,111,673**	1,117,319
Actual return on plan assets	**67,889**	43,002	**23,089**	153,645

The principal actuarial assumptions used for accounting purposes are:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Discount rate	**4.1%-7%**	3.2% – 5.2%	**5.7%**	4.8%
Future long term salary increase	**2.1%**	1.9%	**1.5%**	1.0%
Future pension increase	**0%**	0%	**0.3%**	1%
Average retirement age (ARA)	**60-65 years**	60 – 65 years	**60 years**	60 years

Sensitivity analysis on defined benefit obligations at end of the reporting date:

The sensitivity analysis below has been carried out by recalculating the present value of obligation at the year end after increasing or decreasing the actuarial assumptions below while leaving all other assumptions unchanged. The sensitivity analysis presented may not be representative of the actual change in the defined benefit liability as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Increase in defined benefit obligation due to 1% decrease in discount rate	**389,065**	556,150	**198,467**	252,116
Decrease in defined benefit obligation due to 1% increase in discount rate	**324,643**	475,120	**166,978**	208,900
Increase in defined benefit obligation due to 1% increase in salary	**107,426**	140,098	**35,027**	43,309
Decrease in defined benefit obligation due to 1% decrease in salary	**97,802**	133,380	**32,487**	40,038

Future cash flows:

The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.

The Group and the Company expect to make a contribution of Rs 66.2 million to the defined benefit plan during the year ending 30 June 2024 (2023: Rs 66.2 million).

The average duration of the defined benefit obligation at 30 June 2023 was between 9 and 21 years (2022: 9 and 22 years).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(ii) Other retirement benefits

Retirement benefit obligations are recognised for employees who are entitled to Retirement Gratuities payable under The Workers' Rights Act 2019. The latter provides for a lump sum at retirement based on final salary and years of service as follows:

- For employees who are members of the IBL Pension Fund (IBLPF) and who are insufficiently covered under the pension plans, half of any lump sum and 5 years of pension (relating to Employer's share of contributions only) payable from the pension fund have been offset from the retirement gratuities.
- Prior to implementation of the Portable Retirement Gratuity Fund (PRGF), the benefits payable to employees who are not part of any pension plans, were unfunded as at 31 December 2019. With the implementation of PRGF, these employees who resign as from 2020, are eligible for a portable gratuity benefit based on service with the employer as from 1 January 2020 and remuneration at exit (same benefit formula as for retirement/death gratuity). As from January 2022, the Company has started to contribute to PRGF for these employees.

The most recent actuarial valuation of the retirement gratuities and other retirement benefit liabilities were carried out at 30 June 2023 by Swan Life Ltd.

The Company is exposed to the following actuarial risks:

Interest rate risk: If bond yields decline, the liabilities would be calculated using a lower discount rate and would therefore increase.

Salary risk: If salary increases are higher than anticipated in the assumptions used, the liabilities would increase giving rise to actuarial losses.

Longevity risk: Employees living longer than expected will expose the Company to the risk that more employees make it to the retirement to claim their benefits thereby increasing the liabilities.

There has been no plan amendment, curtailment or settlement during the year.

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Retirement gratuities under The Worker's Rights Act 2019	**1,212,723**	941,666	**167,907**	99,912

Movement in liability recognised in financial position:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 July	**941,666**	877,040	**99,912**	102,721
Acquisition of subsidiaries (Note 38(a))	**(6,276)**	7,598	**–**	–
Disposal of subsidiaries (Note 38(b))	**–**	–	**–**	–
Transfers	**(358)**	502	**–**	85
Amount recognised in profit or loss	**231,803**	101,972	**37,170**	10,804
Amount recognised in other comprehensive income	**124,478**	28,738	**36,551**	(11,609)
Translation difference	**1,786**	(1,627)	**–**	–
Transfer from/(to) liabilities associated with assets classified as held for sale (Note 21)	**14,446**	(13,481)	**–**	–
Benefits paid	**(94,822)**	(59,076)	**(5,726)**	(2,089)
At 30 June	**1,212,723**	941,666	**167,907**	99,912

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(ii) Other retirement benefits (Continued)

Amount recognised in the statement of comprehensive income:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current service cost	**82,415**	63,880	**9,459**	6,170
Past service cost	**106,911**	820	**23,095**	–
Settlement cost	**–**	(148)	**–**	–
Net interest cost	**42,477**	37,420	**4,615**	4,634
Components of amount recognised in profit or loss	**231,803**	101,972	**37,169**	10,804
Remeasurement of the net defined benefit liability:				
Actuarial loss/(gain) arising from experience adjustments	**144,343**	(4,589)	**33,451**	(24,929)
Actuarial (gain)/loss arising from changes in financial assumptions	**(19,865)**	33,327	**3,100**	13,320
Components of amount recognised in other comprehensive income	**124,478**	28,738	**36,551**	(11,609)
At 30 June	**356,281**	130,710	**73,720**	(805)

Movements in the present value of the defined benefit obligations were as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 July	**941,666**	877,040	**99,912**	102,721
Acquisition of subsidiaries (Note 38(a))	**(6,276)**	7,598	**–**	–
Transfer to liabilities associated with assets classified as held for sale (Note 21)	**14,446**	(13,481)	**–**	–
Transfer to subsidiaries	**(359)**	502	**–**	85
Current service cost	**82,415**	63,880	**9,459**	6,170
Settlement cost	**–**	(148)	**–**	–
Interest cost	**42,477**	37,420	**4,615**	4,634
Past service cost	**106,911**	820	**23,096**	–
Actuarial loss/(gain) arising from experience adjustments	**144,343**	(4,589)	**33,451**	(24,929)
Actuarial (gain)/loss arising from changes in financial assumptions	**(19,865)**	33,327	**3,100**	13,320
Benefits paid	**(94,822)**	(59,076)	**(5,726)**	(2,089)
Translation difference	**1,787**	(1,627)	**–**	–
At 30 June	**1,212,723**	941,666	**167,907**	99,912

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(ii) Other retirement benefits (Continued)

The principal actuarial assumptions used for accounting purposes are:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Discount rate	**4.7%-7%**	2.4% - 5.8%	**5.2%**	4.1%
Future long term salary increase	**2.1%**	2.6%	**2.5%**	3.0%

Sensitivity analysis on defined benefit obligations at end of the reporting date:

The sensitivity analysis below has been carried out by recalculating the present value of obligation at the year end after increasing or decreasing the actuarial assumptions below while leaving all other assumptions unchanged. The sensitivity analysis presented may not be representative of the actual change in the defined benefit liability as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Increase in defined benefit obligation due to 1% decrease in discount rate	**157,206**	122,069	**23,588**	16,752
Decrease in defined benefit obligation due to 1% increase in discount rate	**157,945**	122,642	**20,169**	14,242
Increase in defined benefit obligation due to 1% increase in salary	**183,681**	142,627	**23,707**	16,479
Decrease in defined benefit obligation due to 1% decrease in salary	**142,396**	110,569	**20,541**	14,176

Future cash flows:

The funding policy is to pay benefits out of the reporting entity's cashflow as and when due.

The average duration of the defined benefit obligation at 30 June 2023 was between 9 and 21 years (2022: 9 and 22 years).

(iii) Defined contribution plans

As from 1 July 1999, the defined benefit plans have been closed to new entrants and all new entrants of the Company joined a defined contribution plan operated by the Fund.

The subsidiaries as well provide defined contribution plans to some of their employees under the Fund.

	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Contributions for the defined contribution plans (Note 28(a)(i))	**165,164**	104,405	**37,389**	38,265

(iv) State pension plan

	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
National Pension Scheme contribution expensed (Note 28(a)(i))	**151,949**	67,974	**28,379**	30,483

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

25. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade payables	**4,962,849**	4,386,215	**856,967**	675,018
Other payables	**5,624,529**	2,752,707	**884,222**	463,038
Amounts payable to related companies	**58,137**	65,931	**110,231**	249,433
COVID-19 levy payable	**-**	4,506	**-**	-
Accruals	**2,145,510**	2,045,552	**183,553**	291,525
Provision for financial guarantees	**-**	1,893	**-**	1,893
Dividend payable to non-controlling interests	**239,181**	232,009	**-**	-
	13,030,206	9,488,813	**2,034,973**	1,680,907

The trade payables and amounts due to related companies are unsecured, interest free and the average credit period is 60 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Other payables and accruals comprise provisions for payroll related costs, amounts payable to contractors, deposits from tenants, director fees, professional fees, project cost fees, and other accruals made in the normal course of business.

The COVID-19 levy payable relates to COVID-19 levy which is an obligatory event arising upon the making of taxable profit.The COVID-19 levy is only applicable if an entity applied for the wage assistance scheme. The levy is payable to the Mauritius Revenue Authority if the entities are profitable in the next year of assessment.

Provision for financial guarantee contracts

SALT Hospitality Ltd ("SHL") entered into a voluntary administration in February 2021. A financial guarantee provision has been provided in respect of SHL for corporate guarantees given to banks and creditors. The provision for financial guarantees are with financial institutions having credit risk ratings of Baa3 as per Moody's credit ratings.

In the financial year ended 30 June 2022, SHL came out of the voluntary administration and was re-acquired by The Lux Collective Ltd. The provision for financial guarantees amounting to Rs 40m booked in 2021 has therefore been reversed.

The Company has provided for credit losses on financial guarantee contracts in relation to corporate guarantees granted to its subsidiaries. The ECL is based on proxy credit ratings of the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

26. TAXATION

Income tax is calculated at the rate of 15% (2022: 15%) on the profit for the year as adjusted for income tax purposes.

The Company is required to set up a Corporate Social Responsibility ("CSR") fund equivalent to 2% of its chargeable income of the preceeding year to implement a CSR programme in accordance with its own CSR framework. Where the amount paid out of the CSR fund is less than the amount provided under the fund, the difference shall be remitted to the Director-General of the MRA at the time of submission of the income tax return for the year under review.

(a) Income tax - statements of financial position

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
At 1 July	**172,828**	(11,443)	**(1,944)**	(2,000)
Acquisition of subsidiaries (Note 38(a))	**3,072**	(2,483)	**-**	-
(Over)/under provision in income tax in previous years	**(33,812)**	35,173	**2,987**	5,282
Provision for the year	**561,116**	338,937	**-**	-
Tax paid	**(365,286)**	(209,095)	**(134)**	-
Tax refunded	**14,100**	43,511	**549**	3,838
Provision for contribution CSR	**62,146**	33,608	**399**	-
CSR paid during the year	**(15,711)**	(11,903)	**(274)**	-
Tax deducted at source	**(81,808)**	(45,411)	**(4,522)**	(3,782)
Transfer from/(to) assets classified as held-for-sale (Note 21)	**870**	(870)	**-**	-
Exchange difference	**-**	(286)	**-**	-
Other movements	**(487)**	3,090	**-**	(5,282)
At 30 June	**317,028**	172,828	**(2,939)**	(1,944)
Tax assets	**(82,067)**	(53,725)	**(2,939)**	(1,944)
Tax liabilities	**399,095**	226,553	**-**	-
	317,028	172,828	**(2,939)**	(1,944)

(b) Income tax - statements of profit or loss

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Provision for the year - continuing operations	**561,116**	338,937	**-**	-
(Over)/Under provision in income tax in previous years	**(33,812)**	35,173	**2,987**	5,282
Deferred tax movement (Note 7)	**21,670**	328,648	**(48,265)**	6,529
Provision for contribution CSR	**62,146**	33,608	**399**	-
Tax expense for the year	**611,120**	736,366	**(44,879)**	11,811
Attributable to:				
- Continuing operations	**611,120**	736,366	**(44,879)**	11,811
- Discontinued operations (Note 21)	**-**	-	**-**	-
	611,120	736,366	**(44,879)**	11,811

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

26. TAXATION (CONTINUED)

(c) The total charge for the year can be reconciled to the accounting profit as follows:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Profit before tax from continuing operations	**5,497,122**	2,678,060	**164,855**	256,122
Profit before tax from discontinued operations (Note 21)	**-**	23,123	**-**	-
	5,497,122	2,701,183	**164,855**	256,122
Tax calculated at a rate of 17% (2022: 17%)	**934,511**	459,201	**28,025**	43,541
Adjustments for:				
Non-deductible expenses	**366,164**	387,239	**188,735**	102,266
Exempt income	**(21,064)**	(99,698)	**(268,192)**	(140,370)
Tax losses utilised	**(55,031)**	18,682	**-**	-
Tax rate differential	**(94,458)**	(27,893)	**40**	-
(Over)/under provision of deferred tax in previous years	**(37,488)**	8,057	**2,254**	-
(Over)/under provision in income tax in previous years	**(33,812)**	35,173	**2,987**	5,282
Share of results of associates and joint ventures	**(476,667)**	(123,824)	**-**	-
Depreciation of assets not qualifying for capital allowances	**1,467**	137	**1,467**	1,092
Deferred tax not recognised	**6,155**	80,106	**-**	-
CSR adjustment	**14,417**	(2,428)	**399**	-
Others	**6,926**	1,614	**(595)**	-
Tax expense	**611,120**	736,366	**(44,880)**	11,811

(d) Tax losses

	THE GROUP	THE COMPANY
	Rs'000	**Rs'000**
Loss in respect of capital allowances acquired after 30 June 2006 - to be carried forward indefinitely	**348,163**	**52,847**
Assuming no future tax loss, the losses shall be extinguished as follows:		
30 June 2024	**18,451**	**-**
30 June 2025	**46,943**	**-**
30 June 2026	**172,190**	**-**
30 June 2027	**69,978**	**-**
30 June 2028	**700,659**	**223,780**
	1,356,384	**276,627**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

27. GOVERNMENT GRANTS

THE GROUP	2023 Rs'000	2022 Rs'000
At 1 July	63,643	42,510
Additions	–	49,434
Release against depreciation charge	(13,285)	(21,890)
Exchange differences	1,965	(4,678)
Transfer from/(to) asset held for sale	1,734	(1,733)
At 30 June	**54,057**	63,643
Non-current	41,773	51,480
Current	12,284	12,163
	54,057	63,643

Majority portion of the grants are in respect of capital grants received by one of the subsidiaries following their capital expenditure incurred on building improvements and some plant and machinery and have been accounted under the income approach. The grants will be released to profit and loss and offset against the depreciation charge over the useful life of the underlying asset.

28. OPERATING PROFIT

(a) Operating profit is arrived at after charging the following main items:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	2023 Rs'000	2022 Rs'000
Continuing operations				
Depreciation on property, plant and equipment	1,839,485	1,759,915	49,392	43,301
Depreciation on right of use assets	661,221	580,944	26,677	24,528
Amortisation of intangible assets	83,275	95,081	6,219	9,722
Cost of inventories recognised as expense	25,966,909	18,599,880	5,053,731	4,312,451
Selling and distribution expenses	648,993	315,538	59,228	69,914
Excise and specific duties	2,936,171	2,648,810	–	–
Staff costs (Note (i))	6,702,134	5,785,540	982,033	851,322
Termination benefits	8,359	9,908	–	4,911
Entertainment and passage benefits	56,605	35,901	8,109	11,503
Advertising and promotional expenses	276,422	328,683	28,305	4,558
Repairs and maintenance	205,115	200,141	4,335	4,885
Motor vehicle expenses	223,787	183,449	13,921	23,507
Loss/(gain) on exchange	87,864	139,140	(5,878)	(18,980)
Termination of leases	3,165	3,843	2,345	–
Assets written off	4,201	124,557	7	2,538
Discontinued operations				
Depreciation on property, plant and equipment (included in Note 4)	–	6,183	–	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

28. OPERATING PROFIT (CONTINUED)

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	2023 Rs'000	2022 Rs'000
(i) The following are included in staff costs:				
Post employment benefits (Note 24):				
Defined benefit plans	358,066	226,978	85,791	44,487
Defined contribution plans	165,164	104,405	37,389	38,265
State pension plan	151,949	67,974	28,379	30,483
	675,179	399,357	151,559	113,235

(b) Expected credit losses

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	2023 Rs'000	2022 Rs'000
Allowance for credit losses on trade and other receivables	(15,749)	29,856	3,319	(16,036)
Allowance for credit losses on contract assets	(29,517)	(5,670)	–	–
Allowance for credit losses on non-current loan receivables	–	96,276	(28,114)	49,406
Allowance for credit losses on financial guarantees in other payables	1,893	123,417	1,893	38,107
Allowance for credit losses on other financial assets	2,310	3,839	–	–
	(41,063)	247,718	(22,902)	71,477

29. REVENUE

Set out below is the disaggregation of the Group's and the Company's revenue from contracts with customers for the transfer of goods and services in the following major product and service lines. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 Operating Segments (See Note 39).

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	2023 Rs'000	2022 Rs'000
Revenue from contracts with customers (Note (a))	52,038,153	43,438,063	6,370,736	5,442,503
Gross insurance premiums	1,916,970	1,614,142	–	–
Rental income	114,696	87,992	2,025	2,964
Dividend income	15,822	26,134	1,577,598	825,709
Total revenue	54,085,641	45,166,331	7,950,359	6,271,176
Attributable to :				
– Continuing operations	54,085,641	44,977,148	7,950,359	6,271,176
– Discontinued operations (Note 21)	–	189,183	–	–
	54,085,641	45,166,331	7,950,359	6,271,176

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

29. REVENUE (CONTINUED)

		THE GROUP		THE COMPANY	
(a) Revenue from contracts with customers	**Timing of revenue recognition**	**2023 Rs'000**	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Disaggregation of revenue					
Construction and repairs of ships	Over time	**1,858,287**	1,292,594	**–**	–
Construction and sale of properties	Over time	**556,863**	49,777	**–**	–
Construction contracts – construction, engineering and interior design	Over time	**2,169,386**	1,446,379	**–**	–
Customer loyalty programmes	Over time	**4,119**	166	**5,210**	3,725
Freight forwarding and custom clearing services	At a point in time	**553,351**	687,965	**–**	–
Hotel operations, management and leisure	Over time	**8,220,389**	7,114,925	**–**	–
Maintenance, repairs and after sale services	Over time	**163,559**	123,802	**–**	–
Manufacturing, storage and sale of seafood and associated products	At a point in time	**1,728,733**	1,195,537	**–**	–
Medical research	Over time	**2,284,350**	314,764	**1,979,741**	–
Processing and sale of beverages	At a point in time	**13,209**	8,573,633	**–**	119,689
Professional services – local and global businesses	Over time	**751,971**	774,406	**86,633**	–
Sale of equipment – heavy machineries, generators and irrigation	At a point in time	**731,626**	639,139	**–**	–
Sale of goods – tools, spare parts and electrical goods	At a point in time	**250,930**	721,381	**–**	–
Sales of goods – consumer, retail, wholesale and other products	At a point in time	**31,964,142**	19,820,145	**4,204,003**	5,238,198
Shipping and aviation services	Over time	**426,956**	260,801	**93,741**	80,891
Transport services – cargo and passengers	At a point in time	**358,976**	416,462	**1,408**	–
Travel-related services – corporate and leisure	At a point in time	**–**	2,780	**–**	–
Others	At a point in time	**1,306**	3,407	**–**	–
		52,038,153	43,438,063	**6,370,736**	5,442,503
Attributable to:					
– Continuing operations		**52,038,153**	43,248,880	**6,370,736**	5,442,503
– Discontinued operations (Note 21)		**–**	189,183	**–**	–
		52,038,153	43,438,063	**6,370,736**	5,442,503

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

29. REVENUE (CONTINUED)

(b) Contract assets

The contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date on construction contracts. The Group also receives advances on hotel operations and medical researches.

	THE GROUP	
	2023 Rs'000	2022 Rs'000
At 1 July	**763,745**	879,868
Addition during the year	**422,213**	49,461
Allowance for expected credit losses	**(29,517)**	(5,670)
Write offs during the year	**(20,163)**	(94,319)
Progress billings	**(88,048)**	(66,847)
Exchange differences	**405**	1,252
At 30 June	**1,048,635**	763,745
Non-current	**–**	–
Current	**1,048,635**	763,745
	1,048,635	763,745

Management has assessed its lifetime ECL on contract assets on the same basis as its trade receivables.

<u>Set out below is the movement in the loss allowance:</u>

	2023 Rs'000	2022 Rs'000
At 1 July	**(9,424)**	(3,754)
Increase in loss allowance recognised in profit or loss during the year	**(29,517)**	(5,670)
At 30 June	**(38,941)**	(9,424)

(c) Contract liabilities

The contract liabilities relate to advance consideration received from customers for which revenue is recognised over time.

	THE GROUP			
	At 1 July	**Amount received during the year**	**Amount recognised in revenue**	**At 30 June**
2023	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Arising on upfront fees from management services recognised over time	**76,258**	**83,633**	**(77,583)**	**82,308**
Deposits collected on future stay from customers	**321,350**	**498,053**	**(349,472)**	**469,931**
Amounts related to construction contracts	**481,662**	**804,903**	**(452,357)**	**834,208**
Amounts related to research and development	**12,337**	**12,710**	**(12,195)**	**12,852**
	891,607	**1,399,299**	**(891,607)**	**1,399,299**
2022				
Arising on upfront fees from management services recognised over time	68,193	77,098	(69,033)	76,258
Deposits collected on future stay from customers	223,529	349,472	(251,651)	321,350
Amounts related to construction contracts	277,551	450,799	(246,688)	481,662
Customer loyalty programme	15,737	–	(15,737)	–
Amounts related to research and development	12,721	12,337	(12,721)	12,337
	597,731	889,706	(595,830)	891,607

	2023 Rs'000	2022 Rs'000
Non-current	**85,738**	–
Current	**1,313,561**	891,607
	1,399,299	891,607

The Company had no contract liabilities as at 30 June 2023 and 30 June 2022.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

30. OTHER INCOME

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Sundry income (Note (i))	**1,013,394**	548,556	**125,574**	171,719
Transport income	**34,416**	28,054	**–**	–
Profit on disposal of property, plant and equipment	**–**	28,519	**–**	493
(Loss)/ profit on disposal of intangible assets	**–**	(23)	**1,351**	–
Professional services	**–**	7,766	**–**	5,690
Gain / (loss) on exchange	**81,677**	190,561	**(82,794)**	(3,863)
Management and secretarial fees	**4,202**	2,692	**30,715**	10,976
Wage assistance scheme	**–**	238,757	**–**	–
Bad debts recovered	**3,893**	1,701	**–**	–
Profit on sale of IHS units	**–**	319,388	**–**	–
Profit on disposal of right of use asset	**2,255**	–	**–**	–
Gain on revaluation of investment property	**5,500**	–	**–**	–
	1,145,337	1,365,971	**74,846**	185,015
Attributable to:				
– Continued operations	**1,145,337**	1,313,439	**74,846**	185,015
– Discontinued operations (Note 21)	**–**	52,532	**–**	–
	1,145,337	1,365,971	**74,846**	185,015

(i) Sundry income includes marketing incentives received from suppliers and staff secondment among others.

31. INTEREST INCOME USING THE EFFECTIVE INTEREST RATE METHOD

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Interest income	**191,809**	63,411	**29,666**	1,394
Attributable to:				
– Continuing operations	**191,809**	63,411	**29,666**	1,394

32. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Interest expense on:				
– Bank loans	**865,803**	326,620	**333,764**	–
– Bank overdrafts	**54,654**	55,361	**–**	25,465
– Bonds and notes	**762,764**	530,898	**561,416**	404,090
– Leases	**383,574**	345,349	**3,952**	4,128
	2,066,795	1,258,228	**899,132**	433,683
Attributable to:				
– Continuing operations	**2,066,795**	1,246,481	**899,132**	433,683
– Discontinued operations (Note 21)	**–**	11,747	**–**	–
	2,066,795	1,258,228	**899,132**	433,683

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

33. OTHER GAINS AND LOSSES

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
Fair value adjustment on investment properties	**102,137**	290,279	**–**	–
Gain/(loss) on debt instruments at FVTPL	**34,279**	(13,395)	**–**	–
Gain on disposal of investment	**–**	158,236	**–**	–
Gain on Exchange	**49,445**	–	**6,097**	–
Gain on disposal of associates	**3,667**	38,145	**–**	–
Gain on winding up of subsidiaries	**–**	4,794	**–**	–
Impairment loss on investment in associates	**(1,752)**	(259,942)	**–**	–
Impairment loss on investment in joint ventures	**(13,961)**	–	**–**	–
Impairment of goodwill	**(18,841)**	(380,747)	**–**	–
Insurance recovered	**738,577**	–	**–**	–
Impairment of property, plant and equipment	**(270,405)**	(211,830)	**–**	–
Gain on bargain purchase on acquisition of an associate	**–**	21,631	**–**	–
Impairment of held for sale assets	**–**	(7,414)	**–**	–
Impairment of right of use assets	**57,832**	(35,790)	**–**	–
Reversal of provisions	**16,466**	–	**17,996**	–
Refund of contract assets	**–**	22,387	**–**	–
	697,444	(373,646)	**24,093**	–
Attributable to:				
– Continuing operations	**697,444**	(404,377)	**24,093**	–
– Discontinued operations (Note 21)	**–**	30,731	**–**	–
	697,444	(373,646)	**24,093**	–

34. COMMITMENTS

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	**2023 Rs'000**	2022 Rs'000
(a) Capital commitments				
Authorised by the Board of Directors and:				
Contracted for	**1,685,049**	394,374	**67,890**	11,000
Not contracted for	**886,368**	988,295	**46,654**	12,678
	2,571,417	1,382,669	**114,544**	23,678

The associates and joint ventures of the Group had contracted and non-contracted capital commitments amounting to Rs 1.5 billion (2022: Rs 1.2 billion) for the year ended 30 June 2023.

One of the associates had undrawn commitments for loans and receivables amounting to Rs 9.8 billion at 30 June 2023 (2022: Rs 5.1 billion).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

34. COMMITMENTS (CONTINUED)

(b) Operating lease commitments

The Group as a lessor

The Group has entered into operating leases on its investment property portfolio consisting of certain office and commercial buildings. These leases have terms between 5 and 20 years.

Future minimum rentals receivable under non-cancellable leases as at 30 June are as follows:

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
Within one year	**281,948**	60,876
After one year but not more than five years	**159,216**	109,250
More than five years	**27,957**	6,850
	469,121	176,976

Rental income earned during the year was Rs 114.7 million (2022: Rs 88.0 million).

35. CONTINGENT LIABILITIES

(a) Legal claim contingency

Lux Island Resorts ("LIR")

Legal claims of Rs 61.5 million (2022: Rs 59.4 million) have been lodged against LIR in the Intermediary Court of Mauritius arising from claims mainly in respect of termination of employment or contracts. The Directors have been advised that some claims appear unfounded and that the severance allowance/damages claim in others appear grossly exaggerated. At this stage, the Directors do not believe that the Group will be required to settle the amounts claimed.

United Basalt Products Ltd ("UBP")

Severance allowance

Legal action has been initiated by former employees against UBP in respect of unpaid severance allowances. The estimated payout is Rs 4.8 million (2022: Rs 39.5 million), should the action be successful. Trials are ongoing and therefore it is not practicable to state the timing of payment, if any. UBP has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in the financial statements.

Voluntary retirement scheme

During the year ended 30 June 2022, legal actions have been initiated by beneficiaries of the Voluntary Retirement Scheme against UBP in respect of unpaid benefit. The estimated payout is Rs 28.2m (2022: Rs 28.2m), should the action be successful. Trials are ongoing and therefore it is not practicable to state the timing of payment, if any. UBP has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in the financial statements for the year ended 30 June 2023.

Alteo Limited ("Alteo")

During the year, a foreign supplier made a claim to the Mauritius Sugar Syndicate ("MSS") relating to a batch of contaminated sugar supplied by Alteo. However, management is disputing the claim with the MSS and discussion between both parties are still ongoing. The Directors performed an assessment during the financial year and recorded a provision amounting to Rs 10m. The Group's share of the provision was Rs 2.8 million at 30 June 2023 (2022: Nil).

Miwa Sugar Limited ("Miwa")

There are several open legal cases against Transmara Sugar Company Ltd, a subsidiary of Miwa, relating to disputes and breach of out-growers' contracts and termination of employment with a total exposure amounting to Rs 124.0 million. In addition, the matters that have been given stay orders in court but can be reinstated through arbitration amounting to Rs 130.3 million. A provision amounting to Rs 10.6 million in the period for the cases that management assessed the probability of losing as possible. An amount of Rs 6.9 million was accrued for already proclaimed cases during the period. An appeal has been launched for these cases. For the rest of the amount, management has assessed risk of crystalizing as not more than likely, and hence no provision was taken. The Group's share of the provision was Rs 2.9 million at 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

35. CONTINGENT LIABILITIES (CONTINUED)

(b) Bank and other guarantees

The Company and several subsidiaries have provided bank guarantees and other guarantees in the normal course of their activities. The Directors consider that no liabilities will arise as the probability for default in respect of the guarantees is remote.

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Bank guarantees	**599,130**	131,700	**122,157**	59,505
Guarantees provided by group companies to subsidiaries	**2,432,498**	2,418,980	**862,283**	905,900
	3,031,628	2,550,680	**984,440**	965,405

ECL on financial guarantee contracts are disclosed in Note 25.

Contingent liabilities of the associated companies of the Group for which no provision has been made are as follows:

	2023	2022
	Rs'000	Rs'000
Bank guarantees	**25,239**	21,560
Financial guarantees and letters of credit	**5,081,469**	2,855,268
	5,106,708	2,876,828

The associated companies have bank guarantees and other guarantees in the normal course of their activities. Management considers that no liabilities will arise as the probability for default in respect of the guarantees is remote.

36. RELATED PARTY TRANSACTIONS

THE GROUP

	Associates and joint ventures	
	2023	2022
Balances	**Rs'000**	Rs'000
Cash and cash equivalents	**245,666**	246,633
Trade and other receivables	**334,281**	223,716
Trade and other payables	**65,634**	65,931
Bank overdrafts and borrowings	**452,009**	489,289

	Associates and joint ventures	
	2023	2022
Transactions	**Rs'000**	Rs'000
Sale of goods and services	**1,214,318**	1,117,831
Purchase of goods and services	**908,146**	859,743
Purchase of property, plant and equipment	**9,916**	914
Administrative expenses	**84,409**	143,523
Other income	**14,200**	26,329
Interest expense	**16,915**	10,752

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

36. RELATED PARTY TRANSACTIONS (CONTINUED)

THE COMPANY

	Subsidiaries		Associates and joint ventures	
	2023	2022	**2023**	2022
Balances	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Cash and cash equivalents	**–**	–	**59,242**	100,482
Trade and other receivables	**355,402**	432,971	**22,312**	16,791
Trade and other payables	**109,680**	232,954	**551**	16,479
Bank overdrafts and borrowings	**–**	–	**493,859**	492,040

	Subsidiaries		Associates and joint ventures	
	2023	2022	**2023**	2022
Transactions	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Sale of goods and services	**1,288,343**	1,108,648	**21,815**	22,852
Purchase of goods and services	**152,969**	152,782	**214,064**	216,710
Dividend income	**1,273,528**	601,674	**302,270**	219,664
Interest expense	**53,009**	32,278	**16,924**	3,478
Other income	**37,483**	43,508	**3,584**	5,393
Administrative expenses	**504,189**	340,187	**22,240**	1,940
Management fees	**62,190**	61,677	**11,811**	17,256

The Group and the Company have applied the ECL rates on trade receivables and have also made provision amounting to Rs 271 million (2022: Rs 243 million) on amount due by related parties.

The terms and conditions of transactions with related party are presented in their respective notes.

Retirement benefit – group plan

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Retirement benefit costs				
Retirement benefit costs allocated to subsidiaries	**–**	–	**46,634**	(68,429)
Retirement benefit costs allocated to joint venture	**(1,793)**	(2,602)	**(1,793)**	(2,602)
	(1,793)	(2,602)	**44,841**	(71,031)
Retirement benefit liability				
Retirement benefit liability allocated to subsidiaries	**–**	–	**175,165**	242,227
Retirement benefit liability allocated to joint venture	**6,026**	8,173	**6,026**	8,173
	6,026	8,173	**181,191**	250,400

Compensation paid to key management personnel

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Short term benefits	**692,119**	921,502	**289,486**	263,104
Post employment benefits	**89,760**	121,157	**59,816**	51,196
	781,879	1,042,659	**349,302**	314,300

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS

In its ordinary operations, the Group and the Company are exposed to various risks such as capital risk, foreign currency risks, interest rate risks, credit risks and liquidity risks. The Group and the Company have devised on a central basis a set of specific policies for managing these exposures.

Capital risk management

The Group and the Company manage their capital to ensure that they will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's and the Company's overall strategy remains unchanged.

The capital structure of the Group and the Company consists of debt, which includes borrowings, net of cash and cash equivalents and equity, comprising stated capital, reserves, retained earnings and non-controlling interests as disclosed in the statements of changes in equity.

Gearing ratio

The Group and the Company monitor capital on the basis of the debt-to-equity ratio. This ratio is calculated as net debt over net debt plus total equity. Net debt is calculated as total borrowings (as shown on the statement of financial position) less cash and cash equivalents. Total equity comprises all components of equity (i.e. stated capital, non-controlling interests, retained earnings and reserves).

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Total debt (Note (i))	**37,743,269**	29,369,194	**18,560,827**	12,310,375
Less: Cash and cash equivalents	**(5,634,484)**	(5,848,841)	**(423,802)**	(603,898)
Net debt	**32,108,785**	23,520,353	**18,137,025**	11,706,477
Total equity	**36,537,658**	29,589,129	**22,840,454**	21,565,290
Gearing (net debt / (net debt + total equity))	**47%**	44%	**44%**	35%

(i) Total debt includes borrowings (Note 22) and lease liabilities (Note 16)

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability and equity instruments are disclosed in Note 2(B) to the financial statements.

Categories of financial instruments

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Financial assets	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Financial assets at fair value through other comprehensive income	**517,415**	404,343	**37,523,661**	31,598,258
Financial assets at fair value through profit or loss	**272,592**	348,453	**–**	–
Financial assets at amortised cost	**17,136,369**	14,204,655	**2,710,310**	2,338,372
	17,926,376	14,957,451	**40,233,971**	33,936,630
Financial liabilities				
Amortised cost	**55,537,751**	42,128,896	**20,987,585**	14,102,858

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Fair value

Except where stated elsewhere, the carrying amounts of the Group's and the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved.

The fair values of financial assets and liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.
- Where there is no active market, the fair value of available for sale investments have been determined using valuation techniques including comparisons to similar recent transactions, reference to price earnings ratios of similar quoted investments, discounted cash flow and other valuation models. Such valuation exercises require that the Group and the Company make estimates of future cash flows, discount rates and price earning ratio as applicable to the relevant markets.

The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

	THE GROUP			
	Level 1	**Level 2**	**Level 3**	**Total**
2023	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Other financial assets	**558,322**	**43,051**	**188,634**	**790,007**
2022				
Other financial assets	256,371	222,335	274,090	752,796

	THE COMPANY			
	Level 1	**Level 2**	**Level 3**	**Total**
2023	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Investment in subsidiaries	**5,504,704**	**467,673**	**23,104,890**	**29,077,267**
Investment in associates	**725,395**	**–**	**6,005,138**	**6,730,533**
Investment in joint ventures	**–**	**1,122,424**	**495,039**	**1,617,463**
Other financial assets	**36,871**	**–**	**61,527**	**98,398**
	6,266,970	**1,590,097**	**29,666,594**	**37,523,661**
2022				
Investment in subsidiaries	6,781,021	–	17,673,867	24,454,888
Investment in associates	2,799,459	–	3,811,758	6,611,217
Investment in joint ventures	–	–	406,932	406,932
Other financial assets	36,457	–	88,764	125,221
	9,616,937	–	21,981,321	31,598,258

There has been no transfer between Level 1 and Level 2 as at 30 June 2023 and 30 June 2022.

The reconciliation of Level 3 fair value financial instruments for the Company are detailed in Notes 11, 12, 13 and 14.

Reconciliation of Level 3 for the Group

	2023	2022
	Rs'000	Rs'000
At 1 July	**274,090**	237,660
Additions	**4,418**	14,169
Disposals	**(96,814)**	–
Fair value adjustment	**3,676**	11,792
Translation difference	**(123)**	(399)
Reclassification from Level 1 to Level 3	**222**	712
Reclassification from Level 3 to Level 1/2	**3,166**	10,156
At 30 June	**188,635**	274,090

The impairment loss and fair value adjustment are unrealised. Since investment in associates and joint ventures are equity accounted, the fair value adjustment only relates to other financial assets. Refer to Note 14.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Fair value (Continued)

Quantitative information of significant unobservable inputs – Level 3

THE GROUP

Valuation technique	**Significant unobservable inputs**	**Range (weighted average)**	**Sensitivity to the input to fair value**
		Unquoted equity investment	
2023			
PE Multiple	Multiple	10.78x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 5,290,000
PE Multiple	Discount for lack of marketability	20%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 3,654,000
		Commerce and others	
Dividend yield	Discount due to lack of marketability	10-20%	A 5% increase/decrease in discount factor will lead to a decrease/increase of Rs0.016M in fair value.
		Unquoted equity investment	
2022			
PE Multiple	Multiple	16.27x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 5,993,000
PE Multiple	Discount for lack of marketability	20%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 4,698,000
		Foreign equity-Bank	
Price to book value	Discount due to lack of marketability	0-40%	A 5% increase/decrease in discount factor will lead to a decrease/increase of Rs 6.45M in fair value.
		Commerce and others	
Dividend yield	Discount due to lack of marketability	10-20%	A 5% increase/decrease in discount factor will lead to a decrease/increase of Rs0.016M in fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Fair value (Continued)

Quantitative information of significant unobservable inputs - Level 3 (Continued)

THE COMPANY

Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity to the input to fair value
		Unquoted equity investment	
2023			
DCF method	Long-term growth rate for cash flows for subsequent years	3.00%-3.00% (3.00%)	1% increase (decrease) would result in an increase (decrease) in fair value by Rs 910,179,371
DCF method	WACC	11.11%-18.37% (14.11%)	1% increase (decrease) would result in a decrease (increase) in fair value by Rs 1,203,066,289
PE Multiple	Multiple	5.00x-13.08x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 261,032,368
PE Multiple	Discount for lack of marketability	0-60%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 143,125,928
PB Multiple	Multiple	0.95x-1.18x	An increase of 5% (decrease) would result in an increase (decrease) in fair value by Rs 270,792,685
EV/EBITDA Multiple	EBITDA	2.89x-13.11x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 130,317,032
		Unquoted equity investment	
2022			
DCF method	Long-term growth rate for cash flows for subsequent years	3.00%-3.00% (3.00%)	1% increase (decrease) would result in an increase (decrease) in fair value by Rs 1,037,788,000
DCF method	WACC	9.19%-19.00% (12.38%)	1% increase (decrease) would result in a decrease (increase) in fair value by Rs 1,213,400,000
PE Multiple	Multiple	3.00x-13.29x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 220,012,077
PE Multiple	Discount for lack of marketability	0-20%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 122,222,246
PB Multiple	Multiple	0.95x-1.08x	An increase of 5% (decrease) would result in an increase (decrease) in fair value by Rs 183,609,071
EV/EBITDA Multiple	EBITDA	4.00x-15.06x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 74,129,865

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Foreign exchange risk

The Group and the Company are exposed to the risk that the exchange rate of the Mauritian Rupee relative to foreign currencies may change in a manner which has a material effect on the reported values of the Group's and the Company's assets and liabilities. The Group and the Company undertake certain transactions denominated in foreign currencies and hence, exposures to exchange rate fluctuations arise. The Group and the Company are mainly exposed to the United States Dollar (USD), Euro (EUR) and Great Britain Pound (GBP).

Currency profile

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Financial assets	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Mauritian Rupee	**16,609,590**	12,674,968	**40,228,712**	30,471,382
US Dollar	**898,404**	963,319	**42**	14,817
Euro	**285,598**	1,019,211	**752**	14,195
Great Britain Pound	**43,394**	89,310	**3,221**	11,740
Others	**89,390**	210,643	**1,244**	3,424,496
	17,926,376	14,957,451	**40,233,971**	33,936,630
Financial liabilities				
Mauritian Rupee	**49,675,138**	34,362,772	**20,987,585**	12,826,015
US Dollar	**3,243,753**	2,675,656	**-**	259,342
Euro	**1,895,570**	3,140,140	**-**	265,007
Great Britain Pound	**652,482**	653,784	**-**	6,127
Others	**70,808**	1,296,544	**-**	746,367
	55,537,751	42,128,896	**20,987,585**	14,102,858

Foreign currency sensitivity analysis

The following table details the Group's and the Company's sensitivity to a 10% increase and decrease in the Mauritian Rupee against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where the Mauritian Rupee appreciates 10% against the relevant currency. For a 10% weakening of the Mauritian Rupee against the relevant currency, there would be an equal and opposite impact on the profit.

Impact of an appreciation of 10% of the Mauritian Rupee against the relevant currencies:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	Rs'000	Rs'000	**Rs'000**	Rs'000
Impact - US Dollar				
Profit or loss	**(234,535)**	(171,234)	**4**	(24,453)
Equity	**(62,696)**	(105,050)	**-**	-
Impact - Euro				
Profit or loss	**(160,997)**	(212,093)	**75**	(25,081)
Equity	**(74,097)**	(75,696)	**-**	-
Impact - Great Britain Pound				
Profit or loss	**(60,909)**	(56,447)	**322**	561
Equity	**(32,524)**	(30,393)	**-**	-

The profit or loss is mainly attributable to the exposure outstanding on foreign currency receivables, payables, borrowings and cash and cash equivalents at year end for the Group and the Company.

The equity impact of a change in rate of EUR vis-à-vis the Mauritian Rupee is attributable mainly to net investment in the subsidiary in Réunion Island and also to the hedge reserve arising on the hedge accounting of EUR loans.

The equity impact of a change in rate of USD vis-à-vis the Mauritian Rupee is attributable mainly to net investment in the subsidiary, Lux Island Resorts Maldives Ltd, and also to the hedge reserve arising on hedge accounting of USD loans.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

The Group and the Company are exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates.

The Group and the Company manage the risk by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. Financial assets are either interest free or bear a fixed rate of interest; therefore, they are not exposed to interest rate risk. For instance, the financial assets as shown in the categories of financial instruments, with the exception of loans and advances, are interest free. Financial assets encompassing loans and advances have a fixed rate of interest. A 100 basis point increase or decrease is used and it represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 June 2023 would decrease/increase by Rs 188,870,479 (2022: Rs 177,304,310) and the Company's profit for the year ended 30 June 2023 would decrease/increase by Rs 82,314,195 (2021: Rs 68,092,880). This is mainly attributable to the Group's and the Company's exposure to interest rates on their variable rate borrowings.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are approved and reviewed by key management on regular basis. Refer to Note 2B(I) for the credit risk attributes in relation to trade and other receivables, cash and bank balances and corporate bonds and deposits.

The Group's and the Company's credit risk are primarily attributable to trade and other receivables. The amounts presented in the statements of financial position are net of allowances for doubtful receivables, estimated by management based on prior experience and represents the Group's and the Company's maximum exposure to credit risk. Refer to Note 18 for the credit risk exposure of trade and other receivables based on the Group's and the Company's provision matrix in accordance with IFRS 9.

Other price risks

The Group and the Company are exposed to equity price risk arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group and the Company do not actively trade these investments.

The sensitivity analysis below has been determined based on the exposure to equity price risk at the reporting date.

If the equity price had increased or decreased by 10%:

- There would be no impact on the net profit at 30 June 2023 and 2022 as equity investments are classified as Financial assets at fair value through other comprehensive income (FVTOCI).
- The other comprehensive income and fair value reserves included in equity would increase/decrease by Rs 25,637,100 (2022: Rs 25,637,100) for the Group and Rs 626,697,000 (2022: Rs 961,693,700) for the Company, as a result of the changes in fair value of Financial assets at fair value through other comprehensive income (FVTOCI).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk management

The Group and the Company manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below shows the maturity profile of the financial liabilities of the Group and the Company, based on contracted payments:

	THE GROUP				
	At call	Less than one year	1 to 5 years	> 5 years	Total
2023	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Lease liabilities	**–**	**525,055**	**2,196,034**	**2,812,457**	**5,533,546**
Non-interest bearing instruments**	**–**	**16,125,264**	**59,738**	**–**	**16,185,002**
Variable interest rate instruments	**962,233**	**6,280,533**	**6,262,673**	**5,381,609**	**18,887,048**
Fixed interest rate instruments	**1,826,825**	**2,419,446**	**5,946,883**	**3,129,521**	**13,322,675**
Financial guarantee contracts*	**2,432,498**	**–**	**–**	**–**	**2,432,498**
	5,221,556	**25,350,298**	**14,465,328**	**11,323,587**	**56,360,769**
2022					
Lease liabilities	–	578,499	2,438,003	1,599,623	4,616,125
Non-interest bearing instruments**	–	11,353,616	135,769	–	11,489,385
Variable interest rate instruments	3,022,155	1,717,198	6,746,615	6,244,463	17,730,431
Fixed interest rate instruments	94,939	1,792,826	3,226,969	1,907,904	7,022,638
Financial guarantee contracts*	2,418,980	–	–	–	2,418,980
	5,536,074	15,442,139	12,547,356	9,751,990	43,277,559

*Based on the maximum amount that can be called for under financial guarantee contracts under IFRS 9.
**Non-interest bearing instruments consist of trade and other payables, other payables, dividend payable and gross outstanding claims.

	THE COMPANY				
	At call	Less than one year	1 to 5 years	> 5 years	Total
2023	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Lease liabilities	**–**	**39,864**	**20,181**	**19,799**	**79,844**
Non-interest bearing instruments	**–**	**2,057,640**	**29,006**	**–**	**2,086,646**
Variable interest rate instruments	**–**	**4,136,419**	**3,328,000**	**767,000**	**8,231,419**
Fixed interest rate instruments	**1,569,563**	**1,775,000**	**4,403,390**	**2,501,610**	**10,249,563**
Financial guarantee contracts*	**862,283**	**–**	**–**	**–**	**862,283**
	2,431,846	**8,008,923**	**7,780,577**	**3,288,409**	**21,509,755**
2022					
Lease liabilities	–	22,553	45,618	–	68,171
Non-interest bearing instruments	–	1,708,422	84,093	–	1,792,515
Variable interest rate instruments	2,201,633	512,655	2,565,000	1,530,000	6,809,288
Fixed interest rate instruments	6,747	1,521,169	2,435,000	1,470,000	5,432,916
Financial guarantee contracts*	905,900	–	–	–	905,900
	3,114,280	3,764,799	5,129,711	3,000,000	15,008,790

*Based on the maximum amount that can be called for under financial guarantee contracts under IFRS 9.
**Non-interest bearing instruments consist of trade and other payables, other payables and dividend payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk management (Continued)

Cash flow hedge

The hedge reserve is used to record the exchange differences arising on the EUR, GBP and USD loans taken by the Group and which have been designated as hedging instruments against future revenues of the Group in the respective currencies. The risk management objective is to hedge the changes in cash flows arising from foreign exchange rate risk associated with future revenues and cash flows of the Group. The hedging strategy is to enter into loan agreements (the "hedging instruments"), in EUR, GBP and USD with future principal payments that will be matched by the future remittances from customers in these currencies. The movement for the year is in respect of exchange difference on conversion of loan in USD, GBP and EUR at year end rate. Upon annual repayment of long term borrowings and leases, the portion of hedge realised is released from the hedge reserve.

The movement for the year amounting to Rs 137,108,000 (2022: Rs 281,121,000) relates to exchange differences on translation of US Dollar and Euro at year end rate in addition to the portion of exchange difference reserve realised on repayment of borrowings. An amount of Rs 77,425,000 (2022: Rs 158,741,000) is attributable to the Group while an amount of Rs 59,683,000 (2022: Rs 122,380,000) is attributable to non-controlling interests.

Cash flow hedge reserves

	THE GROUP	
	2023	2022
	Rs'000	Rs'000
At 1 July	**(346,498)**	(652,442)
Cash flow hedge on loan in foreign currency	**(161,974)**	241,974
Cash flow hedge reserve released on repayment of loan	**24,866**	68,908
Deferred tax	**-**	(4,938)
At 30 June	**(483,606)**	(346,498)

37(b). MANAGEMENT OF INSURANCE RISKS

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be (Law of large numbers). In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

Casualty Insurance

Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. The most significant are the increasing level of awards for the damage suffered as a result of motor injury claims. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. As part of its permeating and systematic risk management, the Group continually identifies and analyses the risks. Underwriting guidelines and limits clearly regulate responsibility and accountability for the whole process of acquiring and concluding insurance contracts. Compliance with the above are regularly checked. Following developments in the local and global market, appropriate measures are taken, translated without delay in corresponding underwriting guidelines if required.

Underwriting limits are thus in place to enforce appropriate risk selection criteria. For example, the Group has the right to impose deductibles and it has the right to reject the payment of a fraudulent claim, as well as inviting renewals on different terms. Insurance contracts also entitle the Group to sue third parties for payment of incurred costs (i.e. subrogation).

The reinsurance arrangements are mostly excess of loss reinsurance layers in respect of casualty.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(b). MANAGEMENT OF INSURANCE RISKS (CONTINUED)

Property insurance

Frequency and severity of claims

For property insurance contracts, climatic changes give rise to more frequent and severe extreme weather events (for example, cyclones, Tsunami, etc.) and their consequences (for example, cyclone claims).

For certain contracts, the Group has also limited the number of claims that can be paid in any policy year or introduced a maximum amount payable for claims in any policy year.

The Group has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. These contracts are underwritten by reference to the commercial replacement value of the properties and contents insured, and claims payment limits are always included to cap the amount payable on occurrence of the insured event. Cost of rebuilding properties, of replacement or indemnity for contents and time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies. The greatest likelihood of significant losses on these contracts arises from cyclone or flood damage. The availability and cost of reinsurance are subject to prevailing market conditions, both in terms of price and availability capacity. Although the reinsurers are liable to the extent of the reinsurance ceded, the Group remains primarily liable to the policy holder as the direct insurer of all risks reinsured. The Group evaluates the financial condition of its reinsurers to minimize its exposures to losses from reinsurer insolvencies.

To the Group's knowledge, none of its reinsurers is experiencing financial difficulties. Markets have tightened their underwriting of proportional treaty programme, which have impacted on the Mauritian Insurance sector where companies were more used to traditional reinsurance and had to increase their net retention.

Catastrophe protection treaties are a must to insurance companies based in Mauritius due to our constant exposure towards tropical cyclones.

The Group has reinsurance cover for such damage to accommodate its increased exposure.

Property insurance contracts are subdivided into four risk groups: fire, business interruption, cyclone damage and other perils. The insurance risk arising from these contracts is not concentrated in any of the territories in which the Group operates, and there is a balance between commercial and personal properties in the overall portfolio of insured buildings.

Concentration of insurance risk (Short-term insurance)

The following table discloses the concentration of outstanding claims by class of business, gross and net of reinsurance.

		2023			2022	
Class of business	**Gross**	**Reinsurance**	**Net**	Gross	Reinsurance	Net
	Rs'000	**Rs'000**	**Rs'000**	Rs'000	Rs'000	Rs'000
Accident	**26,760**	**(5,683)**	**21,077**	19,262	(2,421)	16,841
Engineering	**203,300**	**(177,752)**	**25,548**	111,424	(89,866)	21,558
Fire	**1,356,074**	**(1,295,181)**	**60,893**	770,509	(706,344)	64,165
Liability	**328,828**	**(184,707)**	**144,121**	313,744	(178,130)	135,614
Motor	**383,989**	**(75,810)**	**308,179**	329,697	(50,409)	279,288
Health	**51,461**	**(37,084)**	**14,377**	45,948	(33,533)	12,415
Transportation	**204,125**	**(128,815)**	**75,310**	71,574	(23,483)	48,091
IBNR	**165,270**	**(90,678)**	**74,592**	157,598	(80,459)	77,139
	2,719,807	**(1,995,710)**	**724,097**	1,819,756	(1,164,645)	655,111

The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(b). MANAGEMENT OF INSURANCE RISKS (CONTINUED)

Sources of uncertainty in the estimation of future benefit payments

Casualty insurance

Claims on casualty contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contracts term. As a result, liability claims are settled over a long period of time and a larger element of the claims provision relates to incurred but not reported claims (IBNR). There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employer's liabilities covers) or members of the public (for public liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of incident.

The estimated cost of claims includes direct expenses incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposure. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for IBNR, a provision for reported claims not yet paid and a provision for unexpired risks at the end of the reporting period. The amount of casualty claims is particularly sensitive to the level of court awards and to the development of legal precedent on matters of contract and tort. Casualty contracts are also subject to the emergence of new types of latent claims, but no allowance is included for this at the end of the reporting period.

In calculating the estimated cost of unpaid claims (both reported and not), the Group estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims) and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

The initial loss-ratio estimate is an important assumption in the estimation technique and is based on previous years' experience, adjusted for factors such as premium rate changes, anticipated market experience and historical claims inflation. The initial estimate of the loss ratios used for the current year (before reinsurance) are analysed by territory and type of risk where the insured operates for current and prior year premium earned.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. IBNR claims may not be apparent to the insurer until many years after the event that gave rise to the claims has happened. For casualty contracts, the IBNR proportion of the total liability is high and will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these liabilities.

In estimating the liability for the cost of reported claims not yet paid, the Group considered any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

Property insurance

Property claims are analysed separately for cyclone and non-cyclone claims. The development of large losses/catastrophes is analysed separately. Non-cyclone claims can be estimated with greater reliability, and the Group's estimation processes reflect all the factors that influence the amount and timing of cash flows from these contracts. The shorter settlement period for these claims allow the Group to achieve a higher degree of certainty about the estimated cost of claims, and relatively little (Incurred but not Reported) IBNR is held at year-end.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

37(b). MANAGEMENT OF INSURANCE RISKS (CONTINUED)

Claims development table

The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims. The table below illustrates how the estimates of total claims outstanding for each year have changed at successive year-ends and reconciles the cumulative claims to the amount appearing in the statement of financial position.

2023

	2018	2019	2020	2021	2022	2023	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At end of							
Accident year	841,151	840,449	825,515	742,886	1,092,813	2,257,825	6,600,639
1 year later	59,271	51,996	47,362	(9,262)	(53,250)	–	96,117
2 years later	24,714	(71)	(30,984)	2,900	–	–	(3,441)
3 years later	(11,478)	(2,025)	172,734	–	–	–	159,231
4 years later	(9,642)	2,027	–	–	–	–	(7,615)
5 years later	(312)	–	–	–	–	–	(312)
Current estimate of cumulative claims	903,704	892,376	1,014,627	736,524	1,039,563	2,257,825	6,844,619
Accident year	310,894	308,367	508,812	472,863	472,171	1,041,192	3,114,299
1 year later	179,049	415,540	211,620	135,969	278,343	–	1,220,521
2 years later	51,861	29,820	33,809	30,832	–	–	146,322
3 years later	4,456	9,467	122,065	–	–	–	135,988
4 years later	10,685	8,262	–	–	–	–	18,947
5 years later	1,558	–	–	–	–	–	1,558
Cumulative payment to date	558,503	771,456	876,306	639,664	750,514	1,041,192	4,637,635
	345,201	120,920	138,321	96,860	289,049	1,216,633	2,206,984
Liabilities in respect of prior years*							347,548
IBNR							165,270
Total gross liabilities							2,719,802

** This represents the cumulative liabilities prior to 2018*

2022

	2017	2018	2019	2020	2021	2022	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At end of							
Accident year	428,699	841,151	840,449	825,515	742,886	1,092,813	4,771,513
1 year later	163,750	59,271	51,996	47,362	(9,262)	–	313,117
2 years later	(32,106)	24,714	(71)	(30,984)	–	–	(38,447)
3 years later	(17,328)	(11,478)	(2,025)	–	–	–	(30,831)
4 years later	2,144	(9,642)	–	–	–	–	(7,498)
5 years later	(1,917)	–	–	–	–	–	(1,917)
Current estimate of cumulative claims	543,242	904,016	890,349	841,893	733,624	1,092,813	5,005,937
Accident year	317,902	308,880	308,367	508,812	472,863	472,171	2,388,995
1 year later	128,796	179,049	415,540	211,620	135,969	–	1,070,974
2 years later	16,075	51,861	29,820	33,809	–	–	131,565
3 years later	5,199	4,456	9,467	–	–	–	19,122
4 years later	3,370	10,685	–	–	–	–	14,055
5 years later	1,355	–	–	–	–	–	1,355
Cumulative payment to date	472,697	554,931	763,194	754,241	608,832	472,171	3,626,066
	70,545	349,085	127,155	87,652	124,792	620,642	1,379,871
Liabilities in respect of prior years*							282,287
IBNR							157,598
Total gross liabilities							1,819,756

** This represents the cumulative liabilities prior to 2017*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

38. BUSINESS COMBINATIONS

(a) Acquisition of subsidiaries

Acquisitions in 2023

In January 2023, one of the subsidiaries, Chantier Naval de l'Ocean Indien Limited acquired 80% of AFIX Scaff (Mauritius) Ltd ("AFIX") and obtained control over the subsidiary. AFIX is engaged in the business of rental, sale, erecting and dismantling of scaffoldings for buildings and events. This acquisition is vertical integration to create synergies among different players in the building & engineering cluster.

Acquisitions in 2022

On 27 October 2021, one of the subsidiaries, UBP acquired the remaining 51% of Pre-Mixed Concrete Ltd ("Pre-Mixed") and obtained control over the subsidiary. Pre-Mixed is engaged in the manufacture of ready mixed concrete. Pre-Mixed has been acquired by the Group to be in line with its vertical integration strategy and paid a control premium to achieve same. The goodwill was fully impaired at 30 June 2022 as it is not expected to be recovered based on the value-in-use calculation of the acquired subsidiary.

SALT Hospitality Ltd, a subsidiary company, went under voluntary administration on 19 February 2021 and was subsequently derecognised as a subsidiary company due to loss of control as from that date. At the watershed meeting held on 17 December 2021, the creditors of SALT Hospitality Ltd ("SHL") resolved the execution of a deed of company arrangement (DOCA), the terms and conditions of which were presented by the Administrator at the meeting. The DOCA contained a plan, which upon excecution, will allow SHL to continue as a going concern. Under the terms of the DOCA, various liabilities covered by corporate financial guarantees were assigned to the Company, namely bank loans, lease obligations and secured creditors. Novation agreements reflecting the assignment of these debts as well as unconditionally releasing and discharging SHL of its obligations with respect to guaranteed claims have been signed between the various parties. On 28 December 2021, the Board of SHL, has, by resolution, approved the execution of the DOCA by and on behalf of SHL. The DOCA was effectively executed and registered on 5 January 2022 and accordingly SALT Hospitality Ltd was recognised as a subsidiary as from that date.

The identifiable assets acquired and liabilities assumed at fair value at date of acquisition are as follows:

	2023	2022
Assets	**Rs'000**	Rs'000
Property, plant and equipment	**26,285**	207,337
Intangible assets	**32,453**	83,759
Non-current receivables	**–**	–
Right of use assets	**–**	357,666
Deferred tax assets	**–**	14,308
Investment in subsidiaries	**–**	–
Inventories	**–**	18,194
Trade and other receivables	**50,030**	203,800
Contract assets	**–**	–
Other financial assets	**–**	–
Current tax assets	**–**	2,483
Cash and cash equivalents	**10,677**	13,922
	119,445	901,469
Liabilities		
Borrowings	**4,822**	14,277
Bank overdrafts	**–**	287
Trade and other payables	**10,908**	244,318
Retirement benefit obligations	**–**	28,919
Deferred tax liability	**19**	–
Current tax liabilities	**3,072**	–
Contract liabilities	**–**	2,946
Lease liabilities	**1,709**	391,787
	20,530	682,534
Fair value of net assets acquired	**98,915**	218,935
Less Non controlling interest	**(19,782)**	–
Share of net assets acquired	**79,133**	218,935
Consideration paid in cash	**97,269**	285,416
Fair value of previously held interests	**–**	274,235
	97,269	559,651
Goodwill	**18,136**	340,716

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

38. BUSINESS COMBINATIONS (CONTINUED)

(a) Acquisition of subsidiaries (Continued)

Cash flow	**2023**	2022
	Rs'000	Rs'000
Consideration paid in cash	**97,269**	285,416
Less: cash and cash equivalents acquired in subsidiary	**(10,677)**	(13,635)
Net cash outflow on acquisition	**86,592**	271,781

(b) Disposal of subsidiaries

There were no disposals of subsidiaries during the year.

Disposals in 2022

Bluelife Limited realised the sale of PL Resort Ltd in March 2022. The assets and liabilities were previously classified as held for sale in the financial year ended 30 June 2021 and the results were presented in discontinued operations up to date of disposal.

During the year ended 30 June 2022, the Group has also deconsolidated certain subsidiaries following the winding up of these subsidiaries. They were deconsolidated on 1 July 2021.

Analysis of assets and liabilities over which control was lost:

	2022
	Rs'000
Assets	
Property, plant and equipment	363,612
Intangible assets	74
Right of use assets	78,393
Deferred tax assets	5,107
Inventories	4,494
Trade and other receivables	26,222
Cash and cash equivalents	23,016
	500,918
Liabilities	
Borrowings	331,167
Bank overdraft	29,944
Trade and other payables	191,045
Retirement benefit obligations	2,861
Lease liabilities	–
	555,017
Net assets disposed	(54,099)
Share of net assets disposed	(34,377)
Profit on disposal	38,145
Profit on winding up of subsidiaries	4,794
	8,562
Consideration	
Consideration received in cash	8,562

Cash flow

	2022
	Rs'000
Consideration paid in cash	8,562
Less: cash and cash equivalents acquired in subsidiary	6,928
Net cash inflow on disposal	15,490

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

38. BUSINESS COMBINATIONS (CONTINUED)

(c) Change in percentage holding in subsidiaries

On 30 June 2023, Manser Saxon Contracting Ltd, a subsidiary of the Company acquired an additional 6% stake in System Building Contracting Ltd by capitalising loan in the latter amounting to Rs 10,802,206. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 2,812,375. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2023
	Rs'000
Cash consideration paid to non-controlling interests	**10,802**
Less: Carrying amount of non-controlling interests acquired	**(7,990)**
Adjustment recognised in retained earnings (Debit)	**2,812**

In July 2022, a subsidiary acquired remaining stake in LCF Securities Ltd for a consideration of Rs 650,000. The Group derecognised the non-controlling interests and recorded an increase in equity attributable to owners of the Company of Rs 150,000. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2023
	Rs'000
Cash consideration paid to non-controlling interests	**650**
Less: Carrying amount of non-controlling interests acquired	**(800)**
Adjustment recognised in retained earnings (Credit)	**(150)**

On 1 July 2021, the Group acquired an additional 0.03% in Manser Saxon Contracting Ltd for a purchase consideration of Rs 165,852. The non-controlling interests was nil at that date and the Group recorded a decrease in equity attributable to owners of the Company of Rs 165,852. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	166
Less: Carrying amount of non-controlling interests acquired	–
Adjustment recognised in retained earnings (Debit)	166

On 1 July 2021, the Group acquired an additional 25% in LCF Holdings Ltd for a purchase consideration of Rs 3,900,000. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 4,370,250. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	3,900
Less: Carrying amount of non-controlling interests acquired	470
Adjustment recognised in retained earnings (Debit)	4,370

On 27 October 2021, a subsidiary acquired an additional 17.24% of the issued shares of Drymix Ltd for a purchase consideration of Rs 96.4 million. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 72.1 million. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	96,406
Less: Carrying amount of non-controlling interests acquired	(24,336)
Adjustment recognised in retained earnings (Debit)	72,070

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

38. BUSINESS COMBINATIONS (CONTINUED)

(c) Change in percentage holding in subsidiaries (Continued)

On 16 June 2022, a subsidiary acquired an additional 24% of the issued shares of The (Mauritius) Glass Gallery Ltd for a purchase consideration of Rs 442,000. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 2,290,000. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	442
Less: Carrying amount of non-controlling interests acquired	1,848
Adjustment recognised in retained earnings (Debit)	2,290

During the year 2022, Bluelife Limited acquired an additional 27% of the issued shares of Haute Rive Azuri Hotel Ltd for a nominal consideration of Rs 1. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 18,349,000. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	–
Less: Carrying amount of non-controlling interests acquired	18,349
Adjustment recognised in retained earnings (Debit)	18,349

39. SEGMENTAL INFORMATION – GROUP

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Group's reportable segments under IFRS 8 are:

- Agro & Energy
- Building & Engineering
- Commercial & Distribution
- Financial Services
- Hospitality & Services
- Life & Technologies
- Logistics
- Property
- Seafood
- Corporate Services

The segment information reported below does not include any amounts for the Group's discontinued operations. More information is given in Note 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(i) Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reporting segment.

At 30 June 2023

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue (Note 29)	11,821	10,466,937	32,401,646	2,676,439	8,768,852	678,650	2,210,691	1,389,976	1,944,531	212,772	(6,676,674)	54,085,641
Results												
Segment result	(58,269)	674,374	1,738,452	86,282	1,879,693	(118,750)	97,657	306,557	410,323	(892,902)	45,052	4,168,469
Share of results of												
Associates & Joint Ventures	397,883	19,064	36,745	1,806,974	–	44,597	–	(3,439)	189,563	14,808	–	2,506,195
Finance costs (Note 32)												(2,066,795)
Finance income (Note 31)												191,809
Other gains and losses (Note 33)												697,444
Profit before tax (continuing operations)												5,497,122
Tax expense (Note 26)												(611,120)
Profit for the year												4,886,002

At 30 June 2022

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue (Note 29)	–	7,680,102	27,636,798	2,352,096	7,210,029	409,166	2,052,067	706,641	1,547,247	204,115	(4,821,113)	44,977,148
Results												
Segment result	(47,534)	419,165	1,329,385	210,055	1,590,161	(31,610)	68,460	63,823	302,970	(418,538)	(126,386)	3,359,951
Share of results of												
Associates & Joint Ventures	274,934	12,525	2,996	461,144	–	165,497	474	(753)	(24,038)	12,777	–	905,556
Finance costs (Note 32)												(1,246,481)
Finance income (Note 31)												63,411
Other gains and losses (Note 33)												(404,377)
Profit before tax (continuing operations)												2,678,060
Tax expense (Note 26)												(736,366)
Profit for the year												1,941,694

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2B. Segment profit represents the profit earned by each segment without allocation of finance costs, finance income, other gains and losses, and tax expense.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(ii) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reporting segment:

At 30 June 2023

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Segment assets	29,106	14,677,760	21,202,526	4,542,602	20,050,186	719,474	1,692,010	9,268,043	2,088,977	1,795,272	(2,478,924)	73,587,032
Investments in:												
Associates (Note 12)	148,524	76,530	8,492,132	21,313	–	223,478	493	127,351	834,770	6,730,533	3,952,902	20,608,026
Joint ventures (Note 13)	366,852	2,500	–	–	–	11,433	–	8,249	–	1,617,463	(1,250,626)	755,871
Other financial assets (Note 14)	–	3,084	4,878	1,042,331	4	325	1,446	–	–	98,398	160,840	1,311,306
Total investments	515,376	82,114	8,497,010	1,063,644	4	235,236	1,939	135,600	834,770	8,446,394	2,863,116	22,675,203
Deferred tax assets (Note 7)	–	27,827	55,165	42,546	36,719	3,356	53,062	7,087	2,367	99,304	(1,672)	325,760
Current tax assets (Note 26)	–	48,129	3,269	6,808	–	–	20,820	7,732	640	3,635	(8,966)	82,067
Assets classified as held for sale (Note 21)	–	–	–	76,363	–	–	–	–	58,674	–	–	135,037
Consolidated total assets												96,805,099
Segment liabilities	78,025	6,964,643	12,676,520	4,339,286	11,026,698	801,946	1,070,316	4,383,673	518,937	20,160,556	(3,678,394)	58,342,206
Deferred tax liabilities (Note 7)												1,526,136
Current tax liabilities (Note 26)												399,095
Liabilities associated with assets classified as held for sale (Note 21)												–
Consolidated total liabilities												60,267,438

At 30 June 2022

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Segment assets	–	12,082,246	17,141,035	4,082,284	17,359,740	1,027,119	1,535,100	8,393,311	2,321,997	1,633,305	(2,220,941)	63,355,196
Investments in:												
Associates (Note 12)	4,923,609	69,799	21,112	3,182,932	–	104,290	–	111,187	1,786,926	34,829	–	10,234,684
Joint ventures (Note 13)	–	14,467	–	68,773	–	25,864	–	–	–	–	–	109,104
Other financial assets (Note 14)	–	31,162	4,624	1,054,625	4	17,680	1,446	–	–	125,221	–	1,234,762
Total investments	4,923,609	115,428	25,736	4,306,330	4	147,834	1,446	111,187	1,786,926	160,050	–	11,578,550
Deferred tax assets (Note 7)												287,942
Current tax assets (Note 26)												53,725
Assets classified as held for sale (Note 21)												828,556
Consolidated total assets												76,103,969
Segment liabilities	31,195	5,697,271	8,185,801	3,289,904	10,401,448	746,501	1,175,463	3,801,313	779,481	13,506,436	(3,052,591)	44,562,222
Deferred tax liabilities (Note 7)												1,271,484
Current tax liabilities (Note 26)												226,553
Liabilities associated with assets classified as held for sale (Note 21)												454,581
Consolidated total liabilities												46,514,840

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(ii) Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than taxes. Goodwill is allocated to reportable segments as described in Note 6. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- all liabilities are allocated to reportable segments other than taxes. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

(iii) Other segment information

Additions to non-current assets (including property, plant and equipment, investment properties, intangible assets and excluding investments, deferred tax assets and right of use assets) and depreciation and amortisation are as follows:

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 30 June 2023											
Additions to non-current assets	**2,290**	**894,019**	**1,270,480**	**36,687**	**1,194,764**	**92,328**	**40,377**	**1,150,279**	**72,876**	**27,480**	**4,781,580**
Depreciation and amortisation	**958**	**419,458**	**668,460**	**38,958**	**491,238**	**33,949**	**70,133**	**76,235**	**97,145**	**26,226**	**1,922,760**
At 30 June 2022											
Additions to non-current assets	2,000	1,029,482	827,334	69,185	623,047	245,386	70,059	237,328	100,400	47,643	3,251,864
Depreciation and amortisation	348	420,946	591,706	50,404	511,008	19,779	67,288	68,398	110,807	20,495	1,861,179

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(iii) Other segment information (Continued)

Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

Cluster	Activity	2023 Rs'000	2022 Rs'000
Building & Engineering	· Contracting & equipment	10,466,937	7,680,102
Commercial & Distribution	· Consumer goods, sale of beverages & chain of supermarkets	32,401,646	27,636,798
Financial Services	· Insurance, leasing and management services	2,676,439	2,352,096
Hospitality & Services	· Hotels operation	8,768,852	7,210,029
Life & Technologies	· Medical research	678,650	409,166
Logistics	· Freight forwarding	2,210,691	2,052,067
Seafood	· Seafood sector	1,944,531	1,547,247
Others		1,614,569	910,756
Consolidation adjustments		(6,676,674)	(4,821,113)
		54,085,641	44,977,148

Information about major customers

The Group does not have any one single external customer to whom sales of goods and services amounted to 10% or more of the Group's total turnover.

Geographical information

The Group's operations are located in the countries as described below.

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

	2023 Rs'000	2022 Rs'000
Mauritius	44,338,733	36,474,198
Europe	1,010,239	1,223,804
USA	50,593	72,741
Madagascar, Comoros, Seychelles & Reunion	3,916,141	3,360,875
Dubai, Africa, Australia & others	2,286,079	1,271,758
Maldives	2,483,856	2,573,772
	54,085,641	44,977,148

40. EARNINGS PER SHARE

	2023 Rs	2022 Rs
Earnings per share		
Basic and diluted:		
– From continuing and discontinued operations	4.50	1.74
– From continuing operations	4.50	1.72

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

40. EARNINGS PER SHARE (CONTINUED)

The earnings and weighted average number of ordinary shares used in the calculation of earnings per share are as follows:

	2023 Rs'000	2022 Rs'000
Earnings for the year attributable to owners of the Company used in calculation of earnings per share – From continuing and discontinued operations	3,064,183	1,182,613
Earnings for the year attributable to owners of the Company used in calculation of earnings per share – From continuing operations	3,064,183	1,167,844

	2023	2022
Weighted average number of ordinary shares	680,224,040	680,224,040

41. CLIENTS' MONIES

An analysis of clients' monies handled by the subsidiaries of the Group is shown below:

<u>**THE GROUP**</u>

	2023 Rs'000	2022 Rs'000
At 1 July	254,426	375,775
Opening balance of subsidiaries acquired	–	–
Amounts received during the year from clients	2,110,501	4,511,237
Amounts disbursed during the year on behalf of clients	(2,221,754)	(4,632,586)
At 30 June	143,173	254,426

The funds are paid into a separate bank account kept solely for the purpose of handling clients' monies.

These accounts are managed separately and all interests earned are for the benefits of the clients. As such, clients' monies have been disclosed off balance sheet as the subsidiaries do not retain the risks and rewards of ownership.

42. EVENTS AFTER THE REPORTING PERIOD

The following subsequent events were noted for the Group and the Company which did not result in any adjustments to the figures as at reporting date:

<u>IBL Ltd</u>

On 3 July 2023, the Board of Directors of the Company has expressed its intention to subscribe to additional shares in Mambo Retail Ltd. The proceeds of the subscription of shares will be utilised by Mambo Retail Ltd for the acquisition of additional 11% stake in Naivas Limited, the leading retail chain in Kenya. This will result in Mambo Retail Ltd holding 51% of the shares in Naivas International Ltd.

On 11 August 2023, the Company subscribed through Run Distribution Ltd to 51% of the share capital of Make Distribution, the retail operator of 4 hypermarkets trading under the brand name of "Run Market" in Reunion Island.

<u>The Lux Collective Ltd ("TLC")</u>

At the general meeting of TLC on 13 June 2023, the shareholders approved the resolution for the re-domiciliation of TLC in another jurisdiction. The procedures for re-domiciliation have been initiated and were still in process at the time of this report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

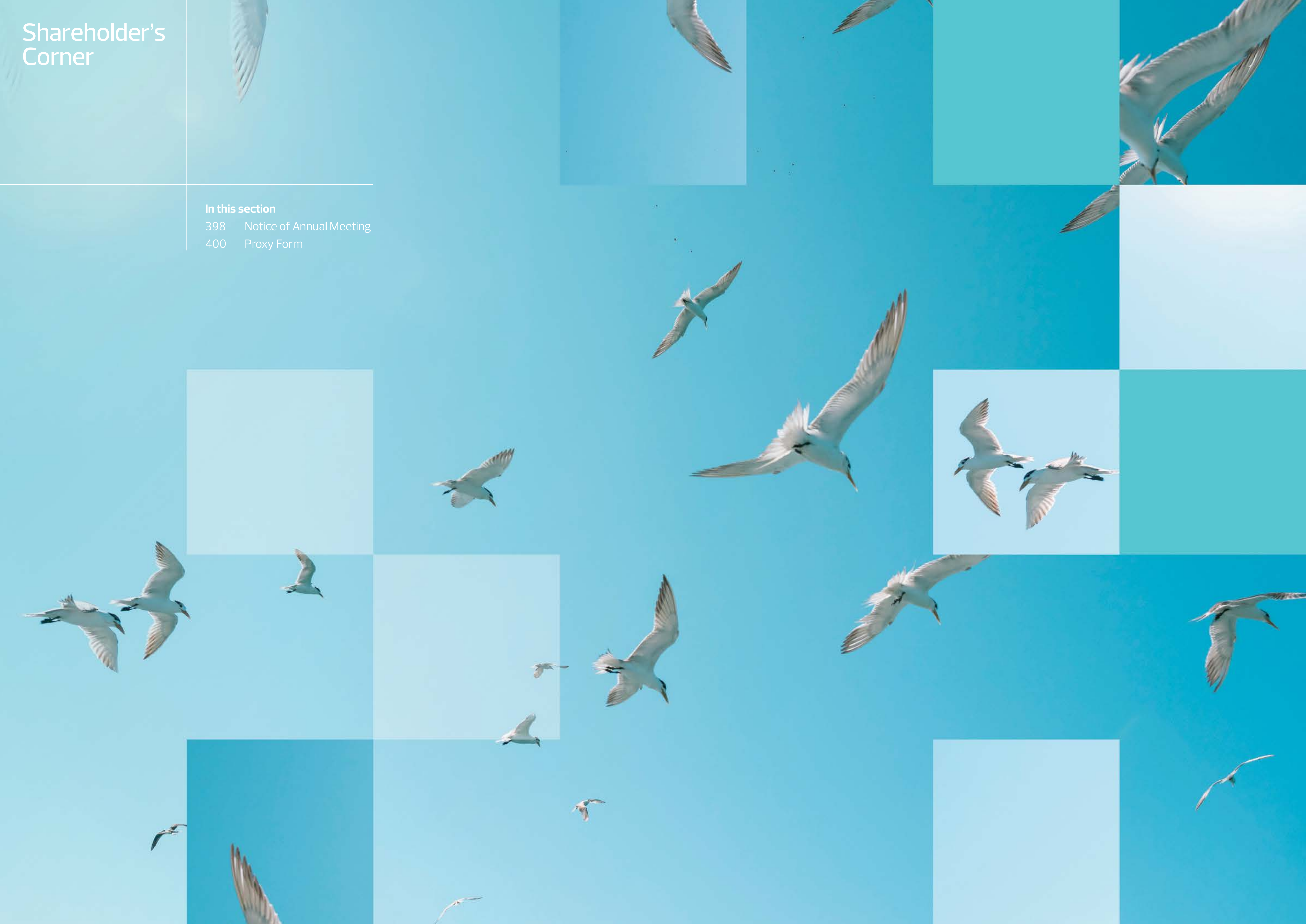
43. SUMMARY OF THE PUBLISHED RESULTS AND OF THE ASSETS AND LIABILITIES OF THE GROUP

	2023 Rs'000	2022 Rs'000
Statements of profit or loss and other comprehensive income		
Revenue	54,085,641	44,977,148
Share of results of associates and joint ventures	2,506,195	905,556
Profit before tax	5,497,122	2,678,060
Tax expense	(611,120)	(736,366)
Profit for the year from continuing operations	4,886,002	1,941,694
Profit for the year from discontinued operations	–	23,123
Profit for the year	4,886,002	1,964,817
Other comprehensive income for the year, net of tax	1,447,128	392,407
Total comprehensive income for the year	6,333,130	2,357,224
Profit attributable to:		
– Owners of the Company	3,064,183	1,182,613
– Non-controlling interests	1,821,819	782,204
	4,886,002	1,964,817
Total comprehensive income attributable to:		
– Owners of the Company	3,737,297	1,216,602
– Non-controlling interests	2,595,833	1,140,622
	6,333,130	2,357,224
Dividends	448,948	408,134

	2023 Rs'000	2022 Rs'000
Statements of financial position		
Assets		
Non-current assets	70,161,414	52,612,325
Current assets	26,508,647	22,663,088
Assets classified as held for sale	135,037	828,556
Total assets	96,805,098	76,103,969
Equity and liabilities		
Share capital and reserves	19,150,748	15,943,453
Restricted redeemable shares	5,000	5,000
Convertible bonds	1,460,283	1,460,283
Non-controlling interests	15,921,627	12,180,393
Total equity	36,537,658	29,589,129
Liabilities		
Non-current liabilities	29,793,868	25,866,149
Current liabilities	30,473,572	20,194,110
Liabilities associated with assets classified as held for sale	–	454,581
Total liabilities	60,267,440	46,514,840
Total equity and liabilities	96,805,098	76,103,969

Shareholder's Corner

In this section



Notice Of Annual Meeting

Notice is hereby given that the Annual Meeting of the Shareholders of IBL Ltd ("the Company") will be held at the Cyril Lagesse Auditorium, 1st Floor IBL House, Caudan Waterfront, Port Louis, on Thursday, 30 November 2023 at 9:30 hours to transact the following business.

Agenda

1. To receive, consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2023, including the Annual Report and the Auditors' Report, in accordance with section 115(4) of the Companies Act 2001.

   Ordinary Resolution: *"Resolved that the Group's and Company's audited financial statements for the year ended 30 June 2023, including the Annual Report and the Auditors' Report, be hereby adopted."*

2. To elect, on the recommendation of the Board, Mr. Momar Nguer, who offers himself for election as Director of the Company.

   Ordinary Resolution: *"Resolved that Mr. Momar Nguer be and is hereby elected as Director of the Company."*

3. To elect, on the recommendation of the Board, Mr. Clément D. Rey, who offers himself for election as Director of the Company.

   Ordinary Resolution: *"Resolved that Mr. Clément D. Rey be and is hereby elected as Director of the Company."*

4. To elect, on the recommendation of the Board, Mr. Patrice Robert, who offers himself for election as Director of the Company.

   Ordinary Resolution: *"Resolved that Mr. Patrice Robert be and is hereby elected as Director of the Company."*

5. To re-elect by rotation, on the recommendation of the Board, Mrs. Isabelle de Melo, who offers herself for re-election as Director of the Company.

   Ordinary Resolution: *"Resolved that Mrs. Isabelle de Melo be and is hereby re-elected as Director of the Company."*

6. To re-elect by rotation, on the recommendation of the Board, Mr. Richard Arlove, who offers himself for re-election as Director of the Company.

   Ordinary Resolution: *"Resolved that Mr. Richard Arlove be and is hereby re-elected as Director of the Company."*

7. To re-elect, on the recommendation of the Board, Mr. Thierry Lagesse, who offers himself for re-election to hold office until the next Annual Meeting in accordance with Section 138(6) of the Companies Act 2001.

   Ordinary Resolution: *"Resolved that Mr. Thierry Lagesse be and is hereby re-elected to hold office until the next Annual Meeting."*

8. To fix the remuneration of the Directors of IBL Ltd for the year ending 30 June 2024 and to ratify the fees paid to the Directors for the year ended 30 June 2023.

   Ordinary Resolution: *"Resolved that the remuneration of the Directors of IBL Ltd for the year ending 30 June 2024 be fixed and the fees paid to the Directors for the year ended 30 June 2023 be hereby ratified."*

9. To take note of the automatic re-appointment of Messrs. Deloitte as Auditors of the Company for the year ending 30 June 2024 in accordance with Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration.

10. To ratify the remuneration paid to the Auditors for the year ended 30 June 2023.

   Ordinary Resolution: *"Resolved that the remuneration paid to the Auditors for the year ended 30 June 2023 be and is hereby ratified."*

By Order of the Board

Thierry Labat, FCG (CS)
Per IBL Management Ltd
Company Secretary

28 September 2023

Notes

1. *A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *The instrument appointing a **proxy** or any general power of attorney shall be deposited at the Share Registry and Transfer Office of the Company, MCB Registry, Sir William Newton Street, Port Louis, by **Wednesday, 29 November 2023 at 9:30 am** and, in default, the instrument of proxy shall not be treated as valid.*
3. *For the purpose of this Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting shall be those shareholders whose names are registered in the share register of the Company as at 31 October 2023.*
4. *The profiles and categories of directors proposed for election and re-election are set out in the Integrated Report.*
5. *The minutes of the Annual Meeting to be held on 30 November 2023 will be available for consultation and comments during office hours at the registered office of the Company, IBL House, Caudan Waterfront, Port Louis, from 2 February to 15 February 2024.*
6. *Shareholders, who have opted for electronic communication, will receive the Notice of Annual Meeting, Proxy Form and the Integrated Report, on the email address that they have already provided, on the same date the Notice of Annual Meeting is published in the press.*
7. *A hard copy of the Integrated Report 2023 can be obtained upon written request made to the Company Secretary, IBL Management Ltd, IBL House, Caudan Waterfront, Port Louis.*

Proxy Form

I/We, ... of ....,
being a member/members of IBL Ltd ("the Company"), do hereby appoint: ....
of .... or failing him/her,
.... of .... or failing him/her the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the **Annual Meeting** of the Company, to be held at the **Cyril Lagesse Auditorium**, **1st Floor IBL House, Caudan Waterfront, Port Louis** on **Thursday, 30 November 2023** at **9:30 hours**, and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the Ordinary Resolutions as follows:

		For	Against	Abstain
1.	To receive, consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2023, including the Annual Report and the Auditors' Report, in accordance with section 115(4) of the Companies Act 2001.			
2.	To elect, on the recommendation of the Board, Mr. Momar Nguer, who offers himself for election as Director of the Company.			
3.	To elect, on the recommendation of the Board, Mr. Clément D.Rey, who offers himself for election as Director of the Company.			
4.	To elect, on the recommendation of the Board, Mr. Patrice Robert, who offers himself for election as Director of the Company.			
5.	To re-elect by rotation, on the recommendation of the Board, Mrs. Isabelle de Melo, who offers herself for re-election as Director of the Company.			
6.	To re-elect by rotation, on the recommendation of the Board, Mr. Richard Arlove, who offers himself for re-election as Director of the Company.			
7.	To re-elect, on the recommendation of the Board, Mr. Thierry Lagesse, who offers himself for re-election to hold office until the next Annual Meeting in accordance with Section 138(6) of the Companies Act 2001.			
8.	To fix the remuneration of the Directors of IBL Ltd for the year ending 30 June 2024 and to ratify the fees paid to the Directors for the year ended 30 June 2023.			
9.	To take note of the automatic re-appointment of Messrs. Deloitte as Auditors of the Company for the year ending 30 June 2024 in accordance with Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration.			
10.	To ratify the remuneration paid to the Auditors for the year ended 30 June 2023.			

Signed this .... day of .... 2023.

....

Signature(s)

Notes

1. *A member of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy will be entitled to vote or abstain from voting as s/he thinks fit.*
3. *The instrument appointing a proxy or any general power of attorney, duly signed, shall be deposited at the Share Registry and Transfer Office of the Company, MCB Registry, Sir William Newton Street, Port Louis, by Wednesday, 29 November 2023 at 9:30 hours and, in default, the instrument of proxy shall not be treated as valid.*

Design by Monday Design.
Edited by Beyond Communications.