MANAGEMENT AND DEVELOPMENT COMPANY LIMITED AND ITS SUBSIDIARIES

Annual Report 2024

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MISSION

« *C'est par la qualité de nos produits, marques et servies, que nous contribuons au développement durable des communautés et des pays dans lesquels nous opérons. L'entrepreneuriat, le business inclusif, l'innovation et le développement personnel sont au coeur de tout ce que nous construisons.* »

VISION

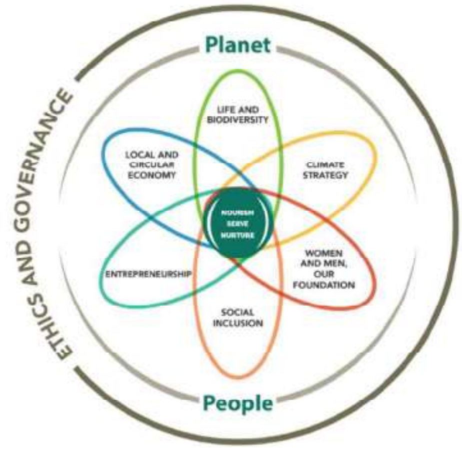
« *Nous voulons être le groupe le plus dynamique de la région en intensifiant notre développement tant sectoriel que géographique et en étant dans chacun de nos métiers l'entreprise de référence pour nos clients, nos partenaires et nos salariés.*»

SUSTAINABILITY STRATEGY

A profound sense of societal responsibility has been embedded in the Eclosia group companies DNA since their inception, based on an inclusive model in Mauritius and in other countries.

Eclosia Group's Sustainability Strategy and the Eclosia Way framework

Eclosia Group sustainability strategy has been crystallized around six strategic areas. The visual presentation below underlines their interconnexion, their interdependence and their alignment towards the three pillars of activities of the Eclosia group: Nourish, Serve, and Nurture. Since the onset of our operation, we have been at the base of the development of farming activities in Mauritius, thus contributing to the food security of the country.



Ever since 2017, Eclosia Way has been Eclosia's management system that is not solely financial. This framework is based on a Core which describes the culture of the group and its HR best practices and 4 pillars, namely: People, Planet, Process and Profit which are performance and impact oriented. The Core and each of these pillars are crucial to the life of the company and at the basis of the structure of this report.

OUR GOVERNANCE

Shareholding, Group and Organisational structures

- **The Shareholding structure**

At 30 June 2024, the shareholding structure of the Company was as follows:

TAMBOURISSA LIMITED 34.98%

SOCIETE DES ALEAS 54.80%

SOCIETE AMSTRAMDRAM & CIE 8.22%

SOCIETE PUCEDICFOUNE & CIE 2.01%

MANAGEMENT AND DEVELOPMENT COMPANY LIMITED

Its ultimate beneficial owner at 30 June 2024 is Mr. Pierre Elysée Michel Doger de Spéville.

- **The Group structure**

At 30 June 2024, the group structure of MADCO was as follows:

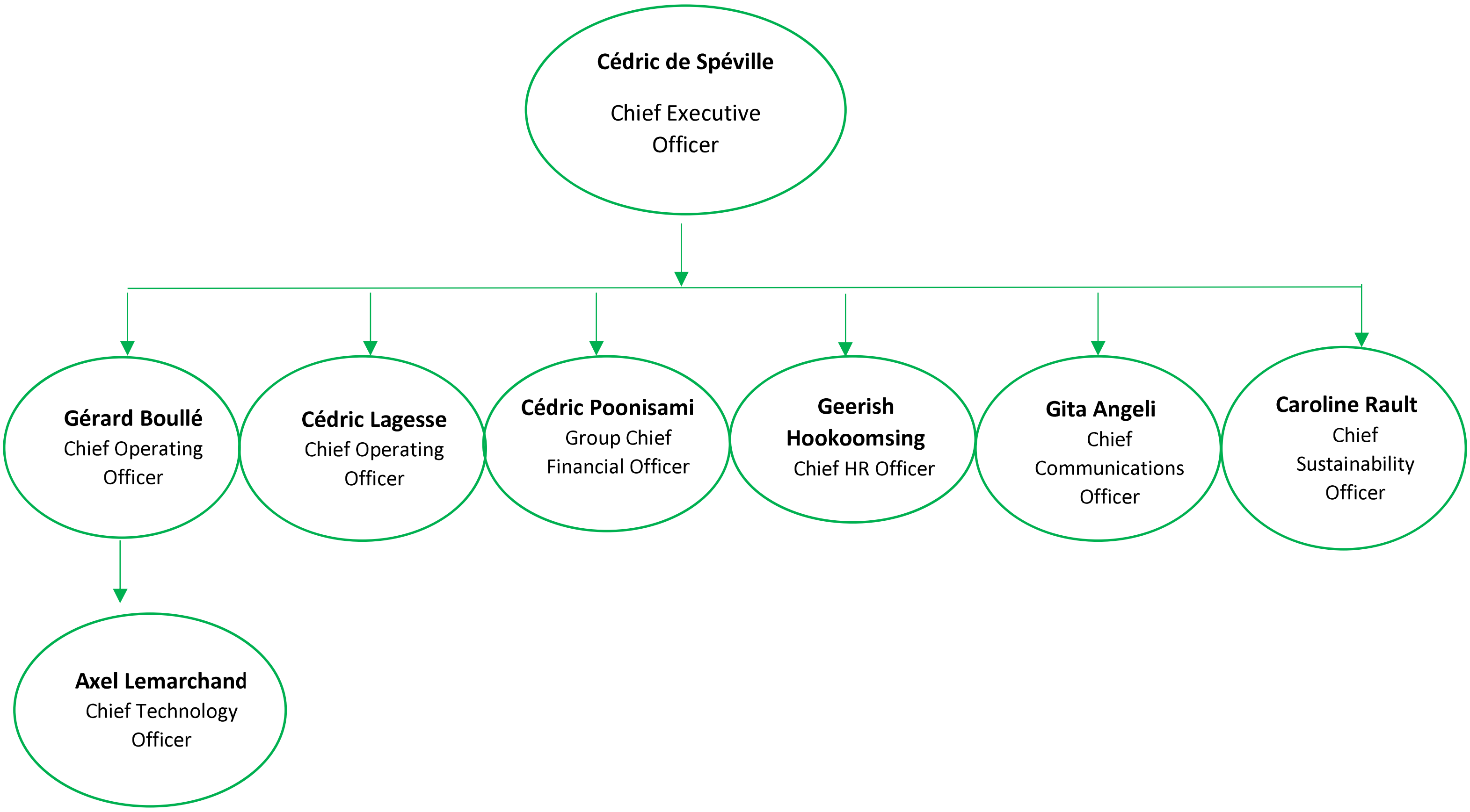
Name	Percentage holding	
	Direct	Effective
Premier Education Co Ltd	80.0%	87.3%
Société CTEG		64.4%
CTEG Holding Ltd		64.4%
Charles Telfair Company Limited		61.4%
Trianon Hospitality and Tourism Company Ltd		32.9%
Pick 'N' Eat Ltd	86.0%	86.0%
Pick N Eat Madagascar SARLU		86.0%
Proxi Properties Ltd	100.0%	100.0%
Circus Properties Ltd		78.1%

Name	Percentage holding	
	Direct	Effective
Eclosia Investments Ltd (*previously Proxy Investments Ltd*)	100.0%	100.0%
Angel Fund Co Ltd		100.0%
PPI Packaging Ltd		71.0%
N.S.I. Engineering Ltd Services Ltd *(acquired in July 2023)*		51.0%
Reneworld Ltd *(acquired in July 2023)*		51.0%
Avipro Co Ltd	100.0%	100.0%
Agrifarms Ltd		100.0%
Avipro East Africa Ltd		100.0%
Avipro International Co Ltd		100.0%
Avipro International Rwanda Ltd		100.0%
Avipro Rwanda Ltd		100.0%
Avipro International Kenya Ltd *(incorporated in FY 2024)*		100.0%
Avipro International Madagascar Ltd *incorporated in FY 2024)*		100.0%
Avitech SARL		100.0%
New Maurifoods Limited		100.0%
Circus Advertising Company Limited	70.0%	70.0%
Tasting Communication Ltd		70%
Eclosia Corporate Services Ltd	100.0%	100.0%
ECS Madagascar SARL		100.0%
Eclosia Secretarial Services Ltd		100.0%
Eclosia Technology Services Ltd	100.0%	100.0%
Newskills Ltd	100.0%	100.0%
Indigo Hotel and Resorts Ltd	38.7%	60.9%
La Carrière Ltée	99.6%	99.6%
Aquarium Management Services Ltd	50.0%	50.0%
Société Aquarius	61.95%	69.65%
Oceanarium Mauritius Ltd		37.52%
Panagora Marketing Company Limited	100.0%	100.0%
Panagora Properties Ltd		100.0%
Panagora Madagascar SA		100.0%

Name	Percentage holding	
	Direct	Effective
Maurilait Production Ltée	96.6%	96.6%
Maurilait SA		96.5%
Step Madagascar SARL		97.9%
Ferme Laitière de l'Avenir Ltée		91.6%
Premier Logistics Co Ltd	74.0%	86.7%
Freight and Transit Company Ltd		86.7%
Freight and Transit (South Africa) Proprietary Limited		52.0%
FTL Regional Investments Ltd		86.7%
FTL Madagascar S.A.		86.7%
Jet Transit S.A.R.L		86.7%
Interex S.A.		43.4%
Tropical Paradise Co Ltd	4.5%	34.3%
Hotel Chambly Limited		34.3%
Villas Chambly Limited		34.3%
Clifton Properties Ltd		34.3%
Les Moulins de la Concorde Ltée	12.4%	36.6%
Concordia Investments Ltd		36.6%
Wrap'Eat Ltd *(previously Amigel Ltd)*		36.6%
Livestock Feed Ltd	60.6%	62.8%
Les Pondeuses Réunies Ltée		62.8%
LFL Investment Ltd		62.8%
LFL Seychelles Ltd		62.8%
LFL International Ltd *(incorporated in FY 2024)*		62.8%
LFL International Rwanda Ltd		62.8%
LFL Rwanda Ltd		62.8%
LFL International Madagascar Ltd *(incorporated in FY 2024)*		62.8%
LFL Madagascar SARL		62.8%
LFL International Kenya Ltd *(incorporated in FY 2024)*		62.8%
LFL (Operations) Kenya Ltd		62.8%
LFL International Seychelles Ltd *(incorporated in FY 2024)*		62.8%
Panexport Co Ltd *(dormant co)*	100.0%	

- **The Organisational structure**

The organisational structure of MADCO at 30 June 2024 is as follows:



The profiles of the senior management of MADCO at June 30, 2024 were as follows:

Cédric de Spéville Chief Executive Officer	The profile of Mr. Cédric de Spéville in on page 13.
Gérard Boullé Chief Operating Officer	The profile of Mr. Gérard Boullé in on page 14.
Cédric Lagesse Chief Operating Officer	Cédric Lagesse holds a degree in law and a Master degree in International Trade. He had a rich career in the logistics sector before he resigned as Chief Executive Officer of Freight and Transit Company Limited on 01 September 2011 to joint the Food & Allied Group as Projects Director. He was appointed General Manager of Panagora Marketing Company Limited in April 2014 and as its Managing Director in August 2014. He held office as Managing Director of Panagora until Huly 2022 where he was appointed as Chief Operating Officer of the Eclosia Group.
Cédric Poonisami Group Chief Financial Officer	Cédric Poonisami is a Fellow Member of the Association of Certified Accountants (FCCA). He holds a Bachelor of Laws (LLB Hons) from the University of London, a Master of Business Administration (MBA) from the University of Mauritius and has completed the Advanced Management Programme (AMP) at INSEAD. He has experience in various sectors, including aviation, cards and payments, financial services, tourism, and travel & leisure and was appointed the Group Financial Officer of Eclosia Group in August 2023.
Geerish Hookoomsing Chief HR Officer	Mr Geerish Hookoomsing was appointed Chief HR Officer of the Group in July 2024. Prior to that, he was the Head of Organisation Excellence at Les Moulins de la Concorde Ltée in March 2022, after previously being at the Head of the Human Resources at Panagora Marketing Ltd, which he joined in 2016. Geerish has a long career spanning over 40 years in the field of Human Resources Management across the global business, textile, and hospitality sectors.
Gita Angeli Chief Communications Officer	Mixing Mauritian and Italian backgrounds, Gita landed in Mauritius in 2013. Having worked for more than 100 clients in American and European communication agencies, especially as the General Manager of FleishmanHillard in Paris and in Milan, she has a solid experience in building brand and communication strategies. Gita holds a Master's Degree in Political Science combined with History at La Sorbonne, followed by an Advanced Management Program from Harvard Business School.

Caroline Rault Chief Sustainability Officer	Holder of a MBA from Paris Dauphine - IAE La Sorbonne and a "diplôme d'ingénieur agro-alimentaire" from ENITIAA, France Mrs. Rault joined the Eclosia Group in 2000 as "Production officer" of New Maurifoods Ltd. She moved to Maurilait Production Ltée in 2001 as Production Manager. She held, during the 23 years of her career at Maurilait Production Ltée, different key management positions and in 2017, she was appointed General Manager of Maurilait Production Ltée. In 2022, she was appointed as Chief Sustainability Officer of Eclosia Group. Mrs Rault was Deputy Chairperson of the board of the AMM from 2019 to 2022. During this period, she was responsible of the sub-Committee on Circular Economy of the "Sustainable and Inclusive Growth Committee" set by Business Mauritius under its "Signa'Tir programme". She launched in 2021 the "Club des Entrepreneurs de l'Economie Circulaire" which she is actually co-chairing. She is currently undertaking a master 2 in "Management Durable et Responsabilité Sociétale des Entreprises" at ISEADD in France.
Axel Lemarchand Chief Technology Officer	Having a financial and business administration background, Axel Lemarchand has a strong experience in consulting, in France and abroad, leading several business transformation projects for his clients for Deloitte, PriceWaterhouseCoopers Consulting and as Associate Partner at IBM Global Business Services. He joined the Eclosia Group in 2016.

The above senior officers do not hold shares in the Company.

A formal process of succession planning has been put in place through the "Talent Management" program which has been adopted across the Eclosia Group.

Under this program, an "Organisational and People Review" is carried out yearly whereby management discusses the development of its key talents, establishes a succession plan for key positions and sets up competency development programs for the identified talents.

Constitution

The Constitution of the Company is in line with the Companies Act 2001.

Governance structure

- **Board Governance**

  MADCO is a private company and is classified as a Public Interest Entity as per the requirements of the Code of Corporate Governance.

  The Board of the Group assumes responsibility for leading and controlling the organisation and for meeting all legal and regulatory requirements. In addition, it ensures that the Group adheres to the principles of good governance.

  In that respect, a board charter and a directors' code of ethics have been adopted by the Board to ensure that the core values of the Company also form an integral part of its governance. The board charter and the directors' code of ethics are available for consultation on the Group's website. They are reviewed as and when required and, in any case, every five years.

- **Statement of accountabilities**

  The Chief Executive reports on the operations and management of the Group and its subsidiaries to the Board. The Chief Executive Officer is accountable to the Board of the Company.

  Moreover, the accountabilities of the Chairperson and the Company Secretary have been set out in their Position Statement and Terms of References respectively.

- **Statement of Remuneration Philosophy**

  A formal Statement of Remuneration Philosophy has been adopted by the Board of the Company and across the companies of the Eclosia Group in general. The philosophy is to offer a competitive package that will attract, retain and motivate directors and employees of the highest calibre and recognize value-added performance, whilst taking into account the Group's financial position.

  In that respect, the remuneration offered to each category of jobs within the Company has been benchmarked and aligned with the current market rate as per the "Hay Group National Survey" which is carried out yearly.

  Moreover, the directors' fees are also benchmarked on market norms and reviewed on a regular basis by the Board.

Board structure

The Board, as the governing body, fully understands its role, responsibility and authority in setting out the strategy and monitoring the performance of the Company.

The Company is headed by a unitary Board consisting at 30 June 2024 of nine members.

The Members of the Board are satisfied that:

(i) the Board is of an appropriate size, taking into account the organisation's turnover, the complexity of its operations and its sector of activity;

(ii) despite the fact that there is no independent director sitting on the Board, it is well balanced based on the skills, experience and knowledge of the organisation to allow the directors to discharge their responsibilities towards the Company and its shareholders effectively.

The role and duties of the chairperson are separate from the Chief Executive Officer. The Chairperson of the Company, Mr Gilles Michel and the Chief Executive Officer, Mr Cédric de Spéville have regular meetings to discuss matters of the Company, and the Eclosia Group in general, and the Board is satisfied that the Chairperson commits sufficient time to carry out his duties and responsibilities effectively.

The role and duties of the Chairperson are set out in a Position Statement which has been adopted by the Board of the Company.

Board evaluation

There is no process of board evaluation at the level of the Company.

The directors

- **Directors' duties**

  Upon a director's appointment, the relevant legislations pertaining to the legal duties of acting as a director on the Board of the Company are communicated through the induction pack.

  In addition, a board charter, setting out all the directors' duties and responsibilities with respect to the board governance, has been adopted by the Board of the company and is available for consultation on the Groups's website.

- **The Directors' profiles**

Below were the profiles of the directors of the company at 30 June 2024:

Gilles Michel
Non-executive director
Non-Resident in Mauritius

Gilles Michel, a French national, started his career at ENSAE and then worked for the World Bank in Washington D.C before joining, in 1986, the Saint-Gobain group where he occupied several posts before being appointed President of the "Céramiques et Plastiques" Business Group in 2000.

In 2001, he joined the PSA Peugeot-Citroën group as "Directeur des Plates-Formes, Techniques et Achats" and was then appointed Director of the Citroën brand and member of the "Directoire" (Managing Board) of Peugeot S.A.
In December 2008, Gilles Michel was appointed as the first CEO of the newly created "Fonds Stratégique d'Investissement", a government sponsored sovereign fund set up in the context of the major 2008 crisis.

In 2010, he joined Imerys, a French based listed company and world leader of Industrial Minerals, of which he has been Chairman and CEO, then Chairman until he retired in 2020.

Gilles Michel now shares his time between Mauritius and France. In France he is the Chairman of the Board of Valeo (a lead automotive Tier1 supplier). In Mauritius, he sits on the Board of various companies of the Eclosia Group, namely Charles Telfair Company Limited, CTEG Holding Ltd, and Management and Development Company Limited.

Gilles Michel is holder of degrees from "Ecole Polytechnique", "Ecole nationale de la statistique et de l'administration économique » and from « Institute d'études politiques » in Paris.

Directorship in listed companies : Valeo (France), Solvay (Belgium)

Cédric de Spéville
Executive director
Resident in Mauritius

Obtained a "Maîtrise en économie" from the University of Paris I Panthéon Sorbonne in 2001. He also completed an MSc in Accounting and Finance at the London School of Economics in 2003 and obtained a Masters in Business Administration from Columbia Business School in 2007. He was Consultant for COFINTER in Paris from 2002 to 2003 and joined the Eclosia Group in 2003. In January 2013, Cédric was appointed Group Chief Executive Officer. He is a director of various companies of the Eclosia Group, a former President of the Mauritius Chamber of Commerce and Industry, a former President of Business Mauritius as well as a former Member of the Economic Development Board of Mauritius.

Directorships in listed companies: Livestock Feed Limited, Oceanarium (Mauritius) Ltd, Les Moulins de la Concorde Ltée and Tropical Paradise Co. Ltd.

Gérard Boullé
Executive director
Resident in Mauritius

Gérard Boullé is holder of a "Maîtrise de Gestion" from the University of Paris IX Dauphine in France and is presently the Chief Operating Officer (C.O.O), Food Industry of the Eclosia Group of Companies. Mr Boullé is a former President of the Association of Mauritian Manufacturers and is also Member of the Board of several companies of the Eclosia Group.

Directorship in listed companies: Livestock Feed Limited, Les Moulins de la Concorde Ltée and Oceanarium (Mauritius) Ltd.

Eric Espitalier Noël
Non-executive director
Resident in Mauritius

Holder of a Bachelor's degree in Social Sciences and an MBA, Eric Espitalier Noël has extensive experience in the commercial and hospitality sectors, being a board member of various companies evolving in those sectors. He was first appointed to the Board of the Company in 1991 and is currently the Chief Executive Officer of ENL Commercial Limited.

Directorships in other listed companies: Automatic Systems Ltd, Commercial Investment Property Fund Limited, ENL Limited, Rogers and Company Limited, Les Moulins de la Concorde Ltée and Tropical Paradise Co. Ltd.

Gilbert Espitalier-Noël
Non-executive director
Resident in Mauritius

Holder of an MBA from INSEAD Fontainebleau, France, Gilbert Espitalier Noël was the CEO of New Mauritius Hotels Ltd until 30 June 2023. He is now the CEO of the ENL Group.

Directorship in other listed companies: Livestock Feed Limited, ENL Limited, New Mauritius Hotels Ltd and Rogers and Company Ltd.

Pierre-Yves Pougnet
Non-executive director
Resident in Mauritius

Pierre-Yves Pougnet is an accountant by profession. He started his career with an audit firm. In 1975 he joined the Eclosia Group where he occupied executive functions, amongst which, Managing Director of Panagora Marketing and subsequently Managing Director of Food & Allied Industries Ltd (now Avipro Co Ltd). He was the Vice Chairman of the Eclosia Group when he retired in 2015.

Directorship in listed companies: Livestock Feed Limited, P.O.L.I.C.Y. Limited, Tropical Paradise Co. Ltd and Les Moulins de la Concorde Ltée.

Michel de Spéville, C.B.E
Non-executive director
Resident in Mauritius

Founder President of the Eclosia Group. Founder and Senator of the “Jeune Chambre Economique de l’Ile Maurice”. Elevated to the rank of “Commander of the Order of the British Empire” (C.B.E). Honorary Citizen of Moka-Flacq District of Mauritius. “Honorary Fellow Agribusiness”, University of Mauritius. Elevated to the rank of “Chevalier de l’Ordre de Mérite de Madagascar”. Elevated to the rank of “Chevalier de la Légion d’Honneur de France”. Chairman and Member of the Board of various companies of the Eclosia Group. A former President of the Mauritius Chamber of Commerce & Industry and a former President of “L’Institut de la Francophonie pour l’Entrepreneuriat” (IFE).

Directorships in listed companies: None.

Astride Camilleri
Non-executive director
Non-Resident

Astride Camilleri (de Speville) obtained a BSc in Sociology and HRM from the University of Bath in 2006. She moved to Malta after university, where she worked in HR in the insurance sector for a couple of years before dedicating her time to her family.

Directorships in listed companies: None.

Géraldine Darpoux
Non-executive director
Resident in Mauritius

Born in Mauritius in 1978, Géraldine studied Political Science at “l’Institut de Sciences Politiques de Toulouse” in France before completing a Master 2 in “Management des Institutions Culturelles” at the University of Paris-Dauphine. She was responsible for the cultural activities of the “Centre Culture Français” of Cambodia from 2003 to 2005 and was thereafter Consultant in “accompagnement du changement” at the BPI Groupe, France, from 2006 to 2011.

From 2011 to 2015, Géraldine went back to Cambodia where she worked for the NGO “Phare Poleu Selpak” for the launch of a “Phare Circus”, a social and cultural enterprise.

She then moved to Mozambique from 2015 to 2020 where she created a co-working space and platform for young Mozambican artists, “16NetO”.

After a few years in France, Géraldine moved back to Mauritius and is currently a Consultant for the Eclosia Group.

Directorships in listed companies: Les Moulins de la Concorde Ltée

- **Common Directors**

The table below indicates the Directors common to MADCO and its shareholders:

NO	DIRECTORS	MADCO	SDA	SAC	TL	SPC
1	Cédric **de Spéville**	x	x	x	-	x
2	Michel **de Spéville**	x	x	x	-	x
3	Eric **Espitalier-Noël**	x	-	-	x	-
4	Gilbert **Espitalier-Noël**	x	-	-	x	-
5	Pierre-Yves **Pougnet**	x	-	-	-	-
6	Gérard **Boullé**	x	-	-	-	-
7	Gilles **Michel**	x	-	-	-	-
8	Géraldine **Darpoux**	x				
8	Astride **Camilleri**	x	-	-	-	-

SDA - Société des Aléas
SAC - Société Amstramdram & Cie
TL - Tambourissa Limited
SPC - Société Pucedicfoune & Cie

- **Directors' Interests**

At 30 June 2024, the composition of the Board and the interests of the directors in the company were as follows:

No	Directors	Executive	Non-Executive	Independent	Non-Independent	Gender	Direct Shareholding in MADCO	Indirect Shareholding in MADCO	Director-ships in other Listed Companies
							Ord %	Ord %	
1	Gilles **Michel**	-	x	-	x	M	-	-	-
2	Cédric **de Spéville***	x	-	-	x	M	-	0.74	4
3	Michel **de Spéville**	-	x	-	x	M	-	58.70	-
4	Eric **Espitalier-Noël**	-	x	-	x	M	-	3.69	6
5	Gilbert **Espitalier-Noël**	-	x	-	x	M	-	2.04	3
6	Pierre-Yves **Pougnet**	-	x	-	x	M	-	-	4
7	Gérard **Boullé**	x	-	-	x	M	-	-	2
8	Astride **Camilleri**	-	x	-	x	F	-	-	-
9	Géraldine **Darpoux**	-	x	-	x	F	-	-	1

* Also alternate to Michel de Spéville

A yearly review of the board composition is done in March each year to ascertain whether the board composition needs to be reviewed.

- **Directors' dealings in securities of the company.**

None of the directors of the Company hold shares directly in the Company.

- **Directors' attendance to board and committee meetings**

The attendance of the Directors and Committee Members for the financial year ended June 30, 2024 was as follows:

No	Directors	Board Attendance 3 Meetings
1	Gilles **Michel**	3/3
2	Cédric **de Spéville**	3/3
3	Michel **de Spéville**	3/3
4	Eric **Espitalier-Noël**	2/3
5	Gilbert **Espitalier-Noël**	2/3
6	Pierre-Yves **Pougnet**	3/3
7	Gérard **Boullé***	2/3
8	Astride **Camilleri**	3/3
9	Géraldine **Darpoux**	3/3

* was appointed on September 21, 2023

- **Directors' Remuneration**

The fees for Members of the Board and Audit and Risk Committee at 30 June 2024 were as follows:

Type of meeting	Chairperson		Directors	
	Annual Retainer	Meeting Fee	Annual Retainer	Meeting Fee
	Rs	Rs	Rs	Rs
Board meeting	140,000	15,000	90,000	15,000
Audit and Risk	70,000	10,000	40,000	10,000

The fees paid to the directors of the company for the financial year ended June 30, 2024 were as follows:

No	Directors	Board Fees Rs
1	Gilles **Michel**	185,000
2	Cédric **de Spéville**	-
3	Michel **de Spéville**	-
4	Eric **Espitalier-Noël**	120 000
5	Gilbert **Espitalier-Noël**	120 000
6	Pierre-Yves **Pougnet**	135 000
7	Gérard **Boullé***	-
8	Astride **Camilleri**	135 000
9	Géraldine **Darpoux**	135 000
	Total	**830,000**

* was appointed on September 21, 2023

Executive directors of the Company are not remunerated for sitting on the Board of the Company.

Non-executive directors have not received any remuneration in the form of share options or bonuses associated with the performance of the Company.

- **Directors' appointment procedures**

As per the Company's constitution, every year one third of the directors longest in office retire by rotation and may offer themselves for re-election. These directors, if re-elected, have a three-year term after which they may once again stand for re-election.

Moreover, according to the Company's constitution, in cases of casual vacancies, the Board can appoint someone to serve as director of the Company until the next Annual Meeting, where their election will be ratified.

Appointment of directors on the Board of the Company are done according to the provisions of the Constitution.

A letter of appointment for non-executive directors has also been approved by the Board and non-executive directors are required to sign the said letter as soon as they are appointed to the Board.

- **Directors' Induction and orientation**

The Company has a formal induction process. Upon appointment, the director receives an induction and orientation programme where they are invited to visit the Company and familiarise themself with its operations. The director also receives, through an induction pack, copies of minutes of the last three board meetings held prior to his appointment, the last three financial statements, the mission and vision statements of the Company, a company profile and relevant legislations which shall enable them to understand the duties and obligations of being a director.

Moreover, at the time of the appointment, the Director is requested to give their consent, as per the requirements of the Data Protection Act, for their personal information to be used and shared with authorities and financial institutions as per the requirements of the AML/CFT regulations in place.

The responsibility of the induction process lies with the Chairperson of the Board.

- **Directors' duties**

Upon a director's appointment, the relevant legislations pertaining to the legal duties of acting as a director on the Board of the Company are communicated to the newly appointed director through the induction pack.

In addition, the board charter which sets out all the director's duties and responsibilities with respect to the board governance is communicated to each new director and is also available for consultation on the Group's website.

- **Directors' code of ethics**

A code of ethics for the directors of the Company has been adopted by the Board and is available for consultation on the Group's website:

The said code of ethics provides guidance to the directors in dealing with and managing ethical issues, conflicts of interest and related party transactions.

- **Directors' Conflicts of interest**

The Company Secretary maintains an interest register for the Members of the Board. It is, however, the responsibility of each director to ensure that any interest be recorded in this register. This interest register is available for inspection by the Shareholders upon written request to the Company Secretary.

Whenever there is an actual or potential conflict of interest, the director concerned, upon disclosure of this interests, can participate, debate or vote on the matter at end, as per the provisions of the Constitution.

Specific provisions relating to directors' conflicts of interest and related party transactions are included in the directors' code of ethics which is available for consultation on the Group's website.

- **Directors' Professional development**

  The Company provides the opportunity to its directors to develop their knowledge and skills through workshops and development programmes.

- **Directors' Succession planning**

  To keep a balance of skills and expertise at the level of the Board, a review of the composition of the Board and its committees is carried out yearly by the Company Secretary and the findings are submitted to the Chairperson.

Board committees

- **The Audit and Risk Committee**

  The Company does not have an Audit and Risk committee since it acts solely as an investment holding entity.

  The Company has, among its subsidiaries, listed companies and other large private companies categorised as "Public Interest Entities" ("PIEs") under the Code of Corporate Governance ("the Code").

  The Board is therefore of view that, since those listed companies and PIEs already have a solid governance structure in place and have made their required reportings under the Code at June 30, 2024, it is not necessary for MADCO to have an Audit and Risk Committee.

- **The Corporate Governance Committee**

  The board has entrusted to the respective Boards of the Eclosia's group listed companies and "Public Interest Entities" to ensure that each of those companies comply with prevailing corporate principles and that they act responsibly and responsively towards their stakeholders.

The Company Secretary

Eclosia Secretarial Services Ltd ("ESS") is the Company Secretary of the Company and is represented by two Company Secretaries.

ESS is represented by the Head of Secretarial Services who is holder of a Bachelor of Laws (LLB Hons) from the University of Manchester, UK, and is a Fellow of the former Institute of Chartered Secretaries, UK (now the Chartered Governance Institute, UK) and a Company Secretary who is also an Associate of the Chartered Governance Institute. They both complete a minimum of twenty hours of training and skill development annually as required by the Chartered Governance Institute.

ESS, the Company Secretary has access to Board Members and has been assigned the task of applying and implementing the principles of the Code by the Board.

The duties of the Company Secretary have been set out in terms of reference which have been adopted by the Board. The said terms of reference are available for consultation on the Group's website.

Board Information

Relevant board information is provided to Board members in a timely manner to enable them to have sufficient time to study the matters that will be discussed at the meetings and make appropriate decisions. As a general rule, board documents are sent to the Directors at least 7 days prior to the board meeting.

Where necessary, directors may have access to management or to independent professional advice at the Company's expense, subject to the formal approval of the Chairperson, to enable them to discharge their responsibilities.

A Directors' and Officers' Liability cover is in place for directors and senior officers of the Company.

Information technology and information security governance

The Eclosia Group IT Executive Council ("the GIT"), supported by three sub-committees, is responsible to provide the necessary directions with regards to strategy, infrastructure and operations management in relation to information, communications and technology systems at the level of the Eclosia group in general.

An Information Technology Policies and Procedures (“ITPP”) manual has been mandated by the GIT to provide guiding principles applicable to the management of IT related processes to:

(a) Establish responsibility and accountability for the use and maintenance of IT resources;
(b) Encourage management and staff to maintain an appropriate level of awareness, knowledge and skill to allow them to leverage IT resources in delivering quality service to the clients;
(c) Minimise the impact of IT incidents on service delivery;
(d) Protect the business information and any client information within its custody by safeguarding their confidentiality and integrity by maintaining their availability.

The ITPP manual is reviewed annually by a sub-committee to accommodate process changes and adapt to new technologies. New IT policies and procedures were introduced to adapt with adoption of emerging technologies. These IT policies encompassed Web Application, Collaboration Tools, Data Classification & Handling, and Generative Artificial Intelligence.

Independently, the IT Auditor reports to the Audit and Risk Committee of each Group Company about the level of compliance to the ITPP.

An End User IT Security Policy is remitted to all new recruits and must be adhered to by all employees. together with the cybersecurity awareness and eLearning programme. Periodic cybersecurity awareness and eLearning programme are conducted for employees to foster a cybersecurity-conscious culture. These initiatives included information security best practices, phishing campaigns, and safe online behaviours.

Collaboration with a cyber incident response and forensic specialist was established, along with a well-defined incident response plan. Our aim is to facilitate incident response through prompt detection, containment, eradication and recovery from cybersecurity incidents.

Implemented since 2020, Microsoft D365 Enterprise Resource Planning (ERP) System improves business operations and decision-making process, as well as provides enhanced financial controls. It is managed through a strong governance, enabling to keep benefits over time, and benefit from a full redundancy and back-up to ensure full availability for operations.

This robust IT Governance Framework and initiatives proves that Information Management, Information Technology and Information Security is at the heart of Eclosia Group’s operations and that no efforts will be spared to maintain a reliable and secured IT environment.

Related party transactions

Related party transactions are disclosed in note 34 of the accounts and are at arm's length and in the normal course of business.

Management agreements and contracts of significance

- **Shareholders' Agreements affecting Governance of the Company**

  There are no shareholders' agreements that affect the governance of the Company.

- **Management agreements and contract of significance**

  The Company has management contracts in place with its subsidiaries. The said contracts are remunerated in the form of management fees.

  Furthermore, the following contracts exist between the Company and subsidiaries:
  - The provision of secretarial services by Eclosia Secretarial Services Ltd (subsidiary of Madco);
  - The provision of business support services by Eclosia Corporate Services Ltd (wholly-owned subsidiary of Madco).
  - The provision of IT Support Services by Eclosia Technology Services Ltd (wholly-owned subsidiary of Madco)

- **Contract of significance with a director**

  There are no contract of significance between the Company and its directors.

Risk governance

The Board is responsible for the governance of risk and for determining the nature and extent of the principal risks it is willing to take in achieving the Group's strategic objectives. However, since the Company is solely an investment holding entity and that the Groups' companies have their individual reporting structures, the Boards of each of those companies have entrusted to their respective Audit and Risk Committees the responsibility to ensure that their Management identifies and manages all their inherent risks on a regular basis and, amongst other initiatives, keeping a Risk Register.

One company of the Group has a Digital Risk Register which allows designated users throughout the core processes to report on their assigned controls at set dates throughout the year. Documented proof is required to validate any control, which ensures an accurate view at any given time of the company's situation.

During the next financial year, the other group companies will also adopt a specialised digital risk management application which is being internally designed and developed. This digital application will act as Risk Register and also be used as reporting tool.

In that respect, the management of each of the group's companies has set up a risk management process to identify and manage their respective risks and a risk register containing their top 10 risks has been set up and is monitored on a regular basis. The said risks and the risk management process are monitored and evaluated by the respective Audit and Risk Committees at least once a year.

Those Risk Registers are subdivided into categories namely operational, legal and compliance, food safety, people, customer and commercial, strategic, financial, information technology and cyber, business and market and sustainability risks.

In parallel to our risk management policies, one company of the group also has controls in place pertaining to its financial and operational health, most often in the form of key performance indicators. Contrary to the risk controls, these KPIs are designed, followed and maintained by individual departments. Examples include but are not limited to: actual sales figures versus budget, cash flow, gearing ratio, availability of product stocks vs demand, etc. Both appropriate members of the senior management team and the department managers and key figures responsible for the KPIs review these KPIs in dedicated monthly/bi-monthly forums throughout the year.

Also in place for some companies is a formal Business Continuity Plan ("BCP") which builds upon the major risks identified in the risk register and provides scenarios detailing possible causes and likely impacts should these risks materialise. The BCP lists possible contingency plans and procedures to be enacted to mitigate or prevent long-term negative impact to the ability to operate. With regards learning from Covid-19 crisis, more detailed protocols are developed and a simplified Continuity Plan in the event of cases affecting employees.

The Audit and Risk Committee also ensures that arrangements are in place for employees to raise concerns about possible wrongdoing and irregularities. Where a whistleblowing incident occurs, investigation is done by Internal Audit on a confidential basis.

The 'Whistle-blower System' guarantees protection for whistle-blowers against any potential retaliation or retribution. Every employee is encouraged to report suspected event/s to his/her direct reporting line and if uncomfortable or otherwise reluctant to do so, then the employee must report the event/s to the next highest or another level of management. Investigation is only initiated, with the assistance of Internal Audit, after very careful examination of the facts and concrete evidence of a violation.

Adequate insurance policy covers have been taken to mitigate these risks where applicable. Those insurance policies have been established based on the advice of an insurance broker.

The Insurance Policy Covers for the companies of the Eclosia Group include the following:

- All Risks & Business Interruption Policy - Including Fire & Allied Perils, Machinery Breakdown and resulting loss of profit
- Product and Public Liability Cover
- Directors & Officers Liability Cover
- Fidelity Guarantee Cover
- Commercial Crime – Robbery, Internet or Cyber Fraud
- Cyber Liability Insurance cover

The main risks for the Eclosia Group include:

(a) Operational

Operational risks include all processes and sub processes from the time the raw materials are delivered to our premises and during production, to the point of receipt by the customer. The inability to produce and deliver for a period of time would not only have financial implications but also create customer dissatisfaction and harm the Group's reputation. Consideration is thus given to have multiple storage site to share the risk and a close attention is paid to the quality standard of these storage. It also includes IT downtime. Measures already taken to manage the risk include fire detectors, alarms, emergency response procedures established amongst others.

Another operational risk faced by the group is Core equipment breakdown. Mitigating measures are regular preventive maintenance and updated list of service providers capable of intervening within a brief delay.

Water is both an important resource as a component and as a necessary utility for some of our factories. Recent draught episode affecting Mauritius has raised the probability of a water shortage. One of the companies of the Group is currently investigating the construction of a water storage that would cater for 48hrs of production.

(b) Strategic and Business

The Group carries out a strategic planning exercise every three years. During this process the macro economic and environmental conditions as well as sectorial and internal factors of the group are analysed to identify opportunities and threats for each segment in which it operates. Action plans are then put in place in the yearly budget.

(c) Legal and compliance

The Group minimises legal and commercial risks by consulting in-house and external Legal Counsels, who provide legal advice on relevant files as and when required. The legal and compliance departments also assist Business Units in complying with applicable laws and regulations in force.

One of the laws that will have an impact on the operations of the food cluster is the environmental law concerning the control of single use plastic products.
In this regard, investigations have been performed and a few solutions have already been implemented or are in the process of being implemented. Investments have been planned to abide by the regulations on the ban of single use plastic products when applicable.

Eclosia Corporate Services and Eclosia Secretarial Services constantly monitor and advise the Group on these matters.

(d) Food Safety Risks

Food poisoning coupled with inaccurate traceability would result in customer dissatisfaction, potential lawsuits, and difficulties to perform product recalls. The Group has ensured appropriate controls are in place both to prevent non-conform products from leaving the group's premises and to enable an adequate traceability of products. Mock recall processes are conducted, traceability audits, dedicated training, and refreshers on same.

The Total Quality Management Department assist Business Units in complying with applicable laws and regulations in force, including HACCP certification.

Other measures taken include a food defense program and Worldwide Public/Products Liability insurance cover.

(e) Competition

The industry operates within a marketplace where competition is growing. To remain competitive, the Group continues to refresh its marketing strategy in order to retain existing customers and generate new business, and provide necessary credit facilities to clients. In order to manage credit risk, the Group has subscribed to a credit insurance for the coverage of some of the non-group clients. Since last year with the advent of Covid-19, the Group had to be more focused on the strategy forward. We have realigned our sales strategy and have concentrated ourselves on this market amongst the other market segments and aim to be very proactive in order to retain existing customers and secure our business by for example gathering information in order to build a competitive intelligence and offer better service to our clients. Also, control has been tightened on recoveries and advance of disbursement.

Furthermore, the Group monitors competition continuously and takes action to counter dumping when it occurs.

(f) Talent Management and Succession Planning

This year has been very challenging to fill in the vacancies at all levels across the Group. Staffing is critical and the execution of the overall strategy depends on its ability to attract, develop and retain employees with appropriate skills. To that end, the Group continuously enhance employee engagement supported by a strong performance management system, recognition, organising staff rotation, enhancing work-life balance, providing a safe and comfortable working environment, training and development programs including the project of Malagasy operatives on-site training in Mauritius by the end of the first quarter of 2023-24.

The group is also coming forward with a new remuneration policy based on short term & long-term incentives.

(g) Cybersecurity and information security

Cybersecurity is an increasing concern. The occurrence of cyber risks could disrupt business operations and lead to reputational and monetary damages. We are today more and more dependent on information technology and most of our stakeholders are now web-based operated. This create certain vulnerabilities. The Group has yearly IT audits carried out by both internal and external auditors and implements enhancements to its IT environment where necessary. The Group IT Policies and Procedures Manual provides guidelines and recommends best practices to all the companies and their level of compliance is regularly assessed by the Group IT Audit Department.

The Group IT Policies and Procedures Manual is reviewed on a yearly basis.

Service contracts with service providers inside and outside of Mauritius, are maintainsed and closely monitored to ensure smooth running of the IT system. The risks of unauthorised access to Eclosia information asset and internal/external hackers' attack, with the increased use of virtual private network by employees working at home, are reviewed and are properly managed.

(h) Natural and political events

The Group performance can be adversely affected by external events such as natural disasters, pandemic, terrorism, riots and other political or social unrest.

Insurance requirements are regularly reviewed to ensure appropriate coverage. In addition, a disaster recovery plan has been put in place and is continuously being updated on a yearly basis. The disaster recovery plan enables the group to respond to major incidents and emergencies.

(i) Liquidity

The Group has in place overdraft line facilities with its banks and relies on borrowing lines intra-group.

(j) Financial Sustainability

Financial risks which have been identified as being those which could materially impact on the financial performance of the Group are listed in note 3 to the financial statements.

(k) Health, Safety and Environmental

The Group is exposed to events that can affect its employees. These risks are managed by means of constant auditing, and training in matters of environmental protection as well as occupational health and safety. In order to ensure the good running of plants and equipment, occupational risks at all operational locations are constantly monitored. By adhering to high technical standards, rules of conduct, and all legal requirements in environmental protection and occupational health and safety, the Group ensures that its employees' health is not at risk. Various measures have been taken by individual companies of the Group to enhance health and safety in our work environment.

(l) Black Swan Risks

Unforeseen risks can arise that cannot be anticipated. In the years following the Coronavirus pandemic, we experienced more stable prices for both commodities and freight. However, in recent months, freight issues have resurfaced due to ongoing conflicts and political instability in key regions disrupting shipping routes and logistics, shortages of containers and fewer vessels available. The focus is to continue on cashflow management and introduction of new measures to reduce operating costs. The Group priorities remain the protection of assets, close monitoring of cashflow and safeguarding employment to avoid severe social consequences.

- **Internal control**

A sound internal control system is in place at the level of the Group.

The Boards of each of the Group's companies have entrusted to their Audit and Risk Committees the responsibility to report on the effectiveness of Internal Control. Therefore, based on reports from the Internal and External auditors, the Audit and Risk Committees assess the internal control in place and provide assurances to their respective boards.

The system of internal controls within the group encompasses all controls including those relating to financial reporting processes, quality management, operational and compliance controls. These systems are continuously reviewed by Internal Audit to ensure their effectiveness and continual improvement.

Furthermore, procedures are in place within the companies of the Eclosia group to guarantee protection for employees informing management of wrongdoing and irregularities against any potential retaliation or retribution. Every employee is encouraged to report suspected event/s to his/her direct reporting line and if uncomfortable or otherwise reluctant to do so, then the employee must report the event/s to the next highest or another level of management.

- **Data protection**

The Group complies with the Data Protection Act and the GDPR. It is committed to protect the privacy of its stakeholders including clients, suppliers, employees. The Group has implemented a Data Protection Framework. The planning of activities is updated and there is regular reporting to a Data Protection Committee (DPC) on the progress on the Data Protection Initiatives.

The year 2023-2024 was marked by the development of several actions to meet the requirements of the applicable legislations and the main elements are:

(a) Elaboration and deployment of a DPA Action Plan to monitor the progress of the different steps.
(b) Deployment of policies and procedures.
(c) Update of the Records of Processing Operations (RPO)
(d) Preparation and signature of Contracts with Processor and Data Sharing Agreement.
(e) Staff awareness training on new data protection policies and procedures.

- **Audit**

❖ **Internal audit**

The internal audit function of the Eclosia Group is carried out by Eclosia Corporate Services Ltd (“ECS”) ECS’s Internal Audit Departments, consists of nineteen staff members, who possess the necessary qualifications (including FCCA, CGI, CIA, CFE, CISA, CRISC, CISM, CDPSE, Certified Compliance professional, among others), expertise and coupled with the number of years of experience to fulfil their role effectively. They are supported by a well-structured Enterprise Risk Management and Governance framework that ensures their independence, objectivity, competence, and free access to books and records for a comprehensive evaluation of risks and controls. The staffing level together with continuous learning & development enable a sufficient coverage of emerging risks and various audit areas such as financial, accounting, operational, data privacy, and information technology. We adopt and apply international auditing standards prescribed by the IIA and ISACA, risk-based audit methodologies, automated tools with data analytics to conduct thorough audits and reporting to Audit and Risk Committees.

The Board of each company of the Group, with the assistance of the Audit and Risk Committee and the Internal Auditor, monitors the effectiveness of internal controls.

The Internal Auditors follow an established system of internal control and policies which ensure that the control objectives are attained.

The Internal Audit team has an independent appraisal function which reviews the adequacy and effectiveness of internal controls and the systems that support them. This includes controls at both the operational and financial levels as well as offering guidance to Management of each company of the group in relation to the evaluation of overall business risks and actions taken to mitigate such risks.

Weaknesses identified by the Internal Auditors during their reviews are brought to the attention of the Management and the respective Audit & Risk Committees formally by way of risk rated structured reports. These comprise of the results of the current review together with updates on the corrective actions taken by Management to improve control systems and procedures.

The Internal Audit Manager attends and reports on his findings at the companies' respective Audit and Risk committees. Thereafter, the Chairman of each Audit and Risk Committee brings to its respective Board any material issues requiring special attention of the Directors.

The purpose, authority and responsibility of the Internal Auditors are formally defined in its Charter.

The Group Internal Audit team has the authority to access and examine all information, both paper-based and electronic documents as well as inspect physical assets.

The objectives of the reviews performed by the Internal Audit function are to give assurance on the adequacy and effectiveness of internal controls, compliance with applicable laws and regulations as well as on the reliability of financial reporting.

❖ **Other operational Control audits and monitoring**

The following audits are also carried out within the companies of the Eclosia Group:

(a) Safety and Health

Safety and health risk audit is conducted both by the Company's Safety and Health Officer.

Audit findings are addressed to concerned parties for corrective actions.

Critical risks and non-conformities are reported to Management for action. Critical risks are also escalated to the respective companies Audit and Risk Committees.

(b) Quality and Food Safety Audit

Adherence to Quality and Food Safety standards are monitored by various processes and critical risks and non-conformities are reported to Management for action and are also escalated to the respective companies Audit and Risk Committees.

❖ **External Audit**

The external auditor of the Company is currently BDO & Co.

A tendering process has been put in place, within the Eclosia group, for selection of the external auditors of the companies of the group.

The Audit and Risk committees of each company review the audit plan and fees of the external auditor prior to the yearly audits.

The Audit and Risk committees meet once a year with the external auditors to review each Company's financial statements, management and representation letter and to assess the effectiveness of the external audit process. Furthermore, the performance of external auditors is assessed yearly by both the management and the Audit and risk committees of the respective companies of the Group. The criteria used for such assessment is as follows:

Quality of Services provided
Sufficiency of Audit Firm and Network Resources
Independence, Objectivity and Professional Skepticism

There were no significant issues identified in relation to the last financial statements of the Company and its subsidiaries.

The audit fees of the external auditor for the financial year 2023-2024 were as follows:
(i) For the company: Rs.500,000 as compared to Rs.400,000 for 2022-2023;
(ii) For the group: Rs.11,535,350 as compared to Rs.10,665,700 for 2022-2023.

Major events

The main events of MADCO for the financial year under review were as follows:

Event	Month
Declaration of dividends	June
Approval of Audited Financial Statements	November

Donations

Donations by MADCO for the year under review were:

	Group	
	2024 Rs000's	2023 Rs000's
Charitable Donations	**57**	**94**
Political Donations	**Nil**	**Nil**

Statement of compliance

Reporting Period: **1 JULY 2023 TO 30 JUNE 2024**

We, the Directors of **MANAGEMENT AND DEVELOPMENT COMPANY LIMITED**, confirm that to the best of our knowledge, throughout the financial year ended 30 June 2024, **MANAGEMENT AND DEVELOPMENT COMPANY LIMITED** has complied with the Corporate Governance Code for Mauritius except for the following:

(a) Website

The Company does not have a website. However, a website is available for the ECLOSIA GROUP of which the Company is the holding entity.

Relevant governance documents of the Company have been posted on the said website.

(b) Composition and evaluation of the Board

Currently there are no independent directors on the Board and there is no formal evaluation process at the level of the Board of the Company.

Despite these facts, the Members of the Board are satisfied that it is well balanced based on the knowledge of the organisation, skills and experience to allow the directors to discharge their responsibilities towards the Company and its shareholders effectively.

(c) Audit and Risk Committee

The Company does not have an Audit and Risk Committee since it acts solely as an investment holding entity.

The Company has, among its subsidiaries, listed companies and other large private companies categorised as "Public Interest Entities" ("PIEs") under the Code of Corporate Governance ("the Code").

The Board is therefore of view that, since those listed companies and PIEs already have a solid governance structure in place and have made their required reporting under the Code at June 30, 2024, it is not necessary for MANAGEMENT AND DEVELOPMENT COMPANY LIMITED to have an Audit and Risk Committee.

(d) Remuneration of executive directors

Remuneration of executive directors are not disclosed as they are considered sensitive information.

Explanation as to how these principles have been applied are provided in the Corporate Governance Report of the Company at June 30, 2024.

SIGNED BY:

Gilles Michel

Gilles Michel
Chairperson

Cédric de Spéville
Director

Date: 04 November 2024

PERFORMANCE AND IMPACT

Profit

- **Financial highlights**

  Refer to Eclosia Way Report which is in supplement to this Annual Report.

- **Share price information**

  The share price information is not available as the Company is a private one.

- **Share option plan**

  The Company does not have a Share Option Plan.

- **Dividend policy**

  The Company has no defined dividend policy as such and pays dividends based on its current profitability and the liquidity requirements of the Company.

Statement of Directors' Responsibilities with respect to financial statements

The Directors acknowledge their responsibilities for:

(1) Adequate accounting records and maintenance of effective internal control systems;

(2) The preparation of financial statements which fairly present the state of affairs of the Group and the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with IFRS Accounting Standards (IFRS), International Accounting Standards (IAS) and the Companies Act 2001;

(3) The selection of appropriate accounting policies supported by reasonable and prudent judgments. The report of the external auditors confirming that the financial statements are fairly presented is on page 37 to 40.

The Directors report that:

(1) Adequate accounting records and an effective system of internal controls and risks management have been maintained;

(2) Appropriate accounting policies supported by reasonable and prudent judgments and estimates have been consistently used;

(3) IFRS Accounting Standards have been adhered to. Any departure from fair presentation has been disclosed, explained and quantified;

(4) All the principles of the Code of Corporate Governance for Mauritius (2016) have been complied with and explanations provided as to how they have been applied;

(5) They consider that the corporate governance report and accounts, which are published in full on the company's website, taken as a whole are fair, balanced and understandable and provide the information necessary for shareholders and other key stakeholders to assess the company's position, performance and outlook.

INTERNAL CONTROL

The Directors acknowledge their responsibility for the Company's systems of control. The systems have been designed to provide the directors with reasonable assurance that assets are safeguarded, that transactions are authorized and properly recorded and that there are no material errors and irregularities.

An internal audit system is in place to assist management in the effective discharge of its responsibilities, and it is independent of management and reports to the Audit and Risk Committee.

RISK MANAGEMENT

The Directors acknowledge their overall responsibility for maintaining a sound and effective system of internal controls to safeguard the Company's assets and shareholders' interests.

The Board accepts overall responsibility for risk management. Through the Audit and Risk Committee, the Directors are made aware of the risks areas which affect the Company and ensure that Management has taken appropriate measures to mitigate these risks.

Gilles Michel

Gilles Michel
Chairperson

Cédric de Spéville
Director

Date: 04 November 2024

DISPENSATION TO PREPARE ANNUAL REPORT - JUNE 30, 2024

The Directors are pleased to submit the Annual Report of Management and Development Company Limited together with the audited financial statements for the year ended June 30, 2024.

All shareholders agree that the company need not prepare an Annual Report as per section 218(2) of the Mauritian Companies Act 2001.

Approved by the Board of Directors on 04 November 2024……………………………..
and signed on its behalf by:

Gilles Michel

Gilles Michel	Cédric de Spéville	) Directors

Date: 04 November 2024

SECRETARY'S CERTIFICATE - JUNE 30, 2024

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 Mauritian Companies Act 2001.

Sandrine Moussa
ECLOSIA SECRETARIAL SERVICES LTD
Corporate Secretary

Date: 04 November 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Management and Development Company Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Management and Development Company Limited (the "Company") and its subsidiaries (together the "Group"), and the Company's separate financial statements set out on pages 41 to 139 which comprise the consolidated and separate statements of financial position as at June 30, 2024, 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 material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and of the Company as at June 30, 2024, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does 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 the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
To the Shareholders of Management and Development Company Limited (Continued)

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 IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate 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.

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 judgment 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 of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of 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 consolidated and separate 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Management and Development Company Limited (Continued)

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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.

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.

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company and its subsidiaries, other than in our capacity as auditor, and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("Code") 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 Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Management and Development Company Limited (Continued)

Other Matter

This report is made solely to the Company's Shareholders, as a body, in accordance with Section 205 of the Mauritian 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.

BDO & Co

BDO & Co
Chartered Accountants

Port Louis,
Mauritius

Didier Dabydin, FCA
Licensed by FRC

November 4, 2024

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION - JUNE 30, 2024

		THE GROUP		THE COMPANY	
ASSETS	**Notes**	**2024**	2023	**2024**	2023
Non-current assets		**Rs000's**	Rs000's	**Rs000's**	Rs000's
Property, plant and equipment	5	**12,792,463**	12,297,216	**5,449**	4,960
Right-of-use assets	5A	**837,661**	701,780	**-**	-
Investment properties	6	**194,735**	202,214	**-**	-
Intangible assets	7	**630,212**	494,722	**-**	-
Investment in subsidiary companies	8	**-**	-	**1,602,042**	1,422,849
Investment in associates	9	**12,271**	18,392	**-**	-
Investment in joint venture	10	**6,770**	5,590	**-**	-
Financial assets at fair value through other comprehensive income	11	**251,293**	330,228	**29,548**	31,650
Financial assets at amortised cost	12	**-**	-	**87,886**	110,145
Biological assets	13	**18,636**	13,434	**-**	-
Deferred tax assets	14	**21,696**	24,219	**-**	-
		14,765,737	14,087,795	**1,724,925**	1,569,604
Current assets					
Inventories	15	**3,445,715**	3,420,907	**-**	-
Biological assets	13	**330,642**	274,195	**-**	-
Trade and other receivables	16	**1,836,607**	1,605,618	**40,012**	21,962
Financial assets at amortised cost	12	**81,078**	19,071	**225,340**	252,005
Prepayments and other receivables	17	**833,903**	876,752	**2,955**	912
Current tax assets	18	**29,392**	34,537	**-**	-
Derivative financial instruments	19	**3,463**	5,147	**-**	-
Cash and cash equivalents	32(c)	**704,516**	661,899	**123,543**	19,805
		7,265,316	6,898,126	**391,850**	294,684
Assets classified as held for sale	20	**-**	132	**-**	-
Total assets		**22,031,053**	20,986,053	**2,116,775**	1,864,288
EQUITY AND LIABILITIES					
Capital and reserves *(attributable to owners of the parent)*					
Share capital	21	**1,148,658**	1,148,658	**1,148,658**	1,148,658
Other reserves	22	**3,357,946**	3,141,661	**(16,414)**	(42,955)
Retained earnings		**5,211,024**	4,297,814	**899,200**	664,572
Owners' interests		**9,717,628**	8,588,133	**2,031,444**	1,770,275
Non-controlling interest		**3,910,485**	3,624,367	**-**	-
		13,628,113	12,212,500	**2,031,444**	1,770,275
Non-current liabilities					
Retirement benefit obligations	23	**648,786**	680,163	**19,504**	47,910
Borrowings	24(a)	**1,638,780**	1,678,774	**-**	-
Lease liabilities	5B	**686,166**	561,345	**-**	-
Deferred tax liabilities	14	**961,226**	950,839	**-**	-
		3,934,958	3,871,121	**19,504**	47,910
Current liabilities					
Borrowings	24(b)	**1,630,933**	2,260,390	**-**	-
Bank overdrafts	24A	**361,441**	322,667	**-**	-
Lease liabilities	5B	**124,817**	104,061	**-**	-
Trade and other payables	25	**2,140,493**	2,022,211	**65,827**	46,103
Contract liabilities	27(d)	**90,187**	91,157	**-**	-
Current tax liabilities	18	**120,111**	101,946	**-**	-
		4,467,982	4,902,432	**65,827**	46,103
Total liabilities		**8,402,940**	8,773,553	**85,331**	94,013
Total equity and liabilities		**22,031,053**	20,986,053	**2,116,775**	1,864,288

These financial statements have been approved for issue by the Board of Directors on: 04 November 2024

Gilles Michel

)
) **DIRECTORS**
)

Name
Gilles Michel

Name
Cédric de Spéville

The notes on pages 47 to 139 form an integral part of these financial statements.

Independent Auditor's report on pages 37 to 40.

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - YEAR ENDED JUNE 30, 2024

		THE GROUP		THE COMPANY	
	Notes	**2024**	2023	**2024**	2023
Continuing operations		**Rs000's**	Rs000's	**Rs000's**	Rs000's
Revenue	27	**19,768,852**	17,838,554	**275,886**	219,699
Cost of sales and direct costs	28	**(15,283,224)**	(14,138,367)	**(269,073)**	(208,737)
Gross profit		**4,485,628**	3,700,187	**6,813**	10,962
Other income	30	**202,069**	184,127	**403,037**	280,116
Net impairment losses on financial assets	16	**-**	(29,827)	**-**	-
Administrative expenses	28	**(2,826,010)**	(2,486,133)	**(25,152)**	(28,854)
		1,861,687	1,368,354	**384,698**	262,224
Finance costs	31	**(312,476)**	(311,648)	**(70)**	(200)
Share of result of associates	9	**9,359**	9,088	**-**	-
Share of result of joint venture	10	**774**	625	**-**	-
Profit before tax		**1,559,344**	1,066,419	**384,628**	262,024
Income tax expense	18 (b)	**(123,000)**	(121,522)	**-**	-
Corporate social responsibility	18 (b)	**(30,115)**	(26,248)	**-**	-
Profit for the year from continuing operations		**1,406,229**	918,649	**384,628**	262,024
Discontinued operations					
Post tax losses from discontinued operations	20(b)	**-**	(30,058)	**-**	-
Profit for the year		**1,406,229**	888,591	**384,628**	262,024
Items that will not be reclassified to profit or loss:					
Gains on revaluation of property, plant and equipment	22	**159,003**	907,022	**-**	-
Deferred tax on gain on revaluation of property, plant and equipment	14/22	**(27,033)**	(119,046)	**-**	-
Remeasurements of post employment benefit obligations	22	**11,989**	(54,996)	**28,643**	(15,098)
Deferred tax on remeasurements of post employment benefit obligations	14/22	**(11)**	9,883	**-**	-
(Decrease)/increase in fair value of financial assets through other comprehensive income	11/22	**(20,903)**	1,872	**(2,102)**	(629)
Movement in reserves of associates	22	**-**	(124)	**-**	-
Movement in reserves of joint venture	22	**406**	(556)	**-**	-
Items that may be subsequently reclassified to profit or loss:					
Exchange differences	22	**125,321**	(103,525)	**-**	-
Hedging reserve	22	**(2,656)**	(7,904)	**-**	-
Other comprehensive income for the year, net of tax		**246,116**	632,626	**26,541**	(15,727)
Total comprehensive income for the year		**1,652,345**	1,521,217	**411,169**	246,297
Profit attributable to:					
Owners of the company		**1,063,210**	656,741	**384,628**	262,024
Non-controlling interest		**343,019**	231,850	**-**	-
		1,406,229	888,591	**384,628**	262,024
Total comprehensive income attributable to:					
Owners of the company		**1,279,495**	1,101,326	**411,169**	246,297
Non-controlling interest		**372,850**	419,891	**-**	-
		1,652,345	1,521,217	**411,169**	246,297

The notes on pages 47 to 139 form an integral part of these financial statements.
Independent Auditor's report on pages 37 to 40.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY - YEAR ENDED JUNE 30, 2024

		Attributable to owners of the company						
THE GROUP	**Notes**	Share Capital	Other Reserves	Reserve arising on Group restructuring	Retained Earnings	Total	Non-controlling interest	Total Equity
		Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
Balance at July 1, 2023		1,148,658	2,662,601	479,060	4,297,814	8,588,133	3,624,367	12,212,500
- Profit for the year		-	-	-	1,063,210	1,063,210	343,019	1,406,229
- Other comprehensive income	22	-	216,285	-	-	216,285	29,831	246,116
Total comprehensive income for the year		-	216,285	-	1,063,210	1,279,495	372,850	1,652,345
Acquisition of new subsidiary	33	-	-	-	-	-	33,534	33,534
Dividends	26	-	-	-	(150,000)	(150,000)	(120,266)	(270,266)
Total transactions with owners of the parent		-	-	-	(150,000)	(150,000)	(86,732)	(236,732)
Balance at June 30, 2024		**1,148,658**	**2,878,886**	**479,060**	**5,211,024**	**9,717,628**	**3,910,485**	**13,628,113**

The notes on pages 47 to 139 form an integral part of these financial statements.
Independent Auditor's report on pages 37 to 40.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY - YEAR ENDED JUNE 30, 2024

		Attributable to owners of the company						
THE GROUP	**Notes**	Share Capital	Other Reserves	Reserve arising on Group restructuring	Retained Earnings	Total	Non-controlling interest	Total Equity
		Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
Balance at July 1, 2022		1,148,658	2,216,561	479,060	3,742,528	7,586,807	3,297,775	10,884,582
- Profit for the year		-	-	-	656,741	656,741	231,850	888,591
- Other comprehensive income	22	-	444,585	-	-	444,585	188,041	632,626
Total comprehensive income for the year		-	444,585	-	656,741	1,101,326	419,891	1,521,217
Issue of shares to non-controlling interest	33	-	-	-	-	-	3,190	3,190
Transfer of revaluation reserve on disposal of building		-	1,455	-	(1,455)	-	-	-
Dividends	26	-	-	-	(100,000)	(100,000)	(96,489)	(196,489)
Total transactions with owners of the parent		-	1,455	-	(101,455)	(100,000)	(93,299)	(193,299)
Balance at June 30, 2023		**1,148,658**	**2,662,601**	**479,060**	**4,297,814**	**8,588,133**	**3,624,367**	**12,212,500**

The notes on pages 47 to 139 form an integral part of these financial statements.

Independent Auditor's report on pages 37 to 40.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY - YEAR ENDED JUNE 30, 2024

THE COMPANY	Notes	Share Capital	Other Reserves	Retained Earnings	Total
		Rs000's	Rs000's	Rs000's	Rs000's
Balance at July 1, 2023		1,148,658	(42,955)	664,572	1,770,275
Total comprehensive income for the year					
- Profit for the year		-	-	384,628	384,628
- Other comprehensive income	22	-	26,541	-	26,541
Total comprehensive income for the year		-	26,541	384,628	411,169
Dividend Paid	26	-	-	(150,000)	(150,000)
Balance at June 30, 2024		**1,148,658**	**(16,414)**	**899,200**	**2,031,444**
Balance at July 1, 2022		1,148,658	(27,228)	502,548	1,623,978
Total comprehensive income for the year					
- Profit for the year		-	-	262,024	262,024
- Other comprehensive income	22	-	(15,727)	-	(15,727)
Total comprehensive income for the year		-	(15,727)	262,024	246,297
Dividend Paid	26	-	-	(100,000)	(100,000)
Balance at June 30, 2023		**1,148,658**	**(42,955)**	**664,572**	**1,770,275**

The notes on pages 47 to 139 form an integral part of these financial statements.

Independent Auditor's report on pages 37 to 40.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS - YEAR ENDED JUNE 30, 2024

		THE GROUP		THE COMPANY	
	Notes	2024	2023	2024	2023
		Rs000's	Rs000's	Rs000's	Rs000's
Operating activities					
Cash generated from/(used in) operations	32(a)	**2,534,663**	2,162,814	**(17,305)**	31,966
Pension contribution paid	23	**(66,293)**	(90,727)	**-**	(1,176)
Tax paid	18(a)	**(144,849)**	(85,621)	**-**	-
Net cash (used in)/generated from operating activities		**2,323,521**	1,986,466	**(17,305)**	30,790
Investing activities					
Purchase of property, plant and equipment	5	**(1,090,302)**	(884,855)	**(1,594)**	(4,834)
Downpayment on equipment		**-**	(42,604)	**-**	-
Purchase of intangible assets	7	**(41,595)**	(28,734)	**-**	-
Additions to investment property	6	**-**	(16,532)	**-**	-
Net cash outflow on acquisition of subsidiaries	33	**(54,490)**	-	**-**	-
Proceeds from disposal of subsidiaries		**-**	-	**3,200**	2,191
Purchase of investment in financial assets	11	**(600)**	(69,191)	**-**	-
Proceeds from disposal of property, plant and equipment		**21,900**	20,083	**-**	-
Proceeds from disposal of intangible assets		**-**	435	**-**	-
Net cash from options		**-**	(13,051)	**-**	-
Interest received		**-**	-	**8,291**	5,061
Loan repaid		**-**	-	**675,079**	488,900
Loans granted		**-**	(16,020)	**(746,800)**	(645,637)
Dividends received		**71,046**	39,168	**332,968**	201,953
Net cash (used in)/generated from investing activities		**(1,094,041)**	(1,011,301)	**271,144**	47,634
Financing activities					
Net loans repayment		**(137,993)**	(23,153)	**-**	-
Import loans and money market line		**(543,958)**	344,186	**-**	-
Interest paid on lease liabilities	5B	**(49,032)**	(40,185)	**-**	-
Principal paid on lease liabilities	5B	**(124,160)**	(86,140)	**-**	-
Interest paid		**(252,211)**	(241,869)	**(101)**	(48)
Issue of preference shares		**12,500**	20,641	**-**	-
Issue of shares to non-controlling interest		**-**	3,190	**-**	-
Dividends paid		**(150,000)**	(100,000)	**(150,000)**	(100,000)
Dividend paid to preference shareholders		**-**	(10,324)	**-**	-
Dividends paid to minority shareholders		**(120,266)**	(96,489)	**-**	-
Net cash used in financing activities		**(1,365,120)**	(230,143)	**(150,101)**	(100,048)
Increase/(decrease) in cash and cash equivalents		**(135,640)**	745,022	**103,738**	(21,624)
Movement in cash and cash equivalents					
At July 1,		**339,232**	(366,138)	**19,805**	41,429
Net increase/(decrease)		**(135,640)**	745,022	**103,738**	(21,624)
Currency differences		**139,483**	(39,652)	**-**	-
At June 30,	32(c)	**343,075**	339,232	**123,543**	19,805

The notes on pages 47 to 139 form an integral part of these financial statements.

Independent Auditor's report on pages 37 to 40.

1. COMPANY PROFILE

Management and Development Company Limited (the "Company") is a private limited liability company incorporated and domiciled in Mauritius. The Company's principal activity is to provide management and other services to companies of the Eclosia Group. The Group's activities are in the Food, Hotels and Leisure, Business Services, Logistics, Education, Commerce and Energy sectors. The address of its registered office is Eclosia Group headquarters, Gentilly, Moka, Republic of Mauritius.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

2. ACCOUNTING POLICIES

The principal accounting policies adopted by the Group in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Management and Development Company Limited comply with the Mauritian Companies Act 2001 and have been prepared in accordance with IFRS Accounting Standards (IFRS).

The financial statements include the consolidated financial statements of the parent company and its subsidiaries (The Group) and the separate financial statements of the parent (The Company). The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest thousand (Rs'000) except when otherwise stated.

Where necessary, comparative figures have been amended to conform with change in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

(i) land and buildings and certain plant, machinery and equipment are carried at revalued amounts;
(ii) financial assets at fair value through other comprehensive income are stated at their fair values;
(iii) the liability in respect of defined benefit pension plans is the present value of the defined benefit obligation less the fair value of the plan assets;
(iv) consumable biological assets are stated at fair value less costs to sell; and
(v) derivative financial instruments are stated at fair value.

Management has assessed the Group’s and the Company’s ability to continue as a going concern for the next twelve months from the date of signature of these financial statements and believes the going concern assumption to be appropriate.

2. ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations effective in the reporting period

IFRS 17 ***Insurance contracts***

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS. There was no impact on the Group's financial statements.

IAS 1 ***Presentation of Financial Statements*** **& IFRS** ***Practice Statement 2 Making Materiality Judgements***

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. These amendments have no effect on the measurement or presentation of any items of the Group’s financial statements but affect the disclosure of accounting policies of the Group. During the year, only material accounting policy information is disclosed in the Group’s financial statements.

IAS 8 ***Accounting Policies, Changes in Accounting Estimates and Errors***

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The requirements for recognising the effect of change in accounting prospectively remain unchanged. The amendments have no impact on the Group’s financial statements.

IAS 12 ***Income Taxes***

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items. The amendments have no impact on the Group’s financial statements.

International Tax Reform — Pillar Two Model Rules: The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes. The amendments have no impact on the Group’s financial statements.

2. ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2024 or later periods, but which the Group has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Effective date January 1, 2024

IAS 1 *Presentation of Financial Statements*

Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity’s right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of ‘settlement’ for the purpose of classifying a liability as current or non-current.

IFRS 16 *Leases*
Lease Liability in a Sale and Leaseback: The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

IAS 7 *Statement of Cash Flows* & IFRS 7 *Financial Instruments: Disclosures*
Supplier Finance Arrangements: The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements

Effective date January 1, 2025

IAS 21 *The Effects of Changes in Foreign Exchange Rates*
Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

2. ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Effective date January 1, 2026

IFRS 9 *Financial Instruments* & IFRS 7 *Financial Instruments: Disclosures*

Classification and Measurement of Financial Instruments: The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Also, additional disclosures have been introduced for financial instruments with contingent features and equity instruments designated at fair value through other comprehensive income.

Effective date January 1, 2027

IFRS 18 *Presentation and Disclosure in Financial Statements*

Presentation and disclosure in financial statements: IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals presented within the statement of profit or loss within one of the following five categories – operating, investing, financing, income taxes, and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, it brings about consequential amendments to other accounting standards. This standard replaces IAS 1 - Presentation of Financial Statements.

IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The effective date of this amendment has been deferred indefinitely until further notice

IFRS 10 *Consolidated Financial Statements* and IAS 28 Investments in Associates and Joint Ventures

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

2. ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Where relevant, the Group is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

2.2 Property, plant and equipment

Land and buildings are stated at their fair value, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. The gross carrying amount of the asset is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between them gross carrying amount and the carrying amount of the asset. Certain plant and machinery and equipment which meet certain criteria and considered as core assets, are also stated at their fair values less depreciation. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation surplus in owners' equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve in other comprehensive income; all other decreases are charged to the statement of profit or loss and other comprehensive income.

Properties in the course of construction for production, rental or administrative purposes or for purposes not yet determined are carried at cost less any recognised impairment loss. Cost includes professional fees. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is calculated on the straight line method to write off the cost or the revalued amounts to their residual value over their estimated useful life as follows :-

	Rate %
Buildings	2% - 10%
Furniture and fittings	5% - 25% or 100%
Cold rooms, freezers and electrical appliances	2% - 10%
Motor vehicles	15% - 20%
Equipment, installation and tools	10%
Computers	33.3%
Other Equipment	3.7% - 50%
Plant and machinery	5% - 33.3%
Live animals	6.67% - 100%
Library books	20%

2. ACCOUNTING POLICIES (CONT'D)

2.2 Property, plant and equipment (cont'd)

Land and assets in progress are not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the statement of profit or loss and other comprehensive income. On disposal of revalued assets, the amounts included in revaluation reserve relating to that asset are transferred to retained earnings.

2.3 Investment properties

Investment property, held to earn rentals, or for capital appreciation or both, and not occupied by the Group is carried at cost less depreciation and impairment losses. Depreciation is calculated on the straight line method to write off the cost over the estimated useful lives of 40 years.

Investment property is measured initially at its cost. Transaction costs are included in the initial measurement.

An owned investment property shall be recognised as an asset when, and only when:
(a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
(b) the cost of the investment property can be measured reliably.

An investment property shall be derecognised (eliminated from the statement of financial position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognised in profit or loss (unless IFRS 16 requires otherwise on a sale and leaseback) in the period of the retirement or disposal.

2.4 Intangible assets

Goodwill
Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.5) less accumulated impairment losses, if any.

Goodwill is tested annually for impairment.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

2. ACCOUNTING POLICIES (CONT'D)

2.4 Intangible assets (cont'd)

Computer software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives of 3-7 years.

Costs associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software controlled by the Group and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding 7 years).

Customer relationship

Customer relationship for which the Group has control over the expected future economic benefits flowing therefrom and which is separable, is classified as a separate category of intangible assets. It is amortised using the straight line method over its estimated useful life (5 years).

Franchise, development cost and patents

Franchise and patents are shown at historial cost, have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method over their estimated useful lives (10 years).

Brand name

Brand name is carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method over their estimated useful lives (2 - 10 years).

Purchase of business

Purchase of business is carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method over their estimated useful lives (10 years).

An intangible asset shall be derecognised:

(a) on disposal; or

(b) when no future economic benefits are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It shall be recognised in profit or loss when the asset is derecognised (unless IFRS 16 requires otherwise on a sale and leaseback.) Gains shall not be classified as revenue.

2. ACCOUNTING POLICIES (CONT'D)

2.5 Investment in subsidiaries

Separate financial statements of the investor

In the separate financial statements of the investor, investment in subsidiaries is carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interest issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Aquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss as bargain purchase gain.

Inter-Company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control , any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2. **ACCOUNTING POLICIES (CONT'D)**

2.6 **Investment in associates**

Separate financial statements of the investor
In the separate financial statements of the investor, investment in associates is carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements
An associate is an entity over which the Company has significant influence but no control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associate are accounted for by the equity method except when classified as held-for-sale. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition. Investments in associate are initially recognised at cost as adjusted by post acquisition changes in the Company's share of the net assets of the associate less any impairment in the value of individual investments.

Any excess of the cost of acquisition and the Group's share of the net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

When the Group's share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group's/Company's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted by the Group.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

2.7 **Investments in joint venture**

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 the relevant activities require unanimous consent of the parties sharing control.

Joint ventures are accounted for using the equity method (refer to note 2.6).

2. **ACCOUNTING POLICIES (CONT'D)**

2.8 **Biological assets**

Biological assets are living animals that are capable of biological transformation. Biological transformation comprises the processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes in a biological asset.

A biological asset is recognised when the Group controls the assets as a result of past events, it is probable that future economic benefits will flow to the Group and the fair value or cost of the asset can be measured reliably.

A biological asset is measured on initial recognition and at the end of each reporting period at its fair value less costs to sell.

Biological assets including eggs, breeders, broilers (including contract growers) are stated as follows:

(i) **Bearer biological assets**

- Breeders

The fair value of breeders is determined by reference to the cash flows that may be obtained from sales of hatchery eggs, with an allowance for costs to be incurred and risks to be faced during the remaining productive period.

A gain or loss arising on initial recognition of a biological asset at fair value less costs to sell and from a change in fair value less costs to sell of a biological asset shall be included in profit or loss for the period in which it arises.

(ii) **Consumable biological assets**

- Eggs and broilers (including contract growers)

Consumable biological assets are measured at fair value less estimated costs to sell, with gains or losses arising from changes in the fair values recognised in profit or loss. The fair values are determined by estimating the expected cash flows as adjusted by the hatchability, mortality and margin rates and the present condition of the asset.

2.9 **Financial assets**

The Group classifies its financial assets into one of the categories discussed below, as per the business model test and contractual cash flows of the asset. The Company's/Group's accounting policy for each category is as follows:

(i) *Amortised cost*

These assets arise principally from the provision of goods and services to customers (eg trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

2. **ACCOUNTING POLICIES (CONT'D)**

2.9 **Financial assets (cont'd)**

(i) Amortised cost (cont'd)

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group/Company consider a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group/Company in full, without recourse by the Group/Company to actions such as realising security (if any is held), and when the financial asset is more than 120 days past due.

The Group/Company determine that a financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the debtor;
- a breach of contract such as a default or being past due the agreed credit terms; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Write-off

The gross carrying amount of a financial asset is written off when the Group have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statements of financial position.

Cash and cash equivalents include cash in hand and, for the purpose of the statement of cash flows, bank overdrafts.

2. **ACCOUNTING POLICIES (CONT'D)**

2.9 **Financial assets (cont'd)**

(ii) *Fair value through other comprehensive income*

The Group has investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal, any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

(iii) *Derecognition*

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expires; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either: substantially all the risks and rewards of ownership of the financial asset are transferred; or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

2.10 **Financial liabilities**

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

Other than financial liabilities in a qualifying hedging relationship, the Company’s/Group's accounting policy for each category is as follows:

(i) *Fair value through profit or loss*

This category comprises only out-of-the-money derivatives (see "Financial assets" for in the money derivatives). They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Group does not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

2. ACCOUNTING POLICIES (CONT'D)

2.10 Financial liabilities (cont'd)

(ii) Other financial liabilities

Other financial liabilities include the following items:

Borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statements of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest payable while the liability is outstanding.

- For convertible cumulative preference shares, the value of the liability component and equity conversion are determined on issuance. The part that includes a contractual obligation to deliver cash to the holder is treated as debt. The fair value of the liability component is calculated using a market interest rate, while the residual amount in included in equity. Transaction costs are allocated to the liability and equity component in proportion to the allocation. The liability component is subsequently measured at amortised cost using the effective interest rate method.
- Convertible bonds issued by a subsidiary comprise an equity element and a debt element. The debt part consists of issuer's contractual obligation to pay cash and the equity instrument, namely the holder's option to convert into common shares. The liability element is determined by fair valuing the cash flows excluding any equity component; the residual is assigned to equity.
- Trade payables and other short term monetary liabilities, are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.
- The dividends of the liability component of the preference shares are recognised in profit or loss as interest expense, except if they are borrowing costs (refer to note 2.17).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.11 Hedge accounting

Hedge accounting is applied to financial assets and financial liabilities only where all of the following criteria are met:

- At the inception of the hedge there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge;

- The hedge relationship meets all of the hedge effectiveness requirements including that an economic relationship exists between the hedged item and the hedging instrument, the credit risk effect does not dominate the value changes, and the hedge ratio is designated based on actual quantities of the hedged item and the hedging instrument.Where option contracts are used to hedge forecast transactions, only the intrinsic value of the options is designated as the hedging instrument.

2. **ACCOUNTING POLICIES (CONT'D)**

2.11 **Hedge accounting (cont'd)**

(i) *Cash flow hedges*

The Group uses call options in respect of highly probable forecast transactions as hedged instrument to hedge their price risks arising on the purchase of soyas and maize. The Group uses such contracts to fix the cost of inventories in the functional currency of the entity concerned. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

Option contracts

Where option contracts are used to hedge forecast transactions, only the intrinsic value of the options is designated as the hedging instrument. Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedge reserve within equity. The changes in the time value of the options that relate to the hedged item (‘aligned time value’) are recognised within OCI in the costs of hedging reserve within equity. Ineffective portion of hedge transaction is recognised in the statement of profit or loss.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

• Where the hedged item subsequently results in the recognition of a non-financial asset (Inventory – Note 11), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (e.g., through cost of sales). (Note 2(k)(a).

If a forecast transaction is no longer considered highly probable but the forecast transaction is still expected to occur, the cumulative gain or loss recognised in other comprehensive income is frozen and recognised in profit or loss. Subsequent changes in the fair value of the derivative are recognised in profit or loss. If the Group closes out its position before the transaction takes place (even though it is still expected to take place) the cumulative gain or loss on changes in fair value of the derivative is remains in equity until transaction takes place. If, at any point, the hedged transaction is no longer expected to occur, the cumulative gain or loss is reclassified from the cash flow hedge reserve to profit or loss immediately.

2.12 **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from proceeds.

2. ACCOUNTING POLICIES (CONT'D)

2.13 Retirement benefit obligations

Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

The Group determines the net interest/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss.

Service cost comprising current service cost, past service cost, as well as gains and losses in curtailments and settlements are recognised immediately in profit or loss.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Workers` Rights Act 2019 is calculated by a qualified actuary. The Workers' Right Act 2019 stipulates that the gratuity paid on retirement should be based on the remuneration (which is inclusive of payment for extra work, productivity bonus, attendance bonus, commission in return for services and any other regular payments) of the employee instead of earnings. The Group and the Company makes Portable Retirement Gratuity Fund contribution ("PRGF") contribution in line with the Workers' Right Act 2019.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

2. ACCOUNTING POLICIES (CONT'D)

2.13 Retirement benefit obligations (cont'd)

Defined contribution plans
A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity.

The Group operates a defined contribution retirement benefit plan for employees not covered under the defined benefit plans. Payments to deferred contribution retirement plans are charged as an expense as they fall due.

2.14 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax
The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted by the end of the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis. The cost of finished goods and work in progress comprises raw materials costs, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowings costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw materials.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realizable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2. ACCOUNTING POLICIES (CONT'D)

2.16 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Identifying Leases
The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;
(b) The Group obtains substantially all the economic benefits from use of the asset; and
(c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

2. **ACCOUNTING POLICIES (CONT'D)**

2.16 **Leases (cont'd)**

Identifying Leases (cont'd)

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

The Group 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.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

2. ACCOUNTING POLICIES (CONT'D)

2.16 Leases (cont'd)

Identifying Leases (cont'd)

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to, and account seperately for, any services provided by the supplier as part of the contract.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Lease income from lease where the Group is a lessor is recognised in income on a straight line basis over the lease term.

2.17 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are expensed.

2.18 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.19 Provisions

Provisions are recognised when the Group has a present or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When 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.

2. ACCOUNTING POLICIES (CONT'D)

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised in the Group's financial statements in the period in which the dividends are declared.

2.21 Revenue recognition

a) *Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled for those goods or services.

The Company’s activities consist of holding investments forming part of the Group and to provide management and other related services to the Group companies.

The Group’s activities are mainly in the following sectors: Food, Commerce, Logistics, Business Services, Education, Hotels & Leisure and Energy.

Performance obligations and timing of revenue recognition

The Company’s revenue, which consists of management and other related services to Group companies, is recognized on an over time basis. This is because the Group companies simultaneously receive and consume the benefits provided by the Company’s performance as the Company performs.

<u>Sales of goods</u>

Revenue derived from selling goods is recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Relating to poultry farming, the Group has repurchase agreements with some contract growers. A repurchase agreement in a contract in which an entity sells an asset and also promises or has the option to repurchase the asset. The contract growers do not obtain full control of the asset as they are limited in their ability to obtain substantially all of the remaining benefits. Consideration received from the contract growers is shown as a financial liability.

2. ACCOUNTING POLICIES (CONT'D)

2.21 Revenue recognition (cont'd)

a) *Revenue from contracts with customers (cont'd)*

Clearing and forwarding of goods

Revenue from freight forwarding is recognised over time, using an input method to measure progress towards complete satisfaction as the customer simultaneously receives and consumes the benefits provided. Some contracts include multiple deliverables, such as customs clearance, storage and brokerage services. These are accounted for as separate performance obligations and transaction prices are allocated to each performance obligation based on the stand-alone prices.

The Group also invoices clients for customs duties and other disbursements incurred on behalf of clients. It is considered that the Group acts as an agent for these services and therefore, the amount recharged is not recognised separately as revenue.

Hotel rooms

Revenue derived from selling goods or services in terms of hotel rooms is recognized at a point in time or over time when control of the goods or services has transferred to the customer.

Sales of services

The Group also provides services such as transport facilities and storage income. These are recognised at a point in time as and when services are rendered.

Tuition fees are derived from students on the basis of rates determined for courses. Tuition fees are recognized over the period of course or program, net of discounts. Revenue from educational and training interventions sold is recognized over the period the services are provided. Fees paid in advance in respect of services due under the contract are time apportioned to the respective accounting periods, and those billed but not yet delivered are included in the statement of financial position.

The Group also provides advertising services to customers, with revenue recognized on an over time basis. This is because the services have no alternative use for the Group and the contracts would require payment to be received for the time and effort spent by the Group on progressing the contracts in the event of the customer cancelling the contract prior to completion for any reason other than the Group's failure to perform its obligations under the contract. On partially completed services, the Group recognises revenue based on stage of completion of the project which is assessed on the basis of the actual service provided as a proportion of total services to be provided.

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

2. **ACCOUNTING POLICIES (CONT'D)**

2.21 **Revenue recognition (cont'd)**

a) *Revenue from contracts with customers (cont'd)*

Allocating amounts to performance obligations
For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the product price to each unit ordered in such contracts. Where a customer orders more than one category of product, the Group is able to determine the split of the total contract price between each product category by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

For changes in transaction prices after contract inception, the Group allocates to the performance obligations in the contract any changes on the same basis as at contract inception.

When the Group provides volume rebates to certain customers once the quantity of products purchased during a certain period exceeds a threshold, the most likely amount method is applied and recognizes a refund liability for the expected future rebates.

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 recognized for the earned consideration that is conditional.

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 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.

Cost to obtain a contract
Sales commission paid to employees are normally expensed to the profit or loss.

b) Other revenues earned by the Group are recognized on the following bases:

- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).
- Dividend income - when the shareholder's right to receive payment is established.
- Advertising income- on an accrual basis in accordance with the substance of the relevant agreement.

2. ACCOUNTING POLICIES (CONT'D)

2.22 Foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using Mauritian rupees, the currency of the primary economic environment in which the entity operates ("functional currency"), except for the subsidiaries located in Madagascar, Seychelles, South Africa, Rwanda and Kenya and whose functional and presentation currency is the Madagascar Ariary (MGA), Euro, Seychelles Rupees, Rand, Franc and Kenyan Shilling respectively. The consolidated financial statements are presented in Mauritian rupees, which is the Company's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Translation differences on non-monetary items, such as equities classified as financial assets at fair value through OCI, are included in the fair value reserve in equity.

(iii) *Group companies*

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(b) income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates;

(c) all resulting exchange differences are recognised in other comprehensive income.

2. **ACCOUNTING POLICIES (CONT'D)**

2.22 **Foreign currencies (cont'd)**

(iii) *Group companies (cont'd)*

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to owners' equity.

When a foreign operation is sold, such exchange differences are recognised in the statement of profit or loss and other comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.23 **Non-current assets held for sale**

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use. This condition is regarded as met only, when the sale is highly probable and the asset is available for immediate sale in its present condition.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria describe above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Events or circumstances may extend the period to complete the sale beyond one year if the delay is caused by events or circumstances beyond the entity’s control and there is sufficient evidence that the entity remains committed to its plan to sell the asset.

2.24 **Government grant**

Government grants are recognised when 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 are expensed.

When the grant relates to an asset, the Group has chosen to reduce the carrying amount of the asset. The grant is then recognised in profit or loss over the useful life of the asset by way of a reduced depreciation charge.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the Group's financial performance.

A description of the significant risk factors is given below together with the risk management policies applicable.

Categories of financial instruments	THE GROUP		THE COMPANY	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
2024	Rs000's	Rs000's	Rs000's	Rs000's
At fair value				
Financial assets at fair value through other comprehensive income	**251,293**	**-**	**29,548**	**-**
Derivative financial instruments	**3,463**	**-**	**-**	-
At amortised cost				
Trade receivables	**1,836,607**	**-**	**40,012**	-
Financial assets at amortised cost	**81,078**	**-**	**313,226**	-
Other receivables (excl prepayments)	**641,571**	**-**	**2,338**	-
Cash and cash equivalents	**704,516**	**-**	**123,543**	-
Bank Overdrafts	**-**	**361,441**	**-**	**-**
Borrowings	**-**	**3,269,713**	**-**	**-**
Lease liabilities	**-**	**810,983**	**-**	**-**
Trade and other payables	**-**	**2,140,493**	**-**	**65,827**

Categories of financial instruments	THE GROUP		THE COMPANY	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
2023	Rs000's	Rs000's	Rs000's	Rs000's
At fair value				
Financial assets at fair value through other comprehensive income	330,228	-	31,650	-
Derivative financial instruments	5,147	-	-	-
At amortised cost				
Trade receivables	1,605,618	-	21,962	-
Financial assets at amortised cost	19,071	-	362,150	-
Other receivables (excl prepayments)	353,037	-	790	-
Cash and cash equivalents	661,899	-	19,805	-
Bank Overdrafts	-	322,667	-	-
Borrowings	-	3,939,164	-	-
Lease liabilities	-	665,406	-	-
Trade and other payables	-	2,022,211	-	46,103

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

Fair value hierarchy

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 measurements 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 assets or liability.
The following table set out the carrying amounts of financial instruments that are analysed by the level in the fair value hierarchy into which each fair value measurement is categorised:

(a) **Market risk**

(i) **Currency risk**
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Euro, South African Rand, US dollar, Malagasy Ariary, Seychelles Rupees, Rwandan Franc and Kenyan Shilling.

Foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investments in foreign operations. Management has policies set up to require Group companies to manage their foreign exchange risk with Treasury.

Some companies of the Group use forward contracts to hedge their exposure to foreign currency risk when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Company is not exposed to foreign exchange risk as it deals with Mauritian rupees only.

The following table demonstrates the sensitivity of the Group's profit before tax following a reasonably possible change only in the foreign exchange rates. This exercise is based on revalued foreign currency balances at year end.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) **Market risk (cont'd)**

(i) **Currency risk (cont'd)**

The currency profile of the Group's/ Company's financial assets and financial liabilities is summarised below:

THE GROUP	**2024**		2023	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	Rs000's	**Rs000's**	Rs000's	Rs000's
MUR	**1,928,859**	**4,651,626**	1,539,925	5,262,683
EUR	**100,538**	**59,702**	117,241	54,083
USD	**266,160**	**607,114**	370,218	590,374
MGA	**313,171**	**922,151**	371,479	800,776
ZAR	**117,109**	**63,958**	81,189	53,123
SCR	**22,508**	**13,120**	43,614	-
Other currencies	**128,613**	**260,921**	121,106	188,409
	2,876,958	**6,578,592**	2,644,772	6,949,448

THE COMPANY	**2024**		2023	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	Rs000's	**Rs000's**	Rs000's	Rs000's
MUR	**508,667**	**65,827**	436,357	46,103

	THE GROUP	
Impact on pre-tax profit	**2024**	2023
	Rs000's	Rs000's
	+/-5%	+/-5%
EUR	**2,042**	3,158
USD	**(17,221)**	(11,008)
MGA	**30,651**	(21,465)
ZAR	**3,198**	1,403
SCR	**-**	2,181
Other currencies	**303**	(3,365)

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) **Market risk (cont'd)**

(ii) **Price risk**

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the statements of financial position as financial assets at fair value through other comprehensive income.

The table below summarises the impact of increases/decreases in the fair value of the investments on the Group's equity.

The analysis is based on the assumption that the fair value had increased/decreased by 5% based on historical observations.

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Impact on equity				
FVOCI	**12,565**	16,511	**1,477**	1,583

(b) **Credit risk**

Credit and counterparty risk refers to the effects on future cash flows and earnings of receivables defaulting of their obligations. Such risk arises primarily from cash and cash equivalents, contractual cash flows of investments held at FVOCI and trade receivables.

These exposures are managed through prudent credit exposure limits, constantly measuring current credit exposures, estimating maximum potential credit exposures that may arise over the duration of a transaction, and responding quickly when corrective action that needs to be taken.

For cash and cash equivalents the credit risk is managed by the Group by way of trading with only reputable banks and financial institutions. Unless otherwise indicated, the maximum exposure to credit risk is the carrying amount of cash and cash equivalents.

The Group’s credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Group’s management based on prior experience and the current economic environment. The risk is managed at each Company's level whereby risk control assesses the credit quality of customers, taking into account financial position and other factors. Individual limits can also be set and monitored. Where considered necessary, companies take credit insurance against exposures, thus mitigating the credit risk. There is no significant concentration of credit risk.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets as disclosed below:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Financial assets at FVOCI	**251,293**	330,228	**29,548**	31,650
Financial assets at amortised cost	**81,078**	19,071	**313,226**	362,150
Trade and other receivables	**1,836,607**	1,605,618	**40,012**	21,962
Other receivables (excluding prepayments)	**641,571**	353,037	**2,338**	790
Derivative financial instruments	**3,463**	5,147	**-**	-
Cash and cash equivalents	**704,516**	661,899	**123,543**	19,805
	3,518,528	2,975,000	**508,667**	436,357

There was no collateral held as security with regards to the above financial assets.

(c) **Cash flow and fair value interest rate risk**

The Group's interest rate risk arises from bank overdrafts and borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk.

The Group has a centralised treasury which ensures that, as far as possible, the best interest rates are sought for borrowings. Management considers that the interest rate risk impact on results of the group is not significant to warrant additional interest rate risk mitigating measures.

The following table demonstrates the sensitivity of the Group's profit before tax of increase/decrease of 50 basis points in interest rate based on historical observations. This exercise is based on revalued foreign currency balances at year end.

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
Impact on pre-tax profit	**18,156**	21,309

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(d) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Management monitors rolling forecasts of the Group's and the Company's liquidity reserve on the basis of expected cash flow and does not foresee any major liquidity risk over the next two years.

The table below analyses the Group's and the Company's financial liabilities based on the remaining period at the end of the reporting date:

THE GROUP	Less than 1 year	Between 1 and 5 years	Over 5 years
	Rs000's	Rs000's	Rs000's
At June 30, 2024			
Bank and other borrowings	**1,992,374**	**1,638,780**	**-**
Lease liabilities	**124,817**	**427,843**	**258,150**
Trade and other payables	**2,140,493**	**-**	**-**
	4,257,684	**2,066,623**	**258,150**
At June 30, 2023			
Bank and other borrowings	2,583,057	1,678,774	-
Lease liabilities	104,061	374,448	186,897
Trade and other payables	2,022,211	-	-
	4,709,329	2,053,222	186,897
THE COMPANY			
At June 30, 2024			
Other payables	**65,827**	**-**	**-**
	65,827	**-**	**-**
At June 30, 2023			
Other payables	46,103	-	-
	46,103	-	-

3.2 Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments in level 1 comprise primarily quoted equity investments classified as financial assets at fair value through OCI.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Fair value estimation (cont'd)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuations techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- Other techniques, such as discounted cash flows are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cashflows at the current market interest rate that is available to the Company for similar financial instruments.

3.3 Capital risk management

The Group's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistently with others in the industry, the Group monitors capital on the basis of the debt-to-capital ratio. This ratio is calculated as net debt to capital. Net debt is calculated as total debts less cash and cash equivalents. Capital comprises all components of equity (that is share capital, non-controlling interest, retained earnings and revaluation and other reserves).

During 2024, the Group's strategy was to maintain the debt-to-adjusted capital ratio at the lower end in order to secure access to finance at a reasonable cost. The debt-to-adjusted capital ratios at June 30, 2024 and at June 30, 2023 were as follows:

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Capital risk management (cont'd)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Total debt	**3,631,154**	4,261,831	**-**	-
Lease liabilities (note 5B)	**810,983**	665,406	**-**	-
Less: cash in hand and at bank (note 32 (c))	**(704,516)**	(661,899)	**(123,543)**	(19,805)
Net debt	**3,737,621**	4,265,338	**(123,543)**	(19,805)
Total equity	**13,628,113**	12,212,500	**2,031,444**	1,770,275
Less: amounts recognised in equity relating to cash flow hedges	**(3,463)**	(5,147)	**-**	-
Adjusted capital	**13,624,650**	12,207,353	**2,031,444**	1,770,275
Debt-to-adjusted capital ratios	**27%**	35%	**-**	-

There were no changes in the Group's approach to capital risk management during the year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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.

(a) **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

In relation to loans to related parties, judgement is required in determining whether there has been a significant increase in credit risk or impairment and the stage in which the financial asset is in. Possible default events over the expected life or within 12 months have to be estimated. Management has to assess reasonable and supportable information about past events, current conditions and forecasts of future economic conditions, as well as estimate the risk of default occurring.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.1 Critical accounting estimates and assumptions (cont'd)

(b) **Biological assets**

Biological assets consist of breeders, hatchable eggs and broilers and are carried at fair value less costs to sell. The fair value was determined by using valuation techniques which are based on certain assumptions such as hatchability rates, expected costs, mortality rates and margin rate. Valuation techniques used include estimating the expected cash flows. Management also exercises judgement when there may not be observable market prices for biological assets of the same physical conditions and when cost may approximate fair value.

(c) **Fair value of securities not quoted on an active market**

The fair value of securities not quoted on an active market may be determined by the Group using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Group would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) **Limitation of sensitivity analysis**

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remained unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Group's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the group's view of possible near-term market changes that cannot be predicted with any certainty.

(e) **Retirement benefit obligation**

The present value of the pension obligations depend 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 the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.1 Critical accounting estimates and assumptions (cont'd)

(f) **Revaluation of property, plant and equipment**

The Group carries land and buildings and certain plant and machinery at revalued amounts with changes in fair value being recognised in other comprehensive income.The fair value of land and buildings and core equipment were assessed as at June 30, 2024 by the Directors based on reports from external independent valuers. Revaluation includes various inputs which require judgements and assumptions as disclosed in note 5.

(g) **Asset lives and residual values**

Property, plant and equipment are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing assets lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

(h) **Depreciation policies**

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Group would currently obtain from disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their useful lives.

(i) **Deferred income taxes**

The Group is subject to income taxes in numerous jurisdictions. The determination of the Group's provision for income tax as well as deferred tax assets and liabilities involves significant judgements and estimates on certain matters and transactions, for which the ultimate outcome may be uncertain. If the final outcome differs from the Group's estimates, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(j) **Impairment of non-financial assets**

Property, plant and equipment, intangible assets, right of use assets and investment property are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.1 Critical accounting estimates and assumptions (cont'd)

(k) **Impairment of investments**

In estimating the impairment of the investment in subsidiaries, associates and joint venture, management exercises judgement in determining the indications of impairment and the recoverable amount. The recoverable amount is arrived at by using valuation techniques which involve making estimates and assumptions about the future.

(l) **Leases**

In determining the lease term for the buildings being rented, management exercises judgement when considering the broader economics of its arrangement with the lessor, including economic penalties for each of the lessor and the Group if the Group were to vacate the leased premises.

(m) **Impairment of goodwill**

The Group tests annually whether goodwill has sufferred any impairment in value, in accordance with its accounting policy. These calculations require the use of estimates which may differ from actual values.

When testing goodwill for impairment, the recoverable amounts of the Cash Generating Units (CGU) are determined as the higher of value-in-use or fair value less costs to sell. Value-in-use was computed using the discounted cash flow method over 5 years, with projections based on approved budgets. The key assumptions used by the Group to determine the value-in-use are discount rate and the terminal growth rate. The discount rate calculation is based on the specific circumstances of the cash-generating unit derived from the weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return from investors. The cost of debt is based on the interest bearing borrowings that are being serviced. The terminal growth rate is based on management estimate for that particular industry.

The price earnings multiple has been used where the fair value less costs to sell has been computed, where the key assumption relates to the price earnings multiple of similar companies.

A 10% change in the above key assumptions would not have led to an impairment of goodwill.

(n) **Valuation of stock**

Stock is valued at the lower of cost and net realisable value. Determining the net realisable value involves a degree of judgement and are based on the most reliable evidence available at the time the estimates are made, of the amount the stock is expected to realise.

(o) **Investment in subsidiary**

Management applies judgement in assessing whether the Company exercices control over investees (Refer to note 8).

(p) **Hedge ineffectiveness**

The Group is exposed to price risk, on the purchase of raw materials. The Group hedges these exposures by entering into option contracts ("hedging instruments") that will match the terms of the physical commodity contract ("hedged item"). To apply hedge accounting, a condition is that the forecast transaction mist be "highly probable". The Group has applied judgement in assessing whether the hedge effectiveness is highly probable.

5. PROPERTY, PLANT AND EQUIPMENT

(a) **2024**

THE GROUP	Land and buildings	Furniture and fittings	Cold rooms freezers and electrical appliances	Motor vehicles	Equipment, installation and tools	Computers	Other equipment	Plant and machinery	Live Animals	Library books	Assets in progress	Total
	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
COST OR VALUATION												
At July 1, 2023	11,563,788	735,503	502,489	454,347	1,658,766	379,101	641,439	3,819,828	11,277	9,647	535,372	20,311,557
Exchange differences	39,367	7,365	56	2,500	32,492	641	285	13,438	-	-	11,024	107,168
Additions	248,004	40,490	17,037	67,982	33,629	27,048	46,560	77,716	199	29	531,608	1,090,302
Acquisition through business combination (note 33 (a))	-	2,247	-	2,387	-	-	5,270	-	-	-	-	9,904
Reclassification	1,203	-	-	-	-	-	(438)	(1,203)	-	-	-	(438)
Scrapped	-	(5,235)	(158)	452	(342)	(711)	(3)	(16,006)	(392)	(6,240)	1,095	(27,540)
Disposals	(3,147)	(5,722)	(13,659)	(57,291)	(411)	(2,658)	(19,338)	(25,523)	-	-	-	(127,749)
Revaluation adjustment	-	-	-	-	336,349	-	61,507	150,620	-	-	-	548,476
Transfer from assets in progress	173,139	5,128	6,694	12,371	49,390	11,949	1,095	154,730	-	11	(414,507)	-
Transfer to intangible assets	-	-	-	-	-	-	-	-	-	-	(2,163)	(2,163)
Transfer from right of use assets	-	-	-	-	-	1,485	-	-	-	-	-	1,485
Transfer from Investment Property	1,634	-	-	-	-		-	-	-	-	-	1,634
At June 30, 2024	**12,023,988**	**779,776**	**512,459**	**482,748**	**2,109,873**	**416,855**	**736,377**	**4,173,600**	**11,084**	**3,447**	**662,429**	**21,912,636**
DEPRECIATION												
At July 1, 2023	2,890,671	463,497	312,955	331,767	915,512	301,305	441,545	2,345,584	2,448	9,057	-	8,014,341
Exchange differences	3,471	3,270	69	2,444	13,772	593	135	5,554	-	-	-	29,308
Charge for the year	234,418	60,541	42,077	48,454	145,836	36,910	34,005	226,337	816	335	-	829,729
Acquisition through business combination (note 33 (a))	-	396	-	2,387	-	-	1,916	-	-	-	-	4,699
Revaluation adjustment	-	-	-	-	230,043	-	56,905	102,525	-	-	-	389,473
Reclassification	110	(130)	-	-	122	-	(241)	(110)	-	-	-	(249)
Scrapped	-	(5,673)	-	-	(1,898)	(1,562)	(2)	(12,087)	(86)	(6,232)	-	(27,540)
Disposal adjustment	(1,529)	(4,995)	(13,689)	(58,885)	(240)	(2,544)	(17,730)	(20,737)	-	-	-	(120,349)
Transfer from right of use assets	-	-	-	-	761	-	-	-	-	-	-	761
At June 30, 2024	**3,127,141**	**516,906**	**341,412**	**326,167**	**1,303,908**	**334,702**	**516,533**	**2,647,066**	**3,178**	**3,160**	**-**	**9,120,173**
NET BOOK VALUES												
At June 30, 2024	**8,896,847**	**262,870**	**171,047**	**156,581**	**805,965**	**82,153**	**219,844**	**1,526,534**	**7,906**	**287**	**662,429**	**12,792,463**

5. PROPERTY, PLANT AND EQUIPMENT

(b) **2023**

THE GROUP	Land and buildings	Furniture and fittings	Cold rooms freezers and electrical appliances	Motor vehicles	Equipment, installation and tools	Computers	Other equipment	Plant and machinery	Live Animals	Library books	Assets in progress	Total
	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
COST OR VALUATION												
At July 1, 2022	10,541,378	691,112	478,814	425,163	1,582,833	342,502	625,257	3,579,091	11,184	9,656	313,640	18,600,630
Exchange differences	(43,332)	(8,550)	2,061	(3,940)	(39,510)	1,235	(726)	(16,134)	-	-	(1,592)	(110,488)
Additions	64,519	44,059	13,275	48,180	58,319	28,462	19,668	64,080	896	51	543,346	884,855
Reclassification	(943)	(2,640)	-	-	946	-	-	-	-	-	(1,096)	(3,733)
Scrapped	(610)	(4,236)	(22)	-	(5,238)	(2,013)	(91)	(32,881)	(803)	(60)	(86)	(46,040)
Disposals	(966)	(2,608)	(3,566)	(26,392)	(46)	(5,573)	(2,722)	(31,362)	-	-	-	(73,235)
Revaluation adjustment	918,334	-	6,940	-	19,630	-	-	126,440	-	-	-	1,071,344
Transfer from assets in progress	94,791	18,366	4,987	11,336	41,832	14,488	53	130,594	-	-	(317,186)	(739)
Transfer to intangible assets	-	-	-	-	-	-	-	-	-	-	(1,654)	(1,654)
Transfer to right of use assets	(11,472)	-	-	-	-	-	-	-	-	-	-	(11,472)
Transfer from/to Investment Property	2,089	-	-	-	-	-	-	-	-	-	-	2,089
At June 30, 2023	**11,563,788**	**735,503**	**502,489**	**454,347**	**1,658,766**	**379,101**	**641,439**	**3,819,828**	**11,277**	**9,647**	**535,372**	**20,311,557**
DEPRECIATION												
At July 1, 2022	2,536,425	412,107	284,943	322,752	793,307	269,770	410,053	2,216,081	1,558	8,316	-	7,255,312
Exchange differences	(3,709)	(4,742)	(220)	(2,939)	(8,936)	3,504	(626)	(10,468)	-	-	-	(28,136)
Charge for the year	195,926	62,348	39,610	38,831	123,915	34,917	34,595	202,196	1,222	796	-	734,356
Revaluation adjustment	163,039	-	(8,643)	-	12,454	-	-	(2,528)	-	-	-	164,322
Reclassification	-	-	-	-	(595)	595	-	-	-	-	-	-
Scrapped	-	(4,183)	(19)	-	(4,602)	(2,551)	(27)	(30,499)	(332)	(55)	-	(42,268)
Disposal adjustment	(936)	(2,033)	(2,716)	(26,877)	(31)	(4,930)	(2,450)	(29,198)	-	-	-	(69,171)
Transfer to right of use assets	(74)	-	-	-	-	-	-	-	-	-	-	(74)
At June 30, 2023	**2,890,671**	**463,497**	**312,955**	**331,767**	**915,512**	**301,305**	**441,545**	**2,345,584**	**2,448**	**9,057**	**-**	**8,014,341**
NET BOOK VALUES												
At June 30, 2023	**8,673,117**	**272,006**	**189,534**	**122,580**	**743,254**	**77,796**	**199,894**	**1,474,244**	**8,829**	**590**	**535,372**	**12,297,216**

5. **PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

		Furniture, fittings & equipment	Motor vehicles	Assets in progress	Total
	THE COMPANY				
(c)	**2024**	Rs000's	Rs000's	Rs000's	Rs000's
	COST AND VALUATION				
	At July 1, 2023	1,557	-	4,694	6,251
	Transfer	-	4,469	(4,469)	-
	Additions	411	1,156	27	1,594
	At June 30, 2024	**1,968**	**5,625**	**252**	**7,845**
	DEPRECIATION				
	At July 1, 2023	1,291	-	-	1,291
	Depreciation for the year	171	-	-	1,105
	At June 30, 2024	**1,462**	**-**	**-**	**2,396**
	NET BOOK VALUES				
	At June 30, 2024	**506**	**5,625**	**252**	**5,449**
(d)	2023				
	COST AND VALUATION				
	At July 1, 2022	1,417	-	-	1,417
	Additions	140		4,694	4,834
	At June 30, 2023	**1,557**	**-**	**4,694**	**6,251**
	DEPRECIATION				
	At July 1, 2022	1,205	-	-	1,205
	Depreciation for the year	86	-	-	86
	At June 30, 2023	**1,291**	**-**	**-**	**1,291**
	NET BOOK VALUES				
	At June 30, 2023	**266**	**-**	**4,694**	**4,960**

(e) It is the policy of the Group to revalue the Group's land and buildings and certain core plant and machinery and equipment periodically.

In 2023, Land and buildings have been revalued by an independent external valuer, Elevante Property Services Ltd on the basis of sales comparison approach and depreciated replacement cost respectively. The sales comparison approach involves comparing sales prices of land in close proximity adjusted for differences in key attributes such as property size. The cost approach used for revaluation of buildings reflects the cost to a market participant to construct assets of comparable utility and age and is adjusted for obsolescence and physical deterioration. The Group’s core equipment were revalued on the basis of fair market value – installed which involves calculating a replacement cost from recent price references and adjusting for depreciation attributable to the assets as of the date of the valuation. . The book value of the property, plant and equipment were adjusted to the revalued amount and the resultant surplus net of deferred income taxes was credited to revaluation reserve in owners' equity.

The Group's core equipment were revalued as at June 30, 2024 and June 30, 2023 on the basis of fair market value - installed which involves calculating a replacement cost from recent price references and adjusting for depreciation attributable to the asset as of the date of the valuation. The valuation was performed by Engineering Technical and Management Services Ltd, an independent valuer. The revaluation surplus net of deferred income taxes was credited to revaluation surplus in shareholders' equity.

5. **PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

(f) Details of the Group's land and buildings measured at fair value and information about the fair value hierarchy are as follows:

	THE GROUP	
	Level 2	Level 3
June 30, 2024	Rs000's	Rs000's
Freehold land	**1,770,270**	**-**
Buildings	**-**	**7,126,577**
Plant, machinery and equipment	**-**	**1,722,872**
Total	**1,770,270**	**8,849,449**

	THE GROUP	
	Level 2	Level 3
June 30, 2023	Rs000's	Rs000's
Freehold land	1,530,140	-
Buildings	-	7,142,977
Plant, machinery and equipment	-	1,568,212
Total	1,530,140	8,711,189

At June 30, 2024, the most significant observable inputs for the valuation of land and buildings are as follows:

	THE GROUP
Significant unobservable valuation input:	Range
	Rs.
Price per square metre - land	237 - 23,693
Price per square metre - buildings	3,800 - 799,800

Significant increase/(decrease) in price per square metre in isolation would result in a significant higher/(lower) fair value.

The fair value movements of buildings and core plant, machinery and equipment using significant unobservable inputs are as follows:

	THE GROUP	
Buildings	**2024**	2023
	Rs000's	Rs000's
At July 1,	**7,142,977**	6,736,695
Addition	**215,614**	73,910
Revaluation adjustment	**-**	572,371
Disposal adjustment	**(14,434)**	-
Depreciation charge	**(226,384)**	(182,482)
Translation difference	**8,804**	(57,517)
At June 30,	**7,126,577**	7,142,977

5. **PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

The fair value movements of buildings and core equipment using significant unobservable inputs are as follows: (cont'd)

Core plant, machinery and equipment	THE GROUP	
	2024	2023
	Rs000's	Rs000's
At July 1,	**1,568,212**	1,343,835
Addition	**176,624**	170,186
Revaluation adjustment	**159,003**	151,727
Disposal adjustment	**(2,935)**	-
Depreciation charge	**(182,269)**	(135,608)
Translation difference	**4,237**	-
At June 30,	**1,722,872**	1,530,140

(g) If the land and buildings, and the relevant plant and machinery were stated on the historical cost basis, the carrying amounts would be as follows:

<u>THE GROUP</u>	Cost	Accumulated Depreciation	Net Book Value
<u>June 30, 2024</u>	Rs000's	Rs000's	Rs000's
Land and buildings	**5,528,251**	**(1,231,616)**	**4,296,635**
Plant and machinery	**3,288,040**	**(1,993,506)**	**1,294,534**
Other equipment	**81,708**	**(7,265)**	**74,443**
<u>June 30, 2023</u>			
Land and buildings	5,261,419	(1,077,270)	4,184,149
Plant and machinery	3,032,775	(1,757,894)	1,274,881
Other equipment	159,800	(62,836)	96,964

(h) Borrowings of the Group are secured by fixed and floating charges on the assets of the Group.

(i) Depreciation expense of Rs'000 598,919 (2023: Rs'000 530,076) has been charged to cost of sales and Rs'000 230,810 (2023: Rs'000 204,280) has been charged to administrative expenses for the Group.

5A. **RIGHT-OF-USE-ASSETS**

	Land and Buildings	Plant and Machinery and Motor Vehicles	Total
<u>THE GROUP</u>	Rs000's	Rs000's	Rs000's
At July 1, 2023	**681,213**	**20,567**	**701,780**
Additions	**189,040**	**20,818**	**209,858**
Acquisition through business combination (note 33 (a))	**12,554**	**-**	**12,554**
Depreciation	**(130,757)**	**(8,672)**	**(139,429)**
Transfer to Property, plant & equipment	**-**	**(724)**	**(724)**
Effect of remeasurement of lease liability	**39,015**	**(574)**	**38,441**
Translation difference	**5,335**	**1,339**	**6,674**
Effect of modification to lease terms	**7,746**	**761**	**8,507**
At June 30, 2024	**804,146**	**33,515**	**837,661**

5A. RIGHT-OF-USE-ASSETS (CONT'D)

THE GROUP	Land and Buildings	Plant and Machinery and Motor Vehicles	Computers	Total
	Rs000's	Rs000's	Rs000's	Rs000's
At July 1, 2022	644,002	8,109	1,664	653,775
Reclassifications	(358)	2,022	(1,664)	-
Additions	69,838	17,209	-	87,047
Depreciation	(94,262)	(6,771)	-	(101,033)
Transfer from Property, plant & equipment	11,398		-	11,398
Effect of remeasurement of lease liability	42,428	-		42,428
Translation difference	(1,364)	(2)	-	(1,366)
Effect of modification to lease terms	9,531	-	-	9,531
At June 30, 2023	681,213	20,567	-	701,780

5B. LEASE LIABILITIES

(a)

THE GROUP	Land and Buildings	Plant and Machinery and Motor Vehicles	Total
	Rs000's	Rs000's	Rs000's
At July 1, 2023	**643,739**	**21,667**	**665,406**
Additions	**187,481**	**20,818**	**208,299**
Acquisition through business combination (note 33 (a))	**11,438**	**-**	**11,438**
Interest expense	**47,560**	**1,472**	**49,032**
Lease payments	**(162,863)**	**(10,329)**	**(173,192)**
Effect of remeasurement of lease liability	**37,778**	**(1,475)**	**36,303**
Translation difference	**5,636**	**(27)**	**5,609**
Effect of modification to lease terms	**8,088**	**-**	**8,088**
At June 30, 2024	**778,857**	**32,126**	**810,983**
Current			**124,817**
Non Current			**686,166**
			810,983
At July 1, 2022	606,791	8,893	615,684
Reclassification	(469)	469	-
Additions	69,240	19,771	89,011
Interest expense	38,762	1,423	40,185
Lease payments	(117,571)	(8,754)	(126,325)
Effect of remeasurement of lease liability	43,428	-	43,428
Translation difference	(4,336)	(135)	(4,471)
Effect of modification to lease terms	7,894	-	7,894
At June 30, 2023	643,739	21,667	665,406
Current			104,061
Non Current			561,345
			665,406

The Group leases a number of properties in the jurisdictions from which it operates. The lease contracts relate mainly to leases of land for hotel operations, construction of aquarium and operation of retail outlets. Certain lease contracts provide for lease payments to increase each year by inflation while for other lease contracts the periodic rent is fixed over the lease term.

The Group also leases certain items of plant and machinery and motor vehicles which comprise only fixed payments over the lease term.

5B. **LEASE LIABILITIES (CONT'D)**

(b) **Variable lease payments**

The percentage in the table below reflects the current proportions of lease payments that are either fixed or variable. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the balance sheet date to lease payments that are variable.

THE GROUP	Lease contracts number	Fixed payments %	Variable payments %	Sensitivity Rs000's
June 30, 2024				
Property leases with payments linked to inflation	**39**	**-**	**49%**	**20,018**
Property leases with periodic uplifts to market rentals	**5**	**-**	**6%**	**2,566**
Property leases with fixed payments	**29**	**37%**	**-**	**-**
Leases of plant and equipment and computer equipment	**6**	**8%**	**-**	**-**
	79	**44%**	**56%**	**22,584**
June 30, 2023				
Property leases with payments linked to inflation	38	-	49%	19,573
Property leases with periodic uplifts to market rentals	6	-	8%	339
Property leases with fixed payments	32	41%	-	-
Leases of plant and equipment and computer equipment	2	3%	-	-
	78	44%	56%	19,912

(c) **Lease term**

Extension and termination options are included in property leases. These are used to maximise operational flexibility in terms of managing the assets. The majority of extension and termination options held are exercisable by mutual consent.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of land and buildings, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).

5B. **LEASE LIABILITIES (CONT'D)**

(c) **Lease term (cont'd)**

For leases of land and buildings, the following factors are normally the most relevant: (cont'd)

- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term for land and buildings ranges from 1 to 60 years .

(d)

	2024	2023
	Rs000's	Rs000's
Interest expense (included in finance cost)	**49,032**	40,185
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	**3,439**	1,757
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	**353**	2,181

The total cash outflow for leases in 2024 was Rs 163,666,000.

The discount rate ranges from 4.1% to 8.5% (2023 : 4.1% to 10%).

(e) Lease liabilities are denominated in the following currencies:

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
Mauritian Rupees	**646,433**	610,266
Malagasy Ariary	**115,299**	42,650
ZAR	**45,213**	5,844
EURO	**4,038**	6,646
	810,983	665,406

6. **INVESTMENT PROPERTIES**

	THE GROUP		
	Land	Buildings	Total
(a) Cost	Rs000's	Rs000's	Rs000's
At July 1, 2023	**5,183**	**207,256**	**212,439**
Transfer to Investment Property	**(1,634)**	**-**	**(1,634)**
At June 30, 2024	**3,549**	**207,256**	**210,805**
Depreciation			
At July 1, 2023	**-**	**10,225**	**10,225**
Charge for the year	**-**	**5,845**	**5,845**
At June 30, 2024	**-**	**16,070**	**16,070**
Net Book Value			
At June 30, 2024	**3,549**	**191,186**	**194,735**
Fair value (Level 2) - 2024	**-**	**238,881**	**238,881**
Fair value (Level 3) - 2024	**13,443**	**-**	**13,443**

6. **INVESTMENT PROPERTIES (CONT'D)**

	THE GROUP		
	Land	Buildings	Total
	Rs000's	Rs000's	Rs000's
(b) Cost			
At July 1, 2022	4,803	194,079	198,882
Reclassification	330	(1,266)	(936)
Transfer to Property, plant and equipment	-	(2,089)	(2,089)
Adjustment	50	-	50
Additions	-	16,532	16,532
At June 30, 2023	5,183	207,256	212,439
Depreciation			
At July 1, 2022	-	2,911	2,911
Reclassification	-	(419)	(419)
Charge for the year	-	7,733	7,733
At June 30, 2023	-	10,225	10,225
Net Book Value			
At June 30, 2023	5,183	197,031	202,214
Fair value (Level 2) - 2023	-	212,477	212,477
Fair value (Level 3) - 2023	13,443	-	13,443

Investment property relates to:

(i) Land which is held for capital appreciation and does not generate any rental income. There are no direct operating expenses associated with the land. The fair value was arrived at by the directors based on a valuation performed on June 30, 2023 by Elevante Property Services Ltd, an independent land surveyor using the sales comparison approach at Rs2,239 per square metre.

(ii) Land and buildings utilised as student accommodation.

The fair value of the freehold land was derived using the "Sales Comparison Approach". Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

Significant unobservable valuation input:	**2024**	2023
	Rs	Rs
Price per square metre	**3,377**	3,377

Significant increases/(decreases) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value.

The fair value of the buildings was derived using the "Depreciated Replacement Cost (DRC) Approach" which estimates the value by computing the current cost of replacing a property and substracting any depreciation resulting from one or more of the following factors: physical deterioration, functional obsolescence and economic obsolescence. The most significant input into this valuation approach is price per square metre.

6. INVESTMENT PROPERTIES (CONT'D)

Significant unobservable valuation input:	**2024**	2023
	Range	Range
Price per square metre	**Rs 29,051 - Rs 34,841**	Rs 28,100 - Rs 33,700

Significant increases/(decreases) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value.

There has been no change to the valuation technique during the year.

Leasing arrangements - Lessor

The investment properties are rented to students and rentals are negotiated on a yearly basis.

Minimum lease payments receivable on leases of investment properties are as follows:

	2024	2023
	Rs000's	Rs000's
Within 1 year	**4,680**	4,738

(iii) The following amounts have been recognised in profit or loss:	**2024**	2023
	Rs000's	Rs000's
Rental income	**28,675**	15,728
Other Income	**315**	323
Direct operating expenses arising from investment properties that generate rental income	**(16,480)**	(11,806)

7. INTANGIBLE ASSETS

THE GROUP	Goodwill	Purchase of business	Customer Relationship	Franchise and development cost	Patents	Computer software	Brand Name	Assets in progress	Total
(a) 2024	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
COST									
At July 1, 2023	150,321	4,000	51,165	19,497	65,628	646,326	24,442	6,504	967,883
Transfer from property, plant and equipment (Note 5)	-	-	-	-	-	2,163	-	-	2,163
Additions	-	-	129	3	3,903	36,880	-	680	41,595
Acquisition through business combination (note 33 (a))	172,442	-	-	-	-	908	-	-	173,350
Exchange differences	-	-	(1,214)	331	502	816	-	-	435
Derecognition of fully utilised patents	-	-	-	-	(24,570)	-	-	-	(24,570)
Disposal	-	-	-	-	-	(1,001)	-	-	(1,001)
Scrap	-	-	-	-	(430)	(6,484)	-	-	(6,914)
At June 30, 2024	322,763	4,000	50,080	19,831	45,033	679,608	24,442	7,184	1,152,941
AMORTISATION									
At July 1, 2023	1,443	2,000	19,782	16,531	42,421	390,429	555	-	473,161
Charge for the year	-	-	3,584	743	3,092	73,628	-	-	81,047
Acquisition through business combination (note 33 (a))	-	-	-	-	-	109	-	-	109
Exchange differences	-	-	(248)	219	440	449	-	-	860
Derecognition of fully utilised patents	-	-	-	-	(24,570)	-	-	-	(24,570)
Disposal	-	-	-	-	-	(975)	-	-	(975)
Scrap	-	-	-	-	(396)	(6,507)	-	-	(6,903)
At June 30, 2024	1,443	2,000	23,118	17,493	20,987	457,133	555	-	522,729
NET BOOK VALUE									
At June 30, 2024	**321,320**	**2,000**	**26,962**	**2,338**	**24,046**	**222,475**	**23,887**	**7,184**	**630,212**

7. INTANGIBLE ASSETS

		Goodwill	Purchase of business	Customer Relationship	Franchise and development cost	Patents	Computer software	Brand Name	Assets in progress	Total
	THE GROUP									
(b)	2023	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
	COST									
	At July 1, 2022	189,002	4,000	15,000	19,687	55,298	633,646	24,442	6,069	947,144
	Reclassification	(38,681)	-	38,514	264	(97)	-	-	-	-
	Transfer from property, plant and equipment(Note 5)	-	-	-	-	-	1,654	-	-	1,654
	Additions	-	-	90	-	10,712	17,497	-	435	28,734
	Exchange differences	-	-	(2,439)	(454)	(285)	(580)	-	-	(3,758)
	Disposal	-	-	-	-	-	(4,532)	-	-	(4,532)
	Scrap	-	-	-	-	-	(1,359)	-	-	(1,359)
	At June 30, 2023	150,321	4,000	51,165	19,497	65,628	646,326	24,442	6,504	967,883
	AMORTISATION									
	At July 1, 2022	1,443	1,767	15,000	15,810	39,251	324,174	555	-	398,000
	Reclassification	-	-	-	65	(65)	-	-	-	-
	Charge for the year	-	233	5,087	881	3,412	69,020	-	-	78,633
	Exchange differences	-	-	(305)	(225)	(177)	(1,032)	-	-	(1,739)
	Disposal	-	-	-	-	-	(398)	-	-	(398)
	Scrap	-	-	-	-	-	(1,335)	-	-	(1,335)
	At June 30, 2023	1,443	2,000	19,782	16,531	42,421	390,429	555	-	473,161
	NET BOOK VALUE									
	At June 30, 2023	**148,878**	**2,000**	**31,383**	**2,966**	**23,207**	**255,897**	**23,887**	**6,504**	**494,722**

(c) The assets in progress relate to software implementation not yet available for use.

(d) Amortisation expenses have been charged to administrative expenses.

(e) Impairment tests for goodwill: goodwill is allocated to cash-generating units identified according to country of operation and business segment.

(f) Goodwill acquired on business combination has been allocated to the cash generating units (CGUs) as follows:

	2024	2023
	Rs000's	Rs000's
N.S.I Engineering Services Ltd	**172,442**	-
Charles Telfair Company Limited	**85,314**	85,314
Freight and Transit Company Ltd	**60,405**	60,405
Others	**3,159**	3,159
	321,320	148,878

7. INTANGIBLE ASSETS (CONT'D)

The main assumptions used in arriving at the recoverable amounts of the above CGUs are as follows:

	Basis	**2024**	2023
Charles Telfair Company Limited	Value-in-use		
Discount rate		**11.77%**	13.41%
Terminal Growth Rate		**3.50%**	3.30%
Forecast period		**5 years**	5 years
Freight and Transit Company Ltd	Fair Value		
Price to Earnings Multiple		**19**	18
Illiquidity discount		**25%**	25%
N.S.I Engineering Services Ltd	Value-in-use		
Discount rate		**11.18%**	-
Terminal Growth Rate		**3.50%**	-
Forecast period		**5 years**	-

8. INVESTMENT IN SUBSIDIARY COMPANIES

	2024			2023
	Listed	**Unlisted**	**Total**	Total
(a) Cost	**Rs000's**	**Rs000's**	**Rs000's**	Rs000's
At July 1,	**100,304**	**1,322,545**	**1,422,849**	1,348,040
Additions				
- Non-cash (note (i))	**-**	**182,393**	**182,393**	77,000
Disposal	**-**	**(3,200)**	**(3,200)**	(2,191)
At June 30,	**100,304**	**1,501,738**	**1,602,042**	1,422,849

(i) Rs'000 120,644 of additions relate to loans given to subsidiary companies capitalised during the year and Rs'000 61,748 relates to dividend in species from Avipro Ltd in respect of the transfer of the investment in La Carriere Ltee to the Company.

(b) Details of the subsidiary companies are as follows:

				2024	2023
Name	Place of business	Direct holding	Indirect holding	**Effective holding**	Effective holding
		%	%	**%**	%
Agrifarms Ltd	Mauritius	-	100.00	**100.00**	100.00
Wrap' Eat Ltd	Mauritius	-	36.60	**36.60**	36.60
Angel Fund Ltd	Mauritius	-	100.00	**100.00**	100.00
Avipro Co Ltd	Mauritius	100.00	-	**100.00**	100.00
Avipro East Africa Ltd	Kenya	-	100.00	**100.00**	100.00
Avipro Rwanda Ltd	Rwanda	-	100.00	**100.00**	100.00
Avipro International Rwanda Ltd	Rwanda	-	100.00	**100.00**	100.00
Avipro International Co Ltd	Mauritius	-	100.00	**100.00**	100.00
Avitech SARL	Madagascar	-	100.00	**100.00**	100.00

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Details of the subsidiary companies are as follows: (cont'd)

Name	Place of business	Direct holding	Indirect holding	**2024 Effective holding**	2023 Effective holding
		%	%	**%**	%
Aquarium Management Services Ltd	Mauritius	50.00	-	**50.00**	50.00
Charles Telfair Company Limited	Mauritius	-	61.40	**61.40**	61.40
Circus Advertising Co. Ltd	Mauritius	70.00	-	**70.00**	70.00
Societe Circus Communication Madagascar SARL	Madagascar	-	70.00	**70.00**	70.00
Circus Properties Ltd	Mauritius	-	78.14	**78.14**	78.14
Clifton Properties Ltd	Mauritius	-	34.26	**34.26**	34.26
Concordia Investments Ltd	Mauritius	-	36.60	**36.60**	36.60
CTEG Holding Ltd	Mauritius	-	64.43	**64.43**	64.43
Eclosia Corporate Services Ltd	Mauritius	100.00	-	**100.00**	100.00
ECS Madagascar SARL	Madagascar	-	100.00	**100.00**	100.00
Eclosia Secretarial Services Co Ltd	Mauritius	-	100.00	**100.00**	100.00
Eclosia Technology Services Ltd	Mauritius	100.00	-	**100.00**	100.00
Ferme Laitiere de l'Avenir Ltee	Mauritius	-	91.60	**91.60**	91.60
Freight and Transit (South Africa) Proprietary Limited	South Africa	-	52.03	**52.03**	52.03
Freight and Transit Company Ltd	Mauritius	-	86.72	**86.72**	86.72
FTL Madagascar S.A.	Madagascar	-	86.72	**86.72**	86.72
FTL Regional Investments Ltd	Mauritius	-	86.72	**86.72**	86.72
Hotel Chambly Limited	Mauritius	-	34.26	**34.26**	34.26
Indigo Hotel and Resort Ltd	Mauritius	38.69	22.18	**60.87**	60.87
Jet Transit S.A.R.L	Madagascar	-	86.72	**86.72**	86.72
La Carriere Ltee	Mauritius	99.59	-	**99.59**	99.59
La-Ola SAS	Reunion	-	70.00	**70.00**	70.00
Les Moulins de la Concorde Ltee	Mauritius	18.30	18.30	**36.60**	36.60
Les Pondeuses Reunies Ltee	Mauritius	-	62.84	**62.84**	62.84
LFL Investment Ltd	Mauritius	-	62.84	**62.84**	62.84
LFL Madagascar SARL	Madagascar	-	62.84	**62.84**	62.84
LFL International Ltd	Mauritius	-	62.84	**62.84**	-
LFL International Madagascar Ltd	Madagascar	-	62.84	**62.84**	-
LFL International Kenya Ltd	Mauritius	-	62.84	**62.84**	-
LFL Operation (Kenya) Limited	Kenya	-	62.84	**62.84**	-
LFL International Seychelles Ltd	Mauritius	-	62.84	**62.84**	-
LFL International Rwanda Ltd	Mauritius	-	62.84	**62.84**	62.84
LFL Rwanda Ltd	Rwanda	-	62.84	**62.84**	62.84
LFL Seychelles Ltd	Seychelles	-	62.84	**62.84**	62.84
Livestock Feed Ltd	Mauritius	60.58	2.26	**62.84**	62.84
Maurilait (Seychelles) Limited	Seychelles	-	91.69	**91.69**	91.69

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Details of the subsidiary companies are as follows: (cont'd)

Name	Place of business	Direct holding	Indirect holding	**2024** Effective holding	2023 Effective holding
		%	%	**%**	%
Maurilait Production Ltée	Mauritius	96.62	-	**96.62**	96.62
Maurilait SA	Madagascar	-	96.52	**96.52**	96.52
New Maurifoods Limited	Mauritius	-	100.00	**100.00**	100.00
Newskills Ltd	Mauritius	100.00	-	**100.00**	100.00
N.S.I Engineering Services Ltd	Mauritius	51.00	-	**51.00**	-
Reneworld Ltd	Mauritius	-	51.00	**51.00**	-
Solarent Ltd	Mauritius	-	42.33	**42.33**	-
Oceanarium Mauritius Ltd	Mauritius	-	37.52	**37.52**	37.52
Panagora (Seychelles) Limited	Seychelles	-	95.00	**95.00**	95.00
Panagora Madagascar SARL	Madagascar	-	100.00	**100.00**	100.00
Panagora Marketing Co ltd	Mauritius	100.00	-	**100.00**	100.00
Panagora Properties Ltd	Mauritius	-	100.00	**100.00**	100.00
Panexport Co. Ltd	Mauritius	100.00	-	**100.00**	100.00
Pick 'N' Eat Ltd	Mauritius	86.00	-	**86.00**	86.00
Pick N Eat Madagascar	Madagascar	-	86.00	**86.00**	86.00
Premier Education Ltd	Mauritius	80.00	7.32	**87.32**	87.32
Premier Logistics Ltd	Mauritius	74.00	12.72	**86.72**	86.72
Proxi Properties Ltd	Mauritius	100.00	-	**100.00**	100.00
Eclosia Investments Ltd (previously Proxy Investments Ltd)	Mauritius	100.00	-	**100.00**	100.00
Société CTEG	Mauritius	-	64.43	**64.43**	64.43
Société D'Investissement de Pêche Ltée	Mauritius	100.00	-	**100.00**	100.00
Step Madagascar SARL	Madagascar	-	97.92	**97.92**	97.92
Tasting Communication Ltd	Mauritius	-	70.00	**70.00**	70.00
Trianon Hospitality and Tourism Company Ltd	Mauritius	-	32.86	**32.86**	32.86
Tropical Paradise Co Ltd	Mauritius	4.51	29.75	**34.26**	34.26
Villas Chambly Limited	Mauritius	-	34.26	**34.26**	34.26
Societe Aquarius	Mauritius	61.95	7.70	**69.65**	69.65
PPI Packaging Ltd	Mauritius	-	70.91	**70.91**	70.91

Except for Société D'Investissement de Pêche Ltée, Société CTEG and Societe Aquarius in which the Group holds "Parts", the Group holds Ordinary shares in each of the above subsidiaries.

All the above subsidiaries have June 30 as year end.

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) Subsidiaries with material non-controlling interests

(i) Details for subsidiaries that have non-controlling interests (NCI) that are material to the entity:

	Les Moulins de Concorde Ltee and its subsidiaries		Tropical Paradise Co Ltd and its subsidiaries		Livestock Feed Ltd and its subsidiaries	
	2024	2023	**2024**	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's	**Rs000's**	Rs000's
Result allocated to NCI during the period	**104,340**	121,106	**48,958**	(7,710)	**115,006**	61,997
Accumulated NCI at June 30,	**1,356,068**	1,263,667	**965,384**	914,929	**883,169**	777,792

(ii) Summarised statement of financial position and statement of profit or loss and other comprehensive income.

	Les Moulins de Concorde Ltee and its subsidiaries		Tropical Paradise Co Ltd and its subsidiaries		Livestock Feed Ltd and its subsidiaries	
	2024	2023	**2024**	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's	**Rs000's**	Rs000's
Current assets	**1,326,464**	1,543,419	**250,972**	294,021	**1,978,399**	1,870,760
Non-current assets	**1,842,157**	1,880,002	**2,995,855**	2,955,772	**2,620,942**	2,519,952
Current liabilities	**378,865**	700,208	**604,274**	544,558	**1,222,715**	1,425,391
Non-current liabilities	**415,796**	378,393	**953,306**	1,092,742	**300,224**	235,724
Revenue	**3,265,301**	3,437,370	**1,094,588**	940,152	**5,762,228**	5,396,541
Results from continuing operations	**178,455**	189,976	**74,476**	(11,753)	**350,739**	209,277
Other comprehensive income for the year	**10,027**	79,727	**2,278**	104,870	**56,627**	69,763
Total comprehensive income for the year	**188,482**	269,703	**76,754**	93,117	**407,366**	279,040
Dividend paid to NCI	**(27,007)**	(25,295)	**-**	-	**(16,210)**	(15,101)

(iii) Summarised cash flow information

Operating activities	**412,088**	126,470	**192,090**	146,148	**499,434**	179,661
Investing activities	**(111,452)**	(68,796)	**(54,712)**	(79,345)	**(98,916)**	(218,723)
Financing activities	**(353,866)**	411,950	**(179,104)**	19,535	**(338,294)**	32,419
Net movement in cash and cash equivalents	**(53,230)**	469,624	**(41,726)**	86,338	**62,224**	(6,913)

The summarised financial information above is the amount before intra-group elimination.

(d) Les Moulins de La Concorde Ltee (LMLC) is DEM quoted. Although the Group has an effective interest of only 36.60%, the directors consider that the Group has a sufficiently dominant voting interest to direct the relevant activities of LMLC on the basis of the Group's absolute size of shareholding and the relative size of and dispersion of the shareholdings owned by other shareholders. The 63.4% ownership interests in LMLC are owned by many shareholders that are unrelated to the Group, none holding more than 2%. There is no history of other shareholders forming a group to exercise their votes collectively.

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Although the Group has an effective holding of less than 50% in Tropical Paradise Co Ltd, Trianon Hospitality and Tourism Co Ltd, Oceanarium (Mauritius) Limited and Aquarium Management Services Ltd, the company exercises control through Board representation.

(f) The Group has an effective interest of 51% in N.S.I Engineering Services Ltd and exercises control through Board representation.

9. INVESTMENT IN ASSOCIATES

(a) THE GROUP

	2024	2023
	Rs000's	Rs000's
At July 1,	**18,392**	11,138
Share of results for the year	**9,359**	9,088
Movement in reserve of associates	**-**	(124)
Dividends	**(15,480)**	(1,710)
At June 30,	**12,271**	18,392

The principal associates are as follows:

Name	Nature of business	Direct holding	Indirect holding	**2024 Effective holding**	2023 Effective holding
		%	%	**%**	%
Proxy Brokers Ltd	Insurance broker	-	49.00	**49.00**	49.00
CST (Mauritius) Limited	Activities of employment	-	25.00	**25.00**	25.00
Touch Point Ltd	Media business	-	31.50	**31.50**	31.50
Foot Five Ltd	Sport activities	-	25.00	**25.00**	25.00
Laboratoire Internationale de Bio Analyse	Operation of laboratory	-	25.00	**25.00**	25.00
Coco Up Ltd	Production and wholesale of bottled coconut water	-	35.01	**35.01**	35.01
Fair Football Ltd	Investment holding	-	45.00	**45.00**	45.00

All of the associates are incorporated in Mauritius and have June 30 as financial year end.

The associates are not individually material to the Group.

10. INVESTMENT IN JOINT VENTURE

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
At July 1,	**5,590**	9,321
Share of result for the year	**774**	625
Dividend received	**-**	(3,800)
Share of other comprehensive income	**406**	(556)
At June 30,	**6,770**	5,590

(a) Details of the material joint venture at the end of the reporting period are as follows:

Name of joint venture	Principal activity	Financial year end	Country of incorporation	Proportion of interest and voting rights held
Interex SA	Courrier express	June 30,	Madagascar	50%

Interex SA is a private company and there is no quoted market price available for its shares.

(b) **Summarised financial information**

Summarised financial information in respect of the Group's material interest in the joint venture is set out below.

The summarised financial information below represents the group's share of amounts shown in the joint venture's financial statements prepared in accordance with IFRSs.

	2024	2023
	Rs000's	Rs000's
Assets		
Non-current assets	**3,634**	3,243
Current assets	**42,938**	26,774
	46,572	30,017
Liabilities		
Current liabilities	**33,032**	18,837
Net assets	**13,540**	11,180
Income	**101,702**	55,360
Profit before taxation	**3,598**	2,134
Income tax	**(2,050)**	(884)
Profit after taxation	**1,548**	1,250

10. INVESTMENT IN JOINT VENTURE (CONT'D)

(b) Summarised financial information (cont'd)

	2024	2023
The above profit for the year include the following:	**Rs000's**	Rs000's
Interest income	**16**	169
Interest expense	**-**	1

(i) The interest in joint venture has been accounted under equity method.

(ii) There are no contingencies relating to the Group's interest in the joint venture. The average number of employees in the joint venture in 2024 was 46 (2023: 46).

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
(a) At July 1,	**330,228**	266,463	**31,650**	32,279
Additions	**600**	69,191	**-**	-
Transfer to subsidiary	**(50,000)**	-	**-**	
Disposal	**(6,595)**	-	**-**	
Consolidation adjustment	**(2,037)**	(7,298)	**-**	-
(Decrease)/increase in fair value	**(20,903)**	1,872	**(2,102)**	(629)
At June 30,	**251,293**	330,228	**29,548**	31,650

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Analysed as follows:				
- Quoted equity securities - Mauritius (Level 1)	**100,831**	133,690	**25,664**	27,766
- Unquoted equity securities-Mauritius (Level 3)	**150,462**	196,538	**3,884**	3,884
	251,293	330,228	**29,548**	31,650

(i) Financial assets measured at fair value through other comprehensive income include the Company's/Group's equity investments not held for trading. The Company/Group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these investments.

(ii) The fair value of quoted securities is based on published market prices. The fair value of unquoted securities are based on net assets and price to earnings multiple.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

(iii) Financial assets at fair value through other comprehensive income include the following:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Quoted:	**Rs000's**	Rs000's	**Rs000's**	Rs000's
MCB Group	**8,409**	6,932	**-**	-
Tropical Paradise Co	**-**	-	**46**	46
Les Moulins de la Concorde - Preference shares	**-**	-	**25,618**	27,720
Mauritius Freeport Development Co Ltd	**84,751**	117,000	-	-
Constance Hotels Ltd	**1,847**	1,944	-	-
The Bee Equity	**-**	1,989	-	-
Medical & Surgical Centre Limited	**5,824**	5,824	-	-
Unquoted:				
Rogers Hospitality	**82,400**	73,000	-	-
Domaines et Terroirs Ltée	**5,608**	5,608	-	-
S & W Synergy Ltd	**-**	5,000	-	-
Le Tertre Property Ltd	**5,000**	5,000	-	-
Ecocentre Ltee	**3,233**	2,761	-	-
Belle Mare Plage Golf Club	**-**	1,595	-	-
Blended Services Ltd	**2,003**	2,003	-	-
WeCycle Ltd	**44,320**	44,320	-	-
N.S.I. Engineering Services Ltd	**-**	43,825	-	-
Others	**7,898**	13,427	**3,884**	3,884
	251,293	330,228	**29,548**	31,650

(iv) Financial assets at fair value through other comprehensive income are denominated in Mauritian Rupees.

(v) The significant unobservable inputs used in measuring the fair value of Level 3 securities are as follows:

Description	Fair values at June 30, **2024**	2023	Valuation technique	Unobservable inputs
	Rs000's	Rs000's		
Rogers Hospitality	**82,400**	73,000	Price/Earnings Multiple	Price/Earnings Multiple of 5.23 Illiquidity discount of 20%

Sensitivity analysis

The following table indicates the approximate change in the Group/Company's equity in response to reasonably possible changes in net asset value of investment.

	THE GROUP	
	Impact on equity	
	2024	2023
	Rs000's	Rs000's
5% increase in Price/Earnings Multiple (2023: 5%)	**4,120**	3,650

Other remaining investments are not materially sensitive to changes in unobservable inputs.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

A reconciliation of equity investments at fair value through other comprehensive income (Level 3) is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
At beginning of year	**196,538**	142,825	**3,884**	3,884
Additions	**-**	69,191	**-**	-
Disposal	**(4,000)**	-	**-**	-
Transfer	**(50,000)**	-	**-**	
Consolidation adjustment/Reclassification	**(2,037)**	(7,298)	**-**	-
Change in fair value recognised in OCI	**9,961**	(8,180)	**-**	-
At June 30	**150,462**	196,538	**3,884**	3,884

12. OTHER FINANCIAL ASSETS AT AMORTISED COST

	THE GROUP			
	2024		2023	
	Rs000's	**Rs000's**	Rs000's	Rs000's
	Current	**Non-current**	Current	Non-current
Loans to related parties (note (i))	**59,391**	**-**	-	-
Other receivables (note (ii))	**21,687**	**-**	19,071	-
	81,078	**-**	19,071	-

	THE COMPANY			
	2024		2023	
	Rs000's	**Rs000's**	Rs000's	Rs000's
	Current	**Non-current**	Current	Non-current
Loans to related parties (note (i))	**162,256**	**87,886**	180,130	110,145
Dividend receivable	**63,084**	**-**	71,875	-
	225,340	**87,886**	252,005	110,145

(i) The loans to related parties for the Company are unsecured, carry interest at 4.1% and are repayable on demand. The directors have assessed that the loans to related parties are not impaired and are fully recoverable.

(ii) No collateral is held on the other receivables.

(iii) Impairment and risk exposure

The loss allowance for other financial assets at amortised cost at July 01, 2023 and June 30, 2024 is nil.

(iv) The carrying amounts of the other financial assets at amortised cost are denominated in Mauritian Rupees.

13. BIOLOGICAL ASSETS

		THE GROUP	
		2024	2023
		Rs000's	Rs000's
(a)	At July 01,	**287,629**	270,088
	Retranslation difference	**10,498**	(8,794)
	Purchase cost of growing and fair value gains	**1,192,286**	2,911,579
	Disposals and decrease due to depletion	**(1,141,135)**	(2,885,244)
	At June 30,	**349,278**	287,629

13. BIOLOGICAL ASSETS (CONT'D)

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
Analysed as follows:		
Non-current	**18,636**	13,434
Current	**330,642**	274,195
	349,278	287,629

(b) The carrying amounts of biological assets are as follows:

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
Bearer biological assets	**218,621**	169,813
Consumable biological assets	**130,657**	117,816
	349,278	287,629

(c) The total quantity of bearer and consumable biological assets on hand at year end was 4,075,704 units and 2,789,603 units respectively. (2023: 3,748,140 units and 2,599,377 units).

(d) The fair value measurements for consumable biological assets have been categorised as Level 3 fair value based on inputs to the valuation techniques used. There have been no transfers of assets to a different level.

(e) The valuation technique used for consumable biological assets is based on the expected selling price less cost of sale for chickens of similar ages and weights, adjusted for mortality and hatchability rate, which represent significant unobservable inputs. The assumption for mortality and hatchability rates ranges from 0-5.8% and 12%-81% respectively while a 5% change in each assumption would change the fair value by Rs.6.5m.

(f) A 5% increase/decrease in the projected costs of growing breeders, which represents significant unobservable input, would result in a increase/decrease of Rs.10.9m (2023: Rs.8.5m) in the carrying amount of the bearer biological assets.

(g) The Group is exposed to the risk of diseases which may cause mortality rate of live birds to increase. However, the Group has in place processes aimed at monitoring and mitigating this risk, including strict controls over health and safety.

14. DEFERRED INCOME TAX

Deferred income tax is calculated on all temporary differences under the liability method at 5% - 17% (2023: 5% - 17%) for Mauritian Companies and 20%-30% (2023: 20%-30%) for foreign companies.

There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority.

14. DEFERRED INCOME TAX (CONT'D)

(a) The following amounts are shown in the statement of financial position:

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
Deferred tax assets	**(21,696)**	(24,219)
Deferred tax liabilities	**961,226**	950,839
	939,530	926,620

(b) The movement on the deferred income tax acount is as follows:

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
At July 1,	**926,620**	818,938
Acquisition through business combination (note 33 (a))	**(206)**	-
Exchange difference	**(32)**	(1,990)
Charged to other comprehensive income		
Revaluation reserve (note 22)	**27,033**	119,046
Actuarial reserve (note 22)	**11**	(9,883)
(Credited)/charged to profit or loss (note 18(b))	**(13,896)**	509
At June 30,	**939,530**	926,620

(c) Deferred income tax assets are recognised for tax losses only to the extent that realisation of the related tax benefit is probable.

The Company has a deferred tax asset which is not recognised in the statement of financial position due to the unpredictability of future taxable profit streams. The Company has tax losses of Rs'000 29,900 (2023: Rs'000 47,715) being carried forward.

14. **DEFERRED INCOME TAX (CONT'D)**

(d) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows:

THE GROUP	At July 1, 2023	Exchange difference	Acquisition of new subsidiary	Credited to OCI	(Credited)/ charged to profit or loss	**At June 30, 2024**
Deferred income tax liabilities	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	**Rs000's**
Accelerated tax depreciation	449,819	(40)	716	-	(24,405)	**426,090**
Assets Revaluation	709,913	-	-	27,033	3,294	**740,240**
Right-of-use assets	65,364	750	2,134	-	(3,751)	**64,497**
	1,225,096	710	2,850	27,033	(24,862)	**1,230,827**
Deferred income tax assets						
Lease liabilities	(75,203)	(810)	(1,944)	-	2,676	**(75,281)**
Tax losses	(114,084)	229	-	-	17,607	**(96,248)**
Provision for bad debts & Others	(7,608)	-	(245)	-	(779)	**(8,632)**
Employee benefit liabilities	(101,581)	(161)	(867)	11	(8,538)	**(111,136)**
	(298,476)	(742)	(3,056)	11	10,966	**(291,297)**
Net deferred income tax liabilities	**926,620**	**(32)**	**(206)**	**27,044**	**(13,896)**	**939,530**

14. **DEFERRED INCOME TAX (CONT'D)**

(d) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows: (cont'd)

THE GROUP	At July 1, 2022	Exchange difference	Credited to OCI	Charged/ (credited) to profit or loss	**At June 30, 2023**
Deferred income tax liabilities	Rs000's	Rs000's	Rs000's	Rs000's	**Rs000's**
Accelerated tax depreciation	470,481	(44)	-	(20,618)	**449,819**
Assets Revaluation	596,089	(2,114)	119,046	(3,108)	**709,913**
Right-of-use assets	61,533	(497)	-	4,328	**65,364**
	1,128,103	(2,655)	119,046	(19,398)	**1,225,096**
Deferred income tax assets					
Lease liabilities	(69,239)	216	-	(6,180)	**(75,203)**
Tax losses	(140,816)	493	-	26,239	**(114,084)**
Provision for bad debts & Others	(6,875)	(32)	-	(701)	**(7,608)**
Employee benefit liabilities	(92,235)	(12)	(9,883)	549	**(101,581)**
	(309,165)	665	(9,883)	19,907	**(298,476)**
Net deferred income tax liabilities	**818,938**	**(1,990)**	**109,163**	**509**	**926,620**

15. INVENTORIES

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
Raw materials	**1,656,823**	1,775,134
Finished goods	**147,616**	72,970
Work in progress	**16,745**	4,904
Goods in transit	**534,096**	650,468
Foodstuffs /processed goods	**654,044**	569,380
Consumables and spare parts	**429,765**	342,909
Stock Provision	**(14,494)**	(10,956)
Others	**21,120**	16,098
	3,445,715	3,420,907
Cost of inventories recognised as expense in cost of sales	**10,204,740**	9,843,436

Bank borrowings of the group are secured by floating charges on the assets of the Group.

16. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Trade receivables	**1,971,554**	1,722,608	**40,012**	21,962
Less provision for impairment	**(134,947)**	(116,990)	**-**	-
Trade receivables - net	**1,836,607**	1,605,618	**40,012**	21,962

(i) *Impairment of trade receivables*

The Company has not recorded any provision for impairment since it considers the probability of default to be nil. The services are provided to companies of the Eclosia Group.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics, significance of the customers and the days past due.

The Group/Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Receivables covered by a letter of credit, bank guanrantee or credit protection cover are excluded from the calculation.

The expected loss rates are based on days past due for various customer segments. The calculation reflects the probability-weighted outcome, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward looking information.

16. **TRADE AND OTHER RECEIVABLES (CONT'D)**

(i) *Impairment of trade receivables (cont'd)*

On that basis, the loss allowance as at June 30, 2024 and July 01, 2023 was determined as follows for trade receivables:

THE GROUP

At June 30, 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
Expected loss rate	**0.2%**	**1.0%**	**4.6%**	**66.3%**	**6.8%**
Gross carrying amount - trade receivable	**1,681,824**	**61,346**	**33,380**	**195,004**	**1,971,554**
Loss allowance	**3,498**	**644**	**1,521**	**129,284**	**134,947**

At June 30, 2023	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
Expected loss rate	0.6%	6.0%	12.5%	61.9%	6.8%
Gross carrying amount - trade receivable	1,524,361	16,257	12,550	169,440	1,722,608
Loss allowance	9,633	975	1,570	104,812	116,990

The closing loss allowances for trade receivables as at June 30, 2024 reconcile to the opening loss allowances as follows:

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
At July 1,	**116,990**	95,645
Loss allowance recognised in profit or loss during the year	**23,289**	34,812
Receivables written off during the year as uncollectible	**(794)**	(8,093)
Unused amount reversed	**(6,052)**	(882)
Recoveries	**(527)**	(4,103)
Exchange differences	**2,041**	(389)
At June 30,	**134,947**	116,990

16. TRADE AND OTHER RECEIVABLES (CONT'D)

(ii)

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Rupee	**1,201,112**	1,016,679	**40,012**	21,962
Euro	**91,236**	62,717	**-**	-
US Dollar	**193,263**	209,653	**-**	-
Ariary	**219,781**	211,995	**-**	-
Others	**131,215**	104,574	**-**	-
	1,836,607	1,605,618	**40,012**	21,962

(iii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security, except that some subsidiaries take credit insurance against default for some of their debtors.

17. PREPAYMENTS AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Prepayments	**192,332**	211,769	**617**	122
Deposits	**168,848**	222,946	**-**	-
Other receivables	**472,723**	442,037	**2,338**	790
	833,903	876,752	**2,955**	912

18. CURRENT TAX LIABILITY

	THE GROUP	
	2024	2023
(a) **Statement of financial position**	**Rs000's**	Rs000's
At July 1,	**67,409**	(4,261)
Current tax on adjusted profit for the year at 3%/15%/20%/28% (2023: 3%/15%/20%/28%)	**224,725**	191,571
Acquisition through business combination (note 33 (a))	**553**	-
Corporate Social Responsibility (CSR)	**30,115**	26,248
Underprovision in previous years	**6,038**	6,314
Foreign witholding tax	**1,952**	4,150
Underlying tax	**(3,166)**	(2,004)
Tax credit for capital expenditure	**(92,653)**	(79,018)
Exchange difference	**595**	10,030
Net tax and CSR paid during the year	**(144,849)**	(85,621)
At June 30,	**90,719**	67,409

18. CURRENT TAX LIABILITY (CONT'D)

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
The tax liability can be analysed as follows:		
Current income tax asset	**(29,392)**	(34,537)
Current income tax payable	**120,111**	101,946
	90,719	67,409

(b) **Profit or loss**

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Current tax on adjusted profit for the year at 3%/15%/20%/28% (2023: 3%/15%/20%/28%)	**224,725**	191,571	-	-
Underprovision in previous years	**6,038**	6,314	-	-
Foreign witholding tax	**1,952**	4,150	-	-
Underlying tax	**(3,166)**	(2,004)	-	-
Deferred tax (note 14(b))	**(13,896)**	509	-	-
Tax credit for capital expenditure	**(92,653)**	(79,018)	-	-
Income tax charge	**123,000**	121,522	-	-
Corporate social responsibility (CSR)	**30,115**	26,248	**-**	-
	153,115	147,770	**-**	-

(c) The tax on the Group's/Company's result before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Profit before tax and share of results of associates and joint venture (including loss from discontinued operations)	**1,559,344**	1,036,361	**384,628**	262,024
Tax at the rate of 15%/20%/28%/5% (2023:15%/20%/28%/5%)	**241,226**	152,243	**57,694**	39,304
Income not subject to tax	**(65,045)**	(21,163)	**(58,768)**	(41,882)
Underprovision in previous years	**6,038**	6,314	**-**	-
Expenses not deductible for tax purposes	**38,692**	76,486	**1,074**	1,681
Other adjustments	**(2,092)**	(4,604)	**-**	897
Underlying tax credit	**(3,166)**	(2,004)	**-**	-
Tax losses on which no deferred tax			**-**	
asset was recognised	**-**	(6,732)	**-**	-
Corporate Social Responsibility (CSR)	**30,115**	26,248	**-**	-
Tax credit for capital expenditure	**(92,653)**	(79,018)	**-**	-
	153,115	147,770	**-**	-

19. DERIVATIVE FINANCIAL INSTRUMENTS

	Fair value of assets	
	2024	2023
THE GROUP	**Rs000's**	Rs000's
Options	**3,463**	5,147
	3,463	5,147

(a) *Options*

The Group uses maize and soya bean call options to hedge itself against future increases in the price of maize and soya beans. The options qualify as a cash flow hedge and the gains/losses on the hedging instrument are recognised in equity. The gains/losses are then removed from the cash flow hedge reserve and included directly in the initial cost of inventory.

The effects of the options hedging relationships are as follows at June 30:

THE GROUP	**2024**	2023
	Rs000's	Rs000's
Carrying amount of derivatives	**3,463**	5,147
Change in fair value of designated hedging instruments	**5,477**	3,024
Change in fair value of designated hedged item	**5,477**	3,024
Notional amount	**3,463**	5,147
Maturity date	**December 24 - March 25**	September 23 - November 23
Hedge ratio	**1:1**	1:1

The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the statement of financial position.

The carrying amounts of the derivative financial assets are denominated in United States dollar.
There are no forward contracts that have been taken for the purchase of the hedged items.

Hedging

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments. The Group enters into hedge relationships where the critical terms of the hedging instrument and the hedged item match, therefore, for the prospective assessment of effectiveness a qualitative assessment is performed.

20. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

(a) As at June 30, 2024, the Group held 95% stake in Maurilait (Seychelles) Ltd (MSL) and Panagora Seychelles Ltd (PSL). In 2022, The Directors of MSL have resolved to cease normal business operations having faced successive losses due to viability challenges since inception. With the closure of its main supplier, the board of PSL took the decision to discontinue the operations as well.

20. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONT'D)

(b) An analysis of the result of discontinued operations, and the result recognised on the re-measurement of assets or disposal group is as follows:

	THE GROUP
	2023
	Rs'000s
Revenue	6,173
Costs of sales	(4,121)
Gross profit	2,052
Other income	1,108
Impairment of non-financial assets	-
Administrative expenses	(22,419)
Operating profit	(19,259)
Net finance revenue	(10,799)
Profit before taxation	(30,058)
Income tax expense	-
Loss after taxation of discontinued operations	(30,058)
Attributable to:	
Owners' interest	(27,768)
Non-controlling interest	(2,290)
	(30,058)

(c)

	THE GROUP
	2023
	Rs'000s
Operating cash flows	1,292
Investing cash flows	46,794
Financing cash flows	(76,700)
Total cash flows	(28,614)

(d)

Non-current assets classified as held for sale	2023
	MSL & PSL
	Rs'000s
Trade Receivables	132

20. **NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONT'D)**

In accordance with IFRS 5, the assets and liabilities held for sale were written down to their fair value less costs to sell, a non-recurring fair value within Level 3 of the fair value hierarchy.

21. **SHARE CAPITAL**

THE GROUP AND THE COMPANY	**2024**	2023
	Rs000's	Rs000's
Ordinary shares of Rs.10 each, issued and fully paid		
At July 1, and June 30,	**1,148,658**	1,148,658
Number of shares in thousand	**114,866**	114,866

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

22. OTHER RESERVES

THE GROUP	Reserve arising on Group restructuring	Hedging Reserve	Revaluation and other reserves	Actuarial reserve	Financial assets at FVOCI reserve	Translation reserve	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2023	479,060	707	3,202,076	(327,492)	(136,007)	(76,683)	3,141,661
Movements on other comprehensive income							
Items that will not be reclassified to profit or loss:							
Gain on revaluation of property, plant and equipment	-	-	159,003	-	-	-	159,003
Related deferred tax	-	-	(27,033)	-	-	-	(27,033)
Remeasurements of post employment benefit obligations	-	-	-	11,989	-	-	11,989
Related deferred tax	-	-	-	(11)	-	-	(11)
Increase in fair value of financial assets at FVOCI	-	-	-	-	(20,903)	-	(20,903)
Movement in reserves of joint venture	-	-	406	-	-	-	406
Movement in reserves of associates	-	-	-	-	-	-	-
Items that may be subsequently reclassified to profit or loss:							
Exchange differences	-	-	-	-	-	125,321	125,321
Hedging reserve	-	(2,656)	-	-	-	-	(2,656)
Total gross movement	-	(2,656)	132,376	11,978	(20,903)	125,321	246,116
Less share of non-controlling interests	-	985	(30,709)	(2,057)	13,921	(11,971)	(29,831)
Net movements	-	(1,671)	101,667	9,921	(6,982)	113,350	216,285
At June 30, 2024	**479,060**	**(964)**	**3,303,743**	**(317,571)**	**(142,989)**	**36,667**	**3,357,946**

22. **OTHER RESERVES (CONT'D)**

THE GROUP	Reserve arising on Group restructuring Rs'000	Hedging Reserve Rs'000	Revaluation and other reserves Rs'000	Actuarial reserve Rs'000	Financial assets at FVOCI reserve Rs'000	Translation reserve Rs'000	Total Rs'000
At July 1, 2022	479,060	4,585	2,620,591	(280,670)	(133,390)	5,445	2,695,621
Movements on other comprehensive income							
Items that will not be reclassified to profit or loss:							
Gain on revaluation of property, plant and equipment	-	-	907,022	-	-	-	907,022
Related deferred tax	-	-	(119,046)	-	-	-	(119,046)
Remeasurements of post employment benefit obligations	-	-	-	(54,996)	-	-	(54,996)
Related deferred tax	-	-	-	9,883	-	-	9,883
Increase in fair value of financial assets at FVOCI	-	-	-	-	1,872	-	1,872
Movement in reserves of joint venture	-	-	(556)	-	-	-	(556)
Movement in reserves of associates	-	-	(124)	-	-	-	(124)
Items that may be subsequently reclassified to profit or loss:							
Exchange differences	-	-	-	-	-	(103,525)	(103,525)
Hedging reserve	-	(7,904)	-	-	-	-	(7,904)
Total gross movement	-	(7,904)	787,296	(45,113)	1,872	(103,525)	632,626
Less share of non-controlling interests	-	4,026	(207,266)	(1,709)	(4,489)	21,397	(188,041)
Net movements	-	(3,878)	580,030	(46,822)	(2,617)	(82,128)	444,585
Transfer to retained earnings	-	-	1,455	-	-	-	1,455
At June 30, 2023	**479,060**	**707**	**3,202,076**	**(327,492)**	**(136,007)**	**(76,683)**	**3,141,661**

22. OTHER RESERVES (CONT'D)

	Actuarial reserve	Financial assets at FVOCI reserve	Total
THE COMPANY	Rs'000	Rs'000	Rs'000
At July 1, 2022	(37,094)	9,866	(27,228)
Remeasurements of post employment benefit obligations	(15,098)	-	(15,098)
Decrease in fair value of financial assets at fair value through OCI	-	(629)	(629)
At June 30, 2023	(52,192)	9,237	(42,955)
Remeasurements of post employment benefit obligations	28,643	-	28,643
Decrease in fair value of financial assets at fair value through OCI	-	(2,102)	(2,102)
At June 30, 2024	**(23,549)**	**7,135**	**(16,414)**

(i) **Revaluation reserve**

The revaluation reserve is used to record increases in fair value of property, plant and equipment and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

(ii) **Financial assets at FVOCI reserve**

Gains or losses arising on financial assets at fair value through other comprehensive income.

(iii) **Translation reserve**

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(iv) **Actuarial reserve**

Actuarial reserve represents the cumulative remeasurement of defined benefit obligation recognised.

(v) **Hedging reserve**

The reserve comprises of gains/losses arising on the effective portion of hedging instruments carried at fair value in a qualifying cash flow hedge.

(vi) **Reserve arising on Group restructuring**

This reserve arises on the business combination of entities under common control.

23. RETIREMENT BENEFIT OBLIGATIONS

The amounts recognised in the statement of financial position are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Funded				
Pension benefits (note (a) (ii))	**408,668**	450,521	**5,546**	5,300
Unfunded				
Swan Life - Defined contribution	**73,515**	60,119	**7,219**	8,429
Swan Life - Employees aged over 60	**7,709**	35,097	**6,739**	34,181
Gratuity on retirement	**11,166**	3,379	**-**	-
MUA	**147,728**	131,047	**-**	-
Other post retirement benefits (note (b) (i))	**240,118**	229,642	**13,958**	42,610
	648,786	680,163	**19,504**	47,910

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Statement of profit or loss and other comprehensive income				
Amount charged/(credited) to profit or loss:				
Funded				
Pension scheme (note (a)(v))	**45,086**	42,695	**306**	265
Unfunded				
Swan Life - Defined contribution	**(10,628)**	27,257	**(1,319)**	3,168
Swan Life - Employees aged over 60	**1,344**	7,579	**1,250**	7,506
MUA	**8,680**	10,252	**-**	-
Other post retirement benefits (note (b)(iii))	**(604)**	45,088	**(69)**	10,674
	44,482	87,783	**237**	10,939
Amounts (credited)/charged to other comprehensive income:				
Funded				
Pension scheme (note (a)(vi))	**(33,053)**	4,270	**(60)**	112
Unfunded				
Swan Life - Defined contribution	**42,142**	32,188	**108**	537
Swan Life - Employees aged over 60	**(29,104)**	14,624	**(28,691)**	14,449
MUA	**8,026**	3,914	**-**	-
Other post retirement benefits (note (b)(iv))	**21,064**	50,726	**(28,583)**	14,986
	(11,989)	54,996	**(28,643)**	15,098

(a) **Pension benefits**

(i) The Company and the Group contribute to a defined benefit pension. The plan is a final salary plan, which provides benefits to members in the form of pension payable at retirement and a benefit on death or disablement in service before retirement. The level of benefits provided depends on member's length of service and their salary in the final years leading to retirement.

23. **RETIREMENT BENEFIT OBLIGATIONS (CONT'D)**

(a) **Pension benefits (cont'd)**

The assets of the fund are held independently and administered by Swan Life Ltd who carry out a full valuation every year.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations were carried out at June 30, 2024 by Swan Life. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) The amounts recognised in the statement of financial position are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Present value of funded obligations	**787,331**	792,812	**9,940**	9,602
Fair value of plan assets	**(378,663)**	(342,291)	**(4,394)**	(4,302)
Liability in the statement of financial position	**408,668**	450,521	**5,546**	5,300

The reconciliation of the opening balances to the closing balances for the net benefit liability is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
At July 1,	**450,521**	480,104	**5,300**	6,099
Charged to profit or loss (note (a)(v))	**45,086**	42,695	**306**	265
(Credited)/charged to other comprehensive income (note (a)(vi))	**(33,053)**	4,270	**(60)**	112
Deficit funding payment	**(4,970)**	(4,972)	**-**	-
Contributions paid	**(48,916)**	(71,576)	**-**	(1,176)
At June 30,	**408,668**	450,521	**5,546**	5,300

(iii) The movement in the present value of funded obligations over the year is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
At July 1,	**792,812**	841,872	**9,602**	9,098
Current service cost	**22,158**	21,525	**-**	-
Interest cost	**38,763**	30,984	**537**	437
Contributions by plan participants	**-**	5,021	**-**	-
Actuarial losses	**(18,689)**	(1,139)	**133**	67
Transfer	**3,425**	-	**-**	-
Benefits paid	**(51,138)**	(105,451)	**(332)**	-
At June 30,	**787,331**	792,812	**9,940**	9,602

23. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Pension benefits (cont'd)

(iv) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
At July 1,	**342,291**	361,768	**4,302**	2,999
Interest income	**7,948**	8,289	**232**	172
Expected return on plan assets	**8,103**	4,480	**-**	-
Actuarial losses	**14,364**	(5,507)	**193**	(45)
Cost of insuring risk benefits	**(216)**	(2,955)	**-**	-
Employer contributions	**48,916**	71,577	**-**	1,176
Employee contributions	**3,423**	5,021	**-**	-
Deficit funding payment	**4,972**	5,069	**-**	-
Benefits paid	**(51,138)**	(105,451)	**(333)**	-
At June 30,	**378,663**	342,291	**4,394**	4,302

(v) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Current service cost	**22,158**	21,525	**-**	-
Net interest cost	**22,712**	18,215	**306**	265
Cost of insuring risk benefits	**216**	2,955	**-**	-
Total included in employee benefit expense	**45,086**	42,695	**306**	265
Actual return on plan assets	**30,193**	7,263	**424**	127

(vi) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
(Gains)/losses on pensions scheme assets	**(14,411)**	5,506	**(193)**	45
Experience gains on the liabilities	**(40,895)**	(19,250)	**(226)**	(300)
Changes in assumptions underlying the present value of the scheme	**22,253**	18,014	**359**	367
	(33,053)	4,270	**(60)**	112

There is no change in demographic assumption for the Group and the Company.

23. **RETIREMENT BENEFIT OBLIGATIONS (CONT'D)**

(a) **Pension benefits (cont'd)**

(vii) The assets in the plan were:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Fixed Income	**181,708**	195,533	**2,109**	2,495
Local Equities	**56,732**	47,923	**659**	602
Foreign Equities	**91,070**	85,145	**1,054**	1,032
Cash	**43,490**	13,530	**572**	173
Properties	**5,663**	160	**-**	-
Total Market value of assets	**378,663**	342,291	**4,394**	4,302

(viii) The assets of the plan are invested in a diversified portfolio of asset classes.

(ix) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	%	%	**%**	%
Discount rate	**4.6%-5.3%**	4.6% - 5.7%	**5.2%**	5.6%
Future long term salary increase	**2.0%**	2.0%	**2.0%**	2.0%
Future guaranteed pension increase	**0.0%**	0.0%	**0.0%**	0.0%

(x) Sensitivity analysis on defined benefit obligations at end of reporting date:

	THE GROUP	THE COMPANY
	Rs000's	Rs000's
2024		
- Decrease due to 1% increase in discount rate	**62,303**	**905**
- Increase due to 1% increase in future long-term salary assumption	**50,213**	**-**

	THE GROUP	THE COMPANY
	Rs000's	Rs000's
2023		
- Decrease due to 1% increase in discount rate	62,695	946
- Increase due to 1% increase in future long-term salary assumption	53,816	1,085

An increase in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

The sensitivity above have been determined based on a method that extrapolates the impact on net benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the project unit credit method.

23. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Pension benefits (cont'd)

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(xi) The defined benefit pension plan exposes the company to actuarial risks, such as longevity risk, interest rate risk, market (investment) risk and salary risk as described below:

- Interest rate risk: If the bond interest rate decreases, the liabilities 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 assumed in our basis, the liabilities would increase giving rise to actuarial losses.
- Longevity Risk: Pensions are bought out with an insurance company at retirement. Once bought out, the risk is therefore shifted to the insurance company. However, there is the risk that the cost of annuities increases before buying out.
- Currency risk- risk of unfavourable movement in foreign currency assets.
- Liquidity risk- risk that employer's cashflow not sufficient to pay benefits.
- Mortality risk- risk that higher than expected deaths leading to unexpected pay-outs.

(xii) The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

(xiii) Expected contributions for the year ending June 30, 2025 are Rs. 80.9m for the Group and Rs. 1.24m for the Company.

(xiv) The weighted average duration of the defined benefit obligation is 12 years for the Company and between 4 and 13 years for the group at the end of the reporting period .

Unfunded

- Swan Life - Defined contribution
  The liability relates to 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. For employees who are members of the Defined Contribution plan, half of any lumpsum 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.
- Swan Life - Retirement Gratuity (employees aged over and under 60)
  The Retirement Gratuity provides for a lump sum based on company service and final salary to be paid at retirement.
- MUA
  The IAS 19 liability relates to the residual gratuity for scheme members. 5 times of any annual fund pension relating to employer’s share of contributions can be offset from the retirement gratuity.

23. **RETIREMENT BENEFIT OBLIGATIONS (CONT'D)**

(b) **Other post retirement benefits**

Prior to the implementation of the Portable Retirement Gratuity Fund (PRGF), these benefits were unfunded as at December 31, 2019. Moreover, employees who resigned as from 2020, are eligible for a portable gratuity benefit based on service with the employer as from January 1, 2020 and remuneration at exit (same benefit formula as for retirement/death gratuity).

(i) The amounts recognised in the statement of financial position are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Present value of unfunded obligations	**243,927**	230,779	**13,958**	42,610
PRGF	**(3,809)**	(1,137)	**-**	-
Liability in the statement of financial position	**240,118**	229,642	**13,958**	42,610

(ii) The reconciliation of the opening balances to the closing balances for the net benefit liability and the movement in the defined benefit obligation over the year is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
At July 1,	**230,779**	149,011	**42,610**	16,950
(Credited)/charged to profit or loss	**(604)**	45,088	**(69)**	10,673
Charged/(credited) to other comprehensive income	**21,064**	50,726	**(28,583)**	14,987
Benefits paid	**(12,407)**	(14,179)	**-**	-
Exchange difference	**-**	133	**-**	-
Acquisition through business combination (note 33(a))	**5,095**	-	**-**	-
At June 30,	**243,927**	230,779	**13,958**	42,610

(iii) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Current service cost	**12,988**	12,819	**915**	2,156
Past service cost	**(21,872)**	27,809	**(1,225)**	5,259
Interest cost	**11,179**	7,003	**2,081**	389
Curtailment	**(2,899)**	(2,543)	**(1,840)**	2,870
Total included in employment benefit expense	**(604)**	45,088	**(69)**	10,674

23. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Other post retirement benefits (cont'd)

(iv) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Remeasurement in net defined benefit liability				
Experience losses/(gains) on liabilities	**18,817**	57,053	**(29,840)**	16,120
Changes in assumptions underlying the present value of the scheme	**2,247**	(6,327)	**1,258**	(1,134)
Remeasurement in net defined benefit liability	**21,064**	50,726	**(28,582)**	14,986

(v) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	%	%	**%**	%
Discount rate	**5%-6.2%**	4.7% - 7.0%	**3.3-5.3%**	4.7-6%
Future long term salary increase	**2.0%**	2.0%	**2.0%**	2.0%

(vi) Sensitivity analysis on defined benefit obligations at end of reporting date:

	THE GROUP	THE COMPANY
	Rs000's	Rs000's
2024		
- Decrease due to 1% increase in discount rate	**55,789**	**2,144**
- Increase due to 1% increase in future long-term salary assumption	**58,494**	**2,545**
2023		
- Decrease due to 1% increase in discount rate	(56,797)	(21)
- Increase due to 1% increase in future long-term salary assumption	77,436	23

(vii) The weighted average duration of the obligation is 0-23 years for the Company and the Group.

(c) Defined contribution plan

The Group also operates a defined contribution retirement benefit plan for staff employees. Payments to the defined contribution retirement plans are charged as an expense as they fall due. The assets of the fund are held independently and administered by Swan Life.

24. BORROWINGS

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Non-current (note 24(a))	**1,638,780**	1,678,774	**-**	-
Current (note 24(b))	**1,630,933**	2,260,390	**-**	-
Total borrowings	**3,269,713**	3,939,164	**-**	-

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
(a) **Non-current**	**Rs000's**	Rs000's	**Rs000's**	Rs000's
Bank loans (note 24(c))	**1,543,237**	1,498,602	**-**	-
Debentures (note 24(g))	**-**	70,000	**-**	-
Convertible debentures (note 24(f))	**-**	26,223	**-**	-
Other borrowings (note 24(d))	**233**	1,139	**-**	-
Redeemable preference shares (note 24(e))	**95,310**	82,810	**-**	-
	1,638,780	1,678,774	**-**	-
(b) **Current**				
Bank loans (note 24(c))	**609,645**	792,237	**-**	-
Debentures (note 24(g))	**70,000**	-	**-**	-
Convertible debentures (note 24(f))	**26,223**	-	**-**	-
Import loans	**779,660**	1,282,367	**-**	-
Money market line	**115,000**	152,000	**-**	-
Unsecured loan (note 24(h))	**29,500**	32,925	**-**	-
Other borrowings (note 24(d))	**905**	861	**-**	-
	1,630,933	2,260,390	**-**	-

Bank loans are secured by fixed and floating charges on the assets of the Group.

The bank overdrafts are secured by floating charges on the assets of the Group.

(c) Bank loan can be analysed as follows	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Not later than 1 year	**609,645**	792,237	**-**	-
After one year and before five years	**935,637**	967,951	**-**	-
After five years	**607,600**	530,651	**-**	-
	2,152,882	2,290,839	**-**	-

(d) One of the subsidiary companies acquired equipment payable over 5 years and which carry interest of 5%.

24. BORROWINGS (CONT'D)

(e) Redeemable preference shares

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
At July 1,	**82,810**	62,169	-	-
Issued during the year	**12,500**	20,641	**-**	
At June 30,	**95,310**	82,810	-	-

Redeemable preference shares consist mainly of the following:

(i) Les Moulins de la Concorde Ltee has Rs'000 23,437 of preference shares in issue. The preference shares are entitled to a fixed cumulative dividend of 13% per annum in preference to the holders of ordinary shares which is considered as a finance cost. Any amount paid over and above the 13% is considered as dividend.

The 13% cumulative preference shares meet the definition of a liability under the requirements of IAS 32, because the instrument includes a contractual obligation to deliver cash to the holder.

Any balance the Board decides to disbribute by way of dividends shall be distributed "pari-passu" as per share amongst the ordinary and preference shareholders, the latter being entitled to a maximum dividend of 20%.

The preference shares carry a right of repayment of capital in winding up in priority to the ordinary shares but no other rights in respect of dividends, capital and voting.

(ii) Tropical Paradise Co Ltd has Rs'000 60,197 of preference shares in issue. The preference shares are entitled to a fixed cumulative dividend of 8% per annum. The effective interest rate is 16% being the market rate at inception.

(iii) Livestock Feed Limited has Rs'000 3,536 preference shares of par value Rs.10 in issue. The terms of the preference shares included a mandatory fixed cumulative dividend of 10%, meeting the definition of a liability under the requirements of IAS 32. Dividend on the preference shares is accounted for as finance cost in the statements of profit or loss and other comprehensive income.

(iv) PPI Packaging Limited has Rs'000 8,140 preference shares at the issue price of Rs10 per share, partly on pro rata basis, or in full, by the Company on such date or dates as the board of the Company shall, in its sole discretion, determine.

(f) Convertible debentures

The convertible debentures were issued in 2018 by Hotel Chambly Ltd and are repayable in October 2024. The debentures are compound instruments, with the debt portion representing the mandatory repayment in 2024 discounted by a market rate of 5%, representing the interest rate of a similar instrument without the conversion treatment.

24. **BORROWINGS (CONT'D)**

(g) Debentures

	THE GROUP	
	2024	2023
	Rs'000	Rs'000
The maturity of non-current convertible debentures is as follows:		
After one year and before five years	**-**	70,000
Within one year	**70,000**	-

The debentures shall mature on the 7th anniversary of the subscription date. The subscription date is January 10, 2018 and interest rate is 5%.

Debentures are secured as follows:

- A floating charge over all assets of Hotel Chambly Limited and fixed charge on Lot 29 of the "Immeuble - "Les Remparts de Chambly" situated at Tombeau Bay for an amount equal to Rs.70m in principal plus interests, costs, commissions, charges and accessories and
- The banking facilities are secured by land and buildings, movable and immovable properties.

(h) Other unsecured loan to related entities are repayable on demand and carry an interest rate of 4.5%.

(i) The exposure of borrowings, except debentures and preference shares, to interest-rate changes and the contractual repricing dates are as follows:

THE GROUP	**One year**	**2 - 5 years**	**Total**
	Rs000's	Rs000's	Rs000's
At June 30, 2024	**3,078,180**	**-**	**3,174,403**
At June 30, 2023	3,760,131	-	3,760,131

(j) The effective interest rates at the end of the reporting date were as follows:

	2024		2023	
THE GROUP	**Rs.**	**MGA**	Rs.	MGA
	%	**%**	%	%
Bank loans	**1.5%-12.5%**	**8.5%-11.5%**	.5% - 7.5% / 5	8% - 11.5%
Import loans	**6.75%-7.9%**	**8.75%-10.5%**	3.3% - 7.6%	8.75% - 10.5%
Convertible and non convertible debentures	**5% - 6.75%**	**-**	5%	-
Redeemable preference shares	**16%**	**-**	6.5%-16%	-
Money market line	**4.75%-5.6%**	**8.75%-11.5%**	2.75% - 5.6%	-
Unsecured loan	**4%**	**-**	4%	-
Other borrowings	**0%**	**-**	0%	-

	2024			2023		
	ZAR	**KES**	**USD**	ZAR	KES	USD
	%	**%**	**%**	%	%	%
Bank borrowings	**12.50%**	**15%**	**4.48% - 11%**	12.50%	15%	4.48% - 11%

(k) The carrying amounts of borrowings are not materially different from the fair value.

24. BORROWINGS (CONT'D)

(l) The carrying amounts of the Group and the Company's borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Mauritian rupee	**2,233,184**	2,816,290	-	-
USD	**493,028**	551,957	-	-
Euro	**-**	13,484	-	-
Malagasy Ariary (MGA)	**503,802**	480,493	-	-
South African Rand	**278**	42,795	-	-
Kenyan Shillings	**31,171**	34,145	-	-
Rwandan Franc	**8,250**	-	-	-
	3,269,713	3,939,164	**-**	-

24A. BANK OVERDRAFTS

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Current				
Bank overdrafts	**361,441**	322,667	-	-

(a) The bank overdrafts are secured by floating charges on the assets of the Group and the Company, including inventories, property, plant and equipment.

(b) The exposure of the company's bank overdrafts to interest rate changes and contractual repricing dates are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Bank overdrafts - Variable rates	**361,441**	322,667	**-**	-

	One year	2 to 5 years	Total
THE GROUP	Rs000's	Rs000's	Rs000's
At 30 June 2024	**361,441**	**-**	**361,441**
At 30 June 2023	322,667	-	322,667

24A. **BANK OVERDRAFTS (CONT'D)**

(c) The carrying amounts of the Group's and the Company's bank overdrafts are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Mauritian Rupee	**274,977**	264,540	**-**	-
Malagasy Ariary	**86,464**	58,120	**-**	-
US Dollar	**-**	7	**-**	-
	361,441	322,667	**-**	-

(d) The effective interest rates ranges in the relevant financial years were as follows:

	2024		2023	
THE GROUP	**Rs.**	**MGA**	Rs.	MGA
	%	**%**	%	%
Bank overdrafts	**5.6%-6.75%**	**9%-12.4%**	3.9% - 7.7%	9% - 12%

		2024	2023
	-	**USD**	USD
		%	%
Bank overdrafts		**SOFR+ 2.5%/3%**	SOFR+ 2.5%/3%

25. **TRADE AND OTHER PAYABLES**

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Trade payables	**723,125**	511,917	**5,400**	9,254
Amount payable to related companies	**18,189**	12,903	**7,131**	9,019
Accruals	**626,353**	679,606	**2,455**	2,982
Other payables	**772,826**	817,785	**50,841**	24,848
	2,140,493	2,022,211	**65,827**	46,103

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Rupee	**1,497,032**	1,513,461	**65,827**	46,103
Euro	**59,702**	40,599	**-**	-
US Dollar	**114,086**	38,416	**-**	-
Ariary	**216,586**	270,987	**-**	-
ZAR	**18,467**	4,484	**-**	-
Other currencies	**234,620**	154,264	**-**	-
	2,140,493	2,022,211	**65,827**	46,103

25. TRADE AND OTHER PAYABLES (CONT'D)

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

26. DIVIDENDS

	THE COMPANY	
	2024	2023
	Rs000's	Rs000's
Ordinary dividends of Rs.1.31 per share (2023 Rs. 0.87)	**150,000**	100,000
	150,000	100,000

On June 30, 2024, the Directors have approved the distribution of a final dividend of Rs'000 150,000 for the year ended June 30, 2024.

27. REVENUE

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
(a) The following is an analysis of the Group's and the Company's revenue for the year:				
Revenue from sale of goods	**17,589,477**	15,982,829	**-**	-
Revenue from rendering of services	**2,179,375**	1,855,725	**275,886**	219,699
Revenue from contracts with customers	**19,768,852**	17,838,554	**275,886**	219,699

27. **REVENUE (CONT'D)**

(b) Disaggregation of revenue from contracts with customers

2024	**Business services**	**Food**	**Hotels & leisure**	**Commerce**	**Education**	**Logistics**	**Energy**	**Total**
	Rs000's	**Rs000's**	**Rs000's**	**Rs000's**	**Rs000's**	**Rs000's**	**Rs000's**	**Rs000's**
Segment revenue	1,109,743	14,477,267	1,203,578	9,287,698	300,411	1,075,483	386,819	27,840,999
Inter-segment revenue	(895,315)	(5,956,427)	(7,020)	(1,002,644)	(15,174)	(195,567)	-	(8,072,147)
Revenue from contracts with external customers	214,428	8,520,840	1,196,558	8,285,054	285,237	879,916	386,819	19,768,852
Primary geographic markets								
Mauritius	205,170	5,363,515	1,196,558	7,803,199	285,237	555,904	386,819	15,796,402
Seychelles	-	129,986	-	-	-	-	-	129,986
Madagascar	9,258	2,530,802	-	481,855	-	240,024	-	3,261,939
Rwanda	-	166,333	-	-	-	-	-	166,333
South Africa	-	-	-	-	-	83,988	-	83,988
Kenya	-	119,070	-	-	-	-	-	119,070
Mayotte	-	88,701	-	-	-	-	-	88,701
Reunion	-	39,081	-	-	-	-	-	39,081
Comoros	-	83,352	-	-	-	-	-	83,352
	214,428	8,520,840	1,196,558	8,285,054	285,237	879,916	386,819	19,768,852
Product type								
Goods	77,441	8,509,677	447,297	8,168,243	-	-	-	17,202,658
Services	214,428	11,163	749,261	39,370	285,237	879,916	386,819	2,566,194
	291,869	8,520,840	1,196,558	8,207,613	285,237	879,916	386,819	19,768,852
Timing of revenue recognition								
At a point in time	195,562	8,520,840	577,101	8,207,613	3,645	78,952	386,819	17,970,532
Over time	96,307	-	619,457	-	281,592	800,964	-	1,798,320
	291,869	8,520,840	1,196,558	8,207,613	285,237	879,916	386,819	19,768,852

27. REVENUE (CONT'D)

(c) Disaggregation of revenue from contracts with customers

2023	**Business services**	**Food**	**Hotels & leisure**	**Commerce**	**Education**	**Logistics**	**Total**
	Rs000's	**Rs000's**	**Rs000's**	**Rs000's**	**Rs000's**	**Rs000's**	**Rs000's**
Segment revenue	1,042,533	13,658,256	1,046,267	8,025,742	288,549	1,200,480	25,261,827
Inter-segment revenue	(848,807)	(5,298,151)	(12,735)	(843,962)	(18,352)	(401,266)	(7,423,273)
Revenue from contracts with external customers	193,726	8,360,105	1,033,532	7,181,780	270,197	799,214	17,838,554
Primary geographic markets							
Mauritius	193,726	5,530,173	1,033,532	6,869,704	270,197	629,616	14,526,948
Seychelles	-	276,502	-	-	-	-	276,502
Madagascar	-	2,111,667	-	312,076	-	101,925	2,525,668
Rwanda	-	147,734	-	-	-	-	147,734
South Africa	-	-	-	-	-	67,673	67,673
Kenya	-	82,533	-	-	-	-	82,533
Mayotte	-	108,958	-	-	-	-	108,958
Reunion	-	22,080	-	-	-	-	22,080
Comoros	-	80,458	-	-	-	-	80,458
	193,726	8,360,105	1,033,532	7,181,780	270,197	799,214	17,838,554
Product type							
Goods	62,185	8,353,443	419,931	7,147,270	-	-	15,982,829
Services	131,541	6,662	613,601	34,510	270,197	799,214	1,855,725
	193,726	8,360,105	1,033,532	7,181,780	270,197	799,214	17,838,554
Timing of revenue recognition							
At a point in time	95,485	8,355,855	419,931	7,181,780	-	70,059	16,123,110
Over time	98,241	4,250	613,601	-	270,197	729,155	1,715,444
	193,726	8,360,105	1,033,532	7,181,780	270,197	799,214	17,838,554

27. **REVENUE (CONT'D)**

(d) Assets and liabilities related to contracts with customers

	THE GROUP	
	Contract liabilities	
	2024	2023
	Rs000's	Rs000's
At July 01,	**91,157**	69,436
Amounts included in contract liabilities that were recognised as revenue during the period	**(75,843)**	(308,581)
Excess payment not yet claimed	**(246)**	(309)
Cash received in advance of performance and not recognised as revenue during the year	**75,119**	330,611
At June 30,	**90,187**	91,157

Contract liabilities arise from the Group's services, where contracts' period can run over the next financial year, because cumulative payments received from customers at each balance sheet date do not necessarily equal the amount of revenue recognised on the contracts.

28. **EXPENSES BY NATURE**

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Depreciation of property, plant and equipment	**829,729**	734,356	**1,105**	86
Depreciation of investment property	**5,845**	7,733	**-**	-
Amortisation charge on intangible assets	**81,047**	78,633	**-**	-
Depreciation of right-of-use assets	**139,429**	101,033	**-**	-
Cost of inventories recognised as expenses	**10,204,740**	9,843,436	**-**	-
Employee benefit expense (note 29)	**3,162,349**	2,752,566	**173,023**	121,661
Direct costs associated to services	**527,305**	609,807	**-**	-
Repairs and maintenance	**253,442**	241,821	**-**	-
Royalties	**183,225**	154,983	**-**	-
Storage costs	**57,526**	39,998	**-**	-
Utilities costs	**522,083**	488,123	**-**	-
Transportation costs	**85,881**	82,533	**-**	-
Other expenses	**2,056,633**	1,489,478	**120,097**	115,844
	18,109,234	16,624,500	**294,225**	237,591
Cost of sales and direct costs	**15,283,224**	14,138,367	**269,073**	208,737
Administrative expenses	**2,826,010**	2,486,133	**25,152**	28,854
	18,109,234	16,624,500	**294,225**	237,591

29. **EMPLOYEE BENEFIT EXPENSE**	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Key management personnel compensation				
- Salaries and short term employee benefits	**136,488**	104,577	**136,488**	104,577
- Pension costs and other costs	**36,535**	17,084	**36,535**	17,084
Other personnel				
- Wages and salaries	**2,903,477**	2,383,635	**-**	-
- Pension costs and other costs	**85,849**	247,270	**-**	-
	3,162,349	2,752,566	**173,023**	121,661

30. **OTHER INCOME**	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Dividend income	**55,566**	33,658	**394,717**	273,826
Interest income	**-**	-	**8,291**	6,219
Profit on disposal of plant and equipment	**14,500**	16,867	**-**	-
Other income	**132,003**	133,602	**29**	71
	202,069	184,127	**403,037**	280,116

31. **FINANCE COSTS**	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Interest expense:	**Rs000's**	Rs000's	**Rs000's**	Rs000's
- Bank overdraft	**54,453**	67,802	**101**	48
- Bank and other loans	**171,452**	162,519	**-**	-
- Lease liabilities	**49,032**	40,185	**-**	-
- Others	**15,982**	12,797	**-**	-
	290,919	283,303	**101**	48
Interest on preference shares	**10,324**	10,324	**-**	-
Net foreign exchange difference	**11,233**	18,021	**(31)**	152
	312,476	311,648	**70**	200

32. NOTES TO STATEMENT OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
(a) **Cash from operating activities**	**Rs000's**	Rs000's	**Rs000's**	Rs000's
Profit before tax				
- Continuing operations	**1,559,344**	1,066,419	**384,628**	262,024
- Discontinued operations	**-**	(30,058)	**-**	-
Adjustments for:				
Share of result of associates	**(9,359)**	(9,088)	**-**	-
Share of result of joint venture	**(774)**	(625)	**-**	-
Depreciation on property, plant and equipment	**829,729**	734,356	**1,105**	86
Depreciation of investment property	**5,845**	7,733	**-**	-
Amortisation of intangible assets	**81,047**	78,633	**-**	-
Amortisation of right-of-use assets	**139,429**	101,033	**-**	-
Fair value gain on derivative financial instruments	**(972)**	5,001	**-**	-
Net impairment losses / adjustment on financial assets at FVOCI	**-**	2,427	**-**	-
Loss on disposal of financial assets at FVOC	**6,595**	-		
Impairment losses	**16,710**	29,827		-
Dividend income	**(55,566)**	(33,658)	**(394,717)**	(273,826)
Dividend payable on preference shares	**10,324**	10,324		
Interest expense	**290,919**	283,303	**101**	48
Interest income	**-**	-	**(8,291)**	(6,219)
Assets scrapped	**-**	3,772	**-**	-
Loss on disposal of intangible assets	**-**	3,699	**-**	-
Intangible assets scrapped	**11**	24	**-**	-
Profit on disposal of plant and equipment	**(14,500)**	(16,867)	**-**	-
Loss on disposal of plant and equipment	**-**	705	**-**	-
Movement in employee benefit liabilities	**41,810**	87,783	**237**	10,939
	2,900,592	2,324,743	**(16,937)**	(6,948)
Changes in working capital:				
-Inventories	**49,338**	(243,268)	**-**	-
-Trade and other receivables	**(243,883)**	59,780	**(20,093)**	18,509
-Biological assets	**(61,649)**	(17,541)	**-**	-
-Trade and other payables			**-**	
and contract liabilities	**(109,735)**	39,100	**19,725**	20,405
Cash generated from/(used in) operations	**2,534,663**	2,162,814	**(17,305)**	31,966

32. **NOTES TO STATEMENT OF CASH FLOWS (CONT'D)**

(b) **Reconciliation of liabilities arising from financing activities**

THE GROUP

2024

	2023	Cash flows	Non-cash changes	2024
	Rs000's	Rs000's	Rs000's	Rs000's
Bank and other loans	**3,760,131**	**(681,951)**	**-**	**3,078,180**
Preference shares	**82,810**	**12,500**	**-**	**95,310**
Debentures	**70,000**	**-**	**-**	**70,000**
Lease liabilities	**665,406**	**(173,192)**	**318,769**	**810,983**
Convertible debentures	**26,223**	**-**	**-**	**26,223**
	4,604,570	**(842,643)**	**318,769**	**4,080,696**

2023

	2022	Cash flows	Non-cash changes	2023
	Rs000's	Rs000's	Rs000's	Rs000's
Bank and other loans	3,466,325	321,033	(27,227)	3,760,131
Preference shares	62,169	20,641	-	82,810
Debentures	70,000	-	-	70,000
Lease liabilities	615,684	(126,325)	176,047	665,406
Convertible debentures	24,974	-	1,249	26,223
	4,239,152	215,349	150,069	4,604,570

(c) **Cash and cash equivalents**

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Cash and cash equivalents	**704,516**	661,899	**123,543**	19,805
Bank overdraft (note 24A)	**(361,441)**	(322,667)	**-**	-
	343,075	339,232	**123,543**	19,805

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

32. NOTES TO STATEMENT OF CASH FLOWS (CONT'D)

Cash and cash equivalents are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Mauritian Rupee	**395,632**	276,429	**123,543**	19,805
EURO	**9,302**	54,524	-	-
USD	**69,434**	122,352	-	-
Ariary	**93,390**	70,897	-	-
Others	**136,758**	137,697	-	-
	704,516	661,899	**123,543**	19,805

The currency profile of bank overdrafts are disclosed in note 24A.

33. BUSINESS COMBINATIONS

(a) Acquisition of subsidiaries

N.S.I Engineering Services Ltd

In July 2023, the Group acquired additional shares of N.S.I Engineering Services Ltd for Rs'000 77,500 with an effective date of July 01, 2023, thus holding 51%. N.S.I Engineering Services Ltd is a company which is engaged in mechanical and electrical engineering to air conditioning, renewable energy and home engineering solutions.

The share purchase agreement included an element of contingent consideration if the value of N.S.I Engineering Services Ltd at June 30, 2024 exceeded a certain amount. This was achieved and, therefore, the contingent consideration was Rs'000 79,845. The goodwill arising from the acquisition is attributable to the Company's expertise, know-how and workforce in the sector.

33. **BUSINESS COMBINATIONS (CONT'D)**

(a) **Acquisition of subsidiaries (Cont'd)**

The following table summarises the consideration paid for the acquisition of the N.S.I Engineering Services Ltd and the amounts of assets acquired and liabilities assumed recognised at acquisition date, as well as the fair value at the acquisition date of the non-controlling interest.

	2024
	Rs'000
Consideration	
Transfer from FVOCI (note 11)	**50,000**
Cash	**77,500**
Contingent consideration	**79,845**
Total consideration	**207,345**
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	**5,205**
Right-of-use assets	**12,554**
Intangible asset - computer software	**799**
Deferred tax asset	**206**
Inventory	**74,146**
Trade and other receivables	**116,805**
Cash and cash equivalents	**23,010**
Retirement Benefit Obligations	**(5,095)**
Lease liabilities	**(11,438)**
Trade and other payables	**(147,202)**
Current Tax liabilities	**(553)**
Total identifiable net assets	**68,437**
Non-controlling interest	**33,534**
Goodwill	**172,442**
Net cash outflow on acquisition of subsidiary	
Consideration paid in cash	**77,500**
Cash flow acquired	**(23,010)**
Net Cash flow	**54,490**

34. RELATED PARTY TRANSACTIONS

THE GROUP	Minority Shareholders		Associated companies		Companies with common management	
	2024	2023	**2024**	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's	**Rs000's**	Rs000's
Purchase of goods and services	**19,549**	17,117	**94,147**	70,741	**311**	1,237
Sale of goods and services	**-**	-	**869**	472	**18,937**	2,695
Loan payable	**13,711**	16,000	**-**	-	**631**	29,500
Loan receivable	**-**	-	**-**	-	**500**	500
Amount receivable	**-**	-	**284**	225	**11,079**	764
Amount payable	**4,594**	1,683	**13,467**	11,122	**128**	98

THE COMPANY	Subsidiaries		Associated companies	
	2024	2023	**2024**	2023
	Rs000's	Rs000's	**Rs000's**	Rs000's
Purchase of goods and services	**114,549**	100,211	**2,038**	2,069
Sale services	**275,886**	219,699	**-**	-
Interest received	**8,291**	6,219	**-**	-
Amount receivable	**38,367**	90,226	**-**	-
Amount payable	**7,131**	9,019	**-**	-
Loans receivable	**250,144**	290,279	**-**	-

Terms and conditions of transactions with related parties

Outstanding balances at the year-end, other than loans which are unsecured, are interest free and settlement occurs in cash. Loans receivable and payable are on normal commercial terms and in the normal course of business. There has been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2024, the Company did not record any impairment of receivables relating to amounts owed by related parties (2023: Rs.Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(a) Key management personnel compensation

The key management personnel compensation for the Group and the Company is disclosed in note 29.

35. CONTINGENCIES & COMMITMENTS

(i) **Bank Guarantees**

At June 30, 2024, the Group had bank guarantees arising in the ordinary course of business, amounting to Rs. 51.8m (2023: Rs.122.8m), from which it is anticipated that no material liabilities would arise.

(ii) **Commitment**

The Group has capital expenditure authorised for but not recognised in the financial statements as follows:

	THE GROUP	
	2024	2023
	Rs000's	Rs000's
Authorised but not contracted for	**842,563**	91,640
Authorised and contracted for	**191,134**	173,124
	1,033,697	264,764

(iii) At June 30, 2024, a subsidiary company had contingent liabilities in respect of a fine of Rs. 30m from the Competition Commission of Mauritius in respect of resale price maintenance of ' Chantecler' branded chicken. The Company has appealed against the decision and management is not anticipating any material liabilities from this case. It also has a Court Case against it for an amount of Rs12m for which management does not anticipate any liabilities.

36. HOLDING AND ULTIMATE HOLDING ENTITIES

The Company is controlled by Société des Aléas which owns 55% of the Company's shares. The ultimate holding entity is Société Beauvoir Holdings, a société civile.

Both the holding and the ultimate holding entities are incorporated in Mauritius and have their registered address at Gentilly, Moka.

37. SUBSEQUENT EVENTS

Following the promulgation of the Finance (Miscellaneous Provisions) Act 2024 in July 2024, Companies are required to pay a Corporate Climate Responsibility levy of 2% of their chargeable income as from year of assessment commencing on 1 July 2024. This is considered a non-adjusting event.

The impact on the Group is as follows:

	Rs'000
Increase in tax liability	30,115
Increase in deferred tax liability	110,532